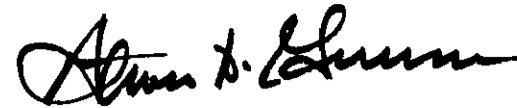


# Tab 7



CLERK OF THE COURT

1 **MC MPL**

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23 Attorneys for Defendants Margaret Cotter,

24 Ellen Cotter, Douglas McEachern, Guy Adams, and Edward Kane

25 **EIGHTH JUDICIAL DISTRICT COURT**

26 **CLARK COUNTY, NEVADA**

27 JAMES J. COTTER, JR. individually and  
28 derivatively on behalf of Reading  
International, Inc.,

Plaintiffs,

v.

MARGARET COTTER, ELLEN COTTER,  
GUY ADAMS, EDWARD KANE, DOUGLAS  
McEACHERN, TIMOTHY STOREY,  
WILLIAM GOULD, and DOES 1 through 100,  
inclusive;

Defendants.

AND

Case No.: A-15-719860-B  
Dept. No.: XI

Case No.: P-14-082942-E  
Dept. No.: XI

Related and Coordinated Cases

**BUSINESS COURT**

**MOTION TO COMPEL PRODUCTION  
OF DOCUMENTS SOUGHT BY  
DEFENDANTS MARGARET COTTER,  
ELLEN COTTER, GUY ADAMS,  
EDWARD KANE, AND DOUGLAS  
McEACHERN'S SECOND SET OF  
REQUESTS FOR PRODUCTION ON  
ORDER SHORTENING TIME**

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READING INTERNATIONAL, INC., a Nevada  
corporation,

Nominal Defendant.

1     **DEFENDANT ELLEN COTTER, MARGARET COTTER, GUY ADAMS, DOUGLAS**  
2     **MCEACHERN, AND EDWARD KANE'S MOTION TO COMPEL PLAINTIFF JAMES**  
3     **COTTER, JR. TO PRODUCE DOCUMENTS IN RESPONSE TO THE SECOND SET OF**  
4     **REQUESTS FOR PRODUCTION ON ORDER SHORTENING TIME**

5     **TO: ALL PARTIES, COUNSEL, AND THE COURT:**

6     COMES NOW, Defendants Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and  
7     Douglas McEachern (collectively, "Moving Defendants"), by and through their counsel of record,  
8     Cohen|Johnson|Parker|Edwards and Quinn Emanuel Urquhart & Sullivan, LLP, hereby submit this  
9     Motion to Compel Production of Documents Sought by Defendants Margaret Cotter, Ellen Cotter,  
10    Guy Adams, Edward Kane, and Douglas McEachern's Second Set of Requests for Production.  
11    The Moving Defendants request that this matter be heard on an order shortening time.

12    Moving Defendants request that the Court order Plaintiff (1) to respond to their Requests  
13    for Production Nos. 22, 23, 24, 57, 65, 68, 72, and 73; (2) to amend his objections and responses  
14    to Moving Defendants' Second Set of Requests for Production; (3) to provide a full and complete  
15    document production by March 18; and (4) to produce a privilege log by March 25.

16    This Motion is based upon the following Memorandum of Points and Authorities, the  
17    Declaration of Noah S. Helpert, the pleadings and papers on file, and any oral argument that the  
18    time of a hearing on this motion.

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28    ///

1 Dated: February 25, 2016

2 **COHEN|JOHNSON|PARKER|EDWARDS**

3  
4 By: /s/ H. Stan Johnson 

5 H. STAN JOHNSON, ESQ.

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26 *Attorneys for Defendants*

27 *Margaret Cotter, Ellen Cotter,*

28 *Douglas McEachern, Guy Adams,*

*and Edward Kane*

**ORDER SHORTENING TIME**

It appearing to the satisfaction of the Court and good cause appearing therefor, IT IS  
HEREBY ORDERED that the hearing on Defendants Margaret Cotter, Ellen Cotter, Guy Adams,  
Edward Kane, and Douglas McEachern's (collectively, "Moving Defendants") Motion to Compel  
Plaintiff James J. Cotter, Jr. to Produce Documents in Response to the Second Set of Requests for  
Production shall be heard before the above-entitled Court in Department XI, on the \_\_\_\_\_  
10<sup>th</sup> day of Nov, 2016 at 8:30 a.m./p.m., or as soon  
thereafter as counsel can be heard.

Dated this 2<sup>nd</sup> day of February/March, 2016.

  
DISTRICT COURT JUDGE

**PREPARED AND SUBMITTED BY:**

**COHEN|JOHNSON|PARKER|EDWARDS**

By: /s/ H. Stan Johnson 

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1                    **DECLARATION OF COUNSEL NOAH HELPERN IN SUPPORT OF MOTION TO**  
2                    **COMPEL PRODUCTION OF DOCUMENTS**

3                    I, Noah Helpern, state and declare as follows:

4                    1.           I am an a member of the bar of the State of California, and am an attorney with  
5                    Quinn Emanuel Urquhart & Sullivan, LLP (“Quinn Emanuel”), attorneys for Defendants Margaret  
6                    Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern (“Moving Defendants”).  
7                    I make this declaration based upon personal, firsthand knowledge, except where stated to be on  
8                    information and belief, and as to that information, I believe it to be true. If called upon to testify  
9                    as to the contents of this Declaration, I am legally competent to testify to its contents in a court of  
10                   law.

11                                    **Meet and Confer Efforts/EDCR 2.34 Conference**

12                    2.           The Moving Defendants served their Second Set of Requests for Production,  
13                    attached as **Exhibit 1**, on Plaintiff James J. Cotter, Jr. on or about November 13, 2015.

14                    3.           Plaintiff served his Objections and Responses to the Moving Defendants’ Second  
15                    Set of Requests for Production, attached as **Exhibit 2**, on December 16, 2015. In his written  
16                    responses, Plaintiff raised numerous objections and refused to produce documents responsive to  
17                    certain of the Moving Defendants’ Requests.

18                    4.           On January 8 and January 11, 2016, I had two telephonic meet-and-confer calls  
19                    with Plaintiff’s counsel, seeking to meet and confer on Plaintiff’s objections. I memorialized these  
20                    calls in a letter dated January 20, 2016, attached as **Exhibit 3**. Plaintiff’s counsel responded with  
21                    a letter to me on January 27, 2016, attached as **Exhibit 4**.

22                    5.           During these calls, Plaintiff’s counsel agreed to produce communications between  
23                    Plaintiff and the Intervening Plaintiffs and entities named in Request Nos. 22, 23, and 24. However,  
24                    on information and belief, as of the date this Motion to Compel is filed, Plaintiff has not produced  
25                    documents responsive to Request Nos. 22, 23, and 24 that post-date June 12, 2015, despite that  
26                    being part of the relevant time frame.

27                    6.           Plaintiff’s counsel agreed, in response to Request No. 57, to consider the Request  
28                    and discuss it with Plaintiff. During the telephonic meet and confer calls, I indicated to Plaintiff’s

1 counsel that Moving Defendants intended to move to compel a full response to Request No. 57 if  
2 Plaintiff did not agree to provide them. Plaintiff has not provided a response to Request No. 57.  
3 The subject matter of this Request—Plaintiff’s anger management issues with women in Reading’s  
4 office, including Deborah Watson—was known to the Board of Directors prior to Plaintiff’s  
5 termination and was the subject of Board discussion. *See, e.g., Exhibit 5* attached hereto (and  
6 filed under seal) at p. 2 (referencing “Debbie”).

7           7. During the telephonic meet-and-confer calls on January 8 and 10, 2016, which I  
8 confirmed in writing to Plaintiff’s counsel on January 20, Plaintiff’s counsel declined to provide a  
9 response to Request No. 65, and indicated it was objectionable because it did not seek relevant  
10 documents. I indicated to Plaintiff’s counsel that Moving Defendants intended to move to compel  
11 a full response to this Request if Plaintiff made no Response, and to date he has made no Response.

12           8. In the meet-and-confer phone calls, Plaintiff’s counsel did not agree to produce  
13 documents responsive to Request No. 68, although Plaintiff’s First Amended Complaint itself  
14 alleges that Plaintiff’s relationship with his sisters is tied to his tenure as RDI CEO. I indicated to  
15 Plaintiff’s counsel that Moving Defendants intended to move to compel a full response to Request  
16 No. 68.

17           9. In the telephonic meet-and-confer calls, Plaintiff’s counsel declined to provide a  
18 response to Requests Nos. 72 and 73 due to their timeframe. I indicated to Plaintiff’s counsel that  
19 Moving Defendants understand that, due to that timeframe, many responsive documents may no  
20 longer exist or may not be in Plaintiff’s possession, custody, or control. However, whatever  
21 responsive documents still exist must be produced. I also indicated to Plaintiff’s counsel that the  
22 Moving Defendants intended to move to compel a complete response to Requests No. 72 and 73  
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1 if Plaintiff did not respond to the extent he is in possession of responsive documents and  
2 communications.

3 10. Plaintiff has not served any amended objections and responses to the Moving  
4 Defendants' requests. (Moving Defendants have served such amended objections and responses).

5 11. I believe that the foregoing efforts, made in good faith to resolve this matter without  
6 court intervention, satisfy the parties obligations to meet and confer under Eighth District Rule of  
7 Practice 2.34.

#### 8 Reason for Order Shortening Time

9 12. The accompanying Motion is brought because Plaintiff has failed to produce  
10 relevant documents in response to Moving Defendants' Second Set of Requests for Production.  
11 The Second Set of Requests for Production was served over three months ago. The fact discovery  
12 cutoff in this case is barely two months away. Moving Defendants cannot wait any longer for  
13 Plaintiff to agree to produce relevant, responsive documents, as such documents may relate to  
14 critical, disputed issues in this case and Moving Defendants need to be afforded an opportunity to  
15 evaluate Plaintiff's documents and conduct any required follow-on discovery or motion practice.

16 13. Moving Defendants respectfully submit that this Motion should be heard on an  
17 Order Shortening Time because, with depositions proceeding and barely two months left in fact  
18 discovery, Moving Defendants need the opportunity to understand and evaluate what critical and  
19 relevant documents Plaintiff possesses. Plaintiff's failure to agree to produce documents threatens  
20 to impair Moving Defendants' investigation of the facts relevant to Plaintiff's allegations and  
21 claims in this case and Moving Defendants' ability to conduct full and complete discovery.

22 14. This declaration is made in good faith and not for the purpose of delay.

23 I declare under penalty of perjury under the laws of the State of Nevada that the foregoing  
24 is true and correct.

25 Executed on February 25, 2016, in Los Angeles, California.

26 /s/ Noah Helpern  
27 Noah Helpern  
28

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. INTRODUCTION

3 Plaintiff James J. Cotter, Jr. ("Plaintiff") filed a complaint alleging that, by terminating him  
4 as CEO and by certain conduct after his termination, the members of the Board of Directors of  
5 Reading International, Inc. ("Reading" or "RDI") acted so egregiously that they violated their  
6 fiduciary duties to shareholders. Yet Plaintiff has refused to produce numerous documents directly  
7 related to such purported breaches, as well as documents relating to his own termination from the  
8 company.

9 Plaintiff has refused to produce:

- 10 • Communications with certain RDI shareholders since the date of his termination;  
11 • Documents relating to his performance as CEO of Reading;  
12 • Documents relating to his qualifications to be CEO of Reading;  
13 • Documents relating to his treatment of persons working in Reading's office, which  
14 he acknowledges was the subject of Board discussion and action;  
15 • Documents relating to Plaintiff's satisfaction of his own fiduciary duties to  
16 Reading's shareholders, including the duty of disclosure.

17 Each of these categories of documents directly relates to the allegations that *Plaintiff himself has*  
18 *made* in the First Amended Complaint. There is no excuse to not produce them.

19 In addition, Plaintiff should be required to amend his objections and responses to reflect  
20 what he is actually producing, rather than simply relying on informal letters and verbal agreements.  
21 (Unlike Plaintiff, Moving Defendants have provided such amended responses.) Plaintiff should  
22 also be required to produce all documents responsive to Moving Defendants' Second Set of  
23 Requests for Production—served in November—by March 18, 2016, and provide a privilege log  
24 within one week thereafter (by March 25) reflecting all documents withheld on the basis of  
25 privilege.

26 Moving Defendants ask that this Motion be heard on shortened time.  
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1     **II.     FACTUAL BACKGROUND**

2             **A.     Plaintiff's Termination and Filing of this Action**

3             After failing to properly manage and lead RDI, Plaintiff was terminated from his position  
4 as President and CEO of Reading on June 12, 2015, and filed a purported shareholder derivative  
5 action that same day. On August 6, 2015, certain other shareholders of Reading (the "T2  
6 Plaintiffs") filed a motion to intervene in this action, which was later granted. Plaintiff filed his  
7 First Amended Complaint (the "Complaint") on October 22, 2015, which added additional  
8 purported breaches of Moving Defendants' fiduciary duties post-dating the original complaint.

9             **B.     Plaintiff's Refusal to Respond Fully to Certain Requests for Production**

10            Seeking discovery in connection with Plaintiff's purported derivative claims, Moving  
11 Defendants served their Second Set of Requests for Production on Plaintiff on November 13,  
12 2015.<sup>1</sup> In their requests, Moving Defendants sought documents concerning Plaintiff's  
13 communications with the T2 Plaintiffs and other key shareholders of Reading:

- 14            • **REQUEST NO. 22:** All COMMUNICATIONS between YOU and the T2  
15            PLAINTIFFS since January 1, 2014.
- 16            • **REQUEST NO. 23:** All COMMUNICATIONS between YOU and  
17            Andrew Shapiro since January 1, 2014.
- 18            • **REQUEST NO. 24:** All COMMUNICATIONS between YOU and Mark  
19            Cuban and/or his attorneys since January 1, 2014.<sup>2</sup>

20            Moving Defendants also sought documents concerning Plaintiff's performance as  
21 President and CEO of Reading, including communication with Deborah Watson, who worked at  
22 the RDI offices:

- 23            • **REQUEST NO. 57:** All COMMUNICATIONS between YOU and  
24            Deborah Watson since January 1, 2014.
- 25            • **REQUEST NO. 65:** All COMMUNICATIONS between YOU and James  
26            Cotter, Sr. RELATING TO his diagnosis with prostate cancer, including but

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27            <sup>1</sup> Declaration of Noah S. Helpert, Esq. in Support of Motion to Compel Production of  
28 Documents ("Helpert Decl."), ¶ 2 & Ex. 1.

<sup>2</sup> *Id.*, Ex. 1 at 6.

1 not limited to any COMMUNICATIONS regarding whether to inform the  
2 BOARD OF DIRECTORS or any individual DIRECTOR of his diagnosis.

- 3 • **REQUEST NO. 68:** All COMMUNICATIONS between YOU and Mary  
4 Cotter since January 1, 2014 RELATING TO Margaret Cotter or Ellen  
5 Cotter, including but not limited to your personal or professional  
6 relationships with them and your ability to work together.
- 7 • **REQUEST NO. 72:** All DOCUMENTS and COMMUNICATIONS  
8 RELATING TO YOUR involvement in READING's executive  
9 management meetings and knowledge of significant internal senior  
10 management memos since 2005.
- 11 • **REQUEST NO. 73:** All DOCUMENTS and COMMUNICATIONS  
12 RELATING TO YOUR appointment in 2007 as Vice Chairman of  
13 READING's BOARD OF DIRECTORS and any of YOUR duties or  
14 actions in that position.<sup>3</sup>

15 Plaintiff JJC served his Objections and Responses to Moving Defendants' Second Set of  
16 Requests for Production on December 16, 2015.<sup>4</sup> In his responses, Plaintiff JJC refused to produce  
17 documents in response to Request Nos. 22-24, 57, 65, 68, and 72-73.<sup>5</sup>

#### 18 **B. Moving Defendants Meet And Confer with Plaintiff JJC**

19 Moving Defendants attempted to resolve their disputes with Plaintiff through the meet-  
20 and-confer process, with two telephone calls on January 8 and January 11, 2016.<sup>6</sup> While Plaintiff  
21 and Moving Defendants were able to come to agreement with respect to many of the disputed  
22 Requests for Production, Plaintiff has continued to object to producing documents in response to  
23 the Requests listed above.

24 Plaintiff's refusal to produce documents responsive to those Requests has been further  
25 confirmed in subsequent correspondence. On January 20, 2016, Moving Defendants' counsel  
26 wrote to Plaintiff's counsel to confirm the agreements that had been reached during the telephonic  
27 meet-and-confer calls.<sup>7</sup> Regarding Request Nos. 22-24, which request communications between  
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<sup>3</sup> *Id.*, Ex. 1 at 11, 13-14.

<sup>4</sup> *Id.*, ¶ 3 & Ex. 2.

<sup>5</sup> *Id.*, Ex. 2 at 3-4, 18, 21-22, 24-25.

<sup>6</sup> *Id.*, ¶ 4.

<sup>7</sup> *Id.*, ¶ 4 & Ex. 3.

1 Plaintiff and the T2 Plaintiffs and other interested shareholders, Moving Defendants noted in their  
2 letter that Plaintiff JJC had agreed to produce such communications.<sup>8</sup> However, Plaintiff  
3 responded by letter on January 27, 2016, and refused to produce any documents dated after June  
4 12, 2015.<sup>9</sup> Moving Defendants never agreed to such date limitation.<sup>10</sup>

5 With respect to the Requests relating to Plaintiff's performance as President and CEO of  
6 Reading (Request Nos. 57, 65, 68, 72, and 73), Plaintiff argues that these Requests do not seek  
7 relevant documents.<sup>11</sup> During the meet-and-confer calls, Plaintiff's counsel specifically declined  
8 to respond to Request Nos. 65, 72, and 73, but stated that Plaintiff would consider whether to  
9 respond to Request Nos. 57 and 68.<sup>12</sup> The January 27 letter from Plaintiff's counsel ultimately  
10 confirmed that Plaintiff would not respond to Request Nos. 57 or 65, and completely failed to  
11 address Request Nos. 68, 72, and 73.<sup>13</sup> As such, Moving Defendants seek responsive documents  
12 by way of this Motion.

### 13 **III. ARGUMENT**

14 When a party fails to respond to a request for production of documents submitted under  
15 N.R.C.P. 34, the court is authorized by N.R.C.P. 37(a) to issue an order compelling discovery. *Fire*  
16 *Ins. Exchange v. Zenith Radio Corp.*, 103 Nev. 648, 650 (1987). Indeed, "the party resisting  
17 production bears the burden of establishing lack of relevancy or undue burden." *St. Paul*  
18 *Reinsurance Co., Ltd. v. Commercial Fin. Corp.*, 198 F.R.D. 508, 511 (N.D. Iowa 2000). "A party  
19 is allowed to discover any information that is 'reasonably calculated to lead to the discovery of  
20 admissible evidence.'" *Harrison v. Falcon Prods., Inc.*, 103 Nev. 558, 560 (1987) (quoting Nev.  
21 R. Civ. P. 26(b)(1)). The relevancy requirement "has been construed broadly to encompass any  
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23 <sup>8</sup> *Id.*, Ex. 3 at 1.

24 <sup>9</sup> *Id.*, ¶ 4 & Ex. 4 at 1.

25 <sup>10</sup> *Id.*, ¶ 5.

26 <sup>11</sup> *Id.*, Ex. 2 at 18, 21-22, 24-25.

27 <sup>12</sup> *Id.*, ¶¶ 6-9 & Ex. 3 at 2.

28 <sup>13</sup> *Id.*, Ex. 4 at 2-3.

1 matter that bears on, or that reasonably could lead to other matter that could bear on, any issue that  
2 is or may be in the case.” *Oppenheimer Fund, Inc. v. Sanders*, 437 U.S. 340, 351 (1978).

3 Each of the contested Requests for Production is proper and Plaintiff should be required to  
4 respond.

5 **A. Request Nos. 22, 23, and 24 Call for Documents After June 12, 2015 Because**  
6 **Plaintiff’s Complaint Relates to Conduct Post-Dating His Termination**

7 Request Nos. 22, 23, and 24 seek the following documents:

- 8 • **REQUEST NO. 22:** All COMMUNICATIONS between YOU and the T2  
9 PLAINTIFFS since January 1, 2014.
- 10 • **REQUEST NO. 23:** All COMMUNICATIONS between YOU and  
11 Andrew Shapiro since January 1, 2014.
- 12 • **REQUEST NO. 24:** All COMMUNICATIONS between YOU and Mark  
13 Cuban and/or his attorneys since January 1, 2014.

14 Plaintiff does not dispute that his communications with the T2 Plaintiffs, Andrew Shapiro,  
15 and Mark Cuban are relevant to this action. Indeed, he has agreed to produce documents  
16 responsive to these Requests, but seeks to impose an artificial cutoff date of June 12, 2015, after  
17 which he will not produce any documents. Given that Plaintiff’s Complaint contains numerous  
18 allegations that post-date his June 12 termination, this cutoff makes no sense.

19 For example, the Complaint contains allegations about an exercise of stock options on  
20 September 17, 2015,<sup>14</sup> attempts to nominate new candidates for Reading’s Board of Directors on  
21 August 3, 2015<sup>15</sup> and October 5, 2015,<sup>16</sup> and purported misrepresentations made in Reading’s  
22 Proxy Statement on October 20, 2015.<sup>17</sup> Requests calling for communications between Plaintiff  
23 and the T2 Plaintiffs or other shareholders regarding these events are reasonably calculated to lead  
24 to the discovery admissible evidence. Moreover, even if the Complaint did not discuss events after

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25 <sup>14</sup> First Amended Complaint (“FAC”), ¶ 10.

26 <sup>15</sup> *Id.*, ¶ 11.

27 <sup>16</sup> *Id.*, ¶¶ 12-14.

28 <sup>17</sup> *Id.* at ¶¶ 16, 161.

1 June 12, 2015—which it plainly does—courts recognize that “[d]ocuments which bear a date after  
2 the filing of a complaint may relate to events occurring prior to the filing of the complaint,” and  
3 such documents are properly discoverable. *United States v. City of Torrance*, 164 F.R.D. 493, 495  
4 (C.D. Cal. 1995); *see Midland Inv. Co. v. Van Alstyne, Noel & Co.*, 59 F.R.D. 134, 138 (S.D.N.Y.  
5 1973) (“Merely because the document is dated after the last act complained of . . . does not make  
6 it immune from discovery if it relates to relevant discoverable information.”). Plaintiff should  
7 produce all his communications with these key shareholders.

8 **B. Request No. 57 Seeks Documents That Evidence Plaintiff’s Anger Problem**  
9 **and Are Therefore Relevant to His Performance as Reading’s President and**  
10 **CEO**

11 Request No. 57 seeks the following documents:

- 12 • **REQUEST NO. 57:** All COMMUNICATIONS between YOU and  
13 Deborah Watson since January 1, 2014.<sup>18</sup>

14 Deborah Watson was a Cotter family employee who worked out of the RDI offices and  
15 with whom Plaintiff had a number of verbal altercations either observed by or reported to RDI  
16 officers and directors. Ms. Watson was hired in January 2014 to work as a CPA on James Cotter,  
17 Sr.’s personal finances, and her desk was mere feet from Plaintiff’s office. Over the course of her  
18 time at Reading, Ms. Watson witnessed Plaintiff scream at several people in the Reading office,  
19 including herself. She considered seeking a restraining order against Plaintiff, and even began  
20 carrying mace to the Reading offices because she was so fearful of him. Plaintiff’s conduct  
21 towards women in Reading’s office—including Ms. Watson—was an issue known to Reading’s  
22 Board of Directors prior to his termination.<sup>19</sup>

23 Plaintiff argues that his communications with Deborah Watson are not relevant because  
24 she was technically not an employee of Reading.<sup>20</sup> This objection does not relieve Plaintiff of the  
25

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26 <sup>18</sup> Helpern Decl., Ex. 1 at 11.

27 <sup>19</sup> *Id.*, Ex. 5 at 2 (filed under seal).

28 <sup>20</sup> *Id.*, Ex. 4 at 2.

1 duty to produce relevant documents. That Plaintiff made someone working in Reading's office so  
2 fearful that she began carrying mace is directly relevant to his performance and abilities as CEO.

3 Plaintiff complains that his termination was baseless. His interactions with Ms. Watson,  
4 however, provide one of the bases for his termination. Plaintiff cannot make this issue go away  
5 by refusing to produce documents.

6 **C. Request No. 65 Seeks Documents That Evidence Plaintiff's Failure to Fulfill**  
7 **His Fiduciary Duties to Reading and are Therefore Relevant to His**  
8 **Performance as President, CEO, and Director of Reading**

9 Request No. 65 seeks the following documents:

- 10 • **REQUEST NO. 65:** All COMMUNICATIONS between YOU and James  
11 Cotter, Sr. RELATING TO his diagnosis with prostate cancer, including but  
12 not limited to any COMMUNICATIONS regarding whether to inform the  
BOARD OF DIRECTORS or any individual DIRECTOR of his  
diagnosis.<sup>21</sup>

13 With respect to this Request, Plaintiff JJC asserts that "the subject matter raised is not  
14 raised in the litigation, nor unique to Plaintiff."<sup>22</sup> This subject matter is absolutely raised in the  
15 litigation; Plaintiff's performance as an officer, director, and fiduciary of Reading is one of the  
16 primary issues in this case. Plaintiff had (and still has) a fiduciary duty requiring full disclosure  
17 to Reading. *See Leavitt v. Leisure Sports Incorporation*, 103 Nev. 81, 86 (1987) ("A corporate  
18 office or director stands as a fiduciary to the corporation. This fiduciary relationship requires a  
19 duty of good faith, honesty and full disclosure."). If Plaintiff knew that James Cotter, Sr. had  
20 been diagnosed with cancer, which could materially affect Mr. Cotter, Sr.'s ability to run the  
21 company, any failure to inform Reading's Board of Directors—which defendants believe took  
22 place—was a breach of Plaintiff's fiduciary duty of full disclosure to the company and provides  
23 further basis for his termination, as well as removal from Reading's Board.

24 Plaintiff has put his performance as CEO, as well as certain defendants' stated desire to  
25 remove Plaintiff from Reading's Board, at issue in this case. Accordingly, documents relating to  
26

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27 <sup>21</sup> *Id.*, Ex. 1 at 13.

28 <sup>22</sup> *Id.*, Ex. 4 at 2.

1 Plaintiff's own breaches of fiduciary duty relate to "any issue that is or may be in the case."  
2 *Oppenheimer*, 437 U.S. at 351. Such documents must be produced.

3 **D. Request No. 65 Seeks Documents That Evidence Whether Mary Cotter**  
4 **Purportedly "Chose Sides" Among the Cotter Siblings**

5 Request No. 68 seeks the following documents:

- 6 • **REQUEST NO. 68:** All COMMUNICATIONS between YOU and Mary  
7 Cotter since January 1, 2014 RELATING TO Margaret Cotter or Ellen  
8 Cotter, including but not limited to your personal or professional  
relationships with them and your ability to work together.<sup>23</sup>

9 During the meet-and-confer discussions, Plaintiff agreed to consider providing responsive  
10 documents to this Request, but then failed to explain in his January 27, 2016 letter why he would  
11 not provide such documents.<sup>24</sup> Yet Plaintiff has recently propounded Requests for Production on  
12 Moving Defendants *seeking these very communications from Moving Defendants' own records*.  
13 As Plaintiff implicitly acknowledges through his own Requests, such documents are relevant to  
14 Plaintiff's allegations that Mary Cotter, who is Ellen Cotter, Margaret Cotter, and Plaintiff's  
15 mother, "has chosen the side of [Ellen Cotter] and [Margaret Cotter] in the family disputes between  
16 [Ellen Cotter] and [Margaret Cotter], on one hand, and [Plaintiff] on the other hand."<sup>25</sup> Plaintiff  
17 alleges that Judy Coddington was nominated as a Director of RDI because she "maintains a long  
18 standing, close personal friendship with Mary Cotter" and is therefore expected to be loyal to Ellen  
19 and Margaret Cotter.<sup>26</sup>

20 Plaintiff's communications with Mary Cotter regarding Ellen and Margaret Cotter may  
21 show whether or not Mary Cotter has indeed "chosen sides" between the siblings or helped to  
22 select Ms. Coddington for Reading's Board with the expectation that she would be loyal to Ellen and  
23 Margaret Cotter. These communications may also evidence Plaintiff's performance as CEO and  
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25 <sup>23</sup> Helpert Decl., Ex. 1 at 13.

26 <sup>24</sup> *Id.*, Ex. 3 at 2 & Ex. 4.

27 <sup>25</sup> FAC, ¶ 149.

28 <sup>26</sup> *Id.*, ¶¶ 12, 149.

1 efforts to resolve his issues with his sisters, which Plaintiff acknowledges is a key issue in this  
2 case.

3 **E. Request Nos. 72 and 73 are Relevant to Plaintiff's Qualifications as President**  
4 **and CEO of Reading, and He Should Produce all Responsive Documents**  
5 **That Remain in His Possession.**

6 Request Nos. 72 and 73 seek the following documents:

- 7 • **REQUEST NO. 72:** All DOCUMENTS and COMMUNICATIONS  
8 RELATING TO YOUR involvement in READING's executive  
9 management meetings and knowledge of significant internal senior  
10 management memos since 2005.
- 11 • **REQUEST NO. 73:** All DOCUMENTS and COMMUNICATIONS  
12 RELATING TO YOUR appointment in 2007 as Vice Chairman of  
13 READING's BOARD OF DIRECTORS and any of YOUR duties or  
14 actions in that position.<sup>27</sup>

15 Plaintiff, in his Complaint, describes his purported experience as an officer and director of  
16 Reading and contends that he is, at least in part, qualified to be Reading's CEO based on this  
17 experience. Requests No. 72 and 73 seeks documents relating to such experience.

18 Plaintiff JJC has objected to the time frame of these Requests, claiming that they date too  
19 far back into the past.<sup>28</sup> That is not a valid objection, as Plaintiff has put his duties and experience  
20 from that time-frame at issue. The First Amended Complaint alleges that Plaintiff was "[i]nvolved  
21 in RDI management since mid-2005" and that he was "appointed Vice Chairman of the RDI board  
22 of directors in 2007."<sup>29</sup> These Requests simply seek documents that will be used to determine the  
23 nature and extent of Plaintiff's involvement with Reading before his appointment as President and  
24 CEO in 2014, and to evaluate his claim that his prior experience with Reading's business caused  
25 him to be uniquely qualified to run the company.

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26 <sup>27</sup> Helpern Decl., Ex. 1 at 14.

27 <sup>28</sup> *Id.*, Ex. 3 at 2.

28 <sup>29</sup> FAC, ¶ 17.

1 Moving Defendants do not suggest that Plaintiff will have myriad documents from this  
2 time frame in his possession, custody, or control. They may have properly been deleted or  
3 destroyed. However, to the extent such documents still exist, Plaintiff must produce them. These  
4 are the very documents that Plaintiff's Complaint suggests will purportedly show why he was and  
5 is qualified to be Reading's CEO.

6 **F. Plaintiff Should be Ordered to Amend His Objections and Responses,**  
7 **Provide a Definitive Date for Production of Documents, and Provide a**  
8 **Definitive Date for a Privilege Log.**

9 In addition to production of responsive documents, Moving Defendants request that the  
10 Court order Plaintiff to amend his objections and responses to reflect what he is producing and  
11 what he is not producing. Moving Defendants further request that the Court order Plaintiff to  
12 provide a definitive date for production of documents responsive to their Requests no later than  
13 March 18, 2016. Finally, Moving Defendants request that Plaintiff be ordered to produce a  
14 privilege log regarding all documents from this production withheld on the basis of privilege by  
15 March 25, 2016.

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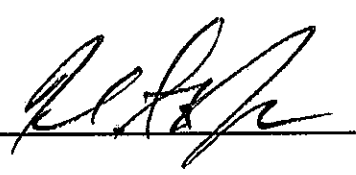
28 ///

1 **IV. CONCLUSION**

2 WHEREFORE, based on the foregoing, the Moving Defendants respectfully request the  
3 Court grant this Motion and enter an order directing Plaintiff (1) to respond to their Requests for  
4 Production Nos. 22, 23, 24, 57, 65, 68, 72, and 73; (2) to amend his objections and responses to  
5 Moving Defendants' Second Set of Requests for Production; (3) to produce all documents  
6 responsive to the Second Set of Requests for Production by March 18, 2016; and (4) to produce a  
7 privilege log for all withheld documents by March 25, 2016.

8 Dated: February 25, 2016.

9 **COHEN|JOHNSON|PARKER|EDWARDS**

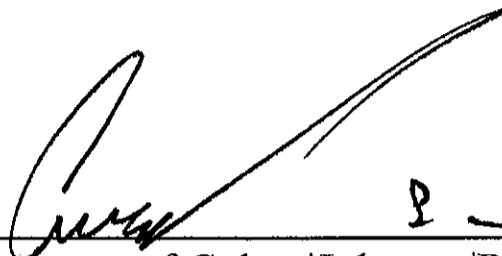
10  
11 By: /s/ H. Stan Johnson   
12 H. Stan Johnson, Esq.  
13 Nevada Bar No.: 0265  
255 E. Warm Springs Rd., Suite 100  
Las Vegas, Nevada 89119

14 Marshall M. Searcy  
15 QUINN EMANUEL  
16 URQUHART & SULLIVAN,  
LLP

17 *Attorneys for Defendants*  
18 *Margaret Cotter, Ellen Cotter,*  
19 *Douglas McEachern, Guy Adams,*  
*and Edward Kane*

**CERTIFICATE OF MAILING**

I hereby certify that on the 2nd day of March, 2016, I served a copy of the foregoing  
**MOTION TO COMPEL PRODUCTION OF DOCUMENTS SOUGHT BY DEFENDANTS  
MARGARET COTTER, ELLEN COTTER, GUY ADAMS, EDWARD KANE, AND  
DOUGLAS McEACHERN'S SECOND SET OF REQUESTS FOR PRODUCTION ON  
ORDER SHORTENING TIME** to be served on all parties in this action via the Court's E-Filing  
and E-Service System.

  
An employee of Cohen|Johnson|Parker|Edwards

# EXHIBIT 1

COHEN-JOHNSON, LLC  
255 E. Warm Springs Road, Suite 100  
Las Vegas, Nevada 89119  
(702) 823-3500 FAX: (702) 823-3400

**RFP**

**COHEN-JOHNSON, LLC**

H. STAN JOHNSON, ESQ.

Nevada Bar No. 00265

sjohnson@cohenjohnson.com

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Las Vegas, Nevada 89119

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**QUINN EMANUEL URQUHART & SULLIVAN, LLP**

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MARSHALL M. SEARCY, ESQ.

California Bar No. 169269

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865 S. Figueroa St., 10<sup>th</sup> Floor

Los Angeles, CA 90017

Telephone: (213) 443-3000

Attorneys for Defendants Margaret Cotter,

Ellen Cotter, Douglas McEachern, Guy

Adams, and Edward Kane

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

JAMES J. COTTER, JR., derivatively on behalf  
of Reading International, Inc.;

Plaintiff,

v.

MARGARET COTTER, ELLEN COTTER,  
GUY ADAMS, EDWARD KANE, DOUGLAS  
McEACHERN, TIMOTHY STOREY,  
WILLIAM GOULD, and DOES 1 through 100,  
inclusive;

Defendants.

Case No.: A-15-719860-B  
Dept. No.: XXVII

**BUSINESS COURT**

**MARGARET COTTER, ELLEN  
COTTER, GUY ADAMS, EDWARD  
KANE, AND DOUGLAS MCEACHERN'S  
SECOND SET OF REQUESTS FOR  
PRODUCTION TO JAMES J. COTTER,  
JR.**

MARGARET COTTER, ELLEN COTTER, GUY ADAMS, EDWARD KANE,  
AND DOUGLAS MCEACHERN'S FIRST SET OF REQUESTS FOR PRODUCTION  
TO JAMES J. COTTER, JR.

TO: JAMES J. COTTER, JR.

TO: MARK G. KRUM, LEWIS ROCA ROTHGERBER LLP, Attorneys for Plaintiff.

Defendants Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern, by and through their counsel of record, H. Stan Johnson, Esq. and Quinn Emanuel Urquhart & Sullivan, LLP, and requests that James J. Cotter, Jr., in accordance with Nev. R. Civ. P. 34 produce the documents specified below, within thirty (30) days of service, in accordance with the Instructions and Definitions set forth below.

DEFINITIONS

1. The term "BOARD OF DIRECTORS" shall refer to READING's Board of Directors.

2. The term "CALIFORNIA TRUST ACTION" refers to the action filed by Margaret Cotter and Ellen Cotter on February 5, 2015 in Los Angeles Superior Court, entitled *In re James J. Cotter Living Trust dated August 1, 2000*, Case No. BP159755.

3. "COMMUNICATION" or "COMMUNICATIONS" means and includes any disclosure, transfer or exchange of information between two or more persons, whether orally or in writing, including, without limitation,, any conversation or discussion by means of meeting, letter, telephone, note, memorandum, telegraph, telex, telecopier, electronic mail, or any other electronic or other medium, including, without limitation, in written, audio or video form.

4. The term "COMPLAINT" shall refer to Plaintiff James J. Cotter, Jr.'s First Amended Verified Complaint, filed in this action on or about October 22, 2015.

5. The term "DIRECTOR" or "DIRECTORS" shall refer to Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, Douglas McEachern, Timothy Storey, and William Gould, acting in their capacity as directors of READING.

6. "DOCUMENT" or "DOCUMENTS" means all materials within the full scope of Nev. R. Civ. P. 34, including but not limited to all writings and recordings, including the originals

1 and all non-identical copies, whether different from the original by reason of any notation made  
2 on such copies or otherwise, handwriting, typewriting, printing, image, photograph, photocopy,  
3 digital file of any kind, transmittal by (or as an attachment to) electronic mail (including instant  
4 messages and text messages) or facsimile, video and audio recordings, and every other means of  
5 recording upon any tangible thing, any form of COMMUNICATION or representation, and any  
6 record thereby created, regardless of the manner in which the record has been stored, and all non-  
7 identical copies of such DOCUMENTS, in the possession, custody, or control of YOU or any other  
8 PERSON acting on YOUR behalf.

9 7. The term "NEVADA PROBATE ACTION" refers to *In the Matter of the Estate of*  
10 *James J. Cotter, Sr.*, Case No. P-14-082942-E.

11 8. The term "READING" shall refer to Reading International, Inc.

12 9. "RELATES TO," "RELATING TO," or "RELATED TO" means to refer to,  
13 reflect, concern, pertain to or in any manner be connected with the matter discussed.

14 10. The term "T2 PLAINTIFFS" shall refer to T2 Partners Management, LP dba Kase  
15 Capital Management; T2 Accredited Fund, LP dba Kase Fund; T2 Qualified Fund, LP dba Kase  
16 Qualified Fund; Tilson Offshore Fund, LTD; T2 Partners Management I, LLC dba Kase  
17 Management; T2 Partners Management Group, LLC dba Kase Group; JMG Capital Management,  
18 LLC; Pacific Capital Management, LLC; and any present and former attorneys, investigators,  
19 agents, and any other individual acting for or on their behalf

20 11. The term "TRUST" refers to the James J. Cotter, Sr. Living Trust dated August 1,  
21 2000, as amended.

22 12. "YOU" or "YOUR" shall mean Plaintiff James J. Cotter, Jr., and any of YOUR  
23 present and former attorneys, investigators, agents, and any other individual acting for or on  
24 YOUR behalf.

25 ...

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27 ...

INSTRUCTIONS

1. YOU are required to produce every DOCUMENT requested that is in your possession, custody, or control.

2. In the event YOU object to any Request set forth below on the grounds that the Request is overbroad for any reason, YOU are requested to respond to the Request as narrowed in a way that renders it not overbroad in YOUR opinion, and state the extent to which YOU have narrowed that request for purposes of YOUR response.

3. These Requests shall be deemed to be continuing so as to require supplemental productions as YOU obtain additional DOCUMENTS between the time of the initial production hereunder and the time of trial in this action.

4. These Requests require the production of original tangible things in the same form and in the same order as they are kept in the usual course of business. The titles or other description on the boxes, file folders, bindings, or other container in which tangible things are kept are to be left intact.

5. DOCUMENTS should be produced in their complete and unaltered form. Attachments to DOCUMENTS should not be removed. The DOCUMENTS should not be cut-up, pasted over, redacted or altered in any way for any reason, including alleged irrelevance. If emails are produced that had attachments, the attachments shall be attached when produced.

6. The fact that a DOCUMENT is produced by another party to this action does not relieve YOU of the obligation to produce YOUR copy of the same DOCUMENT, even if the two DOCUMENTS are identical.

7. All DOCUMENTS are to be produced, organized, and labeled to correspond with the categories in this Request for the Production of Documents.

8. Notwithstanding the assertion of any objections, any purportedly privileged DOCUMENTS containing non-privileged matter must be disclosed, with the purportedly privileged portion redacted. A privilege log shall be produced with the DOCUMENT responsive to these requests listing the privilege which is being claimed and, if the privilege is governed by

1 state law, indicate the state's privilege rule being invoked; and provide the following information:  
2 (i) the type of DOCUMENT, *e.g.*, letter or memorandum; (ii) the general subject matter of the  
3 DOCUMENT; (iii) the date of the DOCUMENT; and (iv) the author of the DOCUMENT, the  
4 addressees of the DOCUMENT, and any other recipients, and, where not apparent, the relationship  
5 of the author, addressees, and recipients to each other.

6 9. In the event that any DOCUMENT called for by these Requests has been destroyed  
7 or discarded, that DOCUMENT is to be identified by stating:

- 8 (i) the date and type of the DOCUMENT, the author(s) and all recipients;  
9 (ii) the DOCUMENT'S date, subject matter, number of pages, and attachments  
10 or appendices;  
11 (iii) the date of destruction or discard, manner of destruction or discard, and  
12 reason for destruction or discard;  
13 (iv) the persons who were authorized to carry out such destruction or discard;  
14 (v) the persons who have knowledge of the content, origins, distribution and  
15 destruction of the DOCUMENT; and  
16 (vi) whether any copies of the DOCUMENT exist and, if so, the name of the  
17 custodian of each copy.

18 10. Whenever necessary to bring within the scope of these Requests any information  
19 that otherwise might be construed to be outside the scope, the present tense shall include the past  
20 tense and future tense, the past tense shall include the present tense and future tense, and the future  
21 tense shall include the past tense and present tense.

22 11. Electronically stored information shall be produced in the form in which it is stored,  
23 with all metadata intact.

24 ...

25 ...

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**REQUESTS TO PRODUCE**

**REQUEST FOR PRODUCTION NO. 22:**

All COMMUNICATIONS between YOU and the T2 PLAINTIFFS since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 23:**

All COMMUNICATIONS between YOU and Andrew Shapiro since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 24:**

All COMMUNICATIONS between YOU and Mark Cuban and/or his attorneys since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 25:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any money, benefits, titles, positions, and/or promotions sought or received by Ellen Cotter that YOU claim that she would not have received but for her status as a potential controlling shareholder.

**REQUEST FOR PRODUCTION NO. 26:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any money, benefits, titles, positions, and/or promotions sought or received by Margaret that YOU claim that she would not have received but for her status as a potential controlling shareholder.

**REQUEST FOR PRODUCTION NO. 27:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any action by any of READING's DIRECTORS, including YOU, to protect or preserve their own personal interests (as opposed to READING's), or the personal interests of any of the other DIRECTORS (including YOU and James Cotter, Sr.), and any action taken by YOU or any READING DIRECTOR to prevent any DIRECTOR from furthering his or her own interests.

**REQUEST FOR PRODUCTION NO. 28:**

All DOCUMENTS and COMMUNICATIONS RELATING TO compensation increases for the BOARD OF DIRECTORS or any individual DIRECTOR, including but not limited to cash, stock options, and any "bonus" or other payment, and including DOCUMENTS RELATING TO any reasons for seeking such compensation.

**REQUEST FOR PRODUCTION NO. 29:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any DIRECTOR withholding or manipulating any meeting minutes or agendas of the BOARD OF DIRECTORS, including creating or approving any fictional meeting minutes.

**REQUEST FOR PRODUCTION NO. 30:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misuse of the corporate machinery or dismantling of the corporate governance structures of READING by any of the DIRECTORS.

**REQUEST FOR PRODUCTION NO. 31:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any personal or quasi-familial relationship between Edward Kane and Ellen Cotter, Margaret Cotter, or YOU.

**REQUEST FOR PRODUCTION NO. 32:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that Edward Kane was made a director of READING because he was a friend of James Cotter, Sr., including but not limited to any DOCUMENTS regarding Kane's selection and skills or expertise, or lack thereof.

**REQUEST FOR PRODUCTION NO. 33:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any threats or "*ad hominem*" attacks by Edward Kane against YOU or any of READING's DIRECTORS, including but not limited to any statements about Corleone ("Godfather") style family justice, as alleged in YOUR COMPLAINT.

**REQUEST FOR PRODUCTION NO. 34:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any financial ties or dependency between Guy Adams any member of the Cotter family, or any businesses owned in whole or in part, or managed or run by, any member of the Cotter family, including but not limited to Shadow View.

...

**REQUEST FOR PRODUCTION NO. 35:**

All DOCUMENTS from Adams' divorce proceeding that YOU allege in YOUR COMPLAINT show "that amounts paid to him by Cotter entities over which [Ellen Cotter] and [Margaret Cotter] exercise control or claim to exercise control amounted to over half (50%) of Adam's (claimed approximate \$90,000) income in 2013, at a minimum, and possible amounted to over eighty percent (80%) of that income" or show that he "failed to disclose that he owned RDI options in his divorce proceedings."

**REQUEST FOR PRODUCTION NO. 36:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the exercise of "one or more options to acquire 50,000 shares of RDI class B voting stock" by Ellen Cotter, the exercise of one or more "options to acquire a total of 35,100 shares of RDI class B voting stock" by Margaret Cotter, or the exercise of "an option held by [James Cotter, Sr.'s] Estate to acquire an additional 100,000 shares of RDI class B voting stock," as alleged in YOUR COMPLAINT.

**REQUEST FOR PRODUCTION NO. 37:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that in connection with the exercise of an option held by James Cotter, Sr.'s Estate to acquire 100,000 shares of READING Class B voting stock, Edward Kane and Guy Adams did not require Ellen Cotter and Margaret Cotter "as executors of the Estate to produce documentation establishing the Estate's entitlement to exercise such option, which such documentation may not exist."

**REQUEST FOR PRODUCTION NO. 38:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any demand by YOU or any other DIRECTOR that James Cotter, Sr.'s Estate's executors produce documentation establishing the Estate's entitlement to exercise an option to acquire 100,000 shares of READING Class B voting stock.

...

...

**REQUEST FOR PRODUCTION NO. 39:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any meeting of READING's Compensation Committee regarding James Cotter, Sr.'s estate's option to acquire 100,000 shares of Class B voting stock, including but not limited to the allegation in YOUR COMPLAINT that Timothy Storey was unable to attend such meeting because it was called with too little notice.

**REQUEST FOR PRODUCTION NO. 40:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any Schedule 13D filed by Ellen Cotter, Margaret Cotter, or the TRUST since January 1, 2015, including but not limited to any COMMUNICATIONS between YOU and any third parties regarding any such Schedule 13D.

**REQUEST FOR PRODUCTION NO. 41:**

All DOCUMENTS and COMMUNICATIONS RELATING TO counting the votes of the READING Class B voting stock held by the TRUST at READING's 2015 Annual Shareholders Meeting.

**REQUEST FOR PRODUCTION NO. 42:**

All COMMUNICATIONS with First Coast Results, Inc. RELATING TO READING's 2015 Annual Shareholders Meeting.

**REQUEST FOR PRODUCTION NO. 43:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any personal expenses charged to READING, or attempted to be charged to READING, by any member of READING's BOARD OF DIRECTORS.

**REQUEST FOR PRODUCTION NO. 44:**

All DOCUMENTS and COMMUNICATIONS between YOU and any DIRECTOR, shareholder, or third party regarding the Orpheum Theatre lease, the Stomp production or producers, and Margaret Cotter's management of the Orpheum Theatre.

...

**REQUEST FOR PRODUCTION NO. 45:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the addition or election of any candidate to READING's BOARD OF DIRECTORS, including but not limited to all COMMUNICATIONS between YOU and any potential or proposed candidate for the BOARD OF DIRECTORS and all DOCUMENTS RELATING TO any candidate's qualifications, experience, or lack thereof.

**REQUEST FOR PRODUCTION NO. 46:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that Ellen Cotter proposed to add a new member to the BOARD OF DIRECTORS who was a "close personal friend" that she claimed "possessed real estate experience that would add value to the Board," including but not limited to DOCUMENTS RELATING TO the nomination process, the candidate's withdrawal, and any harm to READING done by the candidate during previous business transactions.

**REQUEST FOR PRODUCTION NO. 47:**

All DOCUMENTS and COMMUNICATIONS RELATING TO Judy Coddington's selection as a new member of READING's BOARD OF DIRECTORS.

**REQUEST FOR PRODUCTION NO. 48:**

All DOCUMENTS and COMMUNICATIONS RELATING TO Michael Wrotniak's selection as a new member of READING's BOARD OF DIRECTORS, and any DOCUMENTS regarding whether Timothy Storey's resignation was sought so that the Nominating Committee could propose Wrotniak as a replacement.

**REQUEST FOR PRODUCTION NO. 49:**

All COMMUNICATIONS between YOU and Judy Coddington since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 50:**

All COMMUNICATIONS between YOU and Michael Wrotniak since January 1, 2014.

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**REQUEST FOR PRODUCTION NO. 51:**

All DOCUMENTS and COMMUNICATIONS RELATING TO Timothy Storey's resignation, removal, or retirement from the BOARD OF DIRECTORS, including but not limited to any refusal to nominate Storey to stand for reelection alleged pressure put on Storey to resign.

**REQUEST FOR PRODUCTION NO. 52:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any refusal by Margaret Cotter, Ellen Cotter, or YOU, to interact with each other or to have discussions regarding READING business.

**REQUEST FOR PRODUCTION NO. 53:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any potential termination of Ellen Cotter or Margaret Cotter's employment with READING or positions as directors of READING, including but not limited to any DOCUMENTS regarding YOUR desire to fire them.

**REQUEST FOR PRODUCTION NO. 54:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any proposal or resolution by READING's BOARD OF DIRECTORS regarding the requirements or process for terminating contracts with or employment of Ellen Cotter, Margaret Cotter, or YOU.

**REQUEST FOR PRODUCTION NO. 55:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any tensions or workplace disputes or difficulties between YOU and any employee of READING, including but not limited to any refusal by Ellen Cotter or Margaret Cotter to report to you, and any disputes between YOU and Linda Pham, Deborah Watson, or Rick Bruce.

**REQUEST FOR PRODUCTION NO. 56:**

All COMMUNICATIONS between YOU and Linda Pham since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 57:**

All COMMUNICATIONS between YOU and Deborah Watson since January 1, 2014.

...

...

**REQUEST FOR PRODUCTION NO. 58:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any independent committee or ombudsman charged with facilitating the working relationship between YOU, Ellen Cotter, and Margaret Cotter, including DOCUMENTS RELATING TO any assessment of cooperation with the process and of the working relationships between YOU, Ellen Cotter, and Margaret Cotter.

**REQUEST FOR PRODUCTION NO. 59:**

All COMMUNICATIONS between YOU and William Gould or Timothy Storey RELATING TO READING's BOARD OF DIRECTORS or to any individual DIRECTOR or DIRECTORS.

**REQUEST FOR PRODUCTION NO. 60:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any suggestion, discussion, or requirement that YOU enroll in an anger management program or courses, or engage in any other kind of therapy or psychological evaluation.

**REQUEST FOR PRODUCTION NO. 61:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any actions allegedly taken by any DIRECTOR to pressure YOU to abandon this lawsuit, including but not limited to creating policies and practices regarding insider trading and the exercise of stock options, and terminating any benefits or payments to YOU or YOUR family.

**REQUEST FOR PRODUCTION NO. 62:**

All DOCUMENTS and COMMUNICATIONS RELATING TO READING's status as a controlled company under NASDAQ listing rules.

**REQUEST FOR PRODUCTION NO. 63:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any potential breakup or sale of READING or any of its assets.

...

...

**REQUEST FOR PRODUCTION NO. 64:**

All DOCUMENTS and COMMUNICATIONS RELATING TO taking READING private.

**REQUEST FOR PRODUCTION NO. 65:**

All COMMUNICATIONS between YOU and James Cotter, Sr. RELATING TO his diagnosis with prostate cancer, including but not limited to any COMMUNICATIONS regarding whether to inform the BOARD OF DIRECTORS or any individual DIRECTOR of this diagnosis.

**REQUEST FOR PRODUCTION NO. 66:**

All COMMUNICATIONS between YOU and Mary Cotter since January 1, 2014 RELATING TO READING.

**REQUEST FOR PRODUCTION NO. 67:**

All COMMUNICATIONS between YOU and Mary Cotter since January 1, 2014 RELATING TO any trust and estate litigation.

**REQUEST FOR PRODUCTION NO. 68:**

All COMMUNICATIONS between YOU and Mary Cotter since January 1, 2014 RELATING TO Margaret Cotter or Ellen Cotter, including but not limited to your personal or professional relationships with them and your ability to work together.

**REQUEST FOR PRODUCTION NO. 69:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any actual or potential employment agreement between READING and any DIRECTOR, including YOU.

**REQUEST FOR PRODUCTION NO. 70:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any search for a new CEO for READING.

**REQUEST FOR PRODUCTION NO. 71:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any discussion about who is the person most qualified to be READING's CEO or President.

...

**REQUEST FOR PRODUCTION NO. 72:**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR involvement in READING's executive management meetings and knowledge of significant internal senior management memos since 2005.

**REQUEST FOR PRODUCTION NO. 73:**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR appointment in 2007 as Vice Chairman of READING's BOARD OF DIRECTORS and any of YOUR duties or actions in that position.

**REQUEST FOR PRODUCTION NO. 74:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any limits on YOUR authority as President or CEO of READING.

**REQUEST FOR PRODUCTION NO. 75:**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR successes or failures as President and CEO of READING, including but not limited to articles or stockholder COMMUNICATIONS regarding YOUR influence on READING's business or stock.

**REQUEST FOR PRODUCTION NO. 76:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any decision-making process regarding YOUR termination as President or CEO of READING.

**REQUEST FOR PRODUCTION NO. 77:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any discussion or proposal that YOU would retain YOUR title as President, but READING would search for a new CEO.

**REQUEST FOR PRODUCTION NO. 78:**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR position, as alleged in YOUR COMPLAINT, that your termination as President and CEO of READING does not obligate YOU to resign from READING's BOARD OF DIRECTORS.

...

**REQUEST FOR PRODUCTION NO. 79:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any action taken by any of the DIRECTORS to entrench themselves at READING as alleged in your COMPLAINT, including but not limited to their participation in READING's Executive Committee.

**REQUEST FOR PRODUCTION NO. 80:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that William Gould "has acquiesced to if not cooperated with, the ongoing self-dealing of" Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern.

**REQUEST FOR PRODUCTION NO. 81:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any consensual resolution or settlement of the California Trust Action, Nevada Probate Action and/or disputes regarding READING's governance, including but not limited to COMMUNICATIONS between YOU and any READING DIRECTOR about whether to accept such a settlement proposal or any conditions on which it would be accepted.

**REQUEST FOR PRODUCTION NO. 82:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any requirement that all READING DIRECTORS approve any DIRECTOR's exercise of stock options, including but not limited to the reversal of such requirement and any reasons for such a reversal.

**REQUEST FOR PRODUCTION NO. 83:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in READING's June 15, 2015 press release, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**REQUEST FOR PRODUCTION NO. 84:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in READING's June 18, 2015 Form 8-K, including but not limited to any

DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**REQUEST FOR PRODUCTION NO. 85:**

All DOCUMENTS and COMMUNICATIONS RELATING TO READING's failure to file a form 8-K with respect to the Executive Committee, including but not limited to READING's prior practices in filing such disclosures.

**REQUEST FOR PRODUCTION NO. 86:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in READING's October 13, 2015 Form 8-K, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**REQUEST FOR PRODUCTION NO. 87:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in Margaret Cotter and Ellen Cotter's September 24, 2014 Schedule 13D or its January 9, 2015 or October 9, 2015 amendments, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**REQUEST FOR PRODUCTION NO. 88:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in the TRUST's October 9, 2015 Schedule 13D, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

...

**REQUEST FOR PRODUCTION NO. 89:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in READING's October 20, 2015 Proxy Statement, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**REQUEST FOR PRODUCTION NO. 90:**

All DOCUMENTS and COMMUNICATIONS RELATING TO Margaret Cotter's qualifications, or lack thereof, to oversee development of real estate owned directly or indirectly by READING.

**REQUEST FOR PRODUCTION NO. 91:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any search for an executive to oversee the development of real estate owned by READING, including but not limited to Margaret Cotter's involvement in such a search.

**REQUEST FOR PRODUCTION NO. 92:**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that READING's domestic cinema operations "have failed to match, much less exceed, the financial results of comparable and peer group cinema operations."

**REQUEST FOR PRODUCTION NO. 93:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any purchase or sale of any READING shares by any of READING's DIRECTORS, including YOU.

**REQUEST FOR PRODUCTION NO. 94:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any preference by any of READING's DIRECTORS regarding READING's share price, including but not limited to any desire that the share price be depressed or inflated.

...

...

**REQUEST FOR PRODUCTION NO. 95:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any objection by any of READING's DIRECTORS regarding YOUR COMMUNICATIONS with shareholders.

**REQUEST FOR PRODUCTION NO. 96:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any decision by any READING DIRECTOR to "pick sides" in a family dispute, as alleged in YOUR COMPLAINT.

**REQUEST FOR PRODUCTION NO. 97:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any alleged breach of fiduciary duty by any DIRECTOR that YOU contend is a basis for YOUR COMPLAINT.

**REQUEST FOR PRODUCTION NO. 98:**

All DOCUMENTS and COMMUNICATIONS RELATING TO any injury allegedly suffered by READING'S shareholders as a result of any breach of fiduciary duty by any DIRECTOR that is alleged in YOUR COMPLAINT, including but not limited to all COMMUNICATIONS RELATING TO any drop in READING's share price, impairment to READING's reputation and goodwill, elimination of shareholder rights, and monetary damages.

DATED this 13th day of November, 2015.

COHEN-JOHNSON, LLC

By: /s/ H. Stan Johnson  
H. Stan Johnson, Esq.

Christopher Tayback  
Marshall M. Searcy  
QUINN EMANUEL  
URQUHART & SULLIVAN,  
LLP

*Attorneys for Defendants  
Margaret Cotter, Ellen Cotter,  
Douglas McEachern, Guy Adams,  
and Edward Kane*

CERTIFICATE OF SERVICE

I hereby certify that, on the 13th day of November, 2015, I served a copy of the foregoing  
**DEFENDANTS' SECOND SET OF REQUESTS FOR PRODUCTION TO PLAINTIFF**  
**JAMES J. COTTER, JR.** upon each of the parties via Odyssey E-Filing System pursuant to  
NRCP 5(b)(2)(D) and EDCR 8.05 to:

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/s/ C.J. Barnabi  
An employee of Cohen-Johnson, LLC

# EXHIBIT 2

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9 Attorneys for Plaintiff  
10 *James J. Cotter, Jr.*

11 DISTRICT COURT

12 CLARK COUNTY, NEVADA

13 JAMES J. COTTER, JR., individually and  
14 derivatively on behalf of Reading International,  
15 Inc.,

16 Plaintiff,

17 v.

18 MARGARET COTTER, ELLEN COTTER,  
19 GUY ADAMS, EDWARD KANE, DOUGLAS  
20 McEACHERN, TIMOTHY STOREY,  
21 WILLIAM GOULD, and DOES 1 through 100,  
22 inclusive,

23 Defendants.

24 and

25 READING INTERNATIONAL, INC., a Nevada  
26 corporation;

27 Nominal Defendant.

CASE NO. A-15-719860-B  
DEPT. NO. XI

Coordinated with:

Case No. P-14-082942-E  
Dept. No. XI

*Jointly Administered*

**JAMES J. COTTER, JR.'S RESPONSES  
TO MARGARET COTTER, ELLEN  
COTTER, GUY ADAMS, EDWARD  
KANE, AND DOUGLAS  
MCEACHERN'S SECOND SET OF  
REQUESTS FOR PRODUCTION OF  
DOCUMENTS**

28 COMES NOW, James J. Cotter, Jr. ("Plaintiff" or "Responding Party") and hereby serves  
his responses to Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas

McEachern's ("Defendants" or "Propounding Parties") Second Set of Requests for Production (the "Demand").

**GENERAL OBJECTIONS**

Responding Party incorporates the following general objections into each specific response and objection set forth below:

- (1) Responding Party objects to the Demand to the extent it seeks documents or information which is protected by attorney client privilege, the attorney-work product doctrine and/or otherwise is privileged or protected from disclosure, including in particular communications of counsel of record for Plaintiff in this action, which communications will not be produced or logged;
- (2) Responding Party objects to the Demand to the extent it seeks documents or information the production or disclosure of which violates any person or entity's right to privacy;
- (3) Responding Party objects to the Demand to the extent it seeks documents or information not in Responding Party's possession, custody, or control;
- (4) Responding Party objects to the Demand to the extent it seeks documents or information within the possession or control of the Propounding Parties, or seeks documents or information which is publicly available and/or which otherwise is uniquely or equally available to the Propounding Parties;
- (5) Responding Party objects to the Demand to the extent it seeks information or documents that constitute or disclose confidential, proprietary, or developmental commercial or business information or research, or seeks documents or information otherwise protected from disclosure;
- (6) Responding Party objects to the Demand to the extent it attempts or purports to impose obligations exceeding those authorized or imposed by the Nevada Rules of Civil Procedure, including Rule 26(h);

(7) Responding Party objects to the Demand insofar as it seeks documents or information beyond the time and scope of matters at issue in the captioned action and/or which are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence; and

(8) Responding Party objects to the Demand because it generally is unlimited as to time, meaning that it generally provides no time frame or date range to limit the scope of documents requested.

**DOCUMENT PRODUCTION**

**REQUEST NO. 22**

All COMMUNICATIONS between YOU and the T2 PLAINTIFFS since January 1, 2014.

**RESPONSE TO REQUEST NO. 22**

Responding Party objects to Request No. 22 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, and it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

**REQUEST NO. 23**

All COMMUNICATIONS between YOU and Andrew Shapiro since January 1, 2014.

**RESPONSE TO REQUEST NO. 23**

Responding Party objects to Request No. 23 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, and it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

**REQUEST NO. 24**

All COMMUNICATIONS between YOU and Mark Cuban and/or his attorneys since January 1, 2014.

**RESPONSE TO REQUEST NO. 24**

Responding Party objects to Request No. 24 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, and it

1 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
2 to the discovery of admissible evidence.

3 **REQUEST NO. 25**

4 All DOCUMENTS and COMMUNICATIONS RELATING TO any money, benefits, titles,  
5 positions, and/or promotions sought or received by Ellen Cotter that YOU claim that she would not  
6 have received but for her status as a potential controlling shareholder.

7 **RESPONSE TO REQUEST NO. 25**

8 Responding Party objects to Request No. 25 on the grounds that it fails to reasonably  
9 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
10 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it is  
11 vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more  
12 readily available from other sources. Without waiving and subject to the foregoing objections,  
13 Responding Party will produce non-privileged documents in Responding Party's possession,  
14 custody or control which are responsive to Request No. 25.

15 **REQUEST NO. 26**

16 All DOCUMENTS and COMMUNICATIONS RELATING TO any money, benefits, titles,  
17 positions, and/or promotions sought or received by Margaret that YOU claim that she would not have  
18 received but for her status as a potential controlling shareholder.

19 **RESPONSE TO REQUEST NO. 26**

20 Responding Party objects to Request No. 26 on the grounds that it fails to reasonably  
21 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
22 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it is  
23 vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more  
24 readily available from other sources. Without waiving and subject to the foregoing objections,  
25 Responding Party will produce non-privileged documents in Responding Party's possession,  
26 custody or control which are responsive to Request No. 26.

27 ///

28 ///

**REQUEST NO. 27**

All DOCUMENTS and COMMUNICATIONS RELATING TO any action by any of READING's DIRECTORS, including YOU, to protect or preserve their own personal interests (as opposed to READING's), or the personal interests of any of the other DIRECTORS (including YOU and James Cotter, Sr.), and any action taken by YOU or any READING DIRECTOR to prevent any DIRECTOR from furthering his or her own interests.

**RESPONSE TO REQUEST NO. 27**

Responding Party objects to Request No. 27 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 27.

**REQUEST NO. 28**

All DOCUMENTS and COMMUNICATIONS RELATING TO compensation increases for the BOARD OF DIRECTORS or any individual DIRECTOR, including but not limited to cash, stock options, and any "bonus" or other payment, and including DOCUMENTS RELATING TO any reasons for seeking such compensation.

**RESPONSE TO REQUEST NO. 28**

Responding Party objects to Request No. 28 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the

1 foregoing objections, Responding Party will produce non-privileged documents in Responding  
2 Party's possession, custody or control which are responsive to Request No. 28.

3 **REQUEST NO. 29**

4 All DOCUMENTS and COMMUNICATIONS RELATING TO any DIRECTOR withholding  
5 or manipulating any meeting minutes or agendas of the BOARD OF DIRECTORS, including creating  
6 or approving any fictional meeting minutes.

7 **RESPONSE TO REQUEST NO. 29**

8 Responding Party objects to Request No. 29 on the grounds that it fails to reasonably  
9 particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including  
10 because it is unlimited as to time, and it seeks documents that are publicly available or otherwise  
11 more readily available from other sources. Without waiving and subject to the foregoing  
12 objections, Responding Party will produce non-privileged documents in Responding Party's  
13 possession, custody or control which are responsive to Request No. 29.

14 **REQUEST NO. 30**

15 All DOCUMENTS and COMMUNICATIONS RELATING TO any misuse of the corporate  
16 machinery or dismantling of the corporate governance structures of READING by any of the  
17 DIRECTORS.

18 **RESPONSE TO REQUEST NO. 30**

19 Responding Party objects to Request No. 30 on the grounds that it fails to reasonably  
20 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
21 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
22 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
23 to the discovery of admissible evidence, and it seek documents that are publicly available or  
24 otherwise more readily available from other sources.

25 **REQUEST NO. 31**

26 All DOCUMENTS and COMMUNICATIONS RELATING TO any personal or quasi-familial  
27 relationship between Edward Kane and Ellen Cotter, Margaret Cotter, or YOU.

28 ///

1 **RESPONSE TO REQUEST NO. 31**

2 Responding Party objects to Request No. 31 on the grounds that it fails to reasonably  
3 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
4 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, and it  
5 seeks documents that are publicly available or otherwise more readily available from other  
6 sources. Without waiving and subject to the foregoing objections, Responding Party will produce  
7 non-privileged documents in Responding Party's possession, custody or control which are  
8 responsive to Request No. 31.

9 **REQUEST NO. 32**

10 All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR  
11 COMPLAINT that Edward Kane was made a director of READING because he was a friend of James  
12 Cotter, Sr., including but not limited to any DOCUMENTS regarding Kane's selection and skills or  
13 expertise, or lack thereof.

14 **RESPONSE TO REQUEST NO. 32**

15 Responding Party objects to Request No. 32 on the grounds that it fails to reasonably  
16 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
17 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
18 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
19 to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
20 are publicly available or otherwise more readily available from other sources. Without waiving  
21 and subject to the foregoing objections, Responding Party will produce non-privileged documents  
22 in Responding Party's possession, custody or control which are responsive to Request No. 32.

23 **REQUEST NO. 33**

24 All DOCUMENTS and COMMUNICATIONS RELATING TO any threats or "*ad hominem*"  
25 attacks by Edward Kane against YOU or any of READING's DIRECTORS, including but not limited  
26 to any statements about Corleone ("Godfather") style family justice, as alleged in YOUR  
27 COMPLAINT.

28 ///

**RESPONSE TO REQUEST NO. 33**

Responding Party objects to Request No. 33 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 33.

**REQUEST NO. 34**

All DOCUMENTS and COMMUNICATIONS RELATING TO any financial ties or dependency between Guy Adams any member of the Cotter family, or any businesses owned in whole or in part, or managed or run by, any member of the Cotter family, including but not limited to Shadow View.

**RESPONSE TO REQUEST NO. 34**

Responding Party objects to Request No. 34 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 34.

**REQUEST NO. 35**

All DOCUMENTS from Adams' divorce proceeding that YOU allege in YOUR COMPLAINT show "that amounts paid to him by Cotter entities over which [Ellen Cotter] and [Margaret Cotter] exercise control or claim to exercise control amounted to over half (50%) of Adam's (claimed approximate \$90,000) income in 2013, at a minimum, and possible amounted to over eighty percent (80%) of that income" or show that he "failed to disclose that he owned RDI options in his divorce proceedings."

**RESPONSE TO REQUEST NO. 35**

Responding Party objects to Request No. 35 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 35.

**REQUEST NO. 36**

All DOCUMENTS and COMMUNICATIONS RELATING TO the exercise of "one or more options to acquire 50,000 shares of RDI class B voting stock" by Ellen Cotter, the exercise of one or more "options to acquire a total of 35,100 shares of RDI class B voting stock" by Margaret Cotter, or the exercise of "an option held by [James Cotter, Sr.'s] Estate to acquire an additional 100,000 shares of RDI class B voting stock," as alleged in YOUR COMPLAINT.

**RESPONSE TO REQUEST NO. 36**

Responding Party objects to Request No. 36 on the grounds that it fails to reasonably particularize the documents sought and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 36.

**REQUEST NO. 37**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that in connection with the exercise of an option held by James Cotter, Sr.'s Estate to acquire 100,000 shares of READING Class B voting stock, Edward Kane and Guy Adams did not require Ellen Cotter and Margaret Cotter "as executors of the Estate to produce documentation establishing the Estate's entitlement to exercise such option, which such documentation may not exist."

**RESPONSE TO REQUEST NO. 37**

Responding Party objects to Request No. 37 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, and it

1 seeks documents that are publicly available or otherwise more readily available from other  
2 sources. Without waiving the foregoing objections, Responding Party will produce non-privileged  
3 documents in Responding Party's possession, custody or control which are responsive to Request  
4 No. 37.

5 **REQUEST NO. 38**

6 All DOCUMENTS and COMMUNICATIONS RELATING TO any demand by YOU or any  
7 other DIRECTOR that James Cotter, Sr.'s Estate's executors produce documentation establishing the  
8 Estate's entitlement to exercise an option to acquire 100,000 shares of READING Class B Voting  
9 stock.

10 **RESPONSE TO REQUEST NO. 38**

11 Responding Party objects to Request No. 38 on the grounds that it fails to reasonably  
12 particularize the documents sought, it is duplicative and/or cumulative of other requests, and it  
13 seeks documents that are publicly available or otherwise more readily available from other  
14 sources. Without waiving the foregoing objections, Responding Party will produce non-privileged  
15 documents in Responding Party's possession, custody or control which are responsive to Request  
16 No. 38.

17 **REQUEST NO. 39**

18 All DOCUMENTS and COMMUNICATIONS RELATING TO any meeting of READING's  
19 Compensation Committee regarding James Cotter, Sr.'s estate's option to acquire 100,000 shares of  
20 Class B voting stock, including but not limited to the allegation in YOUR COMPLAINT that Timothy  
21 Storey was unable to attend such meeting because it was called with too little notice.

22 **RESPONSE TO REQUEST NO. 39**

23 Responding Party objects to Request No. 39 on the grounds that it fails to reasonably  
24 particularize the documents sought, it is duplicative and/or cumulative of other requests, and it  
25 seeks documents that are publicly available or otherwise more readily available from other  
26 sources. Without waiving the foregoing objections, Responding Party will produce non-privileged  
27 documents in Responding Party's possession, custody or control which are responsive to Request  
28 No. 39.

**REQUEST NO. 40**

All DOCUMENTS and COMMUNICATIONS RELATING TO any Schedule 13D filed by Ellen Cotter, Margaret Cotter, or the TRUST since January 1, 2015, including but not limited to any COMMUNICATIONS between YOU and any third parties regarding any such Schedule 13D.

**RESPONSE TO REQUEST NO. 40**

Responding Party objects to Request No. 40 on the grounds that it fails to reasonably particularize the documents sought, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 40.

**REQUEST NO. 41**

All DOCUMENTS and COMMUNICATIONS RELATING TO counting the votes of the READING Class B voting stock held by the TRUST at READING's 2015 Annual Shareholders Meeting.

**RESPONSE TO REQUEST NO. 41**

Responding Party objects to Request No. 41 on the grounds that it fails to reasonably particularize the documents sought, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 41.

**REQUEST NO. 42**

All COMMUNICATIONS with First Coast Results, Inc. RELATING TO READING's 2015 Annual Shareholders Meeting.

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**RESPONSE TO REQUEST NO. 42**

Responding Party objects to Request No. 42 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 42.

**REQUEST NO. 43**

All DOCUMENTS and COMMUNICATIONS RELATING TO any personal expenses charged to READING, or attempted to be charged to READING, by any member of READING's BOARD OF DIRECTORS.

**RESPONSE TO REQUEST NO. 43**

Responding Party objects to Request No. 43 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 43.

**REQUEST NO. 44**

All DOCUMENTS and COMMUNICATIONS between YOU and any DIRECTOR, shareholder, or third party regarding the Orpheum Theatre lease, the Stomp production or producers, and Margaret Cotter's management of the Orpheum Theatre.

**RESPONSE TO REQUEST NO. 44**

Responding Party objects to Request No. 44 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including

1 because it is unlimited as to time and because it is unlimited as to people (as distinct from  
2 directors, officers and employees of RDI) it seeks documents and/or information which is/are  
3 neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is  
4 vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more  
5 readily available from other sources. Without waiving and subject to the foregoing objections,  
6 Responding Party will produce non-privileged documents in Responding Party's possession,  
7 custody or control which are responsive to Request No. 44.

8 **REQUEST NO. 45**

9 All DOCUMENTS and COMMUNICATIONS RELATING TO the addition or election of any  
10 candidate to READING's BOARD OF DIRECTORS, including but not limited to all  
11 COMMUNICATIONS between YOU and any potential or proposed candidate for the BOARD OF  
12 DIRECTORS and all DOCUMENTS RELATING TO any candidate's qualifications, experience, or  
13 lack thereof.

14 **RESPONSE TO REQUEST NO. 45**

15 Responding Party objects to Request No. 45 on the grounds that it fails to reasonably  
16 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
17 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
18 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
19 to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
20 are publicly available or otherwise more readily available from other sources. Without waiving  
21 and subject to the foregoing objections, Responding Party will produce non-privileged documents  
22 in Responding Party's possession, custody or control which are responsive to Request No. 45.

23 **REQUEST NO. 46**

24 All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR  
25 COMPLAINT that Ellen Cotter proposed to add a new member to the BOARD OF DIRECTORS who  
26 was a "close personal friend" that she claimed "possessed real estate experience that would add value  
27 to the Board," including but not limited to DOCUMENTS RELATING TO the nomination process,  
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1 the candidate's withdrawal, and any harm to READING done by the candidate during previous  
2 business transactions.

3 **RESPONSE TO REQUEST NO. 46**

4 Responding Party objects to Request No. 46 on the grounds that it fails to reasonably  
5 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
6 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
7 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
8 to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
9 are publicly available or otherwise more readily available from other sources. Without waiving  
10 and subject to the foregoing objections, Responding Party will produce non-privileged documents  
11 in Responding Party's possession, custody or control which are responsive to Request No. 46.

12 **REQUEST NO. 47**

13 All DOCUMENTS and COMMUNICATIONS RELATING TO Judy Coddington's selection as a  
14 new member of READING's BOARD OF DIRECTORS.

15 **RESPONSE TO REQUEST NO. 47**

16 Responding Party objects to Request No. 47 on the grounds that it seeks documents that  
17 are publicly available or otherwise more readily available from other sources. Without waiving  
18 the foregoing objections, Responding Party will produce non-privileged documents in Responding  
19 Party's possession, custody or control which are responsive to Request No. 47.

20 **REQUEST NO. 48**

21 All DOCUMENTS and COMMUNICATIONS RELATING TO Michael Wrotniak's selection  
22 as a new member of READING's BOARD OF DIRECTORS, and any DOCUMENTS regarding  
23 whether Timothy Storey's resignation was sought so that the Nominating Committee could propose  
24 Wrotniak as a replacement.

25 **RESPONSE TO REQUEST NO. 48**

26 Responding Party objects to Request No. 48 on the grounds that it seeks documents that  
27 are publicly available or otherwise more readily available from other sources. Without waiving  
28

1 the foregoing objections, Responding Party will produce non-privileged documents in Responding  
2 Party's possession, custody or control which are responsive to Request No. 48.

3 **REQUEST NO. 49**

4 All COMMUNICATIONS between YOU and Judy Coddington since January 1, 2014.

5 **RESPONSE TO REQUEST NO. 49**

6 Responding Party objects to Request No. 49 on the grounds that it fails to reasonably  
7 particularize the documents sought, it is duplicative and/or cumulative of other requests, it seeks  
8 documents and/or information which is/are neither relevant nor reasonably calculated to lead to  
9 the discovery of admissible evidence, and it seeks documents that are publicly available or  
10 otherwise more readily available from other sources.

11 **REQUEST NO. 50**

12 ALL COMMUNICATIONS between YOU and Michael Wrotniak since January 1, 2014.

13 **RESPONSE TO REQUEST NO. 50**

14 Responding Party objects to Request No. 50 on the grounds that it fails to reasonably  
15 particularize the documents sought, it is duplicative and/or cumulative of other requests, it seeks  
16 documents and/or information which is/are neither relevant nor reasonably calculated to lead to  
17 the discovery of admissible evidence, and it seeks documents that are publicly available or  
18 otherwise more readily available from other sources.

19 **REQUEST NO. 51**

20 All DOCUMENTS and COMMUNICATIONS RELATING TO Timothy Storey's resignation,  
21 removal, or retirement from the BOARD OF DIRECTORS, including but not limited to any refusal to  
22 nominate Storey to stand for reelection alleged pressure put on Storey to resign.

23 **RESPONSE TO REQUEST NO. 51**

24 Responding Party objects to Request No. 51 on the grounds that it seeks documents that  
25 are publicly available or otherwise more readily available from other sources. Without waiving  
26 the foregoing objections, Responding Party will produce non-privileged documents in Responding  
27 Party's possession, custody or control which are responsive to Request No. 51.

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**REQUEST NO. 52**

All DOCUMENTS and COMMUNICATIONS RELATING TO any refusal by Margaret Cotter, Ellen Cotter, or YOU, to interact with each other or to have discussions regarding READING business.

**RESPONSE TO REQUEST NO. 52**

Responding Party objects to Request No. 52 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 52.

**REQUEST NO. 53**

All DOCUMENTS and COMMUNICATIONS RELATING TO any potential termination of Ellen Cotter or Margaret Cotter's employment with READING or positions as directors of READING, including but not limited to any DOCUMENTS regarding YOUR desire to fire them.

**RESPONSE TO REQUEST NO. 53**

Responding Party objects to Request No. 53 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 53.

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**REQUEST NO. 54**

All DOCUMENTS and COMMUNICATIONS RELATING TO any proposal or resolution by READING's BOARD OF DIRECTORS regarding the requirements or process for terminating contracts with or employment of Ellen Cotter, Margaret Cotter, or YOU.

**RESPONSE TO REQUEST NO. 54**

Responding Party objects to Request No. 54 on the grounds that it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 54.

**REQUEST NO. 55**

All DOCUMENTS and COMMUNICATIONS RELATING TO any tensions or workplace disputes or difficulties between YOU and any employee of READING, including but not limited to any refusal by Ellen Cotter or Margaret Cotter to report to you, and any disputes between YOU and Linda Pham, Deborah Watson, or Rick Bruce.

**RESPONSE TO REQUEST NO. 55**

Responding Party objects to Request No. 55 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time and not limited to directors, officers and employees of RDI, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, particularly insofar as it refers to persons were not RDI directors, officers or employees, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 55.

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1 **REQUEST NO. 56**

2 All COMMUNICATIONS between YOU and Linda Pham since January 1, 2014.

3 **RESPONSE TO REQUEST NO. 56**

4 Responding Party objects to Request No. 56 on the grounds that it fails to reasonably  
5 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
6 overbroad, unduly burdensome and oppressive, it seeks documents and/or information which  
7 is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence,  
8 and it seeks documents that are publicly available or otherwise more readily available from other  
9 sources.

10 **REQUEST NO. 57**

11 All COMMUNICATIONS between YOU and Deborah Watson since January 1, 2014.

12 **RESPONSE TO REQUEST NO. 57**

13 Responding Party objects to Request No. 57 on the grounds that it fails to reasonably  
14 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
15 overbroad, unduly burdensome and oppressive, it seeks documents and/or information which  
16 is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence,  
17 and it seeks documents that are publicly available or otherwise more readily available from other  
18 sources.

19 **REQUEST NO. 58**

20 All DOCUMENTS and COMMUNICATIONS RELATING TO any independent committee or  
21 ombudsman charged with facilitating the working relationship between YOU, Ellen Cotter, and  
22 Margaret Cotter, including DOCUMENTS RELATING TO any assessment of cooperation with the  
23 process and of the working relationships between YOU, Ellen Cotter, and Margaret Cotter.

24 **RESPONSE TO REQUEST NO. 58**

25 Responding Party objects to Request No. 58 on the grounds that it fails to reasonably  
26 particularize the documents sought and it seeks documents that are publicly available or otherwise  
27 more readily available from other sources. Without waiving the foregoing objections, Responding  
28

1 Party will produce non-privileged documents in Responding Party's possession, custody or control  
2 which are responsive to Request No. 58.

3 **REQUEST NO. 59**

4 All COMMUNICATIONS between YOU and William Gould or Timothy Storey RELATING  
5 TO READING's BOARD OF DIRECTORS or to any individual DIRECTOR or DIRECTORS.

6 **RESPONSE TO REQUEST NO. 59**

7 Responding Party objects to Request No. 59 on the grounds that it fails to reasonably  
8 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
9 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
10 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
11 to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
12 are publicly available or otherwise more readily available from other sources.

13 **REQUEST NO. 60**

14 All DOCUMENTS and COMMUNICATIONS RELATING TO any suggestion, discussion, or  
15 requirement that YOU enroll in an anger management program or courses, or engage in any other kind  
16 of therapy or psychological evaluation.

17 **RESPONSE TO REQUEST NO. 60**

18 Responding Party objects to Request No. 60 on the grounds that it fails to reasonably  
19 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
20 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time and  
21 because it is unlimited as to people (as distinct from directors, officers and employees of RDI), it  
22 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
23 to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
24 are publicly available or otherwise more readily available from other sources. Without waiving  
25 and subject to the foregoing objections, Responding Party will produce non-privileged documents  
26 in Responding Party's possession, custody or control which are responsive to Request No. 60.

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**REQUEST NO. 61**

All DOCUMENTS and COMMUNICATIONS RELATING TO any actions allegedly taken by any DIRECTOR to pressure YOU to abandon this lawsuit, including but not limited to creating policies and practices regarding insider trading and the exercise of stock options, and terminating any benefits or payments to YOU or YOUR family.

**RESPONSE TO REQUEST NO. 61**

Responding Party objects to Request No. 61 on the grounds that it fails to reasonably particularize the documents sought and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 61.

**REQUEST NO. 62**

All DOCUMENTS and COMMUNICATIONS RELATING TO READING's status as a controlled company under NASDAQ listing rules.

**RESPONSE TO REQUEST NO. 62**

Responding Party objects to Request No. 62 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 62.

**REQUEST NO. 63**

All DOCUMENTS and COMMUNICATIONS RELATING TO any potential breakup or sale of READING or any of its assets.

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**RESPONSE TO REQUEST NO. 63**

Responding Party objects to Request No. 63 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 63.

**REQUEST NO. 64**

All DOCUMENTS and COMMUNICATIONS RELATING TO taking READING private.

**RESPONSE TO REQUEST NO. 64**

Responding Party objects to Request No. 64 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 64.

**REQUEST NO. 65**

All COMMUNICATIONS between YOU and James Cotter, Sr. RELATING TO his diagnosis with prostate cancer, including but not limited to any COMMUNICATIONS regarding whether to inform the BOARD OF DIRECTORS or any individual DIRECTOR of his diagnosis.

**RESPONSE TO REQUEST NO. 65**

Responding Party objects to Request No. 65 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, and it is vague and/or ambiguous.

1 **REQUEST NO. 66**

2 All COMMUNICATIONS between YOU and Mary Cotter since January 1, 2014  
3 RELATING TO READING.

4 **RESPONSE TO REQUEST NO. 66**

5 Responding Party objects to Request No. 66 on the grounds that it fails to reasonably  
6 particularize the documents sought, it is overbroad, unduly burdensome and oppressive, it seeks  
7 documents and/or information which is/are neither relevant nor reasonably calculated to lead to  
8 the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
9 are publicly available or otherwise more readily available from other sources. Without waiving  
10 and subject to the foregoing objections, Responding Party will produce non-privileged documents  
11 in Responding Party's possession, custody or control which are responsive to Request No. 66.

12 **REQUEST NO. 67**

13 All COMMUNICATIONS between YOU and Mary Cotter since January 1, 2014  
14 RELATING TO any trust and estate litigation.

15 **RESPONSE TO REQUEST NO. 67**

16 Responding Party objects to Request No. 67 on the grounds that it fails to reasonably  
17 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
18 overbroad, unduly burdensome and oppressive, it seeks documents and/or information which  
19 is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it  
20 is vague and/or ambiguous, it seeks documents that are publicly available or otherwise more  
21 readily available from other sources, and it seeks documents and/or information for use in another  
22 proceeding.

23 **REQUEST NO. 68**

24 All COMMUNICATIONS between YOU and Mary Cotter since January 1, 2014  
25 RELATING TO Margaret Cotter or Ellen Cotter, including but not limited to your personal or  
26 professional relationships with them and your ability to work together.

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**RESPONSE TO REQUEST NO. 68**

Responding Party objects to Request No. 68 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources.

**REQUEST NO. 69**

All DOCUMENTS and COMMUNICATIONS RELATING TO any actual or potential employment agreement between READING and any DIRECTOR, including YOU.

**RESPONSE TO REQUEST NO. 69**

Responding Party objects to Request No. 69 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 69.

**REQUEST NO. 70**

All DOCUMENTS and COMMUNICATIONS RELATING TO any search for a new CEO for READING.

**RESPONSE TO REQUEST NO. 70**

Responding Party objects to Request No. 70 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 70.

**REQUEST NO. 71**

All DOCUMENTS and COMMUNICATIONS RELATING TO any discussion about who is the person most qualified to be READING's CEO or President.

**RESPONSE TO REQUEST NO. 71**

Responding Party objects to Request No. 71 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 71.

**REQUEST NO. 72**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR involvement in READING's executive management meetings and knowledge of significant internal senior management memos since 2005.

**RESPONSE TO REQUEST NO. 72**

Responding Party objects to Request No. 72 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources.

**REQUEST NO. 73**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR appointment in 2007 as Vice Chairman of READING's BOARD OF DIRECTORS and any of YOUR duties or actions in that position.

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**RESPONSE TO REQUEST NO. 73**

Responding Party objects to Request No. 73 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources.

**REQUEST NO. 74**

All DOCUMENTS and COMMUNICATIONS RELATING TO any limits on YOUR authority as President or CEO of READING.

**RESPONSE TO REQUEST NO. 74**

Responding Party objects to Request No. 74 on the grounds that it fails to reasonably particularize the documents sought, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 74.

**REQUEST NO. 75**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR successes or failures as President and CEO of READING, including but not limited to articles or stockholder COMMUNICATIONS regarding YOUR influence on READING's business or stock.

**RESPONSE TO REQUEST NO. 75**

Responding Party objects to Request No. 75 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources.

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**REQUEST NO. 76**

All DOCUMENTS and COMMUNICATIONS RELATING TO any decision-making process regarding YOUR termination as President or CEO of READING.

**RESPONSE TO REQUEST NO. 76**

Responding Party objects to Request No. 76 on the grounds that it fails to reasonably particularize the documents sought and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 76.

**REQUEST NO. 77**

All DOCUMENTS and COMMUNICATIONS RELATING TO any discussion or proposal that YOU would retain YOUR title as President, but READING would search for a new CEO.

**RESPONSE TO REQUEST NO. 77**

Responding Party objects to Request No. 77 on the grounds that it fails to reasonably particularize the documents sought and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 77.

**REQUEST NO. 78**

All DOCUMENTS and COMMUNICATIONS RELATING TO YOUR position, as alleged in YOUR COMPLAINT, that your termination as President and CEO of READING does not obligate YOU to resign from READING's BOARD OF DIRECTORS.

**RESPONSE TO REQUEST NO. 78**

Responding Party objects to Request No. 78 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, it seeks documents that are

publicly available or otherwise more readily available from other sources, and it seeks documents that are protected by the attorney-client privilege and/or work product doctrine. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 78.

**REQUEST NO. 79**

All DOCUMENTS and COMMUNICATIONS RELATING TO any action taken by any of the DIRECTORS to entrench themselves at READING as alleged in your COMPLAINT, including but not limited to their participation in READING's Executive Committee.

**RESPONSE TO REQUEST NO. 79**

Responding Party objects to Request No. 79 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 79.

**REQUEST NO. 80**

All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR COMPLAINT that William Gould "has acquiesced to if not cooperated with, the ongoing self-dealing of" Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern.

**RESPONSE TO REQUEST NO. 80**

Responding Party objects to Request No. 80 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 80.

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**REQUEST NO. 81**

All DOCUMENTS and COMMUNICATIONS RELATING TO any consensual resolution or settlement of the California Trust Action, Nevada Probate Action and/or disputes regarding READING's governance, including but not limited to COMMUNICATIONS between YOU and any READING DIRECTOR about whether to accept such a settlement proposal or any conditions on which it would be accepted.

**RESPONSE TO REQUEST NO. 81**

Responding Party objects to Request No. 81 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, it seeks documents that are publicly available or otherwise more readily available from other sources, and it seeks documents that are protected by the attorney-client privilege and/or work product doctrine. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 81.

**REQUEST NO. 82**

All DOCUMENTS and COMMUNICATIONS RELATING TO any requirement that all READING DIRECTORS approve any DIRECTOR's exercise of stock options, including but not limited to the reversal of such requirement and any reasons for such a reversal.

**RESPONSE TO REQUEST NO. 82**

Responding Party objects to Request No. 82 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving

1 and subject to the foregoing objections, Responding Party will produce non-privileged documents  
2 in Responding Party's possession, custody or control which are responsive to Request No. 82.

3 **REQUEST NO. 83**

4 All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate  
5 statements in READING's June 15, 2015 press release, including but not limited to any  
6 DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any  
7 DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly  
8 available.

9 **RESPONSE TO REQUEST NO. 83**

10 Responding Party objects to Request No. 83 on the grounds that it fails to reasonably  
11 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
12 overbroad, unduly burdensome and oppressive, and it seeks documents that are publicly available  
13 or otherwise more readily available from other sources. Without waiving the foregoing  
14 objections, Responding Party will produce non-privileged documents in Responding Party's  
15 possession, custody or control which are responsive to Request No. 83.

16 **REQUEST NO. 84**

17 All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate  
18 statements in READING's June 18, 2015 Form 8-K, including but not limited to any DOCUMENTS  
19 showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or  
20 acquiescence or assistance by any DIRECTOR in making the statements publicly available.

21 **RESPONSE TO REQUEST NO. 84**

22 Responding Party objects to Request No. 84 on the grounds that it fails to reasonably  
23 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
24 overbroad, unduly burdensome and oppressive, and it seeks documents that are publicly available  
25 or otherwise more readily available from other sources. Without waiving the foregoing  
26 objections, Responding Party will produce non-privileged documents in Responding Party's  
27 possession, custody or control which are responsive to Request No. 84.

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**REQUEST NO. 85**

All DOCUMENTS and COMMUNICATIONS RELATING TO READING's failure to file a form 8-K with respect to the Executive Committee, including but not limited to READING's prior practices in filing such disclosures.

**RESPONSE TO REQUEST NO. 85**

Responding Party objects to Request No. 85 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 85.

**REQUEST NO. 86**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in READING's October 13, 2015 Form 8-K, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**RESPONSE TO REQUEST NO. 86**

Responding Party objects to Request No. 86 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 86.

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**REQUEST NO. 87**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in Margaret Cotter and Ellen Cotter's September 24, 2014 Schedule 13D or its January 9, 2015 or October 9, 2015 amendments, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**RESPONSE TO REQUEST NO. 87**

Responding Party objects to Request No. 87 on the grounds that it fails to reasonably particularize the documents sought, it is overbroad, unduly burdensome and oppressive, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 87.

**REQUEST NO. 88**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in the TRUST's October 9, 2015 Schedule 13D, including but not limited to any DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly available.

**RESPONSE TO REQUEST NO. 88**

Responding Party objects to Request No. 88 on the grounds that it fails to reasonably particularize the documents sought, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 88.

**REQUEST NO. 89**

All DOCUMENTS and COMMUNICATIONS RELATING TO any misleading or inaccurate statements in READING's October 20, 2015 Proxy Statement, including but not limited to any

1 DOCUMENTS showing knowledge of the misleading or inaccurate nature of the statements by any  
2 DIRECTOR, or acquiescence or assistance by any DIRECTOR in making the statements publicly  
3 available.

4 **RESPONSE TO REQUEST NO. 89**

5 Responding Party objects to Request No. 89 on the grounds that it fails to reasonably  
6 particularize the documents sought, it is overbroad, unduly burdensome and oppressive, and it  
7 seeks documents that are publicly available or otherwise more readily available from other  
8 sources. Without waiving the foregoing objections, Responding Party will produce non-privileged  
9 documents in Responding Party's possession, custody or control which are responsive to Request  
10 No. 89.

11 **REQUEST NO. 90**

12 All DOCUMENTS and COMMUNICATIONS RELATING TO Margaret Cotter's  
13 qualifications, or lack thereof, to oversee development of real estate owned directly or indirectly by  
14 READING.

15 **RESPONSE TO REQUEST NO. 90**

16 Responding Party objects to Request No. 90 on the grounds that it fails to reasonably  
17 particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including  
18 because it is unlimited as to time, and it seeks documents that are publicly available or otherwise  
19 more readily available from other sources. Without waiving the foregoing objections, Responding  
20 Party will produce non-privileged documents in Responding Party's possession, custody or control  
21 which are responsive to Request No. 90.

22 **REQUEST NO. 91**

23 All DOCUMENTS and COMMUNICATIONS RELATING TO any search for an executive to  
24 oversee the development of real estate owned by READING, including but not limited to Margaret  
25 Cotter's involvement in such a search.

26 **RESPONSE TO REQUEST NO. 91**

27 Responding Party objects to Request No. 91 on the grounds that it fails to reasonably  
28 particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including

1 because it is unlimited as to time, and it seeks documents that are publicly available or otherwise  
2 more readily available from other sources. Without waiving the foregoing objections,  
3 Responding Party will produce non-privileged documents in Responding Party's possession,  
4 custody or control which are responsive to Request No. 91.

5 **REQUEST NO. 92**

6 All DOCUMENTS and COMMUNICATIONS RELATING TO the allegation in YOUR  
7 COMPLAINT that READING's domestic cinema operations "have failed to match, much less exceed,  
8 the financial results of comparable and peer group cinema operations."

9 **RESPONSE TO REQUEST NO. 92**

10 Responding Party objects to Request No. 92 on the grounds that it fails to reasonably  
11 particularize the documents sought, it is overbroad, unduly burdensome and oppressive, including  
12 because it is unlimited as to time, it seeks documents and/or information which is/are neither  
13 relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague  
14 and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily  
15 available from other sources. Without waiving and subject to the foregoing objections,  
16 Responding Party will produce non-privileged documents in Responding Party's possession,  
17 custody or control which are responsive to Request No. 92.

18 **REQUEST NO. 93**

19 All DOCUMENTS and COMMUNICATIONS RELATING TO any purchase or sale of any  
20 READING shares by any of READING's DIRECTORS, including YOU.

21 **RESPONSE TO REQUEST NO. 93**

22 Responding Party objects to Request No. 93 on the grounds that it fails to reasonably  
23 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
24 overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
25 seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
26 to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
27 are publicly available or otherwise more readily available from other sources.

28 ///

**REQUEST NO. 94**

All DOCUMENTS and COMMUNICATIONS RELATING TO any preference by any of READING's DIRECTORS regarding READING's share price, including but not limited to any desire that the share price be depressed or inflated.

**RESPONSE TO REQUEST NO. 94**

Responding Party objects to Request No. 94 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 94.

**REQUEST NO. 95**

All DOCUMENTS and COMMUNICATIONS RELATING TO any objection by any of READING's DIRECTORS regarding YOUR COMMUNICATIONS with shareholders.

**RESPONSE TO REQUEST NO. 95**

Responding Party objects to Request No. 95 on the grounds that it fails to reasonably particularize the documents sought, it is duplicative and/or cumulative of other requests, it is overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more readily available from other sources. Without waiving and subject to the foregoing objections, Responding Party will produce non-privileged documents in Responding Party's possession, custody or control which are responsive to Request No. 95.

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**REQUEST NO. 96**

All DOCUMENTS and COMMUNICATIONS RELATING TO any decision by any  
READING DIRECTOR to "pick sides" in a family dispute, as alleged in YOUR COMPLAINT.

**RESPONSE TO REQUEST NO. 96**

Responding Party objects to Request No. 96 on the grounds that it fails to reasonably  
particularize the documents sought, it is duplicative and/or cumulative of other requests, and it  
seeks documents that are publicly available or otherwise more readily available from other  
sources. Without waiving the foregoing objections, Responding Party will produce non-privileged  
documents in Responding Party's possession, custody or control which are responsive to Request  
No. 96.

**REQUEST NO. 97**

All DOCUMENTS and COMMUNICATIONS RELATING TO any alleged breach of  
fiduciary duty by any DIRECTOR that YOU contend is a basis for YOUR COMPLAINT.

**RESPONSE TO REQUEST NO. 97**

Responding Party objects to Request No. 97 on the grounds that it fails to reasonably  
particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
overbroad, unduly burdensome and oppressive, including because it is unlimited as to time, it  
seeks documents and/or information which is/are neither relevant nor reasonably calculated to lead  
to the discovery of admissible evidence, it is vague and/or ambiguous, and it seeks documents that  
are publicly available or otherwise more readily available from other sources.

**REQUEST NO. 98**

All DOCUMENTS and COMMUNICATIONS RELATING TO any injury allegedly suffered  
by READING'S shareholders as a result of any breach of fiduciary duty by any DIRECTOR that is  
alleged in YOUR COMPLAINT, including but not limited to all COMMUNICATIONS RELATING  
TO any drop in READING's share price, impairment to READING's reputation and goodwill,  
elimination of shareholder rights, and monetary damages.

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1 **RESPONSE TO REQUEST NO. 98**

2 Responding Party objects to Request No. 98 on the grounds that it fails to reasonably  
3 particularize the documents sought, it is duplicative and/or cumulative of other requests, it is  
4 vague and/or ambiguous, and it seeks documents that are publicly available or otherwise more  
5 readily available from other sources. Without waiving the foregoing objections, Responding Party  
6 will produce non-privileged documents in Responding Party's possession, custody or control  
7 which are responsive to Request No. 98.

8 DATED this 16th day of December, 2015.

9 LEWIS ROCA ROTHGERBER LLP

10  
11 /s/ Mark G. Krum

12 Mark G. Krum (Nevada Bar No. 10913)  
13 3993 Howard Hughes Pkwy, Suite 600  
14 Las Vegas, NV 89169-5958

15 Attorneys for Plaintiff  
16 James J. Cotter, Jr.  
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CERTIFICATE OF SERVICE

I, Sue Silcott, declare as follows:

I am over the age of eighteen years and not a party to the within entitled action. I am a legal assistant acting at the direction of Lewis Roca Rothgerber LLP, 3993 Howard Hughes Parkway, Suite 600, Las Vegas, Nevada 89169.

On December 16, 2015, I served the attached:

- **JAMES J. COTTER, JR.'S RESPONSES TO MARGARET COTTER, ELLEN COTTER, GUY ADAMS, EDWARD KANE, AND DOUGLAS MCEACHERN'S SECOND SET OF REQUESTS FOR PRODUCTION**

on the interested parties in said action, as follows:

Mark E. Ferrario, Esq.  
Leslie S. Godfrey, Esq.  
GREENBERG TRAURIG LLP  
[ferrariom@gtlaw.com](mailto:ferrariom@gtlaw.com)  
[godfrey1@gtlaw.com](mailto:godfrey1@gtlaw.com)  
*Attorneys for Reading International, Inc.*

H. Stan Johnson, Esq.  
COHEN-JOHNSON, LLC  
[sjohnson@cohenjohnson.com](mailto:sjohnson@cohenjohnson.com)  
*Attorneys for Defendants Margaret Cotter, Ellen Cotter, Douglas McEachern, Guy Adams and Edward Kane*

Christopher Tayback, Esq.  
Marshall M. Searcy, Esq.  
QUINN EMANUEL URQUHART &  
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[marshallsearcy@quinnemanuel.com](mailto:marshallsearcy@quinnemanuel.com)  
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Bonita D. Moore, Esq.  
BIRD, MARELLA, BOXER, WOLFPERT,  
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[eer@birdmarella.com](mailto:eer@birdmarella.com)  
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*Attorneys for Defendants William Gould and Timothy Storey*

Alexander Robertson, Esq.  
ROBERTSON & ASSOCIATES, LLP  
[arobertson@arobertsonlaw.com](mailto:arobertson@arobertsonlaw.com)  
*Derivatively on behalf of Reading International, Inc.*

Adam C. Anderson, Esq.  
PATTI, SCRO, LEWIS & ROGER  
[aanderson@pslrfirm.com](mailto:aanderson@pslrfirm.com)  
*Derivatively on behalf of Reading International, Inc.*

1 and caused to be served via the Court's E-Filing System DAP/Wiznet, on all interested parties in  
2 the above-referenced matter. The date and time of the electronic service is in place of the date and  
3 place of deposit in the mail.

4 DATED this 16th day of December, 2015.

5 /s/ Sue Silcott

6 An employee of Lewis Roca Rothgerber LLP  
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# EXHIBIT 3

**quinn emanuel trial lawyers | los angeles**

865 South Figueroa Street, 10th Floor, Los Angeles, California 90017-2543 | TEL (213) 443-3000 | FAX (213) 443-3100

WRITER'S DIRECT DIAL NO.  
(213) 443-3653

WRITER'S INTERNET ADDRESS  
noahhelpen@quinnemanuel.com

January 20, 2016

**VIA EMAIL**

Mark G. Krum  
Lewis Roca Rothgerber LLP  
3993 Howard Hughes Pkwy  
Suite 600  
Las Vegas, NV 89169

Re: *James J. Cotter, Jr. v. Margaret Cotter, et al.*, Case No. A-15-719860-B

Dear Mark:

I write with respect to Plaintiff James J. Cotter, Jr.'s ("Plaintiff JJC") responses and objections to Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern's ("Director Defendants") Second Set Set of Requests for Production. Specifically, I write to confirm the agreements reached during our telephonic meet and confer calls held on January 8 and January 11, 2016.

**Requests for Production No. 22, 23, and 24.** You agreed to produce communications between Plaintiff JJC and the individuals and entities named in these Requests, but not to produce your own communications with the T2 Plaintiffs, Andrew Shapiro, or their counsel. You further agreed to amend Plaintiff JJC's responses accordingly.

**Request for Production No. 30.** You agreed to respond to this Request providing that Director Defendants are willing to limit the scope of this Request to "any misuse of the corporate machinery or dismantling of the corporate structures of Reading" *alleged in the First Amended Complaint*. Director Defendants are so willing, provided that Plaintiff agrees that he does not intend to seek relief from the Court based on any conduct outside of that alleged in the First Amended Complaint. You further agreed to amend Plaintiff JJC's responses accordingly.

**Requests for Production No. 49 and 50.** You agreed to produce the requested communications between Plaintiff JJC, on the one hand, and Judy Coddington and/or Michael Wrotniak, on the other hand, and to amend Plaintiff JJC's responses accordingly.

**Requests for Production No. 56 and 57.** You stated that you would consider these Requests and discuss with your client. As I stated on the call, Plaintiff JJC's behavior and demeanor towards Ms. Pham and Ms. Watson was documented to be hostile and unprofessional. This directly relates to your client's performance as CEO of Reading. Accordingly, Director Defendants intend to move to compel full and complete responses to these Requests to the extent you will not agree to provide them.

**Request for Production No. 59.** You agreed to respond to this Request providing that Director Defendants are willing to limit the time frame of this Request to July 1, 2014 and later. We so agree. Please amend Plaintiff JJC's responses accordingly.

**Request for Production No. 65.** You declined to provide any response to this Request, which relates to your client's knowledge of the terminal illness of Reading's former CEO and his disclosure of that illness to the full Board of Directors. This relates directly to Plaintiff JJC's performance and fulfillment of his duties and an officer and director of Reading. Accordingly, Director Defendants intend to move to compel full and complete responses to this Request.

**Requests for Production No. 67 and 68.** You stated that you would consider these Requests further. As I stated on the call, the First Amended Complaint alleges that Mary Cotter has sided with Ellen and Margaret Cotter against Plaintiff JJC. The First Amended Complaint also alleges that issues relating to the trust and estate litigation and well as your client's personal relationship with his sisters were tied to Plaintiff JJC's continued tenure as Reading's CEO. As these Requests relate directly to the allegations in the First Amended Complaint, Director Defendants intend to move to compel full and complete responses to these Requests.

**Requests for Production No. 72 and 73.** You declined to respond to these Requests because of the time frame of these Requests. Director Defendants understand that many responsive documents may no longer exist or be in Plaintiff JJC's possession, custody, or control. However, to the extent your client is in possession of these documents, they are directly relevant to his claim that he was uniquely qualified to be CEO of Reading due to his prior roles as a Reading officer and director. Accordingly, Director Defendants intend to move to compel full and complete responses to these Requests.

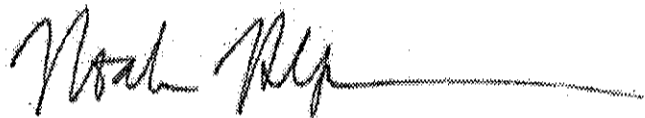
**Request for Production No. 75.** You stated that the scope of this Request, which seeks documents relating to your client's successes or failures as President and CEO of Reading, is overbroad. Director Defendants agree to narrow the scope of this request to any articles, publications, or communications known to Plaintiff and in his possession, custody, or control that describe his performance as CEO of Reading and/or his impact on Reading's share price. Please confirm that this limited scope is acceptable and that you will agree to respond to this Request, as limited.

**Request for Production No. 93.** We agreed to limit the scope of this Request to July 1, 2014. With that limitation in place, you agreed to respond to this Request fully and completely and to amend Plaintiff JJC's responses accordingly.

**Request for Production No. 97.** You agreed to respond to this Request providing that Director Defendants are willing to limit the scope of this Request to "any breach of fiduciary duty by any director" *alleged in the First Amended Complaint*. Director Defendants are so willing, provided that Plaintiff agrees that he does not intend to seek relief from the Court based on any conduct outside of that alleged in the First Amended Complaint. You further agreed to amend Plaintiff JJC's responses accordingly

Please let me know when we can expect amended responses and objections, as well as when we can expect a production of documents in response to these Requests.

Very truly yours,

A handwritten signature in black ink, appearing to read "Noah S. Helpen", followed by a horizontal line.

Noah S. Helpen

# EXHIBIT 4

**Lewis Roca**  
**ROTHGERBER CHRISTIE**

Lewis Roca Rothgerber Christie LLP  
3993 Howard Hughes Pkwy  
Suite 600  
Las Vegas, NV 89169

702.949.8200 main  
702.949.8398 fax

Mark G. Krum  
Admitted in California,  
Nevada and New York  
702.949.8217 direct  
702.216.6234 fax  
mkrum@lrrc.com

January 27, 2016

VIA ELECTRONIC MAIL

Noah Halpern  
Quinn Emmanuel  
865 S. Figueroa St., 10th Floor  
Los Angeles, CA 90017  
[noahhalpern@quinnemmanuel.com](mailto:noahhalpern@quinnemmanuel.com)

Re: James J. Cotter, Jr. v. Margaret Cotter, et al.  
Case No. A-15-719860-B

Dear Noah,

We write in response to your January 20, 2015 letter regarding the telephonic “meet and confer” calls held on January 8 and January 11, 2016, insofar as they addressed plaintiff James J. Cotter Jr.’s responses and objections to your clients’ Second Set of Requests for Production. You outlined in your letter certain agreements and disagreements between us, and described select comments made during one or both of the referenced telephone calls. Below is our response to your letter.

Request for Production Nos. 22, 23, 24. During our calls, we agreed to produce the subject communications that were created during the time period of July 1, 2014 through June 12, 2015, which is the time frame we ordinarily would apply to document requests to Plaintiff, absent some reason and/or agreement to employ another time frame. You agreed to the July 1, 2014 to June 12, 2015 time frame for these requests.

Request for Production No. 30. While we generally agree with your summary, we note that the Request may be construed as a “catch all” discovery request that is akin to a request for “all documents you will rely on at trial,” which is an improper discovery request under Nevada law. While we will agree to produce documents that are related to the director defendants’ “misuse of the corporate machinery or dismantling of the corporate structures of Reading as alleged in the First Amended Complaint,” we stress that the response may be supplemented as discovery proceeds and that this response shall not be construed as preventing Plaintiff from doing so. Likewise, we do not recall that you proposed, and we did not agree and obviously cannot agree, to Plaintiff not “seek[ing] relief from the Court based on any conduct outside that alleged in the First Amended Complaint,” which we are not precluded from amending and, based on the ongoing course of fiduciary breaches by your clients, will have occasion to do so.

Request for Production Nos. 49 and 50. As we discussed on our calls, we offered to produce the requested communications between Plaintiff and Judy Coddington and/or Michael Wrotniak that relate to RDI and/or those persons' roles as prospective and actual directors of RDI. You rejected that offer, arguing that the allegations in the First Amended Complaint regarding the relationships between one or more of Margaret Cotter, Ellen Cotter and Mary Cotter, on the one hand, and either or both Judy Coddington and Michael Wrotniak, on the other hand, warranted discovery from Plaintiff with respect to whether he had a personal relationship with either or both Coddington or Wrotniak. We then replied that, if your clients were prepared to reciprocate by producing such communications between them and each of Coddington and Wrotniak, Plaintiff would do so, as well. We understood you to have agreed with this proposal.

Requests for Production Nos. 56 and 57. As we indicated on our calls, we explained our position that Plaintiff's communications with Linda Phan, a secretary or administrative assistant of some sort, are neither relevant nor likely to lead to the discovery of admissible evidence. Your letter proffers a gratuitous assertion to the effect that Plaintiff's "behavior ... towards Ms. Phan ... was documented to be hostile and unprofessional." Your assertion is erroneous, and is contradicted by then contemporaneous observations by one or more of your own clients made in documents produced by your office.

Nevertheless, Plaintiff will produce nonprivileged documents in his possession, custody and control responsive to request number 56. As for request number 57, we explained that Debra Watson was not an employee of RDI and that your rationale for the request therefore was not well-taken. You provided no other rationale. Accordingly, we stand on our objections to request number 57.

Request for Production No. 65. Your letter omits to note the bases upon which we have objected to this request and stand by the objections. Among other things, the subject matter raised is not raised in the litigation, nor unique to Plaintiff. You also omit to note that we explained that and why the requested documents do not bear upon Plaintiff's performance as President and/or CEO.

Requests for Production Nos. 67. We agreed to produce the documents in response to request number 67 insofar as the phrase "trust and estate litigation" is understood and agreed to refer only to the matters alleged in the First Amended Complaint, and provided that your clients agreed to do so, as well.

Request for Production No. 75. Plaintiff will produce articles, publications, or communications known to him that and that presently are in his possession, custody or control that describe his performance as CEO at RDI.

Very truly yours,

LEWIS ROCA ROTHGERBER CHRISTIE LLP

*/s/ Mark G. Krum*

Mark G. Krum

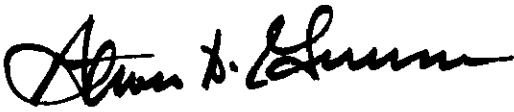
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cc: Marshall M. Searcy, III/[marshallsearcy@quinnemanuel.com](mailto:marshallsearcy@quinnemanuel.com)  
Marla Hudgens

# EXHIBIT 5

(CONFIDENTIAL – TO BE FILED UNDER SEAL  
PURSUANT TO STIPULATED PROTECTIVE ORDER)

# Tab 08

  
CLERK OF THE COURT

**MCMPL**  
**COHEN|JOHNSON|PARKER|EDWARDS**

H. STAN JOHNSON, ESQ.  
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Nevada Bar No. 13154  
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255 East Warm Springs Road, Suite 100  
Las Vegas, Nevada 89119  
Telephone: (702) 823-3500  
Facsimile: (702) 823-3400

**QUINN EMANUEL URQUHART & SULLIVAN, LLP**  
**CHRISTOPHER TAYBACK, ESQ.**

California Bar No. 145532, pro hac vice  
christayback@quinnemanuel.com  
**MARSHALL M. SEARCY, ESQ.**  
California Bar No. 169269, pro hac vice  
marshallsearcy@quinnemanuel.com  
865 South Figueroa Street, 10<sup>th</sup> Floor  
Los Angeles, CA 90017  
Telephone: (213) 443-3000

Attorneys for Defendants Margaret Cotter,  
Ellen Cotter, Douglas McEachern, Guy Adams, and Edward Kane

**EIGHTH JUDICIAL DISTRICT COURT**

**CLARK COUNTY, NEVADA**

JAMES J. COTTER, JR. individually and  
derivatively on behalf of Reading  
International, Inc.,

Plaintiffs,

v.

MARGARET COTTER, ELLEN COTTER,  
GUY ADAMS, EDWARD KANE, DOUGLAS  
McEACHERN, TIMOTHY STOREY,  
WILLIAM GOULD, and DOES 1 through 100,  
inclusive;

Defendants.

AND

Case No.: A-15-719860-B  
Dept. No.: XI

Case No.: P-14-082942-E  
Dept. No.: XI

Related and Coordinated Cases

**BUSINESS COURT**

**MOTION TO COMPEL PLAINTIFF  
JAMES J. COTTER, JR. TO PRODUCE  
ADEQUATE PRIVILEGE LOG**

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READING INTERNATIONAL, INC., a Nevada  
corporation,  
  
Nominal Defendant.

1 **MOTION TO COMPEL PLAINTIFF JAMES COTTER, JR. TO PRODUCE AN**  
2 **ADEQUATE PRIVILEGE LOG**

3 **TO: ALL PARTIES, COUNSEL, AND THE COURT:**

4 COMES NOW, Defendants Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and  
5 Douglas McEachern (collectively, "Moving Defendants"), by and through their counsel of record,  
6 Cohen|Johnson|Parker|Edwards and Quinn Emanuel Urquhart & Sullivan, LLP, hereby submit this  
7 Motion to Compel Plaintiff James J. Cotter, Jr. to Produce an Adequate Privilege Log. The Moving  
8 Defendants request that this matter be heard on an order shortening time.

9 This Motion is based upon the following Memorandum of Points and Authorities, the  
10 Declaration of Noah S. Helpen, the pleadings and papers on file, and any oral argument that the  
11 time of a hearing on this motion.

12 Dated: April 8, 2016

13 **COHEN|JOHNSON|PARKER|EDWARDS**

14 By: /s/ H. Stan Johnson

15 H. STAN JOHNSON, ESQ.

16 Nevada Bar No. 00265

17 MICHAEL V. HUGHES, ESQ.

18 Nevada Bar No. 13154

255 East Warm Springs Road, Suite 100

Las Vegas, Nevada 89119

19 **QUINN EMANUEL URQUHART &**  
20 **SULLIVAN, LLP**

21 CHRISTOPHER TAYBACK, ESQ.

22 California Bar No. 145532, pro hac vice

MARSHALL M. SEARCY, ESQ.

23 California Bar No. 169269, pro hac vice

marshallsearcy@quinnemanuel.com

24 865 South Figueroa Street, 10<sup>th</sup> Floor

Los Angeles, CA 90017

25 Attorneys for Defendants Margaret Cotter, Ellen  
26 Cotter, Douglas McEachern, Guy Adams and  
27 Edward Kane  
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**NOTICE OF MOTION**

TO: ALL INTERESTED PARTIES;

YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that the undersigned will bring the foregoing Motion on for hearing before the Honorable Court on the 27 day of May, 2016 at xxxxx In Chambers a.m. or as soon thereafter as counsel may be heard.

Dated: April 8, 2016

**COHEN|JOHNSON|PARKER|EDWARDS**

By: /s/ H. Stan Johnson  
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Cotter, Douglas McEachern, Guy Adams and  
Edward Kane

1                   **DECLARATION OF COUNSEL NOAH HELPERN IN SUPPORT OF MOTION TO**  
2                   **COMPEL PRODUCTION OF ADEQUATE PRIVILEGE LOG**

3                   I, Noah Helpern, state and declare as follows:

4                   1.       I am a member of the bar of the State of California, and am an attorney with Quinn  
5 Emanuel Urquhart & Sullivan, LLP (“Quinn Emanuel”), attorneys for Defendants Margaret  
6 Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern (“Moving Defendants”).

7 I make this declaration based upon personal, firsthand knowledge, except where stated to be on  
8 information and belief, and as to that information, I believe it to be true. If called upon to testify  
9 as to the contents of this Declaration, I am legally competent to testify to its contents in a court of  
10 law.

11                  2.       Attached hereto as Exhibit 1 is a true and correct copy of the transcript of the March  
12 3, 2016 hearing in this action.

13                  3.       Attached hereto as Exhibit 2 is a true and correct copy of Plaintiff’s March 16, 2016  
14 Opposition to Defendants’ Motion to Compel Further Responses to the Second Set of Requests for  
15 Production.

16                  4.       Attached hereto as Exhibit 3 is a true and correct copy of a March 17, 2016 letter  
17 from defendants’ counsel to counsel for Plaintiff.

18                  5.       Attached hereto as Exhibit 4 is a true and correct copy of Plaintiff’s privilege log.

19                  6.       Attached hereto as Exhibit 5 is a true and correct copy of the transcript of the March  
20 17, 2016 hearing in this action.

21                  7.       The accompanying Motion is brought because Plaintiff has failed to provide an  
22 adequate and complete privilege log, even though he was already ordered by the Court to do so.  
23 Plaintiff has represented that what has already been produced is a final and complete log; if that is  
24 truly the case, then it is wholly inadequate.

25                  8.       Plaintiff’s failure to provide full and complete privilege log threatens to impair  
26 Moving Defendants’ investigation of the facts relevant to Plaintiff’s allegations and claims in this  
27 case and Moving Defendants’ ability to conduct full and complete discovery. Indeed, at the recent  
28

1 March 17, 2016 hearing, all parties committed to completing fact discovery by June 10 in order to  
2 ensure that this case remains on track for its November trial date.

3 9. Moving Defendants have been awaiting Plaintiff's privilege log for quite some  
4 time. They served their First Set of Requests for Production on Plaintiff on August 26, 2015, more  
5 than seven months ago. After Plaintiff repeatedly failed to respond to inquiries regarding when he  
6 would provide a privilege log, Moving Defendants filed a motion to compel Plaintiff to produce a  
7 log on February 23, 2016. The Motion was heard on March 3, 2016, and Plaintiff agreed—and  
8 the Court ordered him—to produce a privilege log within two weeks, by March 17, 2016.

9 10. However, Plaintiff disregarded the Court's order and did not produce any privilege  
10 log on that date or even contact Moving Defendants to request an extension. When Moving  
11 Defendants sent a letter on March 18, 2016 (attached as Exhibit 3) to remind Plaintiff of his  
12 obligations with respect to the privilege log, Plaintiff hastily produced this slapdash log. Given  
13 the impending discovery cutoff, Moving Defendants must have in hand an adequate log as soon  
14 as possible so that they have an opportunity to challenge any erroneous assertions of privilege.

15 11. This declaration is made in good faith and not for the purpose of delay.

16 I declare under penalty of perjury under the laws of the State of Nevada that the foregoing  
17 is true and correct.

18 Executed on April 8, 2016, in Los Angeles, California.

19  
20 /s/ Noah Helpern

Noah Helpern

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff James J. Cotter, Jr. is in violation of this Court's order. He was ordered by this  
4 Court to produce a full and complete privilege log. His counsel has repeatedly represented to the  
5 Court that such a log would be produced. Yet, the version of the privilege log produced by Plaintiff  
6 is slapdash, incomplete, and incomprehensible. The log contains field after field of what appears  
7 to be nonsensical and/or redundant information, hampering Moving Defendants' ability to review  
8 and analyze the log. Compounding these difficulties, the pages and entries on the log are not  
9 numbered, making it extremely difficult to engage in any substantive discussion about any specific  
10 entry.

11 Further, Plaintiff's privilege log is incomplete on its face. It only spans a two-and-a-half  
12 month time period. It fails to log a single communication after June 12, 2015, the date the original  
13 complaint was filed in this case, despite the fact that Plaintiff's First Amended Complaint relates  
14 to numerous purported actions and events supposedly post-dating the original complaint. In  
15 addition, despite representing to the Court that he would provide a full and complete privilege log,  
16 Plaintiff has not even attempted to comply with this Court's most recent order that Plaintiff  
17 produce his communications with the various Intervening Plaintiffs, Mark Cuban, or Andrew  
18 Shapiro. Plaintiff represented to the Court that these documents would be somehow protected by  
19 the work product doctrine. Nonetheless, Plaintiff has not logged any such documents or provided  
20 any indication that he intends to do so.

21 Accordingly, Plaintiff should be ordered to produce a full and complete privilege log that  
22 identifies all documents withheld on the basis of privilege, including documents from the entire  
23 relevant timeframe and communications between Plaintiff and the Intervening Plaintiffs, Mark  
24 Cuban, and Andrew Shapiro.

25 Moving Defendants ask that this Motion be heard on shortened time.

26

27

28

1 **II. FACTUAL BACKGROUND AND ARGUMENT**

2 **A. Plaintiff Is Ordered to Produce a Privilege Log and Commits to Do So**

3 Because, until recently, Plaintiff refused to produce a privilege log of any sort, Moving  
4 Defendants previously moved to compel production of a privilege log. That motion was heard on  
5 March 3, 2016. At that hearing, Plaintiff's counsel stated the following: "I'm happy to produce a  
6 full privilege log, I'm happy to do it in two weeks . . . I'll do it in two weeks . . . And it's not an  
7 interim privilege log here. A real one." The Court ordered Plaintiff to do just that, stating: "The  
8 motion is granted. You're [Moving Defendants] going to get a privilege log in two weeks." See  
9 Declaration of Noah S. Helpen, Ex. 1, at 6-7 (March 3 Hearing Transcript).

10 On March 16, Plaintiff reiterated his prior representation in a filing with the Court.  
11 Defendants had moved to compel further responses to certain requests for production and for  
12 Plaintiff to produce a privilege log in connection with those requests. In his Opposition, Plaintiff  
13 wrote: "Insofar as the Motion seeks an order requiring Plaintiff to produce a privilege log, the  
14 Motion is moot, because Plaintiff agreed to do so and the Court so ordered on March 3, 2016."  
15 See Helpen Dec., Ex. 2, at 13.

16 Nonetheless, on March 17, 2016, two weeks later after the March 3 hearing, Plaintiff had  
17 still not produced a privilege log. Accordingly, on March 18, Moving Defendants sent a letter  
18 reminding Plaintiff of his obligations and representations to the Court. See Helpen Dec., Ex. 3.  
19 Later in the day on March 18, a log was finally produced. See Helpen Dec., Ex. 4. As discussed  
20 below, however, this log falls well short of what Plaintiff was obligated to provide.

21 **B. Plaintiff's Privilege Log Ignores the Court's Direction and Is Inadequate and**  
22 **Incomplete**

23 1. Plaintiff's Log Is Formatted In Such a Way to Make Review, Analysis,  
24 and Discussion Extremely Difficult

25 The purpose of a privilege log is for "a party to provide the factual basis for its claims f  
26 privilege." Alboum v. Koe, M.D., et al., Southern Nevada Discovery Commissioner Opinion No.  
27 10 (Nov. 2001). Here, Plaintiff's log fails to establish any applicable privileges. To the contrary,  
28 the majority of the entries on the log contain duplicative, meaningless, or nonsensical information.  
Take, for example, the below entry dated June 11, 2015 (See Helpen Dec., Ex. 4):

1	6/11/2015	MacTaggart, Scott Y.; SMacTaggart@irlaw.com; irlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=SMa cTaggart	'Adam Streisand'; ASTreisand@sheppardmullin.com; sheppardmullin.com	ADAMSUTS@MCDONALDCARANO.COM; jcotterprivate@gmail.com; Leigh T. Goddard, Matthew A. C. Gray; Krum, Mark; jcotterprivate@gmail.com; lgoddard@mcdonaldcarano.co m; mgray@mcdonaldcarano.com; MKrum@irlaw.com; gmail.com; mcdonaldcarano.com; irlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP; jcotterprivate@gmail.com;
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7	6/11/2015	Adam Streisand;	MacTaggart, Scott Y.;	jcotterprivate@gmail.com;

One of the senders of the email is listed as “O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=SMacTaggart.” There is no apparent reason why this nonsensical information is included on the log. The “cc” field lists “jcotterprivate@gmail.com” twice, contains additional nonsensical information, and appears to cut off at the bottom, therefore providing incomplete information about who received this email. The “cc” field also lists “gmail.com” as a recipient of the email; “gmail.com” is, of course, not a person. It is impossible to determine by reference to this log entry who actually sent and received this email.

If these formatting issues appeared in only a handful of entries, this would not be an issue for the Court. But they exist in nearly every entry.

Adding to these deficiencies is that Plaintiff has prepared his log in a manner that makes any analysis or discussion of the log as difficult as possible. One of the purposes of preparing a privilege log is to “aid the meaningful good faith communications required by E.D.C.R. 2.34.” *Albourn v. Koe, M.D., et al.*, Discovery Commissioner Opinion No. 10 (Nov. 2001). But Plaintiff’s privilege log, which is over 75 pages, contains an indeterminate number of entries—the entries on the log are not numbered. In fact, the log does not even have page numbers.

## 2. Plaintiff’s Log Covers Communications Spanning a Period of Less Than Three Months

Moreover, Plaintiff’s log is patently incomplete. The first entry on Plaintiff’s log is dated March 25, 2015. The last is dated June 12, 2015. However, the allegations in Plaintiff’s First

1 Amended Complaint describe a purported conspiracy dating back to at least 2014 and that is  
2 allegedly still ongoing. Plaintiff cannot legitimately contend that he does not have any relevant,  
3 privileged communications in his possession, custody, or control outside of the two-and-a-half-  
4 month window from March 25-June 12.

5  
6 3. Plaintiff's Log Defies the Court's Direction Regarding Communications  
with the Intervening Plaintiffs, Mark Cuban, and Andrew Shapiro

7 But even putting aside its unduly limited time-frame, Plaintiff's privilege log is missing  
8 entire categories of documents that should either have been logged or produced. The log does not  
9 include any communications between Plaintiff or his counsel, on the one hand, and counsel for the  
10 Intervening Plaintiffs, Mark Cuban, or Andrew Shapiro, on the other hand. This omission is  
11 especially egregious because Plaintiff has been specifically ordered by the Court to produce or log  
12 such communications.

13 Moving Defendants' Request for Production Nos. 22, 23, and 24 seek from Plaintiff all  
14 communications between him and the Intervening Plaintiffs, Andrew Shapiro, and Mark Cuban,  
15 respectively, since January 1, 2014. Plaintiff refused to respond fully and completely to these  
16 requests, forcing defendants to move to compel. At the hearing on that motion, which took place  
17 on March 17, 2016, the Court ordered Plaintiff to respond to these requests, specifically including  
18 documents from on or after June 12, 2015 (the day this action was filed).<sup>1</sup> See Helpert Dec., Ex.  
19 5, at 26 (March 17 Hearing Transcript).

20 Notably, at that hearing, Plaintiff asserted that all or virtually all such communications  
21 would be protected by the work product doctrine. The Court questioned whether a joint  
22 prosecution agreement was in place which would protect as privileged Plaintiff's communications  
23 between him and these various other Reading shareholders, some of whom are not even parties to  
24 this action. Plaintiff's counsel responded that "I don't know if we [have] a joint prosecution  
25 agreement, but I can't imagine that I've had any communications with [Intervening Plaintiff's  
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27 <sup>1</sup> The Court limited these requests to documents relating to Reading or the parties to the  
28 litigation.

counsel] with respect to which I wouldn't claim work product, and I would suggest that it would be highly unusual that two different sets of plaintiffs' lawyers have to log any communications between them with respect to an ongoing litigation when the communications could only be about the litigation. So that's the – that's the rationale for why we agreed to produce through the commencement of the litigation." See *Helpern Dec.*, Ex. 5, at 19-21. The Court directly rejected this argument, explicitly requiring Plaintiff to respond to the requests for production about communications with Intervening Plaintiffs, Mr. Cuban, and Mr. Shapiro for the time period after litigation commenced. See *id.* At 26. Plaintiff has not done so.

**C. Plaintiff Should Be Compelled to Provide the Full and Complete Log Promised to the Court and the Parties**

Plaintiff repeatedly represented to the Court that he would produce a final and complete privilege log on March 17. The Court ordered him to do so. But the log produced on March 18 is neither final nor complete. In both substance and format, it does not comply with Plaintiff's obligations or the Court's order. Moving Defendants request that Plaintiff be ordered, again, to do properly what he was already ordered to do, and what he committed to do.

**III. CONCLUSION**

WHEREFORE, based on the foregoing, the Moving Defendants respectfully request the Court grant this Motion and enter an order directing Plaintiff to produce an amended Privilege Log that complies with the following:

1. Logs communications between Plaintiff and/or his counsel, on the one hand, and Intervening Plaintiffs, Andrew Shapiro, Mark Cuban, or their counsel, on the other hand, withheld on the basis of any privilege;
2. Logs documents from before March 25, 2015, withheld on the basis of any privilege;
3. Logs documents from after June 12, 2015, withheld on the basis of any privilege;
4. Assigns a number to each privilege log entry;

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5. Does not contain duplicative or nonsensical information.

Dated: April 8, 2016

**COHEN|JOHNSON|PARKER|EDWARDS**

By: /s/ H. Stan Johnson

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Attorneys for Defendants Margaret Cotter, Ellen  
Cotter, Douglas McEachern, Guy Adams and  
Edward Kane

**CERTIFICATE OF SERVICE**

I hereby certify that, on the 8<sup>th</sup> day of April, 2016, I served a copy of the foregoing  
**MOTION TO COMPEL PLAINTIFF JAMES J. COTTER, JR. TO PRODUCE**  
**ADEQUATE PRIVILEGE LOG** to be served on all parties in this action via the Court's E-  
Filing and E-Service System.

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/s/ C.J. Barnabi  
An employee of Cohen|Johnson|Parker|Edwards

# EXHIBIT 1

TRAN

## JAMES COTTER, JR.

CASE NO. A-719860

DEPT. NO. XI

# Transcript of Proceedings

• • • • •

HEARING ON DEFENDANTS' MOTION TO COMPEL  
PRODUCTION OF PRIVILEGE LOG

APPEARANCES :

MARK G. KRUM, ESQ.

HOWARD STANLEY, JOHNSON, ESQ.  
MARSHALL M. SEARCY, ESQ.  
KARA B. HENDRICKS, ESQ.

ALEXANDER ROBERTSON, IV, ESQ.

TRANSCRIPTION BY:

FLORENCE HOYT  
Las Vegas, Nevada 89146

**000218**

1 LAS VEGAS, NEVADA, THURSDAY, MARCH 3, 2016, 9:28 A.M.

2 (Court was called to order)

3 THE COURT: That takes me to Cotter.

4 It's always a bad idea to argue the other side's  
5 misconduct when you're doing your opposition to the motion.

6 MR. KRUM: Good morning, Your Honor. That's -- it's  
7 a pleasure to be here.

8 And, Mr. Peek, thank you.

9 UNIDENTIFIED SPEAKER: Yes. We all thank Mr. Peek.

10 THE COURT: Mr. Krum, Mr. Johnson --

11 MR. SEARCY: Mr. Searcy.

12 MS. HENDRICKS; Ms. Hendricks --

13 THE COURT: -- Ms. Hendricks.

14 MS. HENDRICKS: -- on behalf of Reading  
15 International.

16 THE COURT: Instead of Mr. Ferrario. It's always a  
17 pleasure to have her instead of Mr. Ferrario. Please take  
18 that message back.

19 Okay. So, Mr. Krum, it's always a mistake when your  
20 opposition starts with, gosh, they've been really bad, too,  
21 Judge.

22 MR. KRUM: Well, there's a reason for that.

23 THE COURT: Because I know because we did their --  
24 they were really bad, too, last week or the week before.

25 MR. KRUM: Well, that's actually a segue to my last

1 point. Your Honor, you saw the opposition, so you saw that we  
2 pointed out that what it is they seek by this motion is a  
3 preliminary privilege log with respect to documents withheld  
4 by the plaintiff during the long since terminated and never  
5 completed, I hasten to add, expedited phase of discovery which  
6 was ordered by Your Honor in connection with setting a motion  
7 for preliminary hearing injunction to be brought by plaintiff  
8 and the intervening plaintiffs. I believe Mr. Robertson's on  
9 the phone.

10 So -- and what happened is on October 29th, when,  
11 thanks to the -- large part to the conduct of the people who  
12 brought this motion, that hearing date was vacated, the  
13 expedited discovery was in effect terminated, we had a Rule 16  
14 conference, and you ordered that discovery should proceed.

15 Now, what I omitted from those opposition papers  
16 prepared in response to a motion brought on shortened time in  
17 February with respect to discovery in October is that the  
18 order Your Honor entered in August did not provide for the  
19 defendants to seek or obtain discovery. So when they  
20 propounded document requests to us we responded in written  
21 fashion. One of the objections we made and preserved was that  
22 they were not entitled to discovery. But because we don't  
23 view discovery as an exercise in delay and suppression,  
24 instead of standing on that objection we actually produced  
25 documents. But it wasn't our documents that we need for the

1 preliminary injunction hearing that was never held, it was the  
2 defendants'. And, as you know, they produced those a couple  
3 weeks before. That whole process went by and by.

4           And so, Your Honor, the point of that is there's a  
5 factual and legal predicate for the motion today, which is  
6 they needed an order from the Court that they could seek  
7 discovery, and they also needed a further order of the Court  
8 compelling the production of documents with respect to that  
9 initial request. They didn't do that. In point of fact there  
10 was never, ever, ever any discussion about that. We had --  
11 actually, no, that's not correct. We had a meet and confer,  
12 and they brought no motion. And today they bring no motion  
13 with respect to the documents. And so all they are asking by  
14 this motion is for a preliminary privilege log of documents  
15 withheld during expedited phase of discovery in connection  
16 with the preliminary injunction hearing motion that no longer  
17 exists.

18           So the last thing I want to point out on the motion,  
19 Your Honor, is that they just served the motion that admits  
20 that the point I just made is correct. Set on calendar for  
21 one week from today is a motion to compel us to produce a  
22 privilege log by March 24th.

23           Now, that's fine, Your Honor. That's the point of  
24 all my talk about their discovery. They haven't produced  
25 privilege log, they haven't produced documents. I'd be

1 thrilled to have that whole process circumvented by the way it  
2 ordinarily would be, which is counsel agreeing, fine, we'll  
3 just get it done by such and such a date.

4           So, as you may have seen in my conclusion, I  
5 suggested that we needed to have some assistance from the  
6 Court. And I stand by that. And the point of including all  
7 that stuff about what they haven't done was really to move us  
8 beyond this sort of gamesmanship into some actual problem  
9 solving. We need a date by which everybody produces the final  
10 privilege log. They haven't done it, Your Honor. Not only  
11 have they not done it, they're seeking to mislead us and you.  
12 Yesterday -- no. The 1st, two days ago, they produced a  
13 voluminous privilege log. And I guarantee you that was --  
14 well, I know what it was. It's prepared for use in the  
15 California Trust and estate litigation in which they've agreed  
16 to produce a privilege log I think it is by the end of the  
17 month. If you look at that log, which is amongst our  
18 exhibits, you'll see there's not a single document in there  
19 that has anything to do with this case. And I also submitted  
20 the correspondence between us, it's our last exhibit, from  
21 September when we each took the position that as a general  
22 matter all that stuff from the California Trust and estate  
23 litigation need not be produced or logged. I carved out an  
24 exception predicated on particularized allegations of our  
25 complaint concerning the fact that it was a T&E lawyer

1 representing Ellen and Margaret Cotter who sent the take-it-  
2 or-leave-it demands that the Quinn defendants insisted the  
3 plaintiff accept or be terminated. That stuff should be  
4 discovered, but that's a very small segment of it. None of  
5 that is in that lengthy privilege log. And in point, Your  
6 Honor, if you go back through the October privilege log for  
7 Margaret Cotter that has 199 of their famous 1300 entries  
8 where they told you last week how good they've been, of those  
9 199 entries all but eight, all but eight are from the  
10 California T&E litigation. This is an exercise in obfuscation  
11 and delay and misdirection.

12 I'm happy to produce a full privilege log, I'm happy  
13 to do it in two weeks, and I'd like them to do it in two  
14 weeks. We can moot next week's motion, except the other issue  
15 we need to discuss, and Mr. Robertson is going to probably  
16 take the lead on this, and I mentioned this in all my story  
17 about their conduct, they won't even talk to us about  
18 scheduling depositions. We need to get that done, too. So  
19 I'm happy to cut through it all, Your Honor. And this motion  
20 isn't doing any of that. This is just wasting our time and  
21 yours.

22 THE COURT: So you're agreeing to do a privilege log  
23 in two weeks?

24 MR. KRUM: I'm going to do a privilege log in two  
25 weeks, provided they do, too. That is ahead of theirs.

1           THE COURT: No, no. We're not doing that. You're  
2 agreeing to make a -- do a privilege log in two weeks; right?

3           MR. KRUM: That's fine. I'll do it in two weeks.

4           THE COURT: Great. Okay.

5           MR. KRUM: No worries, Your Honor. And it's not an  
6 interim privilege log here. A real one. So --

7           THE COURT: But it will cover the documents that  
8 were produced -- or not produced, withheld in response to the  
9 first set of requests for production served on August 26th,  
10 2015.

11          MR. KRUM: Yes. As I said in the opposition, we  
12 view that once the expedited discovery was terminated as  
13 subsumed, yes. Absolutely.

14          THE COURT: So you're going to get a privilege log  
15 in two weeks.

16          MR. SEARCY: Thank you, Your Honor. And that's what  
17 we ask for. And so I don't really have much to say at this  
18 point.

19          THE COURT: Thank you.

20          The motion is granted. You're going to get a  
21 privilege log in two weeks.

22          However, the next time I see you guys I would really  
23 like to talk about scheduling. You are scheduled to be here  
24 on March 26th. I would really, really, really like you to  
25 have some plan as to how you're going to get this case ready

1 to be tried in November.

2 MR. KRUM: Your Honor, we're actually scheduled to  
3 be here next Thursday, as I understand. I was just served  
4 last night with another discovery motion.

5 THE COURT: It's not on the calendar.

6 MR. KRUM: My suggestion is we have a supplemental  
7 Rule 16 conference then.

8 THE COURT: Is it a discovery motion?

9 MR. KRUM: Yes.

10 MR. SEARCY: It is a discovery motion, Your Honor.

11 THE COURT: Do you think everyone will agree to come  
12 on March 10th?

13 MR. KRUM: Yes.

14 THE COURT: You are funny. I can't even get you  
15 guys to agree to file an opposition.

16 MR. SEARCY: I have no objection to appearing on  
17 March 10th for that purpose, Your Honor.

18 THE COURT: So, Ms. Hendricks, do you think you or  
19 Mr. Ferrario could come on March 10th?

20 MS. HENDRICKS: We will make sure we're here, Your  
21 Honor.

22 THE COURT: It's so nice for you to act like Mr.  
23 Netzorg and tell me, Judge, we'll be happy to be here then.

24 MS. HENDRICKS: I take hints, so --

25 THE COURT: Okay. Anything else?

1 MR. KRUM: Thank you, Your Honor.

2 MR. SEARCY: I'm sorry. I do have one point that  
3 Mr. Krum raised with regard to the privilege logs. He is  
4 unilaterally --

5 THE COURT: I'm not talking about your privilege  
6 logs. I'm only talking about him today.

7 MR. SEARCY: There is a point, though, that relates  
8 to him. We disagree with him in terms of an agreement on  
9 scope. I just want that on the record.

10 THE COURT: And someday we're going to work that  
11 out.

12 MR. SEARCY: Thank you, Your Honor.

13 THE COURT: But Mr. Krum's going to give us a  
14 privilege log that complies with Discovery Commissioner Order  
15 Number 10 that's about 25 years old.

16 MR. SEARCY: Thank you, Your Honor.

17 THE COURT: Anything else?

18 MR. KRUM: Nope. Thank you, Your Honor.

19 THE COURT: Have a lovely day.

20 And March 10 there was apparently a hearing, and I'm  
21 going to do a status check on scheduling.

22 MR. KRUM: Oh. Your Honor, one other point. I'm  
23 sorry. Logistics. With respect to the Court's calendar. We  
24 have a status check, which just came to mind when you used  
25 those words, on May 5.

1 THE COURT: No, you don't.

2 MR. KRUM: Pursuant to --

3 THE COURT: You have a status check on September 1.

4 MR. KRUM: It's in the -- it's in a scheduling  
5 order, Your Honor.

6 THE COURT: My calendar says you have a status check  
7 on September 1 and a motion on March 22.

8 MR. KRUM: I have a status check on the September  
9 date you mentioned, but I also have one on May 5.

10 THE COURT: Is that in the probate case?

11 MR. KRUM: Well, in that case I don't have a  
12 conflict.

13 THE COURT: Okay. If when it turns out next week  
14 that you all think you have a status check on May 5th, we will  
15 talk about rescheduling it if there's a conflict.

16 Anything else? Have a lovely day.

17 MR. KRUM: Thank you.

18 THE COURT: Please make sure you invite all of the  
19 attorneys in both the probate and this case to appear for the  
20 status check on March 10th so when we talk about scheduling  
21 everybody who needs to be involved in providing folks for  
22 deposition is in the room.

23 MR. KRUM: Will do.

24 MR. SEARCY: Your Honor, just one point on that. Is  
25 it all right if some of the out-of-town counsel appear

1 telephonically?

2 THE COURT: Absolutely.

3 MR. SEARCY: Thank you, Your Honor.

4 THE COURT: Just set up a calling number so I can  
5 get multiple people on the phone.

6 THE PROCEEDINGS CONCLUDED AT 9:39 A.M.

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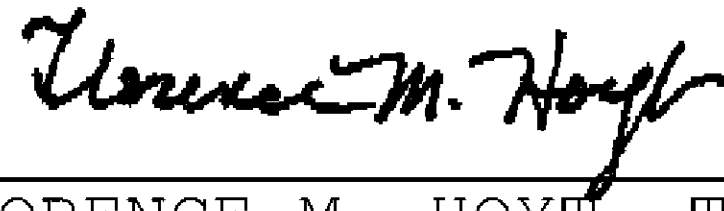
**CERTIFICATION**

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

**AFFIRMATION**

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

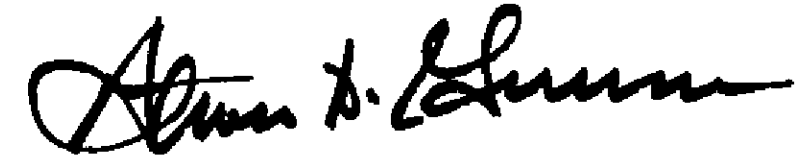
**FLORENCE HOYT**  
**Las Vegas, Nevada 89146**

  
\_\_\_\_\_  
FLORENCE M. HOYT, TRANSCRIBER

3/22/16

\_\_\_\_\_  
DATE

# EXHIBIT 2



CLERK OF THE COURT

OMCM  
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*Attorneys for Plaintiff*  
*James J. Cotter, Jr.*

DISTRICT COURT

CLARK COUNTY, NEVADA

JAMES J. COTTER, JR., individually and  
derivatively on behalf of Reading International,  
Inc.,

Plaintiff,

vs.

MARGARET COTTER, ELLEN COTTER,  
GUY ADAMS, EDWARD KANE, DOUGLAS  
McEACHERN, TIMOTHY STOREY,  
WILLIAM GOULD, and DOES 1 through 100,  
inclusive,

Defendants.

and

READING INTERNATIONAL, INC., a  
Nevada corporation,

Nominal Defendant.

CASE NO.: A-15-719860-B  
DEPT. NO. XI

Coordinated with:

Case No. P-14-082942-E  
Dept. No. XI

Jointly Administered

**JAMES J. COTTER, JR.'S OPPOSITION  
TO MOTION TO COMPEL  
PRODUCTION OF DOCUMENTS  
SOUGHT BY DEFENDANTS  
MARGARET COTTER, ELLEN  
COTTER, GUY ADAMS, EDWARD  
KANE, AND DOUGLAS McEACHERN'S  
SECOND SET OF REQUESTS FOR  
PRODUCTION**

**Date of Hearing: March 17, 2016**  
**Time of Hearing: 8:30 a.m.**

3993 Howard Hughes Pkwy, Suite 600  
Las Vegas, NV 89169-5996

**Lewis Roca**  
**ROTHGERBER CHRISTIE**

**I. INTRODUCTION**

As the Court well knows, this is a derivative action arising from the conduct of the individual defendants, including in particular Ellen Cotter (“EC”), Margaret Cotter (“MC”), Edward Kane, Guy Adams and Doug McEachern (collectively, the “Interested Director Defendants”), to seize control of Reading International, Inc. (“RDI” or the “Company”) and to entrench themselves in control of RDI, all in furtherance of their personal and pecuniary interests and to the detriment of RDI and its other shareholders. However, one would never know that from the document requests which are the subject of the motion to compel brought by the Interested Director Defendants (the “Motion”).

The Motion, which was belatedly and hastily brought, seeks relief with respect to eight separate document requests, each of which is facially and fatally objectionable. Four of the requests (nos. 22, 23, 24 and 57) call for production of “all communications” between Plaintiff, on one hand, and the intervening plaintiffs and three nonparties, on the other hand, without specifying any subject matter or otherwise limiting the scope of communications requested. One request (no. 68) calls for “all communications” between Plaintiff and his mother relating to his sisters, defendants EC and MC. Two others (nos. 72 and 73) effectively call for all documents relating to Plaintiff’s work at RDI dating back to 2005. The other (no. 65) calls for “all communications” between Plaintiff and his now deceased father prior to August 8, 2014 regarding his father’s medical condition and whether and how it might have materially affected his ability to serve as CEO of RDI. On their face, each of these requests fail to reasonably particularize the documents sought and each therefore are unduly burdensome and oppressive, and each call for documents or information that are neither relevant nor likely to lead to discovery of admissible evidence with respect to the conduct of the individual defendants which is the subject of this action, or with respect to any other matter even arguably raised in this action.

When viewed against the backdrop that Plaintiff agreed to produce documents in response to approximately 90 of 98 requests made in the Interested Director Defendants’ second set of request for documents, the Motion presents a classic case of misuse of the discovery process and overreaching. For the reasons described hereinafter, the Motion should be denied.

## II. STATEMENT OF FACTS AND PROCEDURAL HISTORY

Plaintiff timely served his responses to the Interested Director Defendants' Second Set of Requests for Production of Documents on or about December 16, 2015 (the "Responses"). (Krum Dec., ¶ 3, Ex. 1.) By those Responses, Plaintiff agreed to produce documents in response to approximately 81 of 98 individual document requests. (*Id.*) Following telephonic conferences on January 8 and 11, 2016, Plaintiff agreed to produce documents in response to an additional nine (9) particular document requests. (Krum Dec., ¶ 4, Ex. 2.) Thus, Plaintiff agreed to produce documents in response to approximately 90 of 98 separate document requests. As a Court can see by reviewing Plaintiff's Responses, those requests are exhaustive (and often objectionable).

As to the eight particular document requests which are the subject of the Motion, four of them (Request Nos. 22, 23, 24 and 57) call production of "all communications" between Plaintiff, on one hand, and certain nonparties, on the other hand, without *any* limitation as to subject matter. Another (Request No. 68) calls for "all communications" between Plaintiff and his mother, Mary Cotter, relating to MC or EC. Two others (Request Nos. 72 and 73) effectively call for all documents relating to Plaintiff's work at RDI dating back to 2005. The other (Request No. 65) calls for all communications between Plaintiff and his now deceased father (prior to August 12, 2014) regarding whether his father's medical condition might have materially affected his father's ability to serve as CEO of RDI.

Each of these requests is fatally objectionable for a number of independent reasons. That they are the subject of a belatedly and hastily brought motion to compel raises the question of what improper purposes the Interested Director Defendants seek to advance by the Motion.<sup>1</sup>

## III. ARGUMENT

### A. Introduction

As tacitly acknowledged by the Motion, and as observed above, Plaintiff agreed to produce documents in response to approximately 90 of 98 separate document requests propounded by the Interested Director Defendants as part of their second set of document requests. In doing so,

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<sup>1</sup> After Plaintiff served the responses on or about December 16, 2015, counsel spoke telephonically about them (and other matters) on January 8 and 11, 2016. Following an exchange of correspondence on January 20 and 27, 2016, the Interested Director Defendants waited approximately another month, until February 25, 2016, to file the Motion and then sought to proceed on shortened time.

1 Plaintiff agreed to produce documents with respect to effectively all matters raised in his pending  
2 complaint, as well as additional matters raised in the pending complaint of the intervening  
3 plaintiffs.

4 Nevertheless, the Interested Director Defendants filed the Motion, which concerns the few,  
5 fatally objectionable requests to which Plaintiff could not and did not agree to produce documents  
6 as to Request Nos. 22, 23 and 24, agreed to produce documents for a time period up to  
7 commencement of this action. Of those days particular document requests, four (nos. 22, 23, 24  
8 and 57) call for all communications between Plaintiff and another person or entity, with no  
9 identification or specification of subject matter and no limit to the subject matter of the  
10 communications. One (no. 68) calls for all communications between Plaintiff and his mother  
11 regarding his sisters. Two others (nos. 72 and 73) effectively call for all documents relating to  
12 Plaintiff's work at RDI dating back to 2005. The other (no. 65) calls for all communications  
13 between Plaintiff and his now deceased father (prior to August 12, 2014) regarding whether his  
14 father's medical condition might have materially affected his ability to serve as CEO of RDI  
15 which, though logically and legally irrelevant in this case, surely seeks discovery for use in the  
16 California trust and estate action, in which EC and MC dispute that their father was mentally  
17 competent to execute certain trust documents in or about June or July 2014.

18 As demonstrated below, each of the requests which are the subject of the Motion are fatally  
19 objectionable on their face, whether because they fail to reasonably particularize the documents  
20 sought and therefore is unduly burdensome and oppressive, seek documents and information  
21 which are neither relevant nor likely to lead to discovery of admissible evidence and/or otherwise  
22 (including the because they seek discovery for use in another proceeding).

23 **B. The Uniformly Objectionable Requests Raised in the Motion**

24 **Request Nos. 22, 23, 24 Are Facially and Fatally Objectionable**

25 Each of these three requests calls for "all communications[.]" without *any* specification or  
26 or limitation of subject matter, between Plaintiff and a group of entities, the "T2 PLAINTIFFS"  
27 (No. 22), Andrew Shapiro (who directly or indirectly owns RDI stock and is represented by  
28

1 counsel for the intervening plaintiffs) (No. 23) and RDI class B voting stock shareholder “Mark  
2 Cuban and/or his attorneys” (No. 24).

3 Because each of Request Nos. 22, 23 and 24 fail to specify any subject matter, each suffers  
4 from fatal objectionability on their face. *See Sewell v. D'Alessandro & Woodyard, Inc.*, 2011 WL  
5 843962, at \*2 (M.D. Fla. 2011) (“A request for all documents and records that relate to any of the  
6 issues, while convenient, fails to set forth with reasonable particularity the items or category of  
7 items sought for Plaintiff's identification and production of responsive documents”). Such  
8 requests, because of the time it will take to construe the material sought, will also be subject to  
9 the objection that the request is unduly burdensome. *See Audiotext Communications Network, Inc.*  
10 *v. US Telecom, Inc.*, 1995 WL 625962, at \*6 (D. Kan. 1995) (noting that courts may find “a  
11 request overly broad or unduly burdensome on its face, if it is couched in such broad language as  
12 to make arduous the task of deciding which numerous documents may conceivably fall within its  
13 scope”); *Williams v. Hernandez*, 221 F.R.D. 414, 416 (S.D. N.Y. 2004) (plaintiff's request  
14 for all e-mail correspondence in a particular time frame was overly broad and unduly burdensome  
15 where plaintiff failed to indicate why there would be relevant information in such e-mails); *St.*  
16 *Paul Reinsurance Co., Ltd. v. Commercial Financial Corp.*, 198 F.R.D. 508, 514, 48 Fed. R. Serv.  
17 3d 1232 (N.D. Iowa 2000) (stating that broad and undirected requests for all documents which  
18 relate in any way to the complaint are regularly stricken as too ambiguous); *Mayer v. Driver*  
19 *Solutions, Inc.*, 2011 WL 1248694, \*1 n.1 (E.D. Pa. 2011) (requiring plaintiff to reformulate  
20 discovery request because terms such as “business related correspondence,” “in proximity to the  
21 driver's residence,” “hiring area,” and “other business activities” are too vague).

22 Additionally, Request No. 22, which calls for “[a]ll COMMUNICATIONS between  
23 [Plaintiff] and the T2 PLAINTIFFS since January 1, 2014,” uses an objectionable defined term,  
24 “T2 Plaintiffs,” which is defined in the Requests as:

25 “T2 Partners Management, LP d/b/a Kase Capital Management; T2  
26 Accredited Fund, LP dba Kase Fund; T2 Qualified Fund, LP d/b/a Kase  
27 Qualified Fund; Tilson Offshore Fund, LTD's; T2 Partners Management I, LLC  
28 d/b/a Kase Management; T2 Partners Management Group, LLC d/b/a Kase  
Group; JMG Capital Management, LLC; Pacific Capital Management, LLC; and  
any present and former attorneys, investigators, agents, and any other individual  
acting for or on their behalf.”

1 Notwithstanding the failure of Request No. 22 to specify any subject of the “[a]ll  
2 COMMUNICATIONS” sought, and subject to narrowing the term “T2 Plaintiffs” to Whitney  
3 Tilson and Jon Glaser, the only persons identified in the intervening plaintiffs’ complaint and the  
4 only persons Plaintiff knows as affiliated with any of the identified entities, Plaintiff agreed to  
5 produce documents responsive to this request for the period of July 1, 2014 to the date this action  
6 was commenced, June 12, 2015. Plaintiff did so for the purpose of avoiding motion practice and  
7 did so without waiving the objections he made to this request, which objections included that the  
8 request failed to reasonably particularize the documents sought, that it was over broad and unduly  
9 burdensome, and that it sought documents which were neither relevant nor likely to lead to the  
10 discovery of admissible evidence. (*See* Krum Dec., Ex. 1 at p. 3.)

11 The Motion claims that Plaintiff agreed to produce such communications to date, but did  
12 not produce such communications that post-date June 12, 2015, the date on which this lawsuit was  
13 commenced. That claim is false. As part of the meet and confer compromise, the agreement  
14 reached with respect to this request (and Request Nos. 23 and 24) was that Plaintiff would produce  
15 documents, without waiving objections, for the time period of July 1, 2014 to June 12, 2015, the  
16 date on which this action was commenced. That agreement and compromise is memorialized in  
17 the January 27, 2016 letter attached as Exhibit 4 to the Motion and as Exhibit 2 to the  
18 accompanying Krum Dec. The January 27 letter from counsel for Plaintiff stated in this regard  
19 follows:

20 “Request for Production Nos. 22, 23, 24. During our calls, we agreed  
21 to produce the subject communications that were created during the time  
22 period of July 1, 2014 through June 12, 2015, which is the time frame we  
ordinarily would apply to document requests to Plaintiff, absent some reason  
and/or agreement to employ another time frame. You agreed to the July 1,  
2014 to June 12, 2015 time frame.”

23 (*See* Motion Ex. 4, Krum Dec., Ex. 2.)  
24

25 Counsel for the Interested Director Defendants never replied to, much less disputed, the  
26 foregoing summary of the agreement reached. Thus, by the Motion as directed at Request Nos.  
27 22, 23 and 24, Interested Director Defendants seek to renege on an agreement struck during the  
28 meet and confer process, which was a (generous) compromise to which Plaintiff agreed--to

1 produce documents responsive to otherwise obviously and fatally objectionable requests--for the  
2 very purpose of avoiding having to respond to a motion to compel with respect to those requests.  
3 (Additionally, as explained during the telephonic meet and confers of January 8 and 11, 2016,  
4 counsel for Plaintiff declined to agree to include in a privilege log post-litigation communications  
5 counsel for Plaintiff had with such persons including, obviously, counsel for the intervening  
6 plaintiffs.) (See Krum Dec., ¶ 4.)

7 The Motion asserts that "Plaintiff does not dispute that his communications with T2  
8 Plaintiffs, Andrew Shapiro and Mark Cuban are relevant to this action." (Motion at 8:13-14.)  
9 That assertion is erroneous and obviously is disproven by the objections Plaintiff made to each of  
10 Request Nos. 22, 23 and 24, each of which includes an objection that the request "seeks  
11 documents or information which are neither relevant nor likely to lead to the discovery of  
12 admissible evidence." (See Krum Dec. Ex. 1, at pp. 3 and 4.)

13 The Motion also argues that, because Plaintiff's complaint includes allegations regarding  
14 events that post-date commencement of this action, the date of commencement of this action  
15 "makes no sense" with respect to Request Nos. 22, 23 and 24. (Motion at 8:16-9:7.) In other  
16 words, the Motion argues that because Plaintiff's complaint includes allegations (about the  
17 conduct of the individual director defendants) that post-date commencement of this action,  
18 communications between Plaintiff and any of the T2 Plaintiffs, Andrew Shapiro and Mark Cuban  
19 and his attorneys that post-date commencement this action are discoverable. This argument is a  
20 *non sequitur* and the inapposite cases cited in the Motion do not support the conclusion it asserts.

21 To make a substantive argument, rather than beg the question, the Motion must refer to  
22 particular allegations in Plaintiff's complaint that post-date commencement of the action and that  
23 refer expressly or by implication to one or more of the intervening ("T2") plaintiffs, Andrew  
24 Shapiro and/or Mark Cuban and his attorneys. Of course, there is no allegation in Plaintiff's  
25 complaint that concerns any of them, and none of them have anything to do with the ongoing  
26 conduct of the individual defendants to entrench themselves in control RDI, whether by  
27 eliminating independent directors and replacing them with unqualified loyalists, by a fake search  
28 for a CEO as a pretext to give EC that position or by any of the other self-dealing in which the

1 individual defendants as directors and officers of RDI have engaged during the pendency of this  
2 action.

3 Respectfully, the issue raised by Motion with respect to Request Nos. 22, 23 and 24 should  
4 be whether sanctions should be imposed in connection with the denial of the Motion as directed at  
5 those requests.

6 **Request No. 57 Also Is Facially and Fatally Objectionable**

7 Request Nos. 56 and 57 call for all communications between Plaintiff and Linda Phan (56)  
8 and Deborah Watson (57), respectively, since January 1, 2014. Linda Phan is a former RDI  
9 executive or administrative assistant who claimed in early 2015 that Plaintiff yelled at her and who  
10 subsequently was terminated for cause. As the Motion acknowledges, Deborah Watson is not a  
11 RDI director or officer, or even an RDI employee. Instead, she is a person who worked for Cotter  
12 family businesses controlled by EC and MC, but did so for some period of time at RDI's offices  
13 (which should provide some indication of how EC and MC view RDI).

14 Preliminarily, these requests refer to matters that not only are irrelevant, they are a "red  
15 herring." Although the Interested Director Defendants may now contend that supposed "anger  
16 management" issues (as distinct from the disagreements and the interpersonal dynamic between  
17 Plaintiff, on one hand, and EC and MC, the other hand) factored into his termination, such a  
18 contention is demonstrably false and made in bad faith, for the complimentary purposes of  
19 attempting to prejudice the Court against Plaintiff and of obscuring what actually transpired,  
20 which the documents and testimony show was that Kane, Adams and McEachern picked sides in a  
21 family trust and estate dispute that involved control of RDI. (See Krum Ex. 6A-D, submitted  
22 separately under seal, which are filed separately under seal). Contrary to the false and salacious  
23 assertions made in the Motion, documents produced by the Interested Director Defendants show  
24 that these supposed "anger management" issues were nonissues. (See Ex. 5A and B to the  
25 accompanying Krum declaration, which is filed under seal.)

26 Even allowing for the nonsensical possibility that RDI's Board of Directors considered  
27 Plaintiff's (supposed) interactions with a person who was not even an RDI employee, much less a  
28 RDI officer or director, for any purpose, much less in determining whether to terminate him, the

1 “evidence” would be in the nature of documents regarding the (supposed) deliberations of the  
2 individual director defendants in or about May 2015, not documents showing communications  
3 between Plaintiff and a person not employed by RDI. Finally as to Ms. Watson, she indisputably  
4 is an agent (if not agent provocateur) of EC and MC—by their own account—because she is  
5 identified as party to communications as to which they have claimed privilege. (See Krum Dec. 3,  
6 excerpts of a March 1, 2016 “Privilege Log for Ellen Cotter and Margaret Cotter”), entries 113,  
7 161, 184, 188, 829, 830, 874, 883, 900, 904, 905, 906, 908, 919, 940, 986, 999, 1000, 1557, 1747  
8 and 1753.)

9 Notwithstanding the foregoing, in order to avoid responding to a motion to compel  
10 production of such documents, Plaintiff agreed to produce documents responsive to Request No.  
11 56, but not Request No. 57, which calls for production of:

12 “All COMMUNICATIONS between [Plaintiff] and Deborah Watson since January 1,  
13 2014.”

14 Request No. 57 not only is fatally objectionable on account of the failure to identify a  
15 single subject, as distinct from all subjects in the world, but it also seeks documents and  
16 information which are neither relevant nor likely to lead to the discovery of admissible evidence,  
17 including because Deborah Watson was not even an RDI employee, much less a director or officer  
18 of RDI. Counsel for Plaintiff made that point to counsel for the Interested Director Defendants  
19 during the telephonic meet and confer and reiterated it in their January 27, 2016 letter, as follows:

20 “Requests for Production Nos. 56 and 57. As we indicated on our  
21 calls, we explained our position that Plaintiff’s communications with Linda  
22 Phan, a secretary or administrative assistant of some sort, are neither relevant  
23 nor likely to lead to the discovery of admissible evidence. Your letter proffers  
24 a gratuitous assertion to the effect that Plaintiff’s “behavior ... towards Ms.  
Phan ... was documented to be hostile and unprofessional.” Your assertion is  
erroneous, and is contradicted by then contemporaneous observations by one  
or more of your own clients.

25 Nevertheless, Plaintiff will produce non-privileged documents in his  
26 possession, custody and control responsive to request number 56. As for  
27 request number 57, we explained that Debra Watson was not an employee of  
28 RDI and that your rationale for the request therefore was not well-taken. You  
provided no other rationale. Accordingly, we stand on our objections to  
request number 57.”

1 In short, Request No. 57 is fatally objectionable on its face, including for several of the  
2 reasons (objections) set out in Plaintiff's responses, including (i) that it does not reasonably  
3 particularize the documents sought because it calls for all communications generally, not all  
4 communications regarding a particular subject, (ii) it is overbroad and unduly burdensome and (iii)  
5 it seeks documents which are neither relevant nor likely to lead to the discovery of admissible  
6 evidence. (*See* Krum Dec., Ex. 1 at p. 18.) Of course, the Interested Director Defendants full well  
7 know this, and no doubt have moved on this request simply to act on the opportunity to attempt to  
8 prejudice the Court by making the gratuitous, false and salacious allegations they made in the  
9 Motion. (Tellingly, the "evidence" they submit, Ex. 5 to the Motion, a document prepared by  
10 director Storey, makes clear that it was the disputes between Plaintiff and his sisters arising from  
11 the trust and estate litigation matters, not Plaintiff's performance as CEO, that led to his  
12 termination.) As to this request, as well, the Motion appears to have been made in bad faith.

13 **Request No. 65 Also Is Fatally Objectionable and Is a "Red Herring"**

14 Request No. 65 calls for production of "all communications between Plaintiff and James  
15 Cotter, Sr. relating to his diagnosis with prostate cancer...." The stated rationale on which this  
16 request is predicated is that Plaintiff may have breached his fiduciary duty in failing to disclose  
17 that his father's medical condition might have materially affected his ability to serve as CEO of  
18 RDI (prior to August 8, 2014, when the Company issued of Form 8-K that announced that James J  
19 Cotter Sr. had resigned as CEO due to health reasons). (*See* Krum Dec, Ex. 4.) The stated  
20 rationale also contends that, if Plaintiff did breach his fiduciary duty at some point prior to August  
21 12, 2014, that would "provide[] further basis for his termination, as well as removal from  
22 Reading's board." (Motion at 10:13-23.)

23 Not only is this request objectionable for all the reasons raised by Plaintiff in his response  
24 to it (*see* Krum Dec., Ex. 1, p. 21) including overbreadth and undue burden, as well as relevance,  
25 the stated rationale for it fails as a matter of logic and law.

26 To begin, the unstated factual assumptions on which this request is based include the  
27 remarkable assumption that Plaintiff knew more than his sisters about the impact of his father's  
28

1 medical condition on his ability to perform as CEO of RDI.<sup>2</sup> Another remarkable, unstated  
2 assumption is that other board members, including in particular “Uncle Ed” Kane, were unaware  
3 that James Cotter, Sr. was seriously ill. These assumptions defy logic and credulity, and do not  
4 create a colorable basis on which to obtain discovery about what might have happened prior to  
5 August 12, 2014.

6 As a matter of law, the premise on which the rationale for this request is based is mistaken.  
7 As the Court well knows, this is a derivative action in which the claims against the individual  
8 defendants are for breach of fiduciary duty, not claims against the Company for breach of an  
9 employment agreement or for wrongful termination. Indeed, the Court effectively so ruled in  
10 denying the Company’s motion to compel arbitration. To the point, unlike in an employment  
11 case, in which after acquired evidence may in certain circumstances be used to defend breach of  
12 contract or wrongful termination claims, such “evidence” cannot be used to retroactively  
13 rehabilitate or immunize actionable conduct of directors for breach of fiduciary duty. In short, the  
14 rationale for this request – which almost certainly seeks discovery for use in the California trust  
15 and estate case – is logically and legally mistaken.

16 **Request No. 68 Also is Facially and Fatally Objectionable**

17 Request No. 68 calls for production of all communications between Plaintiff and his  
18 mother, Mary Cotter, since January 1, 2014, relating to Margaret Cotter (MC) or Ellen Cotter  
19 (EC). On its face, this request fails to reasonably particularize the documents sought, is over  
20 broad, unduly burdensome and oppressive and seeks documents and information which are neither  
21 relevant nor reasonably calculated to lead to discovery of admissible evidence. For these  
22 independent reasons, all of which Plaintiff raised as objections, the Motion as to this request  
23 should be denied. (*See* Krum Dec., Ex. 1, p. 23.)

24 The Motion mischaracterizes what transpired during the meet and confer process with  
25 respect to Request No. 68. In fact, counsel for Plaintiff offered to produce documents responsive  
26 to this request if the subject matter of the communications was confined to RDI (including the  
27

28 <sup>2</sup> Given that EC and MC in the California trust and estate litigation are disputing Plaintiff’s position that  
their father was competent to execute trust documents in or about June or July 2014, this request is  
particularly disingenuous.

1 threat to terminate Plaintiff as President and CEO of RDI if he did not settle the trust estate  
2 litigation on terms EC and MC demanded). (*See* Krum Dec., ¶ 5.) Counsel for the Interested  
3 Director Defendants declined to accept that proposal, as a consequence of which there was nothing  
4 further to discuss, including in the January 27, 2016 letter sent by counsel for Plaintiff. (*Id.*)  
5 Separately, though irrelevant to the Motion, the assertion that Plaintiff seeks exactly the same  
6 documents from the Interested Director Defendants is misleading, because Plaintiff's requests to  
7 EC and MC particularize subjects of the communications sought.<sup>3</sup> Finally, Plaintiff separately  
8 agreed to produce documents concerning the selection of Judy Coddington as a director, which is in  
9 issue in this case. In sum, as phrased, this request is objectionable for the reasons raised by  
10 Plaintiff in his objections.

11 **Request Nos. 72 and 73 Also Are Limitless**

12 By its terms, Request No. 72 calls for the production of all documents and communications  
13 relating to Plaintiff's "involvement in Reading's executive management meetings and knowledge  
14 of significant internal senior management memos since 2005."

15 By its terms, Request No. 73 calls for production of all documents and communications  
16 relating to Plaintiff's "appointment in 2007 as Vice Chairman of Reading's Board of Directors and  
17 any of [Plaintiff's] duties or actions in that position."

18 Between them, Request Nos. 72 and 73 call for Plaintiff to produce substantially all if not  
19 all documents from his involvement in RDI since 2005. Plaintiff objected to these requests on  
20 several grounds, including that they fail to reasonably particularize the documents sought, are  
21 overbroad, unduly burdensome and oppressive, seek documents and information which are neither  
22 relevant nor reasonably calculated to lead to discovery of admissible evidence and seek  
23 documents that are more readily available from other sources, which would be RDI. (*See* Krum  
24 Dec., Ex. 1, pp. 24-25.) Each of these objections is well-taken and, individually and collectively,  
25 warrant denial of the Motion as directed to these requests.

26 The Motion argues that documents responsive to these requests bear upon "the nature and  
27 extent of Plaintiff's involvement with Reading before his appointment as President and CEO in

28 <sup>3</sup> The exceptions are where the mere fact and frequency of communications (e.g., Kane with Mary Cotter or  
MC or EC with Michael Wrotniak) alone evidence quasi-familial or close personal relationship.

1 2014, and to evaluate his claim that his prior experience with Reading's business caused him to be  
2 uniquely qualified to run the company." (Motion at 12:20-23.) This "argument" is based upon  
3 mischaracterizations of allegations of Plaintiff's complaint, as well as of the actual facts.

4 Plaintiff's complaint alleges (correctly) that Plaintiff was appointed Vice Chairman of the  
5 RDI Board of Directors in 2007 and President of RDI on or about June 1, 2013. (FAC, ¶ 17.)  
6 Plaintiff's complaint alleges that Kane, not Plaintiff, "acknowledged that [Plaintiff] is the person  
7 most qualified to be CEO of RDI." (FAC, ¶ 20.)

8 Last but not least, these requests and other requests for documents relating to Plaintiff's  
9 experience and performance fall squarely into the effort to find after acquired evidence to defend  
10 claims not made in this case, namely, claims for breach of contract and/or wrongful termination.  
11 The undisputed facts show that RDI's Board of Directors made Plaintiff Vice Chairman of the  
12 board in 2007, President on or around June 1, 2013 and CEO on or about August 12, 2014. At  
13 those times, each of the Interested Director Defendants presumably understood what they now  
14 seek to discover. Only when viewed as discovery sought for use in the (specious) contract  
15 arbitration brought by the Company (to create a pretext to collaterally attack this action) do these  
16 requests make any sense. Of course, that is not a proper basis on which to seek, much less secure  
17 a court order granting, discovery in this case.

18 **The Question Is Moot As to Plaintiff's Privilege Log**

19 Insofar as the Motion seeks an order requiring Plaintiff to produce a privilege log, the  
20 Motion is moot, because Plaintiff agreed to do so and the Court so ordered on March 3, 2016. \

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

1 **IV. CONCLUSION**

2 For all of the foregoing reasons, Plaintiff respectfully submits that the Motion should be  
3 denied, and that the Court should grant such other relief as it sees fit.

4 DATED this 16th day of March, 2016.

5  
6 LEWIS ROCA ROTHGERBER CHRISTIE LLP

7  
8 By: /s/ Mark G. Krum

9 Mark G. Krum

10 3993 Howard Hughes Pkwy, Suite 600

11 Las Vegas, NV 89169-5958

12 Attorneys for Plaintiff

13 *James J. Cotter, Jr.*

14  
15  
16  
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25  
26  
27  
28  
3993 Howard Hughes Pkwy, Suite 600  
Las Vegas, NV 89169-5996

**Lewis Roca**  
**ROTHGERBER CHRISTIE**

# EXHIBIT 3

**quinn emanuel** trial lawyers | los angeles

865 South Figueroa Street, 10th Floor, Los Angeles, California 90017-2543 | TEL (213) 443-3000 | FAX (213) 443-3100

WRITER'S DIRECT DIAL NO.  
(213) 443-3653

WRITER'S INTERNET ADDRESS  
noahhelpern@quinnemanuel.com

March 18, 2016

**VIA EMAIL**

Mark G. Krum  
Lewis Roca Rothgerber LLP  
3993 Howard Hughes Pkwy  
Suite 600  
Las Vegas, NV 89169

Re: *James J. Cotter, Jr. v. Margaret Cotter, et al.*, Case No. A-15-719860-B

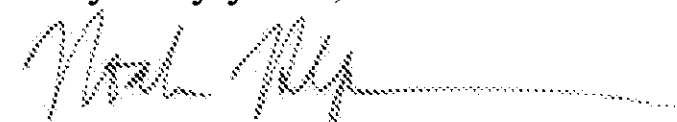
Dear Mark:

I write with regard to the failure of Plaintiff James Cotter, Jr. to produce a privilege log.

On March 3, the Court ordered Plaintiff to produce a privilege log within two weeks, *i.e.*, by Thursday, March 17. Plaintiff has represented to the Court and the parties that such production would take place, including in the Opposition filed on March 16, which stated: "Insofar as the Motion seeks an order requiring Plaintiff to produce a privilege log, the Motion is moot, because Plaintiff agreed to do so and the Court so ordered on March 3, 2016." **To date, no privilege log has been produced by Plaintiff.**

Please confirm immediately that such log will be produced no later than 5:00 p.m. today. Otherwise, we will have no choice but to raise this issue with the Court on Monday. In addition, based on the Court's direction at yesterday's hearing, please confirm that Plaintiff will be either producing or including on a privilege log all communications with any of the Intervening Plaintiffs, Andrew Shapiro, and/or their counsel. If Plaintiff will not voluntarily produce and/or log such communications, we intend to raise this issue with the Court.

Very truly yours,



Noah S. Helpern

**quinn emanuel urquhart & sullivan, llp**

NEW YORK | SAN FRANCISCO | SILICON VALLEY | CHICAGO | WASHINGTON, DC | HOUSTON | LONDON | TOKYO | MANNHEIM | MOSCOW | HAMBURG |  
PARIS | MUNICH | SYDNEY | HONG KONG | BRUSSELS

000246

# EXHIBIT 4

DATE	From	To	cc	De:Title	Privilege	Part for Privilege
3/25/2015	James Cotter JR; james.j.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JCOTTERJR	Margaret Cotter; margaret.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JCotter		Fwd: RE: RE: Re:	Attorney-Client	Email discussing legal advice regarding RDI real estate transactions
3/25/2015	James Cotter JR; james.j.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JCOTTERJR	Margaret Cotter; margaret.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JCotter		Fwd: RE: RE: Re: <b>ELECTRONICALLY SERVED</b> <b>03/18/2016 03:19:37 PM</b>	Attorney-Client	Email discussing legal advice regarding RDI real estate transactions
4/6/2015	Margaret Cotter; margaret.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MCO TTER	Craig Tompkins; James Cotter JR; michael@edificerealestate.com; William Ellis; Craig.Tompkins@readingrdi.com; james.j.cotter@readingrdi.com; michael@edificerealestate.com; William.Ellis@readingrdi.com; readingrdi.com; edificerealestate.com; /O=READING INT		LPC letter- Union Square Status	Attorney-Client	Email transmitting legal advice regarding licensure issues
4/7/2015	James Cotter; jcotterprivate@gmail.com;	Herb Kozlov; hkozlov@reedsmith.com; reedsmith.com		Privileged & Confidential	Attorney-Client	Email seeking advice regarding corporate management
4/7/2015	Kozlov, Herbert F.; HKozlov@ReedSmith.com; ReedSmith.com	James Cotter; jcotterprivate@gmail.com; gmail.com		Re: Privileged & Confidential	Attorney-Client	Email seeking advice regarding corporate management
4/7/2015	James Cotter; jcotterprivate@gmail.com;	Kozlov, Herbert F.; HKozlov@reedsmith.com; reedsmith.com		Re: Privileged & Confidential	Attorney-Client	Email seeking advice regarding corporate management
4/9/2015	James Cotter; jcotterprivate@gmail.com;	Krum, Mark; MKrum@lrllaw.com; lrllaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum		Re: Reading International (Personal and Confidential)	Attorney-Client	Email discussing potential litigation
4/10/2015	Margaret Cotter; margaret.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MCO TTER	James Cotter JR; james.j.cotter@readingrdi.com; readingrdi.com; /O=READING INTERNATIONAL INC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JCotterjr		RE:	Attorney-Client	Email discussing advice regarding Development Management Agreement
4/10/2015	James Cotter; jcotterprivate@gmail.com;	Krum, Mark; MKrum@lrllaw.com; lrllaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum		Re: Reading International (Personal and Confidential)	Attorney-Client	Email regarding potential litigation
4/10/2015	Krum, Mark; MKrum@lrllaw.com; lrllaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum	James Cotter; jcotterprivate@gmail.com; gmail.com		RE: Reading International (Personal and Confidential)	Attorney-Client	Email regarding potential litigation

4/10/2015	Krum, Mark; MKrum@lrrlaw.com; lrrlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum	James Cotter; jcotterprivate@gmail.com; gmail.com		RE: Reading International (Personal and Confidential)	Attorney-Client	Email regarding potential litigation
4/10/2015	Krum, Mark; MKrum@lrrlaw.com; lrrlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum	James Cotter; jcotterprivate@gmail.com; gmail.com		RE: Reading International (Personal and Confidential)	Attorney-Client	Email seeking advice regarding potential litigation
4/13/2015	Krum, Mark; MKrum@lrrlaw.com; lrrlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum	'James Cotter'; jcotterprivate@gmail.com; gmail.com		Today (Privileged and Confidential)	Attorney-Client	Email regarding potential litigation
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4/15/2015	James Cotter; jcotterprivate@gmail.com; gmail.com	Herb Kozlov; hkozlov@reedsmith.com; reedsmith.com		Privileged & Confidential	Attorney-Client	Email seeking advice regarding corporate management
4/15/2015	Kozlov, Herbert F.; HKozlov@ReedSmith.com; ReedSmith.com	James Cotter; jcotterprivate@gmail.com; gmail.com		Re: Privileged & Confidential	Attorney-Client	Email seeking advice regarding corporate management
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4/15/2015	Kozlov, Herbert F.; HKozlov@ReedSmith.com; ReedSmith.com	James Cotter; jcotterprivate@gmail.com; gmail.com		Re: Privileged & Confidential	Attorney-Client	Email seeking advice regarding corporate management
4/17/2015	James Cotter; jcotterprivate@gmail.com; gmail.com	Krum, Mark; MKrum@lrrlaw.com; lrrlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum		Re: Today (Privileged and Confidential)	Attorney-Client	Email discussing potential litigation
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4/18/2015	James Cotter; jcotterprivate@gmail.com; gmail.com	Mark Krum; MKrum@lrrlaw.com; lrrlaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum		Privileged & Confidential	Attorney-Client	Email seeking advice regarding trust litigation

4/18/2015	Krum, Mark; MKrum@lrllaw.com; lrllaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum	James Cotter; jcotterprivate@gmail.com; gmail.com		RE: Privileged & Confidential	Attorney-Client	Email seeking advice regarding trust litigation
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4/19/2015	Kozlov, Herbert F.; HKozlov@ReedSmith.com; ReedSmith.com	James Cotter; jcotterprivate@gmail.com; gmail.com		Re: Craig Tompkins- Privileged & Confidential	Attorney-Client	Email transmitting legal advice regarding management decisions
4/19/2015	James Cotter; jcotterprivate@gmail.com; gmail.com	Mark Krum; MKrum@lrllaw.com; lrllaw.com; /O=FIRM/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MKrum		Privileged & Confidential	Attorney-Client	Email regarding potential litigation

**IN THE SUPREME COURT OF THE STATE OF NEVADA**

JAMES J. COTTER, JR.  
INDIVIDUALLY AND  
DERIVATIVELY ON BEHALF OF  
READING INTERNATIONAL, INC.,

Petitioner,

v.

THE EIGHTH JUDICIAL DISTRICT  
COURT OF THE STATE OF  
NEVADA, IN AND FOR THE  
COUNTY OF CLARK, AND THE  
HONORABLE ELIZABETH  
GONZALEZ, DISTRICT JUDGE,  
DEPT. 11,

Respondents,

and

MARGARET COTTER, ELLEN  
COTTER, GUY ADAMS, EDWARD  
KANE, DOUGLAS MCEACHERN,  
WILLIAM GOULD, JUDY  
CODDING, MICHAEL WROTONIAK,  
AND READING INTERNATIONAL,  
INC.,

Real Parties in Interest.

Supreme Court No. 71267

District Court Case No. A-15-719860-  
B, coordinated with No. P-14-082942-  
E and No. A-16-735305-B  
Electronically Filed  
Oct 14, 2016 11:34 a.m.  
Elizabeth A. Brown  
Clerk of Supreme Court

**APPENDIX VOLUME 1 TO REAL  
PARTIES' ANSWER TO  
PETITION FOR WRIT OF  
PROHIBITION OR, IN THE  
ALTERNATIVE, MANDAMUS**

**COHEN|JOHNSON|PARKER|  
EDWARDS**

H. Stan Johnson, Esq. (00265)  
255 E. Warm Springs Road, Suite 100  
Las Vegas, Nevada 89119  
Telephone No. (702) 823-3500

**QUINN EMANUEL URQUHART  
& SULLIVAN, LLP**

Christopher Tayback, Esq.  
(Admitted Pro Hac Vice)  
Marshall M. Searcy, Esq.  
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865 S. Figueroa Street, 10<sup>th</sup> Floor

Los Angeles, CA 90017  
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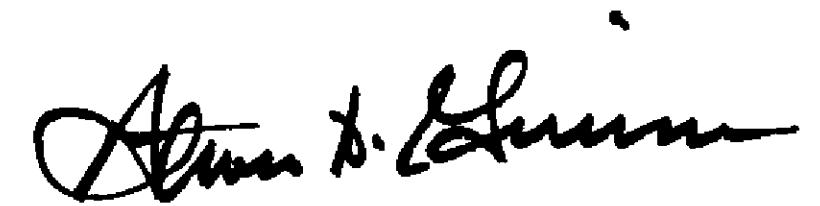
*Attorneys for Real Parties in Interest  
Defendants Margaret Cotter, Ellen  
Cotter, Douglas McEachern, Guy  
Adams, Edward Kane, Judy Coddling,  
and Michael Wrotniak*

## **TABLE OF CONTENTS TO APPENDIX**

<b>Tab</b>	<b>Document</b>	<b>Date</b>	<b>Vol.</b>	<b>Pages</b>
01	Reading's Motion to Compel Arbitration	8/10/2015	1	01-22
02	Order Granting Motion to Intervene	8/19/2015	1	23-26
03	Reading's DEF 14A	10/20/2015	1	27-74
04	Scheduling Order and Trial Setting Order	11/10/2015	1	75-78
05	Email from Petitioner's Counsel to Intervenor's Counsel	1/28/2016	1	79-81
06	Motion to Compel Petitioner to Produce a Privilege Log Regarding Documents Withheld in Connection with the First Set of Requests for Production	2/23/2016	1	82-113
07	Motion to Compel Production of Documents Sought by Second Set of Requests for Production	3/2/2016	1	114-202
08	Motion to Compel Petitioner to Produce Adequate Privilege Log	4/8/2016	1 2	203-250 251-354
09	Petitioner's Deposition Transcript	5/16/2016	2	355-360
10	Reading's DEF 14A	5/18/2016	2	361-415
11	Stipulation and Order to Amend Deadlines in Scheduling Order (Second Request)	6/21/2016	2	416-421
12	Petitioner's Deposition Transcript	7/6/2016	2	422-439
13	Email from Noah Helpert to Petitioner's Counsel and Others	7/11/2016	2	440-443
14	Joint Motion for Preliminary Approval of Settlement, Notice to Stockholders and Scheduling of Settlement Hearing	7/12/2016	2 3	444-500 501-536
15	Press Release	7/13/2016	3	537-538
16	Email from Stephanie Sodorff at Lewis Roca Rothgerber Christie LLP with Link to Site Containing Documents Bates Stamped	8/1/2016	3	539

<b>Tab</b>	<b>Document</b>	<b>Date</b>	<b>Vol.</b>	<b>Pages</b>
	JCOTTER015579 through JCOTTER017207			
17	Motion to Compel Petitioner to Produce or Log All Responsive Documents in Compliance with the Court's Order	8/2/2016	3	540-670
18	Petitioner's Motion to Obtain Expedited Discovery on Order Shortening Time	8/15/2016	3	671-698

# Tab 01



CLERK OF THE COURT

1 MCMPL  
MARK E. FERRARIO, ESQ.  
(NV Bar No. 1625)  
2 LESLIE S. GODFREY, ESQ.  
(NV Bar No. 10229)  
3 GREENBERG TRAUIG, LLP  
3773 Howard Hughes Parkway  
4 Suite 400 North  
Las Vegas, Nevada 89169  
5 Telephone: (702) 792-3773  
Facsimile: (702) 792-9002  
6 ferrariom@gtlaw.com  
godfrey1@gtlaw.com  
7

8 *Counsel for Reading International, Inc.*

9 **DISTRICT COURT**

10 **CLARK COUNTY, NEVADA**

11 In the Matter of the Estate of

Case No. P. 14-082942-E

12 JAMES J. COTTER,

Dept. 11

13 Deceased.

14 JAMES J. COTTER, JR., individually and  
15 derivatively on behalf of Reading  
16 International, Inc.

Case No. A-15-719860-B

Dept. No. XI

17 Plaintiff,

*Jointly Administered*

18 v.

**MOTION TO COMPEL  
ARBITRATION**

19 MARGARET COTTER, ELLEN  
COTTER, GUY ADAMS, EDWARD  
20 KANE, DOUGLAS McEACHERN,  
TIMOTHY STOREY, WILLIAM  
21 GOULD, and DOES 1 through 100,  
inclusive,

22 Defendants.

Reading International, Inc., a Nevada corporation by and through undersigned counsel of record, hereby moves this Court for an order compelling arbitration of this dispute, with a corresponding stay of this action during such arbitration. This Motion is based upon the files and records in this matter, the attached memorandum of authorities, and any argument allowed at the time of hearing.

DATED this 10<sup>th</sup> day of August, 2015.

GREENBERG TRAURIG, LLP

/s/ Mark E. Ferrario

MARK E. FERRARIO, ESQ. (NV Bar No. 1625)  
Leslie S. Godfrey, Esq. (NV Bar No. 10229)  
3773 Howard Hughes Parkway  
Suite 400 North  
Las Vegas, Nevada 89169

*Counsel for Reading International, Inc.*

### **NOTICE OF MOTION**

PLEASE TAKE NOTICE that the undersigned counsel will bring the following Motion to Compel Arbitration on for hearing before Dept. No. XXVI, District Court, Clark County, Nevada on the 25<sup>th</sup> day of August, 2015 at 8:30 am, or as soon thereafter as counsel may be heard.

DATED this 10<sup>th</sup> day of August, 2015.

GREENBERG TRAURIG, LLP

/s/ Mark E. Ferrario

MARK E. FERRARIO, ESQ. (NV Bar No. 1625)  
Leslie S. Godfrey, Esq. (NV Bar No. 10229)  
3773 Howard Hughes Parkway  
Suite 400 North  
Las Vegas, Nevada 89169

*Counsel for Reading International, Inc.*

## MEMORANDUM OF POINTS AND AUTHORITIES

### I. INTRODUCTION

James J. Cotter Jr.'s ("Mr. Cotter") complaint sets forth a number of claims, all of which involve either directly or indirectly the termination of his employment with Reading International, Inc. ("Reading"). This is borne out by the relief Mr. Cotter requests, which is reinstatement of his position with Reading. What Mr. Cotter fails to mention in his complaint is that his employment was governed by an Employment Agreement. Pursuant to that agreement any disputes relating to Mr. Cotter's employment must be arbitrated. None of Mr. Cotter's allegations stem from anything other than his desire to recapture his employment. As a result, this matter must be stayed, pending arbitration of Mr. Cotter's claims.

### II. SUMMARY OF FACTS

On June 3, 2013, Mr. Cotter executed an Employment Agreement pursuant to which he was to act as the President for Reading. The Employment Agreement provides all controversies relating thereto should be arbitrated. As relevant to this motion:

"Any dispute or controversy arising under this Agreement or relating to its interpretation or the breach hereof, including the arbitrability of any such dispute or controversy, shall be determined and settled by arbitration in Los Angeles, California pursuant to the Rules then obtaining of the American Arbitration Association. Any award rendered herein shall be final and binding on each and all of the parties, and judgment may be entered thereon in any court of competent jurisdiction."

Employment Agreement attached hereto as **Exhibit 1**, at ¶13.

On June 12, 2015, concluding a process of review and deliberation that had begun some three weeks earlier on May 21, 2015, Reading's Board of Directors voted to terminate Mr. Cotter's employment with Reading. In the afternoon of that same day, June 12<sup>th</sup>, Plaintiff filed the present suit in which he alleges Breach of Fiduciary Duty against all Defendants, Breach of Fiduciary Duty against Reading Directors Margaret Cotter, Ellen Cotter, Adams, Kane and McEachern, and Aiding and Abetting Breach of Fiduciary Duty against Margaret Cotter and Ellen Cotter for the actions taken leading to his termination. *See* Complaint on file herein at

p.25, 26, and 27. The only relief Mr. Cotter seeks is to obtain re-employment and obtain money damages resulting from his termination. Mr. Cotter's prayer for relief requests an Order "enjoining Defendants from taking further action to effectuate or implement the (legally ineffectual) termination of Plaintiff as President and CEO of RDI", and for an order determining "that the termination was legally ineffectual and of no force and effect." Complaint, at p. 28, *Prayer for Relief*.

A review of the Motion for Preliminary Injunction filed on August 4th demonstrates clearly that this case is about nothing more than the termination of Mr. Cotter's employment. There are no less than twenty-one (21) references to Mr. Cotter's employment "termination" in the first ten pages of the brief. These references paint a clear picture of what is really at issue in this case, the termination of Mr. Cotter's employment which was governed by his agreement with the company. *See e.g.* Motion for Preliminary Injunction, page 2, lines 15-22 (Mr. Cotter acknowledges the termination of his employment "precipitated" the commencement of this action); Motion for Preliminary Injunction, page 7, lines 9-12 (alleging Mr. Cotter was pressured by his sisters to "avoid termination as President and CEO"); page 7, lines 22-23 (suggesting what Mr. Cotter had to do to "avoid being fired"); page 7, lines 25-26 (discussion alleging threats to "terminate" Mr. Cotter); page 10, lines 14-24 (referencing the Boards' decision to terminate Mr. Cotter). Moreover, when it comes to the relief requested in the Preliminary Injunction Motion, Mr. Cotter's first request is that the court restore him to the positions of President and CEO of Reading a determination that will necessarily involve his employment agreement. *See*, Motion for Preliminary Injunction, page 3, item number one.

Mr. Cotter's dispute is subject to arbitration. Reading filed a Demand for Arbitration with the American Arbitration Association on July 14, 2015 requesting declaratory relief determining that Mr. Cotter's employment and employment agreement with Reading have been validly terminated, that the Board validly removed him from his position with Reading, that Mr.

Cotter is required to submit his resignation from all positions with Reading and its affiliates and subsidiaries, including as a member of the Board of Directors, and that Mr. Cotter is not owed any further compensation or benefits under the employment agreement due to such a breach. Reading also seeks an order requiring Mr. Cotter to resign, and/or any damages resulting from his failure to resign, as well as its costs and fees. See the Demand for Arbitration attached hereto as **Exhibit 2**. Mr. Cotter has rejected the demand thus necessitating this motion.

It appears that Mr. Cotter, understanding that he has no claim under his Employment Agreement, is attempting to end run the absolute right of Reading to terminate his employment without cause (subject to the payment of a negotiated liquidated damage amount) by claiming that the exercise of that absolute right by the Board was somehow a breach of the fiduciary duties owed by those directors to Reading itself. It is to be noted that, if this is correct, then any terminated employee could make the same end run around his or her employment contract, so long as that former employee was a shareholder at the time of his or her termination. This would materially undermine the ability of corporate employers to negotiate “at will” employment contracts or to require arbitration.

### **III. LEGAL ARGUMENT**

This Court should enter an order compelling Mr. Cotter to honor his agreement and arbitrate all pending claims as the Employment Agreement is a valid and existing contract with an agreement to arbitrate disputes thereunder, and all of Mr. Cotter’s claims arise from or relate to the Employment Agreement.

#### **A. The Employment Agreement is a Valid and Existing Arbitration Agreement.**

Reading is a Nevada corporation headquartered in California. Mr. Cotter was employed with Reading subject to an Employment Agreement with a California choice of law provision. Courts typically give wide latitude to the choice of law in a contract governing arbitration so long as the situs of the choice of law has a substantial relation with the transaction. *Coleman v. Assurant, Inc.*, 508 F. Supp. 2d 862, 865 (D. Nevada, 2007) citing *Ferdie Sievers and Lake*

1 *Tahoe Land Co., v. Diversified Mortg. Investors*, 95 Nev. 811, 603 P.2d 270, 273 (1979). The  
2 Court must also analyze whether the arbitration provision is contrary to the public policy of the  
3 current forum. *Id.* Thus, while both the law California (the choice of law forum) and Nevada  
4 (the current forum) are relevant, these distinctions do not matter. Both California and Nevada  
5 law strongly favor arbitrating this dispute.

6 In Nevada, an agreement to arbitrate is valid, enforceable, and irrevocable. *See* NRS  
7 38.219. Nevada's public policy strongly favors enforcing contractual provisions for  
8 arbitration. *Phillips v. Parker*, 106 Nev. 415, 794 P.2d 716 (1990). Consequently, when there is  
9 an agreement to arbitrate there is a "presumption of arbitrability." *Id.* All doubts concerning the  
10 arbitrability of the subject matter should be resolved in favor of arbitration. *Id.* citing *Exber, Inc.*  
11 *v. Sletten Constr. Co.*, 92 Nev. 721, 729, 558 P.2d 517, 522 (1976). Courts are not to deprive the  
12 parties of the benefits of arbitration they have bargained for, and arbitration clauses are to be  
13 construed liberally in favor of arbitration. *Id.*

14 Nevada favors arbitration because it generally avoids the higher costs and longer time  
15 periods associated with traditional litigation. *Burch v. Second Judicial Dist. Ct.*, 118 Nev. 438,  
16 442; 49 P.3d 647, 650 (2002). Indeed, Nevada law expressly provides for Courts to order  
17 arbitration under the terms of an applicable agreement whenever possible:

18 1. On motion of a person showing an agreement to arbitrate and alleging another  
19 person's refusal to arbitrate pursuant to the agreement:

20 (a) If the refusing party does not appear or does not oppose the motion, the  
21 court shall order the parties to arbitrate; and

22 (b) If the refusing party opposes the motion, the court shall proceed summarily  
23 to decide the issue and order the parties to arbitrate unless it finds that there  
24 is no enforceable agreement to arbitrate.

25 NRS 38.221. Once the Court determines that arbitration is appropriate, the district court,  
26 upon compelling arbitration, is required to "stay any judicial proceeding that involves a  
27 claim subject to the arbitration." NRS 38.221(6).

California, too, holds “a strong public policy in favor of arbitration as a speedy and relatively inexpensive means of dispute resolution.” *Lewis v. Fletcher Jones Motor Cars, Inc.*, 205 Cal. App. 4th 436, 452 (2012), as modified (Apr. 25, 2012). “A trial court is required to order a dispute to arbitration when the party seeking to compel arbitration proves the existence of a valid arbitration agreement covering the dispute.” *Laswell v. AG Seal Beach, LLC*, 189 Cal. App. 4th 1399, 1404-05 (2010)(Emphasis added).

Therefore, regardless of which state’s law is applied, arbitration is the favored avenue for adjudication. Mr. Cotter has no basis to dispute the existence of or his assent to the Employment Agreement. Therefore, this Court should order Mr. Cotter to proceed with Arbitration.

**B. The Arbitration Provision Applies to All Claims at Issue.**

The plain language of the Employment Agreement confirms Mr. Cotter agreed to arbitrate the issues at bar. The arbitration provision in Mr. Cotter’s Employment Agreement is broad and encompasses “any dispute or controversy arising under this Agreement or relating to its interpretation or the breach thereof.” Exhibit 1, ¶13. The Employment Agreement defines Mr. Cotter’s terms of employment, duties, compensation, expenses and benefits, among other rights and obligations. *Id.*, generally. The Employment Agreement specifically provides Mr. Cotter may be terminated by the Board of Directors, and it defines the Parties’ obligations to each other once that termination occurs. Exhibit 1, ¶10. Mr. Cotter hopes that by alleging the Reading Directors breached their fiduciary duty, he can obtain the relief he seeks (reinstatement of his employment) without mentioning his Employment Agreement. This strategy should fail.

Nevada Courts have ruled that creative pleading is not sufficient to avoid a prior agreement to arbitrate. In *Phillips v. Parker*, the Plaintiff attempted to use a strategy very similar to James Cotter Jr.’s strategy here. To avoid arbitration, the *Parker* Plaintiff amended his complaint to avoid any mention of a breach of contract, and instead alleged claims of RICO, wrongful removal of a director, breach of fiduciary duty, fraud and conversion. *Phillips v. Parker*, 106 Nev. 418. The *Parker* Court was unpersuaded, ruling that the Plaintiff cannot use

1 the agreement with the arbitration provision to demonstrate his ownership of stock in a  
2 corporation, without placing himself squarely within the ambit of the arbitration provisions  
3 covering controversies or claims arising out of or relating to the agreement. *Id.* “Despite careful  
4 pleading, the amended complaint relates to the agreement and hence is subject to arbitration.”  
5 *Id.*

6 Once you peel away the hyperbole in the complaint you find that Mr. Cotter believes he  
7 was improperly discharged. Because his right of employment arises from the Employment  
8 Agreement, any allegations of improper discharge would fall within its terms. Mr. Cotter cannot  
9 argue he is entitled to retain his position with Reading, without referencing his rights under the  
10 Employment Agreement. He has no other basis to be employed. To give Mr. Cotter the relief he  
11 seeks, the Court must analyze whether the Reading Board’s actions breached Mr. Cotter’s rights  
12 under the Employment Agreement. Mr. Cotter cannot avoid his agreement by simply ignoring it  
13 or with creative pleading.

#### 14 **IV.CONCLUSION**

15 Because Mr. Cotter’s claims arise out of and relate to his Employment Agreement, such  
16 claims must be arbitrated. This matter should be stayed and the Court should compel Mr. Cotter  
17 to submit his claims to arbitration pursuant to the terms set forth in the Employment Agreement.

18 DATED this 10<sup>th</sup> day of August, 2015.

19 GREENBERG TRAURIG, LLP

20 /s/ Mark E. Ferrario

21 MARK E. FERRARIO, ESQ. (NV Bar No. 1625)  
22 Leslie S. Godfrey, Esq. (NV Bar No. 10229)  
23 3773 Howard Hughes Parkway  
Suite 400 North  
Las Vegas, Nevada 89169

24 *Counsel for Reading International, Inc.*

## CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on this day, I caused a true and correct copy of the forgoing Motion to Compel Arbitration to be filed and served via the Court's Wiznet E-Filing system. The date and time of the electronic proof of service is in place of the date and place of deposit in the mail.

### **P-14-082942-E - In the matter of James Cotter, Deceased**

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### **A-15-719860-B - James Cotter, Jr., Plaintiff(s) vs. Margaret Cotter, Defendant(s)**

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*James J. Cotter, III*  
311 Homewood  
Los Angeles, CA 90049  
*Minor Grandson of Deceased*

DATED this 10<sup>th</sup> day of August, 2015.

/s/ Andrea Lee Rosehill

AN EMPLOYEE OF GREENBERG TRAURIG, LLP

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# EXHIBIT 1

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## EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT, dated as of June 3, 2013 by and between Reading International, Inc., a Nevada corporation, (the "Company"), and James J. Cotter, Jr. (the "Executive").

### 1. Term of Employment

Subject to the provisions of Section 10 below, the Company shall employ the Executive, and the Executive shall serve the Company in the capacity of President for a term commencing as of June 3, 2013 and ending that date which is twelve (12) months after either party provides the other party with written notice of termination (the "Term of Employment").

### 2. Duties

During the Term of Employment, the Executive will serve as the Company's President and will report directly to the Chief Executive Officer. The Executive shall devote substantially all of his business time to the Company and shall perform such duties, consistent with his status as President of the Company, as he may be assigned from time to time by the Chief Executive Officer.

### 3. Compensation

During the Term of Employment, the Company shall pay to the Executive as compensation for the performance of his duties and obligations hereunder a salary at the rate of \$335,000 per annum during each year of the term of this Agreement. Such salary shall be paid in accordance with the Company's standard payment practices.

### 4. Expenses and Other Benefits

All travel, entertainment and other reasonable business expenses incident to the rendering of services by the Executive hereunder will be promptly paid or reimbursed by the Company subject to submission by the Executive in accordance with the Company's policies in effect from time to time. The Executive shall be entitled to a vehicle allowance of \$15,000, per annum.

The Executive shall be entitled during the Term of Employment to participate in employee benefit and welfare plans and programs of the Company including, without any limitation, any key man or executive long term disability insurance and employee stock option plans to the extent that any other senior executives or officers of the Company or its subsidiaries are eligible to participate and subject to the provisions, rules, regulations, and laws applicable thereto. The Executive shall immediately be granted 100,000 employee stock options, which options shall vest annually over a five (5) year period.

5. Death or Disability

This Agreement shall be terminated by the death of the Executive and also may be terminated by the Board of Directors of the Company if the Executive shall be rendered incapable by illness or any physical or mental disability (individually, a "disability") from substantially complying with the terms, conditions and provisions to be observed and performed on his part for a continuous period in excess of three (3) months or ninety (90) days in the aggregate during any twelve (12) months during the Term of Employment.

6. Disclosure of Information; Inventions and Discoveries

The Executive shall promptly disclose to the Company all processes, trademarks, inventions, improvements, discoveries and other information (collectively, "developments") directly related to the business of the Company conceived, developed or acquired by him alone or with others during the Term of Employment by the Company, whether or not during regular working hours or through the use of material or facilities of the Company. All such developments shall be the sole and exclusive property of the Company, and upon request the Executive shall deliver to the Company all drawings, sketches, models and other data and records relating to such development. In the event any such development shall be deemed by the Company to be patentable, the Executive shall, at the expense of the Company, assist the Company in obtaining a patent or patents thereon and execute all documents and do all other things necessary or proper to obtain letters patent and invest the Company with full title thereto.

7. Non-Competition

The Company and the Executive agree that the services rendered by the Executive hereunder are unique and irreplaceable. During his employment by the Company, the Executive shall not provide any type of services to any business that in the reasonable judgment of the Company is, or as a result of the Executive's engagement or participation would become, directly competitive with any aspect of the business of the Company.

8. Non-Disclosure

The Executive will not at any time after the date of this Employment Agreement divulge, furnish or make accessible to anyone (otherwise than in the regular course of business of the Company) any knowledge or information with respect to confidential matters of the Company, except to the extent such disclosure is (a) in the performance of his duties under this Agreement, (b) required by applicable law, (c) authorized in writing by the Company, or (d) when required to do so by legal process, that requires him to divulge, disclose or make accessible such information.

## 9. Remedies

The Company may pursue any appropriate legal, equitable or other remedy, including injunctive relief, in respect of any failure by the Executive to comply with the provisions of Sections 6, 7 or 8 hereof, it being acknowledged by the Executive that the remedy at law for any such failure would be inadequate.

## 10. Termination

This Agreement and the Executive's employment with the Company may be terminated by the Board of Directors of the Company (i) in the event of the Executive's fraud, embezzlement or any other illegal act committed intentionally by Executive in connection with Executive's duties as an executive of the Company which causes or may reasonably be expected to cause substantial economic injury to the Company or (ii) upon thirty (30) days' notice to the Executive if the Executive shall be in material breach of any material provision of this Employment Agreement other than as provided in clause (i) above and shall have failed to cure such breach during such thirty (30) day period (the events in (i) and (ii) shall constitute "Cause"). Any such notice to the Executive shall specify with particularity the reason for termination or proposed termination. In the event of termination under this Section 10 or under Section 5 (except as provided therein), the Company's unaccrued obligations under this Agreement shall cease and the Executive shall forfeit all right to receive any unaccrued compensation or benefits hereunder but shall have the right to reimbursement of expenses already incurred. If the Company terminates Executive without Cause, the Executive shall be entitled to compensation and benefits which he was receiving for a period of twelve months from such notice of termination. Notwithstanding any termination of the Agreement pursuant to this Section 10 or by reason of disability under Section 5, the Executive, in consideration of his employment hereunder to the date of such termination, shall remain bound by the provisions of Sections 6, 7 and 8 (unless this Agreement is terminated on account of the breach hereof by the Company) of this Agreement.

In the event of any termination, the Executive shall not be required to seek other employment to mitigate damages, and any income earned by the Executive from other employment or self-employment shall not be offset against any obligations of the Company to the Executive under this Agreement. The Company's obligations hereunder and the Executive's rights to payment shall not be subject to any right of set-off, counterclaim or other deduction by the Company not in the nature of customary withholding, other than in any judicial proceeding or arbitration.

## 11. Resignation

In the event that the Executive's services hereunder are terminated under Section 5 or 10 of this Agreement (except by death), the Executive agrees that he will deliver his written resignation to the Board of Directors, such resignation to become effective immediately.

12. Data

Upon expiration of the Term of Employment or termination pursuant to Section 5 or 10 hereof, the Executive or his personal representative shall promptly deliver to the Company all books, memoranda, plans, records and written data of every kind relating to the business and affairs of the Company which are then in his possession on account of his employment hereunder, but excluding all such materials in the Executive's possession which are personal and not property of the Company or which he holds on account of his past or current status as a director or shareholder of the Company.

13. Arbitration

Any dispute or controversy arising under this Agreement or relating to its interpretation or the breach hereof, including the arbitrability of any such dispute or controversy, shall be determined and settled by arbitration in Los Angeles, California pursuant to the Rules then obtaining of the American Arbitration Association. Any award rendered herein shall be final and binding on each and all of the parties, and judgment may be entered thereon in any court of competent jurisdiction.

14. Waiver of Breach

Any waiver of any breach of this Employment Agreement shall not be construed to be a continuing waiver or consent to any subsequent breach on the part either of the Executive or of the Company.

15. Assignment

Neither party hereto may assign his or its rights or delegate his or its duties under this Employment Agreement without the prior written consent of the other party; provided, however, that this Agreement shall inure to the benefit of and be binding upon the successors and assignees of the Company, upon (a) a sale of all or substantially all of the Company's assets, or upon merger or consolidation of the Company with or into any other corporation, and (b) upon delivery on the effective day of such sale, merger or consolidation to the Executive of a binding instrument of assumption by such successors and assigns of the rights and liabilities of the Company under this Agreement, provided, however, that no such assignment or transfer will relieve the Company from its payment obligations hereunder in the event the transferee or assignee fails to timely discharge them. No rights or obligations of the Executive under this Agreement may be assigned or transferred other than his rights to compensation and benefits, which may be transferred by will or operation of law or as otherwise specifically provided or permitted hereunder or under the terms of any applicable employee benefit plan.

16. Notices

Any notice required or desired to be given hereunder shall be in writing and shall be deemed sufficiently given when delivered or 3 days after mailing in United States

certified or registered mail, postage prepaid, to the party for whom intended at the following address:

The Company:

Reading International, Inc.  
6100 Center Drive, Suite 900  
Los Angeles, CA 90045

The Executive:

James J. Cotter, Jr.  
Reading International, Inc.  
6100 Center Drive, Suite 900  
Los Angeles, CA 90045

or to such other address as either party may from time to time designate by like notice to the other.

#### 17. General

The terms and provisions of this Agreement shall constitute the entire agreement by the Company and the Executive with respect to the subject matter hereof, and shall supersede any and all prior agreements or understandings between the Executive and the Company, whether written or oral. This Agreement may be amended or modified only by a written instrument executed by the Executive and the Company, and any such amendment or modification or any termination of this Agreement shall become effective only after written approval thereof has been received by the Executive. This Agreement shall be governed by and construed in accordance with California law. In the event that any terms or provisions of this Agreement shall be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms and provisions hereof. In the event of any judicial, arbitral or other proceeding between the parties hereto with respect to the subject matter hereof, the prevailing party shall be entitled, in addition to all other relief, to reasonable attorneys' fees and expenses and court costs.

#### 18. Indemnification

The Company shall indemnify the Executive to the fullest extent permitted by law in effect as of the date hereof, or as hereafter amended, against all costs, expenses, liabilities and losses (including, without limitation, attorneys' fees, judgments, fines, penalties, and amounts paid in settlement) reasonably incurred by the Executive in connection with a Proceeding. For the purposes of this section, a "Proceeding" shall mean any action, suit or proceeding, whether civil, criminal, administrative or investigative, in which the Executive is made, or is threatened to be made, a party to, or a witness in, such action, suit or proceeding by reason of the fact that he is or was an

officer, director or employee of the Company or is or was serving as an officer, director, member, employee, trustee or agent of any other entity at the request of the Company.

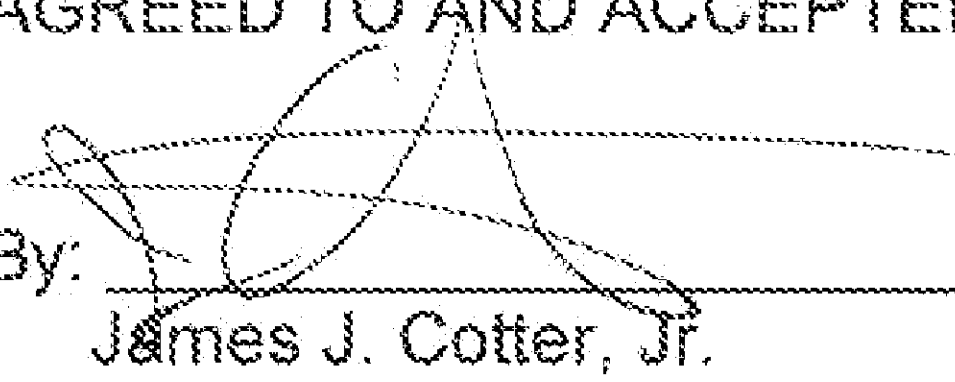
IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

READING INTERNATIONAL, INC.

By: 

James J. Cotter, Sr.

AGREED TO AND ACCEPTED:

By: 

James J. Cotter, Jr.

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# EXHIBIT 2

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Please visit our website at [www.adr.org](http://www.adr.org) if you would like to file this case online. AAA Customer Service can be reached at 800-778-7879.

**Mediation:** If you would like the AAA to contact the other parties and attempt to arrange mediation, please check this box ☐.  
There is no additional administrative fee for this service.

**Parties (Claimant)**

Name of Claimant: Reading International, Inc.

Representative's Name (if known): Gary M. McLaughlin

Address:

6100 Center Drive, Suite 900

Firm (if applicable): Akin Gump Strauss Hauer &amp; Feld LLP

Representative's Address: 2029 Century Park East, Suite 2400

City: Los Angeles

State: CA

Zip Code: 90045

City: Los Angeles

State: CA

Zip Code: 90067

Phone No.:

Fax No.:

Phone No.: (310) 728-3358

Fax No.: (310) 229-1001

Email Address:

Email Address: gmclaughlin@akingump.com

**Parties (Respondent)**

Name of Respondent: James J. Cotter, Jr.

Representative's Name (if known): Kate Visosky

Address:

311 Homewood Road

Firm (if applicable): Sheppard Mullin Richter &amp; Hampton LLP

Representative's Address: 1901 Avenue of the Stars, Suite 1600

City: Los Angeles

State: CA

Zip Code: 90049

City: Los Angeles

State: CA

Zip Code: 90067

Phone No.: (646) 331-2650

Fax No.:

Phone No.: (310) 228-3700

Fax No.: (310) 228-3701

Email Address: jcotterprivate@gmail.com

Email Address: kvisosky@sheppardmullin.com

Claim: What was/is the employee's annual wage range? ☐ Less than \$100,000 ☐ \$100,000-\$250,000 ☒ Over \$250,000

Note: This question is required by California law.

Amount of Claim: Non-monetary claims; monetary claims TBD - see attached.

Claim involves: ☐ Statutorily Protected Rights ☒ Non-Statutorily Protected Rights

In detail, please describe the nature of each claim. You may attach additional pages if necessary:

See attached.

Other Relief Sought: ☒ Attorneys Fees ☐ Interest ☒ Arbitration Costs ☐ Punitive/ Exemplary ☒ Other See attached.

Neutral: Please describe the qualifications for arbitrator(s) to hear this dispute:

Experience with employment, executive agreements, and corporate governance matters.

Hearing: Estimated time needed for hearings overall:

hours or 2-3

days

Hearing Locale: Los Angeles

☐ Requested by Claimant ☒ Locale provision included in the contractFiling Fee: ☐ Employer-Promulgated Plan fee requirement or \$200 (max amount per AAA rules)☒ Standard Fee Schedule for Individually-Negotiated Contracts ☐ Flexible Fee Schedule for Individually-Negotiated Contracts

Amount Tendered: \$3,250 (non-monetary claims; current monetary claims less than \$150,000)

Notice: To begin proceedings, please send a copy of this Demand and the Arbitration Agreement, along with the filing fee as provided for in the Rules, to: American Arbitration Association, Case Filing Services, 1101 Laurel Oak Road, Suite 100, Voorhees, NJ 08043. Send the original Demand to the Respondent.

Signature (may be signed by a representative):

Date: July 14, 2015

Pursuant to Section 1284.3 of the California Code of Civil Procedure, consumers with a gross monthly income of less than 300% of the federal poverty guidelines are entitled to a waiver of arbitration fees and costs, exclusive of arbitrator fees. This law applies to all consumer agreements subject to the California Arbitration Act, and to all consumer arbitrations conducted in California. Only those disputes arising out of employer promulgated plans are included in the consumer definition. If you believe that you meet these requirements, you must submit to the AAA a declaration under oath regarding your monthly income and the number of persons in your household. Please contact the AAA's Western Case Management Center at 1-877-528-0879. If you have any questions regarding the waiver of administrative fees, AAA Case Filing Services can be reached at 877-495-4185.

Attachment to Arbitration Demand

James J. Cotter, Jr. is the former CEO and President of Reading International, Inc. ("Reading" or the "Company"). His employment and employment agreement with the Company were properly terminated by the Board of Directors of the Company on June 12, 2015, at which time he was removed as an officer of the Company and each of its subsidiaries and as a manager and/or director of each subsidiary. His employment agreement required him to submit his resignation from all capacities with the Company in the event his employment is terminated, and Reading contends that this includes requiring him to resign his position as Chief Executive Officer and President of the Company, any position for any affiliate or subsidiary of the Company, and his position on the Company's Board of Directors. Reading also contends that it is not required to pay any continuing compensation or benefits under his employment agreement due to Mr. Cotter's material breach by refusing to resign. Mr. Cotter is challenging the validity of his termination of employment and his removal as Chief Executive Officer and President of the Company, and has refused to resign from any position. Mr. Cotter has also sued the individual members of the Board of Directors, and the Company as a nominal defendant, in Nevada alleging breach of fiduciary duty as a result of his termination.

Reading seeks declaratory relief determining that Mr. Cotter's employment and employment agreement with the Company have been validly terminated, that the Board validly removed him from his positions as Chief Executive Officer and President of the Company and positions with the Company's subsidiaries and that Mr. Cotter is required to submit his resignation from all positions with the Company and its affiliates and subsidiaries, including as a member of the Board of Directors, and that Mr. Cotter is not owed any further compensation or benefits under the employment agreement due to such breach. Reading will also seek an order requiring Mr. Cotter to resign, and/or any damages resulting from his failure to resign, as well as its costs and fees.

In the event of any termination, the Executive shall not be required to seek other employment to mitigate damages, and any income earned by the

Executive from other employment or self-employment shall not be offset against any obligations of the Company to the Executive under this Agreement. The Company's obligations hereunder and the Executive's rights to payment shall not be subject to any right of set-off, counterclaim or other deduction by the Company not in the nature of customary withholding, other than in any judicial proceeding or arbitration.

#### 11. Resignation

In the event that the Executive's services hereunder are terminated under Section 5 or 10 of this Agreement (except by death), the Executive agrees that he will deliver his written resignation to the Board of Directors, such resignation to become effective immediately.

#### 12. Data

Upon expiration of the Term of Employment or termination pursuant to Section 5 or 10 hereof, the Executive or his personal representative shall promptly deliver to the Company all books, memoranda, plans, records and written data of every kind relating to the business and affairs of the Company which are then in his possession on account of his employment hereunder, but excluding all such materials in the Executive's possession which are personal and not property of the Company or which he holds on account of his past or current status as a director or shareholder of the Company.

#### 13. Arbitration

Any dispute or controversy arising under this Agreement or relating to its interpretation or the breach hereof, including the arbitrability of any such dispute or controversy, shall be determined and settled by arbitration in Los Angeles, California pursuant to the Rules then obtaining of the American Arbitration Association. Any award rendered herein shall be final and binding on each and all of the parties, and judgment may be entered thereon in any court of competent jurisdiction.

#### 14. Waiver of Breach

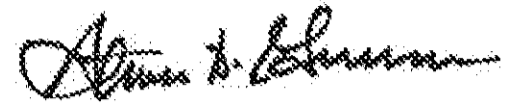
Any waiver of any breach of this Employment Agreement shall not be construed to be a continuing waiver or consent to any subsequent breach on the part either of the Executive or of the Company.

#### 15. Assignment

Neither party hereto may assign his or its rights or delegate his or its duties under this Employment Agreement without the prior written consent of the other party; provided, however, that this Agreement shall inure to the benefit of and be binding upon the successors and assignees of the Company, upon (a) a sale of all or substantially all of the Company's assets, or upon merger or consolidation of the Company with or into any other corporation, and (b) upon delivery on the effective day of such sale, merger or consolidation to the Executive of a binding instrument of assumption by such successors and assigns of the rights and liabilities of the Company under this Agreement, provided, however, that no such assignment or transfer will relieve the Company from its payment obligations hereunder in the event the transferee or assignee fails to timely discharge them. No rights or obligations of the Executive under this Agreement may be assigned or transferred other than his rights to compensation and benefits, which may be transferred by will or operation of law or as otherwise specifically provided or permitted hereunder or under the terms of any

# Tab 02

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1 **OGM**  
ALEXANDER ROBERTSON, IV (Nevada Bar No. 8642)  
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Telephone: (702) 385-9595 • Facsimile: (702) 386-2737

8  
9 Attorneys for Attorneys for Plaintiffs and  
Intervenors, T2 PARTNERS MANAGEMENT,  
LP, a Delaware limited partnership, doing  
10 business as KASE CAPITAL MANAGEMENT;  
T2 ACCREDITED FUND, LP, a Delaware  
11 limited partnership, doing business as KASE  
FUND; T2 QUALIFIED FUND, LP, a Delaware  
12 limited partnership, doing business as KASE  
QUALIFIED FUND; TILSON OFFSHORE  
13 FUND, LTD, a Cayman Islands exempted  
company; T2 PARTNERS MANAGEMENT I,  
14 LLC, a Delaware limited liability company, doing  
business as KASE MANAGEMENT; T2  
15 PARTNERS MANAGEMENT GROUP, LLC, a  
Delaware limited liability company, doing  
16 business as KASE GROUP; JMG CAPITAL  
MANAGEMENT, LLC, a Delaware limited  
17 liability company; PACIFIC CAPITAL  
MANAGEMENT, LLC, a Delaware limited  
18 liability company,

19 Derivatively On Behalf of Reading International,  
20 Inc.

21 DISTRICT COURT

22 CLARK COUNTY, NEVADA

23 T2 PARTNERS MANAGEMENT, LP, a  
Delaware limited partnership, doing business  
24 as KASE CAPITAL MANAGEMENT; T2  
ACCREDITED FUND, LP, a Delaware  
25 limited partnership, doing business as KASE  
FUND; T2 QUALIFIED FUND, LP, a  
26 Delaware limited partnership, doing business  
as KASE QUALIFIED FUND; TILSON  
27 OFFSHORE FUND, LTD, a Cayman Islands  
exempted company; T2 PARTNERS  
28 MANAGEMENT I, LLC, a Delaware limited

Case No. A-15-719860-B  
Dept. No.: XI

**ORDER GRANTING PLAINTIFFS-IN-  
INTERVENTION MOTION TO  
INTERVENE**

Judge: Hon. Elizabeth Gonzalez  
Date of Hearing: August 11, 2015  
Time of Hearing: 8:30 .am.

1 liability company, doing business as KASE  
2 MANAGEMENT; T2 PARTNERS  
3 MANAGEMENT GROUP, LLC, a Delaware  
4 limited liability company, doing business as  
5 KASE GROUP; JMG CAPITAL  
6 MANAGEMENT, LLC, a Delaware limited  
7 liability company; PACIFIC CAPITAL  
8 MANAGEMENT, LLC, a Delaware limited  
9 liability company; Derivatively On Behalf of  
10 Reading International, Inc.,

11 Plaintiffs,

12 vs.

13 MARGARET COTTER, ELLEN COTTER,  
14 GUY ADAMS, EDWARD KANE,  
15 DOUGLAS McEACHERN, TIMOTHY  
16 STOREY, WILLIAM GOULD, AND DOES 1  
17 THROUGH 100, inclusive,

18 Defendants,

19 And,

20 READING INTERNATIONAL, INC., a  
21 Nevada corporation,

22 Nominal Defendant.

23 Plaintiffs-in-Intervention's Motion to Intervene came before the Court on August 11, 2015.  
24 The Court having read and considered the motion, and all other papers and pleadings on file  
25 herein, and being fully informed, finds as follows:

26 IT IS HEREBY ORDERED that said Motion to Intervene hereby GRANTED, and to  
27 allow Plaintiffs-In-Intervention to intervene in this action, and file the proposed Verified  
28 Shareholder Derivative Complaint and Demand for Jury Trial.

DATED this 11<sup>th</sup> day of August, 2015.

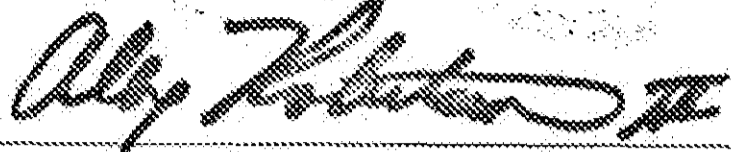
By:

HONORABLE ELIZABETH GONZALEZ

1 Respectfully Submitted:

2 ROBERTSON & ASSOCIATES, LLP

3



4 Alexander Robertson, IV (Nevada Bar No. 8642)

*arobertson@arobertsonlaw.com*

5 32121 Lindero Canyon Road, Suite 200

Westlake Village, CA 91361

6 Telephone (818) 851-3850

7 Attorneys for Plaintiffs-In-Intervention,  
T2 PARTNERS MANAGEMENT, LP, a

8 Delaware limited partnership, doing business as  
KASE CAPITAL MANAGEMENT; T2

9 ACCREDITED FUND, LP, a Delaware limited  
partnership, doing business as KASE FUND; T2

10 QUALIFIED FUND, LP, a Delaware limited  
partnership, doing business as KASE

11 QUALIFIED FUND; TILSON OFFSHORE  
FUND, LTD, a Cayman Islands exempted

12 company; T2 PARTNERS MANAGEMENT I,  
LLC, a Delaware limited liability company, doing

13 business as KASE MANAGEMENT; T2

PARTNERS MANAGEMENT GROUP, LLC, a

14 Delaware limited liability company, doing  
business as KASE GROUP; JMG CAPITAL

15 MANAGEMENT, LLC, a Delaware limited  
liability company; PACIFIC CAPITAL

16 MANAGEMENT, LLC, a Delaware limited  
liability company; Derivatively On Behalf of

17 Reading International, Inc.

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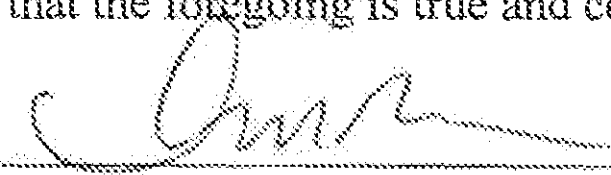
**CERTIFICATE OF SERVICE**

The undersigned, an employee of Robertson & Associates, LLP, hereby certifies that on the 28<sup>th</sup> day of August, 2015, I served a true and correct copy of **ORDER GRANTING PLAINTIFFS-IN-INTERVENTION MOTION TO INTERVENE** by electronic service by submitting the foregoing to the Court's E-filing System for Electronic Service upon the Court's Service List pursuant to EDCR 8. The copy of the document electronically served bears a notation of the date and time of service.

**PLEASE SEE THE E-SERVICE MASTER LIST**

I declare under penalty of perjury that the foregoing is true and correct.

Dated:



\_\_\_\_\_  
An employee of ROBERTSON & ASSOCIATES, LLP

# Tab 03

Morningstar<sup>®</sup> Document Research<sup>SM</sup>

# **FORM DEF 14A**

**READING INTERNATIONAL INC - RDI**

**Filed: October 20, 2015 (period: October 20, 2015)**

Official notification to shareholders of matters to be brought to a vote (Proxy)

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934**

Filed by the Registrant ☒

Filed by a party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- ☒ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material under Sec. 240.14a-12

**READING INTERNATIONAL, INC.**  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

- (1) Title of each class of securities to which transaction applies: \_\_\_\_\_
- (2) Aggregate number of securities to which transaction applies: \_\_\_\_\_
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): \_\_\_\_\_
- (4) Proposed maximum aggregate value of transaction: \_\_\_\_\_
- (5) Total fee paid: \_\_\_\_\_

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid: \_\_\_\_\_
- (2) Form, Schedule or Registration Statement No.: \_\_\_\_\_
- (3) Filing Party: \_\_\_\_\_
- (4) Date Filed: \_\_\_\_\_

---

**000028**



READING INTERNATIONAL, INC.  
6100 Center Drive, Suite 900  
Los Angeles, California 90045

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON TUESDAY, NOVEMBER 10, 2015**

TO THE STOCKHOLDERS:

The 2015 Annual Meeting of Stockholders (the "Annual Meeting") of Reading International, Inc., a Nevada corporation, will be held at The Ritz Carlton – Marina Del Rey, located at 4375 Admiralty Way, Marina Del Rey, California 90292, on Tuesday, November 10, 2015, at 11:00 a.m., local time, for the following purposes:

1. To elect nine Directors to serve until the Company's 2016 Annual Meeting of Stockholders and thereafter until their successors are duly elected and qualified;
2. To ratify the appointment of Grant Thornton LLP as the Company's independent auditors for the fiscal year ending December 31, 2015; and
3. To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

A copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 is enclosed (the "Annual Report"). Only holders of record of our Class B Voting Common Stock at the close of business on October 6, 2015 are entitled to notice of and to vote at the meeting and any adjournment or postponement thereof.

Whether or not you plan on attending the Annual Meeting, we ask that you take the time to vote by following the Internet or telephone voting instructions provided or by completing and mailing the enclosed proxy as promptly as possible. We have enclosed a self-addressed, postage-paid envelope for your convenience. If you later decide to attend the Annual Meeting, you may vote your shares even if you have submitted a proxy.

By Order of the Board of Directors

Ellen M. Cotter  
*Chairperson of the Board*

October 16, 2015



**READING INTERNATIONAL, INC.**  
**6100 Center Drive, Suite 900**  
**Los Angeles, California 90045**

**PROXY STATEMENT**

**Annual Meeting of Stockholders**  
Tuesday, November 10, 2015

**INTRODUCTION**

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Reading International, Inc. (the “Company,” “Reading,” “we,” “us,” or “our”) of proxies for use at our 2015 Annual Meeting of Stockholders (the “Annual Meeting”) to be held on Tuesday, November 10, 2015, at 11:00 a.m., local time, at The Ritz Carlton – Marina Del Rey, located at 4375 Admiralty Way, Marina Del Rey, California 90292, and at any adjournment or postponement thereof. This Proxy Statement and form of proxy are first being sent or given to stockholders on or about Tuesday, October 20, 2015.

At our Annual Meeting, you will be asked to (1) elect nine Directors to our Board of Directors (the “Board”) to serve until the 2016 Annual Meeting of Stockholders, (2) ratify the appointment of Grant Thornton LLP as our independent auditors for the fiscal year ending December 31, 2015, and (3) act on any other business that may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting.

As of October 6, 2015, the record date for the Annual Meeting (the “Record Date”), there were outstanding 1,680,590 shares of our Class B Voting Common Stock (“Class B Stock”).

When proxies are properly executed and received, the shares represented thereby will be voted at the Annual Meeting in accordance with the directions noted thereon. If no direction is indicated, the shares will be voted: FOR each of the nine nominees named in this Proxy Statement for election to the Board of Directors under Proposal 1 and FOR the ratification of the appointment of Grant Thornton LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015 under Proposal 2.

**INTERNET AVAILABILITY OF PROXY DOCUMENTS**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON NOVEMBER 10, 2015** – This Proxy Statement, along with the proxy card, and our Annual Report for the year ended December 31, 2014, as filed with the Securities and Exchange Commission, are available at our website, <http://www.readingrdi.com>, under “Investor Relations.”

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## ABOUT THE ANNUAL MEETING AND VOTING

### Why am I receiving these proxy materials?

This proxy statement is being sent to all of our stockholders of record as of the close of business on October 6, 2015, by Reading's Board of Directors to solicit the proxy of holders of our Class B Stock to be voted at Reading's 2015 Annual Meeting of Stockholders, which will be held on Tuesday, November 10, 2015, at 11:00 a.m. Pacific Time, at The Ritz Carlton – Marina Del Rey, located at 4375 Admiralty Way, Marina Del Rey, California 90292.

### What items of business will be voted on at the annual meeting?

There are two items of business scheduled to be voted on at the 2015 Annual Meeting:

- " PROPOSAL 1: Election of nine directors to the Board of Directors.
- " PROPOSAL 2: Ratification of the appointment of Grant Thornton LLP as our independent auditors for the year ending December 31, 2015.

We will also consider any other business that may properly come before the Annual Meeting or any adjournments or postponements thereof, including approving any such adjournment, if necessary. Please note that at this time we are not aware of any such business.

### How does the Board of Directors recommend that I vote?

Our Board of Directors recommends that you vote:

- " On PROPOSAL 1: "FOR" the election of its nominees to the Board of Directors.
- " On PROPOSAL 2: "FOR" the ratification of the appointment of Grant Thornton LLP as our independent auditors for the year ending December 31, 2015.

### What happens if additional matters are presented at the Annual Meeting?

Other than the two items of business described in this Proxy Statement, we are not aware of any other business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxies will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting.

### Am I eligible to vote?

You may vote your shares of Class B Stock at the Annual Meeting if you were a holder of record of Class B Stock at the close of business on October 6, 2015. Your shares of Class B Stock are entitled to one vote per share. At that time, there were 1,680,590 shares of Class B Stock outstanding, and approximately 85 holders of record. Each share of Class B Stock is entitled to one vote on each matter properly brought before the Annual Meeting.

### What if I own Class A Nonvoting Common Stock?

If you do not own any Class B Stock, then you have received this proxy statement only for your information. You and other holders of our Class A Nonvoting Common Stock ("Class A Stock") have no voting rights with respect to the matters to be voted on at the Annual Meeting.

### How can I get electronic access to the proxy materials?

This Proxy Statement, along with the proxy card, and our Annual Report for the year ended December 31, 2014 as filed with the Securities and Exchange Commission are available at our website, <http://www.readingrdi.com>, under "Investor Relations."

### What should I do if I receive more than one copy of the proxy materials?

You may receive more than one copy of this Proxy Statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate notice or a separate voting instruction card for each brokerage account in which you hold shares. If you are a stockholder of record and your shares are registered in more than one name, you may receive more than one copy of this Proxy Statement or more than one proxy card.

To vote all of your shares of Class B Stock by proxy, you must either (i) complete, date, sign and return each proxy card and voting instruction card that you receive or (ii) vote over the Internet or by telephone the shares represented by each notice that you receive.

### **What is the difference between holding shares as a stockholder of record and as a beneficial owner?**

Many stockholders of our Company hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some differences in how stockholders of record and beneficial owners are treated.

**Stockholders of Record.** If your shares of Class B Stock are registered directly in your name with our Transfer Agent, you are considered the stockholder of record with respect to those shares and the proxy materials are being sent directly to you by Reading. As the stockholder of record of Class B Stock, you have the right to vote in person at the meeting. If you choose to do so, you can vote using the ballot provided at the Annual Meeting. Even if you plan to attend the Annual Meeting, we recommend that you vote your shares in advance as described below so that your vote will be counted if you decide later not to attend the Annual Meeting.

**Beneficial Owner.** If you hold your shares of Class B Stock through a broker, bank or other nominee rather than directly in your own name, you are considered the beneficial owner of shares held in street name and the proxy materials are being forwarded to you by your broker, bank or other nominee, who is considered the stockholder of record with respect to those shares. As the beneficial owner, you are also invited to attend the Annual Meeting. Because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the Annual Meeting, unless you obtain a proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting. You will need to contact your broker, trustee or nominee to obtain a proxy, and you will need to bring it to the Annual Meeting in order to vote in person.

### **How do I vote?**

Proxies are solicited to give all holders of our Class B Stock who are entitled to vote on the matters that come before the meeting the opportunity to vote their shares, whether or not they attend the meeting in person. If you are a holder of record of shares of our Class B Stock, you have the right to vote in person at the meeting. If you choose to do so, you can vote using the ballot provided at the Annual Meeting. Even if you plan to attend the Annual Meeting, we recommend that you vote your shares in advance as described below so that your vote will be counted if you decide later not to attend the Annual Meeting. You can vote by one of the following manners:

- " By Internet — Holders of our Class B Stock of record may submit proxies over the Internet by following the instructions on the proxy card. Holders of our Class B Stock who are beneficial owners may vote by Internet by following the instructions on the voting instruction card sent to them by their bank, broker, trustee or nominee. Proxies submitted by the Internet must be received by 11:59 p.m., Pacific Time, on November 9, 2015 (the day before the Annual Meeting).
- " By Telephone — Holders of our Class B Stock of record who live in the United States or Canada may submit proxies by telephone by calling the toll-free number on the proxy card and following the instructions. Holders of our Class B Stock of record will need to have the control number that appears on their proxy card available when voting. In addition, beneficial owners of shares living in the United States or Canada and who have received a voting instruction card by mail from their bank, broker, trustee or nominee may vote by phone by calling the number specified on the voting instruction card. Those stockholders should check the voting instruction card for telephone voting availability. Proxies submitted by telephone must be received by 11:59 p.m., Pacific Time, on November 9, 2015 (the day before the Annual Meeting).
- " By Mail — Holders of our Class B Stock of record who have received a paper copy of a proxy card by mail may submit proxies by completing, signing and dating their proxy card and mailing it in the accompanying pre-addressed envelope. Holders of our Class B Stock who are beneficial owners who have received a voting

instruction card from their bank, broker or nominee may return the voting instruction card by mail as set forth on the card. Proxies submitted by mail must be received before the polls are closed at the Annual Meeting.

- " In Person — Holders of our Class B Stock of record may vote shares held in their name in person at the Annual Meeting. You also may be represented by another person at the Annual Meeting by executing a proxy designating that person. Shares of Class B Stock for which a stockholder is the beneficial holder but not the stockholder of record may be voted in person at the Annual Meeting only if such stockholder is able to obtain a proxy from the bank, broker or nominee that holds the stockholder's shares, indicating that the stockholder was the beneficial holder as of the record date and the number of shares for which the stockholder was the beneficial owner on the record date.

Holders of our Class B Stock are encouraged to vote their proxies by Internet, telephone or by completing, signing, dating and returning a proxy card or voting instruction card, but not by more than one method. If you vote by more than one method, or vote multiple times using the same method, only the last-dated vote that is received by the inspector of election will be counted, and each previous vote will be disregarded. If you vote in person at the Annual Meeting, you will revoke any prior proxy that you may have given. You will need to bring a valid form of identification (such as a driver's license or passport) to the Annual Meeting to vote shares held of record by you in person.

**What if my shares are held of record by an entity such as a corporation, limited liability company, general partnership, limited partnership or trust (an "Entity"), or in the name of more than one person, or I am voting in a representative or fiduciary capacity?**

*Shares held of record by an Entity:* In order to vote shares on behalf of an Entity, you need to provide evidence (such as a sealed resolution) of your authority to vote such shares, unless you are listed of record as a holder of such shares.

*Shares held of record by a trust:* The trustee of a trust is entitled to vote the shares held by the trust, either by proxy or by attending and voting in person at the Annual Meeting. If you are voting as a trustee, and are not identified as a record owner of the shares, then you must provide suitable evidence of your status as a trustee of the record trust owner. If the record owner is a trust and there are multiple trustees, then if only one trustee votes, that trustee's vote applies to all of the shares held of record by the trust. If more than one trustee votes, the votes of the majority of the voting trustees apply to all of the shares held of record by the trust. If more than one trustee votes and the votes are split evenly on any particular Proposal, each trustee may vote proportionally the shares held of record by the trust.

*Shares held of record in the name of more than one person:* If only one individual votes, that individual's vote applies to all of the shares so held of record. If more than one person votes, the votes of the majority of the voting individuals apply to all of such shares. If more than one individual votes and the votes are split evenly on any particular Proposal, each individual may vote such shares proportionally.

**What is a broker non-vote?**

Applicable rules permit brokers to vote shares held in street name on routine matters. Shares that are not voted on non-routine matters, such as the election of directors or any proposed amendment of our Articles or Bylaws, are called broker non-votes. Broker non-votes will have no effect on the vote for the election of directors, but could affect the outcome of any matter requiring the approval of the holders of an absolute majority of the Class B Stock. We are not currently aware of any matter to be presented to the Annual Meeting that would require the approval of the holders of an absolute majority of the Class B Stock.

**What routine matters will be voted on at the annual meeting?**

The ratification of Grant Thornton LLP as our independent auditors for 2015 is the only routine matter to be presented at the Annual Meeting by the Board on which brokers may vote in their discretion on behalf of beneficial owners who have not provided voting instructions.

**What non-routine matters will be voted on at the annual meeting?**

The election of nine members to the Board of Directors is the only non-routine matter included among the Board's proposals on which brokers may not vote, unless they have received specific voting instructions from beneficial owners of our Class B Stock.

**How are abstentions and broker non-votes counted?**

Abstentions and broker non-votes are included in determining whether a quorum is present. In tabulating the voting results for the items to be voted on at the 2015 Annual Meeting, shares that constitute abstentions and broker non-votes are not considered entitled to vote on that matter and will not affect the outcome of any matter being voted on at the meeting, unless the matter requires the approval of the holders of a majority of the outstanding shares of Class B Stock.

#### **How can I change my vote after I submit a proxy?**

If you are a stockholder of record, there are three ways you can change your vote or revoke your proxy after you have submitted your proxy:

- " First, you may send a written notice to Reading International, Inc., posting or other delivery charges pre-paid, c/o Office of the Secretary, 6100 Center Drive, Suite 900, Los Angeles, CA, 90045, stating that you revoke your proxy. To be effective, we must receive your written notice prior to the closing of the polls at the Annual Meeting.
- " Second, you may complete and submit a new proxy in one of the manners described above under the caption, "How Do I Vote." Any earlier proxies will be revoked automatically.
- " Third, you may attend the Annual Meeting and vote in person. Any earlier proxy will be revoked. However, attending the Annual Meeting without voting in person will not revoke your proxy.

#### **How will you solicit proxies and who will pay the costs?**

We will pay the costs of the solicitation of proxies. We may reimburse brokerage firms and other persons representing beneficial owners of shares for expenses incurred in forwarding the voting materials to their customers who are beneficial owners and obtaining their voting instructions. In addition to soliciting proxies by mail, our board members, officers and employees may solicit proxies on our behalf, without additional compensation, personally or by telephone.

#### **Is there a list of stockholders entitled to vote at the Annual Meeting?**

The names of stockholders of record entitled to vote at the Annual Meeting will be available at the Annual Meeting and for ten days prior to the Annual Meeting at our principal executive offices between the hours of 9:00 a.m. and 5:00 p.m. for any purpose relevant to the Annual Meeting. To arrange to view this list during the times specified above, please contact the Secretary of the Company.

#### **What constitutes a quorum?**

The presence in person or by proxy of the holders of record of a majority of our outstanding shares of Class B Stock entitled to vote will constitute a quorum at the Annual Meeting. Each share of our Class B Stock entitles the holder of record to one vote on all matters to come before the Annual Meeting.

#### **How are votes counted and who will certify the results?**

First Coast Results, Inc. will act as the independent Inspector of Elections and will count the votes, determine whether a quorum is present, evaluate the validity of proxies and ballots, and certify the results. A representative of First Coast Results, Inc. will be present at the Annual Meeting. The final voting results will be reported by us on a Current Report on Form 8-K to be filed with the SEC within four business days following the Annual Meeting.

#### **What is the vote required for a Proposal to pass?**

The nine nominees for election as Directors at the Annual Meeting who receive the highest number of "FOR" votes will be elected as Directors. This is called plurality voting. Unless you indicate otherwise, the persons named as your proxies will vote your shares FOR all the nominees for Director named in Proposal 1. If your shares are held by a broker or other nominee and you would like to vote your shares for the election of Directors in Proposal 1, you must instruct the broker or nominee to vote "FOR" for each member of the slate. If you give no instructions to your broker or nominee, then your shares will not be voted. If you instruct your broker or nominee to "WITHHOLD," then your vote will not be counted in determining the election.

Proposal 2 requires the affirmative "FOR" vote of a majority of the votes cast by the stockholders present in person or represented by proxy at the Annual Meeting and entitled to vote thereon.

Except with respect to the Proposal to ratify our independent auditors, where broker non-votes will be counted, only votes for or against Proposal 1 at the Annual Meeting will be counted as votes cast and abstentions and broker non-votes will not be counted for voting purposes.

**Is my vote kept confidential?**

Proxies, ballots and voting tabulations identifying stockholders are kept confidential and will not be disclosed to third parties, except as may be necessary to meet legal requirements.

**How will the Annual Meeting be conducted?**

In accordance with our Bylaws, Ellen M. Cotter, as the Chairperson of the Board of Directors, will be the Presiding Officer of the Annual Meeting. Craig Tompkins has been designated by Ms. Cotter to serve as Secretary for the Annual Meeting.

Ms. Cotter and other members of management will address attendees following the Annual Meeting. Stockholders desiring to pose questions to our management are encouraged to send their questions to us, care of the Annual Meeting Secretary, in advance of the Annual Meeting, so as to assist our management in preparing appropriate responses and to facilitate compliance with applicable securities laws.

The Presiding Officer has broad authority to conduct the Annual Meeting in an orderly and timely manner. This authority includes establishing rules for stockholders who wish to address the meeting or bring matters before the Annual Meeting. The Presiding Officer may also exercise broad discretion in recognizing stockholders who wish to speak and in determining the extent of discussion on each item of business. In light of the need to conclude the Annual Meeting within a reasonable period of time, there can be no assurance that every stockholder who wishes to speak will be able to do so. The Presiding Officer has authority, in her discretion, to at any time recess or adjourn the Annual Meeting. Only stockholders are entitled to attend and address the Annual Meeting. Any questions or disputes as to who may or may not attend and address the Annual Meeting will be determined by the Presiding Officer.

Only such business as shall have been properly brought before the Annual Meeting shall be conducted. Pursuant to our governing documents and applicable Nevada law, in order to be properly brought before the Annual Meeting, such business must be brought by or at the direction of (1) the Chairperson, (2) our Board of Directors, or (3) holders of record of our Class B Stock. At the appropriate time, any stockholder who wishes to address the Annual Meeting should do so only upon being recognized by the Presiding Officer.

### Director Leadership Structure

Ellen M. Cotter is our current Chairperson and also serves as our interim Chief Executive Officer and President and serves as the Chief Operating Officer for our Domestic Cinemas. Ellen M. Cotter has been with our Company for more than 17 years, focusing principally on the cinema operations aspects of our business. During this time period, we have grown our Domestic Cinema Operations from 42 to 248 screens and our cinema revenues have grown from US \$15.5 million to US \$125.7 million. Margaret Cotter is our current Vice-Chairperson. Margaret Cotter has been responsible for the operation of our live theaters for more than the past 14 years and has for more than the past five years been actively involved in the re-development of our New York properties.

Ellen M. Cotter has a substantial stake in our business, owning directly 799,765 shares of Class A Stock and 50,000 shares of Class B Stock. Margaret Cotter likewise has a substantial stake in our business, owning directly 804,173 shares of Class A Stock and 35,100 shares of Class B Stock. Ellen and Margaret Cotter are the Co-Executors of their father's (James J. Cotter, Sr.) estate and Co-Trustees of a trust (the "Living Trust") established for the benefit of his heirs. Together they have shared voting control over an aggregate of 1,208,988 shares or 71.9% of our Class B Stock. Ellen and Margaret Cotter have informed the Board that they intend to vote the shares beneficially held by them for each of the nine nominees named in this Proxy Statement for election to the Board of Directors under Proposal 1.

James Cotter, Jr. alleges he has the right to vote the shares held by the Living Trust. The Company believes that, under applicable Nevada Law, where there are multiple trustees of a trust that is a record owner of voting shares of a Nevada Corporation, and more than one trustee votes, the votes of the majority of the voting trustees apply to all of the shares held of record by the trust. If more than one trustee votes and the votes are split evenly on any particular proposal, each trustee may vote proportionally the shares held of record by the trust. Ellen M. Cotter and Margaret Cotter, who collectively constitute a majority of the Co-Trustees of the Living Trust, have informed the Board that they intend to vote the shares held by the Living Trust for each of the nine nominees named in this Proxy Statement for election to the Board of Directors under Proposal 1. Accordingly, the Company believes that Ellen M. Cotter and Margaret Cotter collectively have the power and authority to vote all of the shares of Class B Stock held of record by the Living Trust, which, when added to the other shares they report as being beneficially owned by them, will constitute 71.9% of the shares of Class B Stock entitled to vote for directors at the Annual Meeting.

The Company has elected to take the "controlled company" exception under applicable listing rules of The NASDAQ Capital Stock Market (the NASDAQ Listing Rules"). Accordingly, the Company is exempted from the requirement to have an independent nominating committee and to have a board comprised of at least a majority of independent directors, we are nevertheless nominating six independent directors for election to our Board. We have an Audit and Conflicts Committee (the "Audit Committee") and a Compensation and Stock Options Committee (the "Compensation Committee") comprised entirely of independent directors. And, we have a four member Executive Committee comprised of our Chairperson and Vice-Chairperson and two independent directors (Messrs. Guy W. Adams and Edward L. Kane). Due to this structure, the concurrence of at least one independent member of the Executive Committee is required in order for the Executive Committee to take action.

We believe that our Directors bring a broad range of leadership experience to our Company and regularly contribute to the thoughtful discussion involved in effectively overseeing the business and affairs of the Company. We believe that all Board members are well engaged in their responsibilities and that all Board members express their views and consider the opinions expressed by other Directors. Six Directors on our Board are independent under the NASDAQ Listing Rules and SEC rules, and William D. Gould serves as the lead director among our Independent Directors. In that capacity, Mr. Gould chairs meetings of the Independent Directors and acts as liaison between our Chairperson of the Board and interim Chief Executive Officer and our Independent Directors. Our Independent Directors are involved in the leadership structure of our Board by serving on our Audit Committee, the Compensation Committee, and the Tax Oversight Committee, each having a separate independent chairperson. In connection with the Annual Meeting, we have established a Special Nominating Committee comprised of the chairs of our Executive, Audit and Compensation Committees.

### Management Succession

James J. Cotter, Sr., our Company's controlling stockholder, Chairperson and Chief Executive Officer, resigned from all positions at our Company on August 7, 2014, and passed away on September 13, 2014. Upon his resignation, Ellen M. Cotter was appointed Chairperson, Margaret Cotter, her sister, was appointed Vice Chairperson and James J. Cotter, Jr., her brother, was appointed Chief Executive Officer, while continuing his position as President.

On June 12, 2015, the Board terminated the employment of James J. Cotter, Jr. as our President and Chief Executive Officer, and appointed Ellen M. Cotter to serve as the Company's interim President and Chief Executive Officer. The Board has established an Executive Search Committee (the "Search Committee") comprised of our Chairperson, our Vice Chairperson and directors Adams, Gould and McEachern and has retained Korn Ferry to seek out candidates for the Chief Executive Officer position. The Search Committee will consider both internal and external candidates.

#### **Board's Role in Risk Oversight**

Our management is responsible for the day-to-day management of risks we face as a Company, while our Board, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, our Board has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed.

The Board plays an important role in risk oversight at Reading through direct decision-making authority with respect to significant matters, as well as through the oversight of management by the Board and its committees. In particular, the Board administers its risk oversight function through (1) the review and discussion of regular periodic reports by the Board and its committees on topics relating to the risks that the Company faces, (2) the required approval by the Board (or a committee of the Board) of significant transactions and other decisions, (3) the direct oversight of specific areas of the Company's business by the Audit Committee, the Compensation Committee and the Tax Oversight Committee, and (4) regular periodic reports from the auditors and other outside consultants regarding various areas of potential risk, including, among others, those relating to our internal control over financial reporting. The Board also relies on management to bring significant matters impacting the Company to the attention of the Board.

#### **"Controlled Company" Status**

Under section 5615(c)(1) of the NASDAQ Listing Rules, a "controlled company" is a company in which 50% of the voting power for the election of directors is held by an individual, a group or another company. Together, Margaret Cotter and Ellen M. Cotter beneficially own 1,208,988 shares of Class B Stock. Based on advice of counsel, our Board has determined that therefore the Company is a "controlled company" within the NASDAQ Listing Rules.

After reviewing the benefits and detriments of taking advantage of the exceptions to the corporate governance rules set forth in the NASDAQ Listing Rules, our Board has determined to take advantage of certain exceptions from the NASDAQ Listing Rules afforded to our Company as a Controlled Company. In reliance on a "controlled company" exception, the Company does not maintain a separate standing Nominating Committee. The Company nevertheless at this time maintains a full Board comprised of a majority of independent Directors and fully independent Audit and Compensation Committees, and has no present intention to vary from that structure. For purposes of selecting nominees for our 2015 Annual Meeting, the Board formed a Special Nominating Committee comprised of the Chairs of our Executive, Audit and Compensation Committees (Messrs. Adams, McEachern and Kane, respectively), and delegated to that committee authority to recommend nominees to the Board for the Board's approval and nomination. Proposal 1 is comprised of the nominees recommended by the Special Nominating Committee and approved and nominated by our Board.

#### **Board Committees**

Our Board has a standing Executive Committee, Audit Committee, Compensation Committee, and Tax Oversight Committee. These committees are discussed in greater detail below.

**Executive Committee.** The Executive Committee operates pursuant to a Charter adopted by our Board. Our Executive Committee is currently comprised of Ms. Ellen M. Cotter, Ms. Margaret Cotter and Messrs. Adams and Kane. Pursuant to its Charter, the Executive Committee is authorized, to the fullest extent permitted by Nevada law and our Bylaws, to take any and all actions that could have been taken by the full Board between meetings of the full Board. The Executive Committee held no meetings during 2014.

**Audit Committee.** The Audit Committee operates pursuant to Charter adopted by our Board that is available on our website at [www.readingrdi.com](http://www.readingrdi.com). Our Board has determined that the Audit Committee is comprised entirely of independent

Directors (as defined in section 5605(a)(2) of the NASDAQ Listing Rules), and that Mr. McEachern, the Chair of our Audit Committee, is qualified as an Audit Committee Financial Expert. Our Audit Committee is currently comprised of Mr. McEachern, who serves as Chair, and Mr. Kane. Mr. Storey, who served on our Board in 2014 and through October 11, 2015, served on our Audit Committee throughout 2014. The Audit Committee held four meetings during 2014.

**Compensation Committee.** The Compensation Committee is currently comprised of Mr. Kane, who serves as Chair, and Mr. Adams. Mr. Alfred Villaseñor, a former Director, served on our Compensation Committee during 2014 until his term expired at the time of our 2014 Annual Meeting. Mr. Storey served on our Compensation Committee throughout 2014. The Compensation Committee evaluates and makes recommendations to the full Board regarding the compensation of our Chief Executive Officer and Cotter family members and performs other compensation related functions as delegated by our Board. The Compensation Committee held three meetings during 2014.

**Tax Oversight Committee.** Given our operations in the United States, Australia, and New Zealand and our historic net operating loss carry forwards, our Board formed a Tax Oversight Committee to review with management and to keep the Board informed about our Company's tax planning and such tax issues as may arise from time to time. This committee is currently comprised of Mr. Kane, who serves as Chair, and Mr. Cotter, Jr. The Tax Oversight Committee held four meetings during 2014.

#### **Consideration and Selection of the Board's Director Nominees**

The Company has elected to take the "controlled company" exception under applicable NASDAQ Listing Rules. Accordingly, the Company does not maintain a standing Nominating Committee. However, in connection with the Annual Meeting, the Board established a Special Nominating Committee consisting of Mr. Guy W. Adams (the Chair of our Executive Committee), Mr. Edward L. Kane (the Chair of our Compensation Committee) and Mr. Doug McEachern (the Chair of our Audit Committee) and delegated to that committee authority to evaluate and recommend nominees to the full Board for the Board's consideration, approval and nomination. Proposal 1 (Election of Directors) sets forth the names of the nominees recommended by the Special Nominating Committee and approved and nominated by our full Board.

The Special Nominating Committee considered for nomination incumbent Directors and candidates proposed by Ellen M. Cotter, Margaret Cotter and Mr. James Cotter, Jr. As part of its deliberations, the Special Nominating Committee reviewed the qualifications of each candidate submitted and conducted interviews with certain of the candidates. Since Ellen M. Cotter and Margaret Cotter vote a majority of the Class B Stock, the Special Nominating Committee and the Board accordingly considered their views with respect to the 2015 Director nominees.

Following a review of the experience and overall qualifications of the Director candidates evaluated by the Special Nominating Committee, the Committee recommended that the full Board nominate, and the full Board resolved to nominate, each of the individuals named in Proposal 1 for election as Directors of the Company at our 2015 Annual Meeting of Stockholders.

The Special Nominating Committee reported to the Board that in reaching the decision to recommend the nomination of Mr. James J. Cotter, Jr. for re-election to the Board, the Special Nominating Committee had taken a number of factors into consideration. Without attempting to place any particular priority on any particular consideration or to enumerate all of the matters discussed, the Special Nominating Committee reported to the Board that it had considered, among other factors, Mr. Cotter Jr.'s pending litigation against certain of the other Directors and arbitration proceedings with the Company; the Board's recent determination to terminate Mr. Cotter, Jr. as the Company's Chief Executive Officer and President of the Company; the potential that this personnel action and resultant legal proceedings could contribute to dissension among Board members and impact the otherwise collegial nature of Board meetings; Mr. Cotter, Jr.'s longevity on the Board and his broad knowledge of our Company; Mr. Cotter, Jr.'s beneficial holdings of the Company's securities; and the fact that Ellen M. Cotter and Margaret Cotter had notified the Special Nominating Committee that, if Mr. Cotter, Jr. was not nominated by the Board, they intend to vote in their capacity as stockholders, as the Co-Executors of the Cotter Estate and as a majority of the Co-Trustees of the Trust, to nominate Mr. Cotter, Jr. from the floor and to vote the more than 70% of the voting stock that they collectively control for the election of Mr. Cotter, Jr. After considering these factors and their deliberations, the Special Nominating Committee recommended that Mr. Cotter, Jr. be nominated to serve another term as a Director of the Company.

The Board approved each of the nominees recommended by the Special Nominating Committee, with James J. Cotter, Jr. voting against each of the recommended nominees (including himself) and Dr. Coddington abstaining (Mr. Wrotniak was not present for the meeting). Mr. Cotter, Jr. subsequently executed a consent to being named as a nominee in these materials and

has agreed to serve as a Director if he is elected. Director Codding informed the Board that she abstained in view of the fact that she had just recently joined our Board. Director Wrotniak was not present at the meeting, having only recently been appointed to the Board earlier in the day.

#### **Code of Ethics**

We have adopted a Code of Ethics designed to help our Directors and employees resolve ethical issues. Our Code of Ethics applies to all Directors and employees, including the Chief Executive Officer, the Chief Financial Officer, principal accounting officer, controller and persons performing similar functions. Our Code of Ethics is posted on our website, [www.readingrdi.com](http://www.readingrdi.com), under the “Investor Relations—Governance Documents” caption.

The Board has established a means for employees to report a violation or suspected violation of the Code of Ethics anonymously. In addition, we have adopted a “Whistleblower Policy” that establishes a process by which employees may anonymously disclose to the Audit Committee alleged fraud or violations of accounting, internal accounting controls or auditing matters.

#### **Review, Approval or Ratification of Transactions with Related Persons**

The Audit Committee has adopted a written policy for approval of transactions between the Company and its directors, director nominees, executive officers, greater than five percent beneficial owners and their respective immediate family members, where the amount involved in the transaction exceeds or is expected to exceed \$120,000 in a single calendar year and the party to the transaction has or will have a direct or indirect interest. A copy of this policy is available at [www.readingrdi.com](http://www.readingrdi.com) under the “Investor Relations” caption. The policy provides that the Audit Committee reviews transactions subject to the policy and determines whether or not to approve or ratify those transactions. In doing so, the Audit Committee takes into account, among other factors it deems appropriate:

- The related person’s interest in the transaction;
- The approximate dollar value of the amount involved in the transaction;
- The approximate dollar value of the amount of the related person’s interest in the transaction without regard to the amount of any profit or loss;
- Whether the transaction was undertaken in the ordinary course of business of the Company;
- Whether the transaction with the related person is proposed to be, or was, entered into on terms no less favorable to the Company than terms that could have been reached with an unrelated third party;
- The purpose of, and the potential benefits to the Company of, the transaction;
- Required public disclosure, if any; and
- Any other information regarding the transaction or the related person in the context of the proposed transaction that would be material to investors in light of the circumstances of the particular transaction.

## PROPOSAL 1: Election of Directors

### Nominees for Election

Nine Directors are to be elected at our Annual Meeting to serve until the annual meeting of stockholders to be held in 2016 or until their successors are duly elected and qualified. Unless otherwise instructed, the proxy holders will vote the proxies received by us "FOR" the election of the nominees below, all of whom currently serve as Directors. The nine nominees for election to the Board of Directors who receive the greatest number of votes cast for the election of Directors by the shares present and entitled to vote will be elected Directors. If any nominee becomes unavailable for any reason, it is intended that the proxies will be voted for a substitute nominee designated by the Board of Directors. We believe the nominees named will be able to serve if elected.

The names of the nominees for Director, together with certain information regarding them, are as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Ellen M. Cotter.....	49	Chairperson of the Board, Interim Chief Executive Officer and President, and Chief Operating Officer – Domestic Cinemas (1)
Guy W. Adams.....	64	Director(1) (2)
Judy Coddling.....	70	Director
James J. Cotter, Jr. ....	46	Director(3)
Margaret Cotter.....	47	Vice Chairperson of the Board(1)
William D. Gould.....	76	Director(4)
Edward L. Kane.....	77	Director(1) (2) (3) (5)
Douglas J. McEachern.....	64	Director(5)
Michael Wrotniak.....	48	Director

- (1) Member of the Executive Committee.
- (2) Member of the Compensation and Stock Options Committee.
- (3) Member of the Tax Oversight Committee.
- (4) Lead independent Director.
- (5) Member of the Audit and Conflicts Committee.

Ellen M. Cotter: Ellen M. Cotter has been a member of the Board of Directors since March 13, 2013, was appointed Chairperson of our Board on August 7, 2014 and has served as our interim Chief Executive Officer and President since June 12, 2015. She joined the Company in March 1998, is a graduate of Smith College and holds a Juris Doctorate from Georgetown Law School. Prior to joining the Company, Ms. Cotter spent four years in private practice as a corporate attorney with the law firm of White & Case in Manhattan. Ms. Cotter is the sister of Margaret Cotter and James J. Cotter, Jr. For more than the past ten years, Ms. Cotter has served as the Chief Operating Officer ("COO") of our domestic cinema operations, in which capacity she has, among other things, been responsible for the acquisition and development, marketing and operation of our cinemas. Prior to her appointment as COO Domestic Cinemas, she spent one year in Australia and New Zealand, working to develop our cinema and real estate assets in those countries. Ms. Cotter is the Co-Executor of her father's estate, which is the record owner of 427,808 shares of our Class B Stock (representing 25.5% of such Class B Stock). Ms. Cotter is also a Co-Trustee of the James J. Cotter, Sr. Trust, which is the record owner of 696,080 shares of Class B Stock (representing an additional 44.0% of such Class B Stock).

Ms. Cotter brings to the Board her 17 years of experience working in our Company's cinema operations, both in the United States and Australia. For the past 13 years, she has served as the senior operating officer of our Company's domestic cinema operations. She has also served as the Chief Executive Officer of Reading's subsidiary, Consolidated Entertainment, LLC, which operates substantially all of our cinemas in Hawaii and California. In addition, with her direct ownership of 799,765 shares of Class A Stock and 50,000 shares of Class B Stock and her positions as Co-Executor of her father's (James J. Cotter, Sr.) estate and Co-Trustee of the James J. Cotter, Sr. Trust, Ms. Cotter is a significant stake holder in our Company.

Guy W. Adams. Guy W. Adams has been a Director of the Company since January 14, 2014. He is a Managing Member of GWA Capital Partners, LLC, a registered investment adviser managing GWA Investments, LLC, a fund investing in various publicly traded securities. Mr. Adams has served as an independent director on the boards of directors of Lone Star Steakhouse & Saloon, Mercer International, Exar Corporation and Vitesse Semiconductor. He has held a variety of public company board positions, including lead director, audit committee chair and compensation committee chair. Mr. Adams provided investment advice to various family offices and invests his own capital in public and private equity transactions. He has served as an advisor to James J. Cotter, Sr. and to various enterprises now owned by the James J. Cotter, Sr. Estate or the James J. Cotter, Sr. Trust. Mr. Adams received his Bachelor of Science degree in Petroleum Engineering from Louisiana State University and his Masters of Business Administration from Harvard Graduate School of Business Administration.

Mr. Adams brings many years of experience serving as an independent director on public company boards, and in investing and providing financial advice with respect to investments in public companies.

Dr. Judy Codding. Dr. Judy Codding was elected to serve as a Director of the Company on October 5, 2015. Dr. Codding is a globally respected education leader. She is currently, and has since 2010 been, the Managing Director of “The System of Courses,” a division of Pearson, PLC (NYSE:PSO), a leading education company providing education products and services to institutions, governments and direct to individual learners. Prior to that time, and for more than the past five years, Dr. Codding served as the Chief Executive Officer and President of America’s Choice, Inc., which she founded in 1998 and which was acquired by Pearson in 2010. America’s Choice, Inc. was a leading educational organization offering comprehensive, proven solutions to the complex problems educators face in the era of accountability. Dr. Codding has a Doctorate from University of Massachusetts at Amherst, and completed post-doctoral work and served as a teaching associate in Education at Harvard University. Dr. Codding serves on various boards, including the Board of Trustees of Curtis School, Los Angeles, CA (2011 to present) and the Board of Trustees of Educational Development Center, Inc. (EDC) since 2012.

Dr. Codding brings to the Board her experience as an entrepreneur and as an advisor and researcher in the areas of leadership training and leadership decision making.

James J. Cotter, Jr. James J. Cotter, Jr. has been a Director of the Company since March 21, 2002, serving as Vice Chairperson from June 2007 until he was succeeded by Margaret Cotter on August 7, 2014. Mr. Cotter, Jr. served as our President from June 1, 2013 through June 12, 2015 and as our Chief Executive Officer from August 7, 2014 through June 12, 2015. He served as Chief Executive Officer of Cecelia Packing Corporation (a Cotter family-owned citrus grower, packer, and marketer) from July 2004 until 2013. Mr. Cotter, Jr. served as a Director to Cecelia Packing Corporation from February 1996 to September 1997 and as a Director of Gish Biomedical from September 1999 to March 2002. He was an attorney in the law firm of Winston & Strawn, specializing in corporate law, from September 1997 to May 2004. Mr. Cotter, Jr. is the brother of Margaret Cotter and Ellen M. Cotter. Mr. Cotter, Jr. is a Co-Trustee of the James J. Cotter, Sr. Trust, which is the record owner of 696,080 shares of Class B Stock (representing 44.0% of such Class B Stock).

James J. Cotter, Jr. brings to the Board his experience as a business professional and corporate attorney, as well as his many years of experience in, and knowledge of, the Company’s business and affairs. In addition, with his direct ownership of 859,286 shares of our Company’s Class A Common Stock and his position as Co-Trustee of the James J. Cotter, Sr. Trust, Mr. Cotter, Jr. is a significant stake holder in our Company. Further, depending on the outcome of ongoing litigation among members of the Cotter family, in the future Mr. Cotter, Jr. may be a controlling shareholder in the Company.

Margaret Cotter. Margaret Cotter has been a Director of the Company since September 27, 2002, and on August 7, 2014 was appointed Vice Chairperson of our Board. Ms. Cotter is the owner and President of OBI, LLC (“OBI”), which has, since 2002, managed our live-theater operations. Pursuant to the OBI management arrangement, Ms. Cotter also serves as the President of Liberty Theaters, LLC, the subsidiary through which we own our live theaters. While she receives management fees through OBI, Ms. Cotter receives no compensation for her duties as President of Liberty Theaters, LLC, other than the right to participate in our Company’s medical insurance program. Ms. Cotter, through OBI and Liberty Theaters, LLC, manages the real estate which houses each of our four live theaters in Manhattan and Chicago. Based in New York, Ms. Cotter secures leases, manages tenancies, oversees maintenance and regulatory compliance of these properties and heads up the re-development process with respect to these properties and our Cinemas 1, 2 & 3. Ms. Cotter is also a theatrical producer who has produced shows in Chicago and New York and a board member of the League of Off-Broadway Theaters and Producers. Ms. Cotter, a former Assistant District Attorney for King’s County in Brooklyn, New York, graduated from Georgetown University and Georgetown University Law Center. She is the sister of Ellen M. Cotter and James J. Cotter, Jr. Ms. Margaret Cotter is a Co-Executor of her father’s estate, which is the record owner of 427,808 shares of our Class B

Stock (representing 25.5% of such Class B Stock). Ms. Margaret Cotter is also a Co-Trustee of the James J. Cotter, Sr. Trust, which is the record owner of 696,080 shares of Class B Voting Common Stock (representing an additional 44.0% of such Class B Stock).

Ms. Cotter brings to the Board her experience as a live theater producer, theater operator and an active member of the New York theatre community, which gives her insight into live theater business trends that affect our business in this sector. Operating and overseeing these properties for over 16 years, Ms. Cotter contributes to the strategic direction for our developments. In addition, with her direct ownership of 804,173 shares of Class A Stock and 35,100 shares of Class B Stock and her positions as Co-Executor of her father's estate and Co-Trustee of the James J. Cotter, Sr. Trust, Ms. Cotter is a significant stake holder in our Company.

William D. Gould. William D. Gould has been a Director of our Company since October 15, 2004 and has been a member of the law firm of TroyGould PC since 1986. Previously, he was a partner of the law firm of O'Melveny & Myers. We have from time to time retained TroyGould PC for legal advice. Total fees paid to Mr. Gould's law firm during 2014 were \$41,642. Mr. Gould is an author and lecturer on the subjects of corporate governance and mergers and acquisitions.

Edward L. Kane. Edward L. Kane has been a Director of our Company since October 15, 2004. Mr. Kane was also a Director of our Company from 1985 to 1998, and served as President from 1987 to 1988. Mr. Kane currently serves as the Chair of our Tax Oversight Committee and of our Compensation Committee. He also serves as a member of our Executive Committee and our Audit Committee. At various times during the past three decades, he has been Adjunct Professor of Law at two of San Diego's law schools, most recently in 2008 and 2009 at Thomas Jefferson School of Law, and prior thereto at California Western School of Law.

Mr. Kane brings to the Board his many years as a tax attorney and law professor, which experience well-serves our Company in addressing tax matters. Mr. Kane also brings his experience as a past President of Craig Corporation and of Reading Company, two of our corporate predecessors, as well as a former member of the boards of directors of several publicly held corporations.

Douglas J. McEachern. Douglas J. McEachern has been a Director of our Company since May 17, 2012 and Chair of our Audit Committee since August 1, 2012. He has served as a member of the Board and of the Audit and Compensation Committee for Willdan Group, a NASDAQ listed engineering company, since 2009. Mr. McEachern is also the Chair of the board of Community Bank in Pasadena, California and a member of its Audit Committee. He also is a member of the Finance Committee of the Methodist Hospital of Arcadia. Since September 2009, Mr. McEachern has also served as an instructor of auditing and accountancy at Claremont McKenna College. Mr. McEachern was an audit partner from July 1985 to May 2009 with the audit firm of Deloitte and Touche, LLP, with client concentrations in financial institutions and real estate. Mr. McEachern was also a Professional Accounting Fellow with the Federal Home Loan Bank board in Washington DC, from June 1983 to July 1985. From June 1976 to June 1983, Mr. McEachern was a staff member and subsequently a manager with the audit firm of Touche Ross & Co. (predecessor to Deloitte & Touche, LLP). Mr. McEachern received a B.S. in Business Administration in 1974 from the University of California, Berkeley, and an M.B.A. in 1976 from the University of Southern California.

Mr. McEachern brings to the Board his more than 37 years' experience meeting the accounting and auditing needs of financial institutions and real estate clients, including our Company. Mr. McEachern also brings his experience reporting as an independent auditor to the boards of directors of a variety of public reporting companies and as a board member himself for various companies and not-for-profit organizations.

Michael Wrotniak. Michael Wrotniak was elected to serve as a Director of the Company on October 12, 2015. Since 2009, Mr. Wrotniak has been the Chief Executive Officer of Aminco Resources, LLC ("Aminco"), a privately held international commodities trading firm. Mr. Wrotniak joined Aminco in 1991 and is credited with expanding Aminco's activities in Europe and Asia. By establishing a joint venture with a Swiss engineering company, as well as creating partnerships with Asia-based businesses, Mr. Wrotniak successfully diversified Aminco's product portfolio. Mr. Wrotniak became a partner of Aminco in 2002. Mr. Wrotniak has been for more than the past five years, a trustee of St. Joseph's Church in Bronxville, New York, and is a member of the Board of Advisors of the Little Sisters of the Poor at their nursing home in the Bronx, New York since approximately 2004. Mr. Wrotniak graduated from Georgetown University in 1989 with a B.S.B.A (cum laude).

Mr. Wrotniak is a specialist in foreign trade, and brings to the Board his considerable experience in international business, including foreign exchange risk mitigation.

#### Attendance at Board and Committee Meetings

During the year ended December 31, 2014, our Board of Directors met seven times. The Audit Committee held four meetings and the Compensation Committee held three meetings, while the Tax Oversight Committee held four meetings. Each Director attended at least 75% of these Board meetings and at least 75% of the meetings of all committees on which he or she served.

#### Indemnity Agreements

We currently have indemnity agreements in place with each of our current Directors and senior officers, as well as certain of the Directors and senior officers of our subsidiaries. Under these agreements, we have agreed, subject to certain exceptions, to indemnify each of these individuals against all expenses, liabilities and losses incurred in connection with any threatened, pending or contemplated action, suit or proceeding, whether civil or criminal, administrative or investigative, to

which such individual is a party or is threatened to be made a party, in any manner, based upon, arising from, relating to or by reason of the fact that such individual is, was, shall be or has been a Director, officer, employee, agent or fiduciary of the Company.

#### Compensation of Directors

During 2014, we paid our non-employee directors \$35,000 per year. This amount was increased to \$50,000 in 2015. We pay the Chairman of our Audit Committee an additional \$7,000 per year, the Chairman of our Compensation Committee an additional \$5,000 per year, the Chairman of our Tax Oversight Committee an additional \$18,000 per year and the Lead Independent Director an additional \$5,000 per year.

During 2014 we paid an additional one-time fee of \$5,000 to each of Messrs. Adams, Gould, McEachern and Kane and an additional one-time fee of \$10,000 to Mr. Storey. Messrs. McEachern and Storey also each received an additional \$6,000 for their additional committee work. In 2015 we paid an additional one-time fee of \$25,000 to each of Messrs. Adams, Gould, McEachern and Kane and an additional one-time fee of \$75,000 to Mr. Storey. These fees were awarded in each case in recognition of their service on our Board and Committees.

Upon joining our Board, new Directors have historically received immediately vested five-year stock options to purchase 20,000 shares of our Class A Stock at an exercise price equal to the market price of the stock at the date of grant. Initial grants to be made to Ms. Coddington and Mr. Wrotniak, our recently appointed Directors, are being reviewed by our Compensation Committee. Commencing January 15, 2015, each of our non-employee Directors will receive an additional annual grant of stock options to purchase 2,000 shares of our Class A Stock. The award will be on January 15 of the applicable year, will be for a term of five years, have an exercise price equal to the market price of Class A Stock on the grant date and be fully vested immediately upon grant.

#### Director Compensation Table

The following table sets forth information concerning the compensation to persons who served as our non-employee Directors during 2014 for their services as Directors.

Name	Fees Earned or Paid in Cash (\$)	Option Awards (\$)	All Other Compensation (\$)	Total (\$)
Margaret Cotter (1)				
Guy W. Adams (2)	40,000	69,000	0	109,000
William D. Gould				
Edward L. Kane	63,000	0	0	63,000

Douglas J. McEachern				
Tim Storey	51,000	0	21,000(3)	72,000
Alfred Villaseñor (4)				

(1) In addition to her Director's fees, Ms. Margaret Cotter receives a combination of fixed and incentive management fees under the OBI Management Agreement described under the caption "Certain Transactions and Related Party Transactions - OBI Management Agreement," below.

(2) Mr. Adams joined the Board on January 14, 2014 and was granted on that date a five-year stock option to purchase 20,000 shares of our Class A Stock at an exercise price of \$7.40 per share. In accordance with SEC rules, the amount shown reflects the aggregate grant date fair value of the option award, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718.

(3) Represents fees paid to Mr. Storey as the sole independent Director of our Company's wholly-owned New Zealand subsidiary.

(4) Represents fees paid to Mr. Villaseñor prior to our 2014 Annual Meeting of Stockholders, when he declined to stand for re-nomination as a Director.

#### Vote Required

The nine nominees receiving the greatest number of votes cast at the Annual Meeting will be elected to the Board of Directors.

The Board has nominated each of the nominees discussed above to hold office until the 2016 Annual Meeting of Stockholders and thereafter until his or her respective successor has been duly elected and qualified. In the event that any nominee shall be unable or unwilling to serve as a Director, the Board shall reserve discretionary authority to vote for a substitute or substitutes. The Board has no reason to believe that any nominee will be unable or unwilling to serve.

#### Recommendation of the Board

##### THE BOARD RECOMMENDS A VOTE "FOR" EACH OF THE DIRECTOR NOMINEES.

Ellen M. Cotter and Margaret Cotter, who together have shared voting control over an aggregate of 1,208,988 shares, or 71.9%, of our Class B Stock, have informed the Board that they intend to vote the shares beneficially held by them in favor of the nine nominees named in this Proxy Statement for election to the Board of Directors under Proposal 1. Of the shares of Class B Stock beneficially held by them, 696,080 shares are held of record by the Living Trust. James Cotter, Jr. alleges he has the right to vote the shares held by the Living Trust. The Company believes that, under applicable Nevada Law, where there are multiple trustees of a trust that is a record owner of voting shares of a Nevada Corporation, and more than one trustee votes, the votes of the majority of the voting trustees apply to all of the shares held of record by the trust. If more than one trustee votes and the votes are split evenly on any particular proposal, each trustee may vote proportionally the shares held of record by the trust. Ellen M. Cotter and Margaret Cotter, who collectively constitute a majority of the Co-Trustees of the Living Trust, have informed the Board that they intend to vote the shares held by the Living Trust for the nine nominees named in this Proxy Statement for election to the Board of Directors under Proposal 1. Accordingly, the Company believes that Ellen M. Cotter and Margaret Cotter collectively have the power and authority to vote all of the shares of Class B Stock held of record by the Living Trust.

**PROPOSAL 2: Ratification of Appointment of Independent Registered  
Public Accounting Firm**

The Audit Committee has selected Grant Thornton LLP as our independent registered public accounting firm for the year ending December 31, 2015, and the Board has ratified such appointment. The Board has directed that our management submit the selection of Grant Thornton LLP as our independent registered public accounting firm for 2015 for ratification by the stockholders at the Annual Meeting.

Grant Thornton LLP has audited our consolidated financial statements since 2011. Representatives of Grant Thornton LLP are expected to be at the Annual Meeting, will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Stockholder ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm for 2015 is not required by our Bylaws or otherwise. However, the Board has directed our management to submit this selection to the stockholders for ratification as a matter of good corporate practice. In the event the stockholders fail to ratify the selection of Grant Thornton LLP, the Audit Committee will not be required to replace Grant Thornton LLP as our independent registered public accounting firm. In the event of such a failure to ratify, the Audit Committee and the Board will reconsider whether or not to retain Grant Thornton LLP as our independent registered public accounting firm in future years. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time if the Audit Committee determines that such a change would be in our and our stockholders' best interests.

**Vote Required**

The affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting is required to ratify the selection of Grant Thornton LLP as our independent registered public accounting firm for 2015.

**Recommendation of the Board**

**THE BOARD RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE SELECTION OF GRANT THORNTON LLP  
AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2015.**

## REPORT OF THE AUDIT AND CONFLICTS COMMITTEE

The following is the report of the Audit Committee of our Board of Directors with respect to our audited financial statements for the fiscal year ended December 31, 2014.

The information contained in this report shall not be deemed to be “soliciting material” or “filed” with the SEC or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), except to the extent that we specifically incorporate it by reference into a document filed under the Securities Act of 1933, as amended, or the Exchange Act.

The purpose of the Audit Committee is to assist the Board in its general oversight of our financial reporting, internal controls and audit functions. The Audit Committee operates under a written Charter adopted by our Board of Directors. The Charter is reviewed periodically and subject to change, as appropriate. The Audit Committee Charter describes in greater detail the full responsibilities of the Audit Committee.

In this context, the Audit Committee has reviewed and discussed the Company’s audited financial statements with management and Grant Thornton LLP, our independent auditors. Management is responsible for: the preparation, presentation and integrity of our financial statements; accounting and financial reporting principles; establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)); establishing and maintaining internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)); evaluating the effectiveness of disclosure controls and procedures; evaluating the effectiveness of internal control over financial reporting; and evaluating any change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting. Grant Thornton LLP is responsible for performing an independent audit of the consolidated financial statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in the United States of America, as well as an opinion on (i) management’s assessment of the effectiveness of internal control over financial reporting and (ii) the effectiveness of internal control over financial reporting.

The Audit Committee has discussed with Grant Thornton LLP the matters required to be discussed by Auditing Standard No. 16, “Communications with Audit Committees” and PCAOB Auditing Standard No. 5, “An Audit of Internal Control Over Financial Reporting that is integrated with Audit of Financial Statements.” In addition, Grant Thornton LLP has provided the Audit Committee with the written disclosures and the letter required by the Independence Standards Board Standard No. 1, as amended, “Independence Discussions with Audit Committees,” and the Audit Committee has discussed with Grant Thornton LLP their firm’s independence.

Based on their review of the consolidated financial statements and discussions with and representations from management and Grant Thornton LLP referred to above, the Audit Committee recommended to our Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for fiscal year 2014 for filing with the SEC.

It is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate and in accordance with accounting principles generally accepted in the United States. That is the responsibility of management and the Company’s independent registered public accounting firm. In giving its recommendation to the Board of Directors, the Audit Committee relied on (1) management’s representation that such financial statements have been prepared with integrity and objectivity and in conformity with accounting principles generally accepted in the United States and (2) the report of the Company’s independent registered public accounting firm with respect to such financial statements.

Respectfully submitted by the Audit Committee.

Douglas J. McEachern, Chairman  
Edward L. Kane  
Tim Storey

## BENEFICIAL OWNERSHIP OF SECURITIES

Except as described below, the following table sets forth the shares of Class A Stock and Class B Stock beneficially owned on October 6, 2015 by:

- each of our incumbent Directors and Director nominees;
- each of our incumbent executive officers and named executive officers set forth in the Summary Compensation Table of this Proxy Statement;
- each person known to us to be the beneficial owner of more than 5% of our Class B Stock; and
- all of our incumbent Directors and incumbent executive officers as a group.

Except as noted, and except pursuant to applicable community property laws, we believe that each beneficial owner has sole voting power and sole investment power with respect to the shares shown. An asterisk (\*) denotes beneficial ownership of less than 1%.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)			
	Class A Stock		Class B Stock	
	Number of Shares	Percentage of Stock	Number of Shares	Percentage of Stock
<b>Directors and Named Executive Officers</b>				
Ellen M. Cotter (2)(8)	3,146,965	14.0	1,173,888	69.8
James J. Cotter, Jr. (8)(9)				
Margaret Cotter (3)(8)				
Guy W. Adams	--	--	--	--
Judy Coddling	--	--	--	--
William D. Gould (4)		*	--	--
Edward L. Kane (5)	17,500	*	100	*
Andrzej Matyczynski (12)		*	--	--
Douglas J. McEachern (6)	37,300	*	--	--
Michael Wrotniak	--	--	--	--
Robert F. Smerling (7)	43,750	*	--	--
Wayne Smith		*	--	--
<b>5% or Greater Stockholders</b>				
James J. Cotter Living Trust (8)				
Estate of James J. Cotter, Sr. (Deceased) (8)	326,800	1.5	427,808	25.5
Mark Cuban (10) 5424 Deloache Avenue Dallas, Texas 75220	72,164	*	207,611	13.1
PICO Holdings, Inc. and PICO Deferred Holdings, LLC (11) 875 Prospect Street, Suite 301 La Jolla, California 92037	--	--	97,500	6.2

All Directors and executive officers as a group (12 persons) (13)	5,315,993	23.7	1,209,088	71.9
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(1) Percentage ownership is determined based on 22,425,056 shares of Class A Stock and 1,680,590 shares of Class B Stock outstanding on October 6, 2015. Beneficial ownership has been determined in accordance with SEC rules. Shares subject to options that are presently exercisable, or exercisable within 60 days following the date as of which this information is provided, and not subject to repurchase as of that date, which are indicated by footnote, are deemed to be beneficially owned by the person holding the options and are deemed to be outstanding in computing the percentage ownership of that person, but not in computing the percentage ownership of any other person.

(2) The Class A Stock shown includes 20,000 shares subject to stock options as well as 799,765 shares held directly. The Class A Stock shown also includes 102,751 shares held by the James J. Cotter Foundation (the "Cotter Foundation"). Ellen M. Cotter is Co-Trustee of the Cotter Foundation and, as such, is deemed to beneficially own such shares. Ms. Cotter disclaims beneficial ownership of such shares except to the extent of her pecuniary interest, if any, in such shares. The Class A Stock shown also includes 297,070 shares that are part of the Estate of James J. Cotter, Deceased (the "Cotter Estate") that is being administered in the State of Nevada and 29,730 shares from the Cotter Profit Sharing Plan. On December 22, 2014, the District Court of Clark County, Nevada, appointed Ellen M. Cotter and Margaret Cotter as co-executors of the Cotter Estate. As such, Ellen M. Cotter would be deemed to beneficially own such shares. The shares of Class A Stock shown also include 1,897,649 shares held by the James J. Cotter Living Trust (the "Living Trust"). See footnotes (8) for information regarding beneficial ownership of the shares held by the Living Trust. As Co-Trustees of the Living Trust, the three Cotter family members would be deemed to beneficially own such shares depending upon the outcome of the matters described in footnote (8). Together Margaret Cotter and Ellen M. Cotter beneficially own 1,208,988 shares of Class B Stock.

(3) The Class A Stock shown includes 17,000 shares subject to stock options as well as 804,173 shares held directly. The Class A Stock shown also includes 289,390 shares held by the Cotter 2005 Grandchildren's Trust and 29,730 shares from the Cotter Profit Sharing Plan. Margaret Cotter is Co-Trustee of the Cotter 2005 Grandchildren's Trust and, as such, is deemed to beneficially own such shares. Ms. Cotter disclaims beneficial ownership of such shares except to the extent of her pecuniary interest, if any, in such shares. The Class A Stock shown includes 297,070 shares of Class A Stock that are part of the Cotter Estate. As Co-Executor of the Cotter Estate, Ms. Cotter would be deemed to beneficially own such shares. The shares of Class A Stock shown also include 1,897,649 shares held by the Living Trust. See footnotes (8) for information regarding beneficial ownership of the shares held by the Living Trust. As Co-Trustees of the Living Trust, the three Cotter family members would be deemed to beneficially own such shares depending upon the outcome of the matters described in footnote (8). Together Margaret Cotter and Ellen M. Cotter beneficially own 1,208,988 shares of Class B Stock.

(4) The Class A Stock shown includes 17,000 shares subject to stock options.

(5) The Class A Stock shown includes 2,000 shares subject to stock options.

(6) The Class A Stock shown includes 27,000 shares subject to stock options.

(7) The Class A Stock shown consists of shares subject to stock options.

(8) On June 5, 2013, the Declaration of Trust establishing the Living Trust was amended and restated (the "2013 Restatement") to provide that, upon the death of James J. Cotter, Sr., the Trust's shares of Class B Stock were to be held in a separate trust, to be known as the "Reading Voting Trust," for the benefit of the grandchildren of Mr. Cotter, Sr. Mr. Cotter, Sr. passed away on September 13, 2014. The 2013 Restatement also names Margaret Cotter the sole trustee of the Reading Voting Trust and names James J. Cotter, Jr. as the first alternate trustee in the event that Ms. Cotter is unable or unwilling to act as trustee. The trustees of the Living Trust, as of the 2013 Restatement, were Ellen M. Cotter and Margaret Cotter. On June 19, 2014, Mr. Cotter, Sr. signed a 2014 Partial Amendment to Declaration of Trust (the "2014 Amendment") that names Margaret Cotter and James J. Cotter, Jr. as the co-trustees of the Reading Voting Trust and provides that, in the event they are unable to agree upon an important trust decision, they shall rotate the trusteeship between them annually on each January 1st. It further directs the trustees of the Reading Voting Trust to, among other things, vote the Class B Stock held by the Reading Voting Trust in favor of the appointment of Ellen M. Cotter, Margaret Cotter and James J. Cotter, Jr. to our Board and to take all actions to rotate the chairmanship of our Board among the three of them. The 2014 Amendment states that James J. Cotter, Jr., Ellen M. Cotter and Margaret Cotter are Co-Trustees of the Living Trust. On February 6, 2015, Ellen M. Cotter and Margaret Cotter filed a Petition in the Superior Court of the State of California, County of Los Angeles, captioned In re James J. Cotter Living Trust dated August 1, 2000 (Case No. BP159755). The Petition, among other things, seeks relief that could determine the validity of the 2014 Amendment and who between Margaret Cotter and James J. Cotter Jr. will have authority as trustee or co-trustees of the Reading Voting Trust to vote the shares of Class B Stock shown (in whole or in part) and the scope and extent of such authority. Mr. Cotter, Jr. has filed an opposition to the Petition. The 696,080 shares of Class B Stock shown in the table as being beneficially owned by the Living Trust are reflected on the Company's stock register as being held by the Living Trust and not by the Reading Voting Trust. The information in the table reflects direct ownership of the 696,080 shares of Class B Stock by the Living Trust in accordance with the Company's stock register and beneficial ownership of such shares as being held by each of the three potential Co-Trustees, Mr. Cotter, Jr., Ellen M. Cotter and Margaret Cotter, who, unless a court determines otherwise, are deemed to share voting and investment power of the shares held by the Living Trust.

(9) The Class A Stock shown includes 859,286 shares held directly. The Class A Stock shown also includes 289,390 shares held by the Cotter 2005 Grandchildren's Trust and 102,751 held by the Cotter Foundation. Mr. Cotter, Jr. is Co-Trustee of the Cotter 2005 Grandchildren's Trust and of the Cotter Foundation and, as such, is deemed to beneficially own such shares. Mr. Cotter, Jr. disclaims beneficial ownership of such shares except to the extent of his pecuniary interest, if any, in such shares. The Class A Stock shown also includes 1,897,649 shares held by the Living Trust, which became irrevocable upon Mr. Cotter, Sr.'s death on September 13, 2014. See footnotes (8) for information regarding beneficial ownership of the shares held by the Living Trust. As Co-Trustees of the Living Trust, the three Cotter family members would be deemed to beneficially own such shares depending upon the outcome of the matters described in footnote (8). The Class A Stock shown includes 811,661 shares pledged as security for a margin loan.

(10) Based on Mr. Cuban's Form 4 filed with the SEC on July 18, 2011 and Schedule 13D filed on August 3, 2015.

- (11) Based on the PICO Holdings, Inc. and PICO Deferred Holdings, LLC Schedule 13G filed with the SEC on February 15, 2011.
- (12) The Class A Stock shown includes 12,500 shares subject to stock options.
- (13) The Class A Stock shown includes 139,250 shares subject to options.

#### SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our executive officers and Directors, and persons who own more than 10% of our common stock, to file reports regarding ownership of, and transactions in, our securities with the Securities and Exchange Commission (the "SEC") and to provide us with copies of those filings. Based solely on our review of the copies received by us and on the written representations of certain reporting persons, we believe that the following Forms 3 and 4 for transaction that occurred in 2014 were filed later than is required under Section 16(a) of the Securities Exchange Act of 1934:

- James J. Cotter, Sr. failed to timely file 16 Forms 4 with respect to 70 transactions in our common stock;
- James J. Cotter, Jr. failed to timely file two Forms 4 with respect to one transaction in our common stock;
- Ellen M. Cotter failed to timely file three Forms 4 with respect to one transaction in our common stock;
- Margaret Cotter failed to timely file two Forms 4 with respect to one transaction in our common stock;
- Mr. Storey failed to timely file one Form 4 with respect to one transaction in our common stock;
- The Estate of James Cotter, Sr. (Deceased) failed to timely file one Form 3 with respect to one transaction in our common stock; and
- The James J. Cotter Living Trust failed to timely file one Form 3 with respect to one transaction in our common stock.

All of the transactions involved were between the individual involved and our Company or related to certain inter-family or estate planning transfers, and did not involve transactions with the public. Insofar as we are aware, all required filings have now been made.

## EXECUTIVE OFFICERS

The following table sets forth information regarding our executive officers other than Ellen M. Cotter, whose information is set forth above under “Proposal 1: Election of Directors – Nominees for Election.”

<u>Name</u>	<u>Age</u>	<u>Title</u>
Devasis Ghose	62	Chief Financial Officer
Robert F. Smerling	80	President - Domestic Cinemas
William D. Ellis	58	General Counsel and Secretary
Wayne D. Smith	57	Managing Director – Australia and New Zealand
James J. Cotter, Sr.		Former Chief Executive Officer (Deceased)
James J. Cotter, Jr.	46	Former Chief Executive Officer
Andrzej Matyczynski	63	Former Chief Financial Officer, Treasurer and Corporate Secretary

**Devasis (“Dev”) Ghose.** Devasis Ghose was appointed Chief Financial Officer and Treasurer on May 11, 2015. Over the past 25 years, Mr. Ghose served as Executive Vice President and Chief Financial Officer and in a number of senior finance roles with three NYSE-listed companies: Skilled Healthcare Group (a health services company, now part of Genesis HealthCare) from 2008 to 2013, Shurgard Storage Centers, Inc. (an international company focused on the acquisition, development and operation of self-storage centers in the US and Europe; now part of Public Storage) from 2004 to 2006, and HCP, Inc., (which invests primarily in real estate serving the healthcare industry) from 1986 to 2003, and as Managing Director-International for Green Street Advisors (an independent research and trading firm concentrating on publicly traded real estate corporate securities in the US & Europe) from 2006 to 2007. Prior thereto, Mr. Ghose worked for 10 years for PricewaterhouseCoopers in the U.S. from 1975 to 1985, and KPMG in the UK. He qualified as a Certified Public Accountant in the U.S. and a Chartered Accountant in the U.K., and holds an Honors Degree in Physics from the University of Delhi, India and an Executive M.B.A. from the University of California, Los Angeles.

**Robert F. Smerling.** Robert F. Smerling has served as President of our domestic cinema operations since 1994. Mr. Smerling has been in the cinema industry for 57 years and, immediately before joining our Company, served as the President of Loews Theatres Management Corporation.

**William D. Ellis.** William D. Ellis was appointed our General Counsel and Secretary in October 2014. Mr. Ellis has more than 30 years of hands-on legal experience as a real estate lawyer. Before joining our Company, he was a partner in the real estate group at Sidley Austin LLP for 16 years. Before that, he worked at the law firm of Morgan Lewis & Bockius LLP. Mr. Ellis began his career as a corporate and securities lawyer (handling corporate acquisitions, IPO’s, mergers, etc.) and then moved on to real estate specialization (handling leasing, acquisitions, dispositions, financing, development and land use and entitlement across the United States). He had a substantial real estate practice in New York and Hawaii, areas in which we have particular asset concentrations. Mr. Ellis graduated Phi Beta Kappa from Occidental College in 1979 with a Bachelor of Arts degree in Political Science. He received his J.D. degree in 1982 from the University of Michigan Law School.

**Wayne D. Smith.** Wayne D. Smith joined our Company in April 2004 as our Managing Director - Australia and New Zealand, after 23 years with Hoyts Cinemas. During his time with Hoyts, he was a key driver, as Head of Property, in growing that company’s Australian and New Zealand operations via an AUD\$250 million expansion to more than 50 sites and 400 screens. While at Hoyts, his career included heading up the group’s car parking company, cinema operations, representing Hoyts as a director on various joint venture interests, and coordinating many asset acquisitions and disposals the company made.

**James J. Cotter Sr.** James J. Cotter Sr. served as our Chairman and Chief Executive Officer during 2014 until his resignation on August 7, 2014.

**James J. Cotter Jr.** James J. Cotter Jr. served as our President during all of 2014 and was appointed our Chief Executive Officer on August 7, 2014. He served as our Vice Chairman during 2014 through August 7, 2014. Mr. Cotter’s position as President and Chief Executive Officer continued until June 12, 2015.

**Andrzej Matyczynski.** Andrzej Matyczynski served as our Chief Financial Officer, Treasurer and Corporate Secretary during 2014. Mr. Matyczynski resigned as Corporate Secretary on October 20, 2014 and as our Chief Financial Officer and Treasurer effective May 11, 2015.

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## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Role and Authority of the Compensation Committee*

Our Board has established a standing Compensation Committee consisting of two or more of our non-employee Directors. As a Controlled Company, we are exempt from the NASDAQ Listing Rules regarding the determination of executive compensation.

The Compensation Committee recommends to the full Board the compensation of our Chief Executive Officer and of the other Cotter family members who serve as officers of our Company. Our Board, with the Cotter family Directors abstaining, typically has accepted without modification the compensation recommendations of the Compensation Committee, but reserves the right to modify the recommendations or take other compensation actions of its own. Prior to his resignation as our Chairman and Chief Executive Officer on August 7, 2014, during 2014, as in prior years, James J. Cotter, Sr. was delegated responsibility by our Board for determining the compensation of our executive officers other than himself and his family members. The Board exercised oversight of Mr. Cotter, Sr.'s executive compensation decisions as a part of his performance as our former Chief Executive Officer.

Throughout this proxy statement, the individuals named in the Summary Compensation Table, below, are referred to as the "named executive officers."

#### *CEO Compensation*

The Compensation Committee recommends to our Board the annual compensation of our Chief Executive Officer, based primarily upon the Compensation Committee's annual review of peer group practices and the advice of an independent third-party compensation consultant. The Compensation Committee has established three components of our Chief Executive Officer's compensation—a base cash salary, a discretionary annual cash bonus, and a fixed stock grant. The objective of each element is to reasonably reward our Chief Executive Officer for his or her performance and leadership.

In 2007, our Board approved a supplemental executive retirement plan ("SERP") pursuant to which we agreed to provide Mr. Cotter, Sr. supplemental retirement benefits as a reward for his more than 25 years of service to our Company and its predecessors. None of Mr. James J. Cotter, Jr., our former Chief Executive Officer, Ms. Ellen M. Cotter, our interim Chief Executive Officer, or any of our other current or former officers or employees, is eligible to participate in the SERP, which is described in greater detail below under the caption "Supplemental Executive Retirement Plan." Because this plan was adopted as a reward to Mr. Cotter, Sr. for his past services and the amounts to be paid under that plan are determined by an agreed-upon formula, the Compensation Committee did not take into account the benefits under that plan in determining Mr. Cotter, Sr.'s annual compensation for 2014 or previous years. The amounts reflected in the Executive Compensation Table under the heading "Change in Pension Value and Nonqualified Deferred Compensation Earnings" reflect any increase in the present value of the SERP benefit based upon the actuarial impact of the payment of Mr. Cotter, Sr.'s cash compensation and changes in interest rates. Since the SERP is unfunded, this amount does not reflect any actual payment by our Company into the plan or the value of any assets in the plan (of which there are none). The benefits to Mr. Cotter, Sr. under the SERP were tied to the cash portion only of his compensation, and not to compensation in the form of stock options or stock grants.

#### *2014 CEO Compensation*

The Compensation Committee engaged Towers Watson, formerly Towers Perrin, executive compensation consultants, in 2012 to analyze our Chief Executive Officer's total direct compensation compared to a peer group of companies. In preparing the analysis, Towers Watson, in consultation with our management, including James J. Cotter, Sr., identified a peer group of companies in the real estate and cinema exhibition industries, our two business segments, based on market value, industry, and business description.

For purposes of establishing our Chief Executive Officer's 2014 compensation, the Compensation Committee engaged Towers Watson to update its analysis of Mr. Cotter, Sr.'s compensation as compared to his peers, which updated report was received on February 26, 2014. The Company paid Towers Watson \$11,461 for the updated report.

The Towers Watson analysis focused on the competitiveness of Mr. Cotter, Sr.'s annual base salary, total cash compensation and total direct compensation (*i.e.*, total cash compensation plus expected value of long-term compensation) relative to a peer group of United States and Australian companies and published compensation survey data, and to our

Company's compensation philosophy, which was to target Mr. Cotter, Sr.'s total direct compensation to the 66th percentile of the peer group.

The peer group consisted of the following 18 companies:

Acadia Realty Trust	Inland Real Estate Corp.
Amalgamated Holdings Ltd.	Kite Realty Group Trust
Associated Estates Realty Corp.	LTC Properties Inc.
Carmike Cinemas Inc.	Ramco-Gershenson Properties Trust
Cedar Shopping Centers Inc.	Regal Entertainment Group
Cinemark Holdings Inc.	The Marcus Corporation
Entertainment Properties Trust	Urstadt Biddle Properties Inc.
Glimcher Realty Trust	Village Roadshow Ltd.
IMAX Corporation	

Towers Watson predicted 2014 pay levels by using regression analysis to adjust compensation data based on estimated annual revenues of \$260 million (*i.e.*, our Company's approximate annual revenues) for all companies, excluding financial services companies. Towers Watson did not evaluate Mr. Cotter, Sr.'s SERP, because the SERP is fully vested and accrues no additional benefits, except as Mr. Cotter, Sr.'s annual cash compensation may change.

The Towers Watson analysis indicated that the peer group data, with the exception of annual base salary, was above Mr. Cotter, Sr.'s pay levels in 2013. The peer group is partially comprised of companies that are larger than our Company, and the 66th percentile level tends to reflect the larger peers. However, Towers Watson analysis also indicated that the size of the peers does not materially affect the pay levels at the peer companies. The published survey data of companies of comparable size reviewed by Towers Watson was below our Chief Executive Officer pay levels.

Towers Watson averaged the data from the peer group and the published survey data to compile "blended" market data. As compared to the blended market data, Mr. Cotter, Sr.'s 2013 cash compensation and total direct compensation, which includes the expected value of long-term incentive compensation, was in line with the 66th percentile.

Because our Company is comparable to the smaller companies in the peer group, Towers Watson reviewed whether the size of the proxy peer group of companies had a meaningful impact on reported CEO pay levels, and concluded that there is a weak correlation between company size and CEO compensation. It concluded, therefore, that it was not necessary to separately adjust the peer group data based on the size of our Company.

The Compensation Committee met on February 27, 2014 to consider the Towers Watson analysis. At the meeting, the Compensation Committee determined to recommend to our Board the following compensation for Mr. Cotter, Sr. for 2014 and on March 13, 2014, our Board accepted the Compensation Committee's recommendation without modification:

Salary: \$750,000

The Compensation Committee recommended maintaining Mr. Cotter, Sr.'s 2014 annual base salary at its 2013 level of \$750,000, which approximates the 75th percentile of the peer group.

Discretionary Cash Bonus: Up to \$750,000.

In 2013, the Compensation Committee recommended and our Board approved a total cash bonus to Mr. Cotter, Sr. of \$1,000,000, as compared to the target bonus of \$500,000. This resulted in total 2013 compensation to Mr. Cotter, Sr. above the 75th percentile of the peer group and total direct compensation near the 66th percentile. At its meeting on February 27, 2014, the Compensation Committee determined to increase the upper range of Mr. Cotter, Sr.'s discretionary cash bonus for 2014 to \$750,000 from the 2013 target level of \$500,000. The bonus was subject to Mr. Cotter, Sr. being employed by our Company at year-end, unless his employment were to terminate earlier due to his death or disability. No other benchmarks, formulas or

quantitative or qualitative measurements were specified for use in determining the amount of cash bonus to be awarded within this range. As in 2013, the Compensation Committee also reserved the right to increase the upper range of discretionary cash bonus amount based upon exceptional results of our Company or Mr. Cotter, Sr.'s exceptional performance, as determined in the Compensation Committee's discretion.

At its meeting on August 14, 2014, the Compensation Committee determined that Mr. Cotter, Sr.'s successful completion of our sale of the Burwood property in Australia and other accomplishments in 2014 justified the award to Mr. Cotter, Sr. of the full \$750,000 cash bonus, plus an additional cash bonus of \$300,000. The Compensation Committee's determination to award the extraordinary cash bonus was based in part on the advice of Towers Watson.

Stock Bonus:\$1,200,000 (160,643 shares of Class A Stock).

At its meeting on February 27, 2014, the Compensation Committee determined that, so long as Mr. Cotter, Sr.'s employment with the Company is not terminated prior to December 31, 2014 other than as a result of his death or disability, he was to receive 160,643 shares of our Company's Class A Stock; the number of shares of Class A nonvoting common stock equal to \$1,200,000 divided by the closing price of the stock on February 27, 2014, the date the Committee approved the stock bonus. This compares to a similar stock bonus to Mr. Cotter, Sr. of \$750,000 in 2013.

The stock bonus was paid to the Estate of Mr. Cotter, Sr. in February 2015.

Following his appointment on August 7, 2014 as our Chief Executive Officer and until his termination from that position on June 12, 2015, James J. Cotter, Jr. continued to receive the same base salary of \$335,000 that he had previously been receiving in his capacity as our President.

Mr. Cotter, Jr. was not awarded a discretionary cash bonus for 2014.

#### *Total Direct Compensation*

We and our Compensation Committee have no policy regarding the amount of salary and cash bonus paid to our Chief Executive Officer or other named executive officers in proportion to their total direct compensation.

#### ***Compensation of Other Named Executive Officers***

The compensation of the Cotter family members as executive officers of our Company is determined by the Compensation Committee based on the same compensation philosophy used to determine Mr. Cotter, Sr.'s 2014 compensation. The Cotter family members' respective compensation consists of a base cash salary, discretionary cash bonus and periodic discretionary grants of stock options.

Mr. Cotter, Sr. set the 2014 base salaries of our executive officers other than himself and members of his family. Mr. Cotter, Sr.'s decisions were not subject to approval by the Compensation Committee or our Board, but our Compensation Committee and our Board considered Mr. Cotter, Sr.'s decisions with respect to executive compensation in evaluating his performance as our Chief Executive Officer. Mr. Cotter, Sr. informed us that he did not use any formula, benchmark or other quantitative measure to establish or award any component of executive compensation, nor did he consult with compensation consultants on the matter. Mr. Cotter, Sr. also advised us that he considered the following guidelines in setting the type and amount of executive compensation:

1. Executive compensation should primarily be used to:
  - attract and retain talented executives;
  - reward executives appropriately for their individual efforts and job performance; and
  - afford executives appropriate incentives to achieve the short-term and long-term business objectives established by management and our Board.
2. In support of the foregoing, the total compensation paid to our named executive officers should be:
  - fair, both to our Company and to the named executive officers;
  - reasonable in nature and amount; and
  - competitive with market compensation rates.

Personal and Company performances were just two factors considered by Mr. Cotter, Sr. in establishing base salaries. We have no pre-established policy or target for allocating total executive compensation between base and discretionary or incentive compensation, or between cash and stock-based incentive compensation. Historically, including in 2014, a majority of total compensation to our named executive officers has been in the form of annual base salaries and discretionary cash bonuses, although stock bonuses have been granted from time to time under special circumstances.

These elements of our executive compensation are discussed further below.

**Salary:** Annual base salary is intended to compensate named executive officers for services rendered during the fiscal year in the ordinary course of performing their job responsibilities. Factors considered by Mr. Cotter, Sr. in setting the base salaries may have included (i) the negotiated terms of each executive's employment agreement or the original terms of employment, (ii) the individual's position and level of responsibility with our Company, (iii) periodic review of the executive's compensation, both individually and relative to our other named executive officers, and (iv) a subjective evaluation of individual job performance of the executive.

**Cash Bonus:** Historically, we have awarded annual cash bonuses to supplement the base salaries of our named executive officers, and our Board has delegated to our Chief Executive Officer the authority to determine in his discretion the annual cash bonuses, if any, to be paid to our executive officers other than the Cotter family executives. Any discretionary annual bonuses to the Cotter family executive have historically been determined by our Board based upon the recommendation of our Compensation Committee.

No cash bonuses were awarded to Cotter family members other than Mr. Cotter, Sr. for 2014. Factors to be considered in determining or recommending any such cash bonuses include (i) the level of the executive's responsibilities, (ii) the efficiency and effectiveness with which he or she oversees the matters under his or her supervision, and (iii) the degree to which the officer has contributed to the accomplishment of major tasks that advance the Company's goals.

**Stock Bonus:** Equity incentive bonuses may be awarded to align our executives' long-term compensation to appreciation in stockholder value over time and, so long as such grants are within the parameters set by our 2010 Stock Incentive Plan, historically were entirely discretionary on the part of Mr. Cotter, Sr. Other stock grants are subject to approval by the Compensation Committee. Equity awards may include stock options, restricted stock, bonus stock, or stock appreciation rights.

If awarded, it is generally our policy to value stock options and restricted stock at the closing price of our common stock as reported on the NASDAQ Capital Market on the date the award is approved or on the date of hire, if the stock is granted as a recruitment incentive. When stock is granted as bonus compensation for a particular transaction, the award may be based on the market price on a date calculated from the closing date of the relevant transaction. Awards may also be subject to vesting and limitations on voting or other rights.

Andrzej Matyczynski, our former Chief Financial Officer, Treasurer and Corporate Secretary, has a written employment agreement with our Company that provides for a specified annual base salary and other compensation. Mr. Matyczynski resigned effective September 1, 2014, but he and our Company agreed to postpone the effective date of his resignation until April 15, 2016. Upon Mr. Matyczynski's Retirement Date, he will become entitled under his employment agreement to a lump-sum severance payment of \$244,500 and to the payment of his vested benefit under his deferred compensation plan discussed below in this section.

Other than Mr. Cotter, Sr.'s and Mr. Cotter, Jr.'s roles as Chief Executive Officer in setting compensation, none of our executive officers play a role in determining the compensation of our named executive officers.

#### ***2014 Base Salaries and Target Bonuses***

We have historically established base salaries and target discretionary cash bonuses for our named executive officers through negotiations with the individual named executive officer, generally at the time the named executive officer commenced employment with us, with the intent of providing annual cash compensation at a level sufficient to attract and retain talented and experienced individuals. Our Compensation Committee recommended and our Board approved the following base salaries for Mr. Cotter, Jr. and Ellen M. Cotter for 2014:

<b>Name</b>	<b>2013 Base Salary (\$)</b>	<b>2014 Base Salary (\$)</b>
James J. Cotter, Jr.	195,417	335,000
Ellen M. Cotter	335,000	335,000

The base salaries of our other named executive officers were established by Mr. Cotter, Sr. as shown in the following table:

<b>Name</b>	<b>2013 Base Salary (\$)</b>	<b>2014 Base Salary (\$)</b>
Andrzej Matyczynski	309,000	309,000
Robert F. Smerling	350,000	350,000
Wayne Smith	351,500	359,250

All named executive officers are eligible to receive a discretionary annual cash bonus. Cash bonuses are typically prorated to reflect a partial year of service. Our Board reserves discretion to adjust bonuses for the Cotter family members based on its own evaluations of the recommendations of our Compensation Committee as it did in both 2013 and 2014 in Mr. Cotter, Sr.'s case.

We offer stock options and stock awards to our employees, including named executive officers, as the long-term incentive component of our compensation program. We sometimes grant equity awards to new hires upon their commencing employment with us and from time to time thereafter. Our stock options allow employees to purchase shares of our common stock at a price per share equal to the fair market value of our common stock on the date of grant and may or may not be intended to qualify as "incentive stock options" for U.S. federal income tax purposes. Generally, the stock options we grant to our employees vest over four years in equal installments upon the annual anniversaries of the date of grant, subject to their continued employment with us on each vesting date.

### ***Other Elements of Compensation***

#### ***Retirement Plans***

We maintain a 401(k) retirement savings plan that allows eligible employees to defer a portion of their compensation, within limits prescribed by the Internal Revenue Code, on a pre-tax basis through contributions to the plan. Our named executive officers other than Mr. Smith, who is a non-resident of the U.S., are eligible to participate in the 401(k) plan on the same terms as other full-time employees generally. Currently, we match contributions made by participants in the 401(k) plan up to a specified percentage, and these matching contributions are fully vested as of the date on which the contribution is made. We believe that providing a vehicle for tax-deferred retirement savings through our 401(k) plan, and making fully vested matching contributions, adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our named executive officers, in accordance with our compensation policies.

#### ***Supplemental Executive Retirement Plan***

In March 2007, our Board approved the SERP pursuant to which we agreed to provide Mr. Cotter, Sr. supplemental retirement benefits. Under the SERP, following his separation from our Company, Mr. Cotter, Sr. was to be entitled to receive from our Company for the remainder of his life or 180 months, whichever is longer, a monthly payment of 40% of his average monthly base salary and cash bonuses over the highest consecutive 36-month period of earnings prior to Mr. Cotter, Sr.'s separation from service with us. The benefits under the SERP are fully vested.

The SERP is unfunded and, as such, the SERP benefits are unsecured, general obligations of our Company. We may choose in the future to establish one or more grantor trusts from which to pay the SERP benefits. The SERP is administered by the Compensation Committee.

#### ***Other Retirement Plans***

During 2012, Mr. Matyczynski was granted an unfunded, nonqualified deferred compensation plan ("DCP") that was

partially vested and was to vest further so long as he remained in our continuous employ. If Mr. Matyczynski were to be terminated for cause, then the total vested amount would be reduced to zero. The incremental amount vested each year was made subject to review and approval by our Board. Mr. Matyczynski's DCP vested as follows:

<b>December 31</b>	<b>Total Vested Amount at the End of Each Vesting Year</b>
2013	\$300,000
2014	\$450,000

Mr. Matyczynski resigned his employment with the Company effective September 1, 2014, but he and our Company agreed to postpone the effective date of his resignation until April, 2016. Upon the termination of Mr. Matyczynski's employment, he would become entitled under the DCP agreement to payment of the vested benefits under his DCP in annual installments following the later of (a) 30 days following Mr. Matyczynski's 65th birthday or (b) six months after his separation from service, unless his employment were to be terminated for cause.

We currently maintain no other retirement plan for our named executive officers.

#### *Key Person Insurance*

Our Company maintains life insurance on certain individuals who we believe to be key to our management. In 2014, these individuals included James J. Cotter, Sr., James J. Cotter, Jr., Ellen M. Cotter, Margaret Cotter and Messrs. Matyczynski, Smerling and Smith. If such individual ceases to be an employee, Director or independent contractor of our Company, as the case may be, she or he is permitted, by assuming responsibility for all future premium payments, to replace our Company as the beneficiary under such policy. These policies allow each such individual to purchase up to an equal amount of insurance for such individual's own benefit. In the case of our employees, the premium for both the insurance as to which our Company is the beneficiary and the insurance as to which our employee is the beneficiary, is paid by our Company. In the case of named executive officers, the premium paid by our Company for the benefit of such individual is reflected in the Compensation Table in the column captioned "All Other Compensation."

#### *Employee Benefits and Perquisites*

Our named executive officers are eligible to participate in our health and welfare plans to the same extent as all full-time employees generally. We do not generally provide our named executive officers with perquisites or other personal benefits, although in the past we provided Mr. Cotter, Sr. the personal use of our West Hollywood, California, condominium, which was used as an executive meeting place and office and sold in February 2015, a Company-owned automobile and a health club membership. Historically, all of our other named executive officers also have received an automobile allowance. From time to time, we may provide other perquisites to one or more of our other named executive officers.

#### *Tax Gross-Ups*

As a general rule, we do not make gross-up payments to cover our named executive officers' personal income taxes that may pertain to any of the compensation paid or provided by our Company. In 2014, however, we reimbursed Ms. Ellen M. Cotter \$50,000 for income taxes she incurred as a result of her exercise of stock options that were deemed to be nonqualified stock options for income tax purposes, but which were intended by the Compensation Committee and her to be so-called incentive stock options, or "ISOs", when originally granted. Our Compensation Committee believed it was appropriate to reimburse Ms. Cotter because it was our Company's intention at the time of the issuance to give her the tax deferral feature applicable to ISOs. Due to the application of complex attribution rules, she did not in fact qualify for such tax deferral. Accordingly, upon exercise, she received less compensation than the Compensation Committee had intended.

#### *Tax and Accounting Considerations*

##### *Deductibility of Executive Compensation*

Subject to an exception for "performance-based compensation," Section 162(m) of the Internal Revenue Code generally prohibits publicly held corporations from deducting for federal income tax purposes annual compensation paid to any senior executive officer to the extent that such annual compensation exceeds \$1.0 million. The Compensation Committee and our Board consider the limits on deductibility under Section 162(m) in establishing executive compensation, but retain the

discretion to authorize the payment of compensation that exceeds the limit on deductibility under this Section as in the case of Mr. Cotter, Sr.

*Nonqualified Deferred Compensation*

We believe we are operating, where applicable, in compliance with the tax rules applicable to nonqualified deferred compensation arrangements.

*Accounting for Stock-Based Compensation*

Beginning on January 1, 2006, we began accounting for stock-based payments in accordance with the requirements of Statement of Accounting Standards No. 123(R). Our decision to award restricted stock to Mr. Cotter, Sr. and other named executive officers from time to time was based in part upon the change in accounting treatment for stock options. Accounting treatment otherwise has had no significant effect on our compensation decisions.

***Say on Pay***

At our Annual Meeting of Stockholders held on May 15, 2014, we held an advisory vote on executive compensation. Our stockholders voted in favor of our Company's executive compensation. The Compensation Committee reviewed the results of the advisory vote on executive compensation in 2014 and did not make any changes to our compensation based on the results of the vote.

## REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee has reviewed and discussed with management the “Compensation Discussion and Analysis” required by Item 401(b) of Regulation S-K and, based on such review and discussions, has recommended to our Board that the foregoing “Compensation Discussion and Analysis” be included in this Proxy Statement.

Respectfully submitted,

Edward L. Kane, Chair  
Guy W. Adams  
Tim Storey

### Compensation Committee Interlocks and Insider Participation

Our Compensation Committee is currently comprised of Mr. Kane, who serves as Chair, and Mr. Adams. Mr. Storey, who served on our Board in 2014 and through October 11, 2015, served on our Compensation Committee throughout 2014. None of the members of the Compensation Committee was an officer or employee of the Company at any time during 2014. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has or had one or more executive officers serving as a member of our Board of Directors or Compensation Committee.

### Executive Compensation

This section discusses the material components of the compensation program for our executive officers named in the 2014 Summary Compensation Table below. In 2014, our named executive officers and their positions were as follows:

- James J. Cotter, Sr., former Chairman of the Board and former Chief Executive Officer.
- James J. Cotter, Jr., former Vice Chairman, Chief Executive Officer and President.
- Andrzej Matyczynski, former Chief Financial Officer, Treasurer and Corporate Secretary.
- Robert F. Smerling, President – Domestic Cinema Operations.
- Ellen M. Cotter, Chairperson of the Board, interim President and Chief Executive Officer, Chief Operating Officer – Domestic Cinemas and Chief Executive Officer of Consolidated Entertainment, LLC.
- Wayne Smith, Managing Director – Australia and New Zealand.

### Summary Compensation Table

The following table shows the compensation paid or accrued during the last three fiscal years ended December 31, 2014 to (i) Mr. James J. Cotter, Sr., who served as our principal executive officer until August 7, 2014, (ii) Mr. James J. Cotter, Jr., who served as our principal executive officer from August 7, 2014 through December 31, 2014, (iii) Mr. Andrzej Matyczynski, who served as our Chief Financial Officer through December 31, 2014, and (iv) the other three most highly compensated persons who served as executive officers in 2014. The following executives are herein referred to as our “named executive officers.”

	Year	Change in Pension Value and Nonqualified Deferred Compensation					All Other Compensation	Total
		Salary (\$)	Bonus (\$)	Stock Awards \$(1)	Option Awards \$(1)	Earnings (\$)		
James J. Cotter, Sr.(2) Former Chairman of the Board and Chief Executive Officer	2014	452,000	1,050,000	1,200,000	--	197,000 (3)	20,000 (4)	2,919,000
	2013	750,000	1,000,000	750,000	--	1,455,000 (3)	25,000 (4)	3,980,000
	2012	700,000	500,000	950,000	--	2,433,000 (3)	24,000 (4)	4,607,000

James J. Cotter, Jr. (5) Former President and Chief Executive Officer	2014	335,000	--	--	--	--	27,000 (7)	362,000
	2013	195,000	--	--	--	--	20,000 (7)	215,000
	2012	--					0	0
Andrzej Matyczynski (9) Former Chief Financial Officer, Treasurer and Corporate Secretary	2014	309,000			33,000	150,000 (6)	26,000 (7)	518,000
	2013	309,000	35,000	--	33,000	50,000 (6)	26,000 (7)	453,000
	2012	309,000	--	--	11,000	250,000 (6)	25,000 (7)	617,000
Robert F. Smerling President – Domestic Cinema Operations	2014	350,000	25,000	--	--	--	22,000 (7)	397,000
	2013	350,000	50,000	--	--	--	22,000 (7)	422,000
	2012	350,000	50,000	--	--	--	22,000 (7)	422,000
Ellen M. Cotter (10) Interim President and Chief Executive Officer, Chief Operating Officer - Domestic Cinemas	2014	335,000	--	--	--	--	75,000 (7)(8)	410,000
	2013	335,000	--	--	--	--	25,000 (7) (7)	360,000
	2012	335,000	60,000	--	--	--	25,000	420,000
Wayne Smith Managing Director - Australia and New Zealand	2014	324,000	56,000	--	--	--	19,000 (7)	388,000
	2013	339,000	--	--	--	--	20,000 (7)	359,000
	2012	357,000	16,000	--	22,000	--	19,000 (7)	414,000

(1) Amounts represent the aggregate grant date fair value of awards computed in accordance with ASC Topic 718, excluding the effects of any estimated forfeitures. The assumptions used in the valuation of these awards are discussed in Note 3 to our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, filed with the SEC on March 17, 2015.

(2) Mr. Cotter, Sr. resigned as our Chairman and Chief Executive Officer on August 7, 2014.

(3) Represents the present value of the vested benefits under Mr. Cotter, Sr.'s SERP. In October 2014, we began accruing monthly supplemental retirement benefits of \$57,000 in accordance with the SERP, but have not yet paid any such benefits to Mr. Cotter, Sr.'s designated beneficiaries. Under the SERP, such payments are to continue for a 180-month period.

(4) Until February 25, 2015, we owned a condominium in West Hollywood, California, which we used as an executive meeting place and office. "All Other Compensation" includes the estimated incremental cost to our Company of providing the use of the West Hollywood Condominium to Mr. Cotter, Sr., our matching contributions under our 401(k) plan, the cost of a Company automobile used by Mr. Cotter, Sr., and health club dues paid by our Company.

(5) Mr. Cotter, Jr. was appointed as our Chief Executive Officer on August 7, 2014 and served until June 12, 2015.

(6) Represents the increase in the vested benefit of the DCP for Mr. Matyczynski. Payment of the vested benefit under his DCP will be made in accordance with the terms of the DCP.

(7) Represents our matching contributions under our 401(k) plan, the cost of key person insurance, and any automobile allowances.

(8) Includes the \$50,000 tax gross-up described in the "Tax Gross-Up" section of the Compensation Discussion and Analysis.

(9) Mr. Matyczynski resigned as our Corporate Secretary on October 20, 2014 and as our Chief Financial Officer and Treasurer on May 11, 2015.

(10) Ms. Ellen M. Cotter was appointed our interim President and Chief Executive Officer on June 12, 2015.

## Grants of Plan-Based Awards

The following table contains information concerning the stock grants made to our named executive officers for the year ended December 31, 2014:

<u>Grant Date</u>	<u>Estimated Future Payouts Under Non- Equity Incentive Plan Awards</u>	<u>Estimated Future Payouts Under Equity Incentive Plan Awards</u>	<u>All Other Stock Awards: Number of Shares of Stock or Units</u>	<u>All Other Option Awards: Number of Securities Underlying Options (#)</u>	<u>Exercise or Base Price of Option Award</u>	<u>Grant Date Fair Value of Stock and Option Awards</u>
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<u>Name</u>	<u>Threshold (\$)</u>	<u>Target (\$)</u>	<u>Maximum (\$)</u>	<u>Threshold (#)</u>	<u>Target (#)</u>	<u>Maximum (#)</u>
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James J. Cotter, Sr.	12/31/2014	\$	1,200,000	\$	1,200,000	\$	1,200,000												
Wayne Smith (1)	12/31/2014							6,000	6,000	6,000									
William Ellis	10/20/2014															60,000	\$	8.94	171,457

(1) The awards issued to Mr. Wayne Smith are related to his prior-year performance and will vest in equal installments in 2015 and 2016.

## Employment Agreements

**James J. Cotter, Jr.** On June 3, 2013, we entered into an employment agreement with Mr. James J. Cotter, Jr. to serve as our President. The employment agreement provided Mr. Cotter, Jr. with an annual base salary of \$335,000, with employee benefits in line with those received by our other senior executives. Mr. Cotter, Jr. also was granted a stock option to purchase 100,000 shares of our Class A Stock at an exercise price equal to the market price of our Class A Stock on the date of grant and which vested in equal annual increments over a four-year period, subject to his remaining in our continuous employ through each annual vesting date.

On June 12, 2015, the Board terminated the employment of James J. Cotter, Jr. as our President and Chief Executive Officer. Under Mr. Cotter, Jr.'s employment agreement with the Company, he is entitled to the compensation and benefits he was receiving at the time of a termination without cause for a period of twelve months from notice of termination. At the time of termination, Mr. Cotter Jr.'s annual salary was \$335,000. A dispute has arisen between the Company and Mr. Cotter as to whether the Company is required to continue to make these payments, which is currently subject to arbitration.

**Devasis Ghose.** On April 20, 2015, we entered into an employment agreement with Mr. Devasis Ghose, pursuant to which he agreed to serve as our Chief Financial Officer for a one year term commencing on May 11, 2015. The employment agreement provides that Mr. Ghose is to receive an annual base salary of \$400,000, with an annual target bonus of \$200,000, and employee benefits in line with those received by our other senior executives. Mr. Ghose was also granted stock options to purchase 100,000 shares of Class A Stock at an exercise price equal to the closing price of our Class A Stock on the date of grant and which will vest in equal annual increments over a four-year period, subject to his remaining in our continuous employ through each annual vesting date.

Under his employment agreement, we may terminate Mr. Ghose's employment with or without cause (as defined) at any time. If we terminate his employment without cause or fail to renew his employment agreement upon expiration without cause, Mr. Ghose will be entitled to receive severance in an amount equal to the salary and benefits he was receiving for a period of 12 months following such termination or non-renewal. If the termination is in connection with a "change of control" (as defined), Mr. Ghose would be entitled to severance in an amount equal to the compensation he would have received for a period two years from such termination.

**William D. Ellis.** On October 20, 2014, we entered into an employment agreement with Mr. William D. Ellis, which was amended in September 2015, pursuant to which he agreed to serve as our General Counsel for a term of three years. The employment agreement provides that Mr. Ellis is to receive an annual base salary of \$350,000, with an annual target bonus of at least \$60,000. Mr. Ellis also received a "sign-up" bonus of \$10,000 and is entitled to employee benefits in line with those received by our other senior executives. In addition, Mr. Ellis was granted stock options to purchase 60,000 shares of Class A Stock at an exercise price equal to the closing price of our Class A Stock on the date of grant and which will vest in equal annual increments over a three-year period, subject to his remaining in our continuous employ through each annual vesting date.

Under his employment agreement, we may terminate Mr. Ellis' employment with or without cause (as defined) at any time. If we terminate his employment without cause, Mr. Ellis will be entitled, subject to receipt of a general release, to receive severance in an amount equal to the compensation he would have received for the remainder of the term of his employment agreement, or 24 months, whichever is less, but in no event less than 12 months. If the termination is in connection with a "change of control" (as defined), Mr. Ellis would be entitled to severance in an amount equal to the compensation he would have received for a period of twice the number of months remaining in the term of his employment agreement.

Andrzej Matyczynski. Mr. Matyczynski, our former Chief Financial Officer, Treasurer and Corporate Secretary, has a written employment agreement with our Company that provides for an annual base salary of \$312,000 and other compensation. Mr. Matyczynski resigned as our Corporate Secretary on October 20, 2014 and as our Chief Financial Officer and Treasurer effective May 11, 2015, but will continue as an employee until April 15, 2016 (the "Retirement Date") in order to assist in the transition of our new Chief Financial Officer, Mr. Ghose, whose information is set forth above. Upon Mr. Matyczynski's Retirement Date, he will become entitled under his employment agreement to a lump-sum severance payment of \$244,500 and to the payment of his vested benefit under his deferred compensation plan discussed above in this section.

### **2010 Equity Incentive Plan**

On May 13, 2010, our stockholders approved the 2010 Stock Incentive Plan (the "Plan") at the annual meeting of stockholders in accordance with the recommendation of the Board of Directors of the Company. The Plan provides for awards of stock options, restricted stock, bonus stock, and stock appreciation rights to eligible employees, Directors, and consultants. The Plan permits issuance of a maximum of 1,250,000 shares of Class A Stock. The Plan expires automatically on March 11, 2020.

Equity incentive bonuses may be awarded to align our executives' long-term compensation to appreciation in stockholder value over time and, so long as such grants are within the parameters of the Plan, historically were entirely discretionary on the part of Mr. Cotter, Sr. Other stock grants are subject to Board approval. Equity awards may include stock options, restricted stock, bonus stock, or stock appreciation rights.

If awarded, it is generally our policy to value stock options and restricted stock at the closing price of our common stock as reported on the NASDAQ Capital Market on the date the award is approved or on the date of hire, if the stock is granted as a recruitment incentive. When stock is granted as bonus compensation for a particular transaction, the award may be based on the market price on a date calculated from the closing date of the relevant transaction. Awards may also be subject to vesting and limitations on voting or other rights.

### **Certain Federal Income Tax Consequences**

Nonqualified Stock Options. There will be no federal income tax consequences to either the Company or the participant upon the grant of a non-discounted nonqualified stock option. However, the participant will realize ordinary income on the exercise of the nonqualified stock option in an amount equal to the excess of the fair market value of the common stock acquired upon the exercise of such option over the exercise price, and the Company will receive a corresponding deduction. The gain, if any, realized upon the subsequent disposition by the participant of the common stock will constitute short-term or long-term capital gain, depending on the participant's holding period.

Incentive Stock Options. There will be no regular federal income tax consequences to either the Company or the participant upon the grant or exercise of an incentive stock option. If the participant does not dispose of the shares of common stock for two years after the date the option was granted and one year after the acquisition of such shares of common stock, the difference between the aggregate option price and the amount realized upon disposition of the shares of common stock will constitute long-term capital gain or loss, and the Company will not be entitled to a federal income tax deduction. If the shares of common stock are disposed of in a sale, exchange or other "disqualifying disposition" during those periods, the participant will realize taxable ordinary income in an amount equal to the excess of the fair market value of the common stock purchased at the time of exercise over the aggregate option price (adjusted for any loss of value at the time of disposition), and the Company will be entitled to a federal income tax deduction equal to such amount, subject to the limitations under Code Section 162(m).

While the exercise of an incentive stock option does not result in current taxable income, the excess of (1) the fair market value of the option shares at the time of exercise over (2) the exercise price, will be an item of adjustment for purposes of determining the participant's alternative minimum tax income.

SARs. A participant receiving an SAR will not recognize income, and the Company will not be allowed a tax deduction, at the time the award is granted. When a participant exercises the SAR, the amount of cash and the fair market value of any shares of common stock received will be ordinary income to the participant and will be allowed as a deduction for federal income tax purposes to the Company, subject to limitations under Code Section 162(m). In addition, the Board (or Committee), may at any time, in its discretion, declare any or all awards to be fully or partially exercisable and may

discriminate among participants or among awards in exercising such discretion.

**Restricted Stock.** Unless a participant makes an election to accelerate recognition of the income to the date of grant, a participant receiving a restricted stock award will not recognize income, and the Company will not be allowed a tax deduction, at the time the award is granted. When the restrictions lapse, the participant will recognize ordinary income equal to the fair market value of the common stock, and the Company will be entitled to a corresponding tax deduction at that time, subject to the limitations under Code Section 162(m).

### Outstanding Equity Awards

The following table sets forth outstanding equity awards held by our named executive officers as of December 31, 2014 under the Plan:

#### Outstanding Equity Awards At Year Ended December 31, 2014

	Class	Option Awards				Stock Awards	
		Number of Shares Underlying Unexercised Options Exercisable	Number of Shares Underlying Unexercised Options Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested	Market Value of Shares or Units that Have Not Vested (\$)
James J. Cotter, Sr.	B	--	--		09/05/2017	--	--
James J. Cotter, Jr.	A	12,500	--	3.87	07/07/2015	--	--
James J. Cotter, Jr.	A	--	--		01/19/2017	--	--
James J. Cotter, Jr.	A	100,000	--	6.31	02/06/2018	--	--
Ellen M. Cotter	A	--	--		03/06/2018	--	--
Ellen M. Cotter	B	50,000	--	10.24	09/05/2017	--	--
Andrzej Matyczynski	A	--	--		08/22/2022	--	--
Robert F. Smerling	A	43,750	--	10.24	09/05/2017	--	--

### Option Exercises and Stock Vested

The following table contains information for our named executive officers concerning the option awards that were exercised and stock awards that vested during the year ended December 31, 2014:

Option Awards	Stock Awards
---------------	--------------

<b>Name</b>	<b>Number of Shares Acquired on Exercise</b>	<b>Value Realized on Exercise (\$)</b>	<b>Number of Shares Acquired on Vesting</b>	<b>Value Realized on Vesting (\$)</b>
James J. Cotter, Sr.	--	--		
Andrzej Matyczynski	35,100	180,063	--	--

#### Pension Benefits

The following table contains information concerning pension plans for each of the named executive officers for the year ended December 31, 2014:

<b>Name</b>	<b>Plan Name</b>	<b>Number of Years of Credited Service</b>	<b>Present Value of Accumulated Benefit (\$)</b>	<b>Payments During Last Fiscal Year (\$)</b>
James J. Cotter, Sr.(1)	SERP		\$	\$--
Andrzej Matyczynski(2)	DCP	5	\$ 450,000	\$--

#### Equity Compensation Plan Information

The following table sets forth, as of December 31, 2014, a summary of certain information related to our equity incentive plans under which our equity securities are authorized for issuance:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) (c))</b>
Equity compensation plans approved by security holders (1)	753,350	(2)\$ 7.63	1,625,050
Equity compensation plans not approved by security holders	160,643	(3)	--
Total	913,993	--	--

(1) These plans are the Company's 1999 Stock Option Plan and 2010 Stock Incentive Plan.

(2) Represents outstanding options only. The Company did not have any outstanding warrants and rights as of December 31, 2014.

(3) Represents the restricted stock to be issued in 2015.

## Potential Payments Upon Termination of Employment or Change in Control

The following paragraphs provide information regarding potential payments to each of our named executive officers in connection with certain termination events, including a termination related to a change of control of the Company, as of December 31, 2014:

**Mr. Devasis Ghose – Termination without Cause.** Under his employment agreement, we may terminate Mr. Ghose's employment with or without cause (as defined) at any time. If we terminate his employment without cause or fail to renew his employment agreement upon expiration without cause, Mr. Ghose will be entitled to receive severance in an amount equal to the salary and benefits he was receiving for a period of 12 months following such termination or non-renewal. If the termination is in connection with a "change of control" (as defined), Mr. Ghose would be entitled to severance in an amount equal to the compensation he would have received for a period two years from such termination.

**Mr. William Ellis – Termination without Cause.** Under his employment agreement, we may terminate Mr. Ellis' employment with or without cause (as defined) at any time. If we terminate his employment without cause, Mr. Ellis will be entitled, subject to receipt of a general release, to receive severance in an amount equal to the compensation he would have received for the remainder of the term of his employment agreement, or 24 months, whichever is less, but in no event less than 12 months. If the termination is in connection with a "change of control" (as defined), Mr. Ellis would be entitled to severance in an amount equal to the compensation he would have received for a period of twice the number of months remaining in the term of his employment agreement.

**Mr. Wayne Smith—Termination of Employment for Failing to Meet Performance Standards.** If Mr. Smith's employment is terminated by the Board for failing to meet the standards of his anticipated performance, Mr. Smith will be entitled to a severance payment of six months' base salary.

No other named executive officers currently have employment agreements or other arrangements providing benefits upon termination or a change of control.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The members of our Audit and Conflicts Committee are Douglas McEachern, who serves as Chair, and Edward Kane. Management presents all potential related party transactions to the Conflicts Committee for review. Our Conflicts Committee reviews whether a given related party transaction is beneficial to our Company, and approves or bars the transaction after a thorough analysis. Only Committee members disinterested in the transaction in question participate in the determination of whether the transaction may proceed.

### Sutton Hill Capital

In 2001, we entered into a transaction with Sutton Hill Capital, LLC ("SHC") regarding the leasing with an option to purchase of certain cinemas located in Manhattan including our Village East and Cinemas 1, 2 & 3 theaters. In connection with that transaction, we also agreed to lend certain amounts to SHC, to provide liquidity in its investment, pending our determination whether or not to exercise our option to purchase and to manage the 86th Street Cinema on a fee basis. SHC is a limited liability company that is owned by Sutton Hill Associates, which was a 50/50 partnership between James J. Cotter, Sr. and Michael Forman. The Village East is the only cinema subject to this lease, and during 2014, 2013 and 2012 we paid rent to SHC in the amount of \$590,000 annually.

On June 29, 2010, we agreed to extend our existing lease from SHC of the Village East Cinema in New York City by 10 years, with a new termination date of June 30, 2020. The Village East lease includes a sub-lease of the ground underlying the cinema that is subject to a longer-term ground lease between SHC and an unrelated third party that expires in June 2031 (the "cinema ground lease"). The extended lease provides for a call option pursuant to which Reading may purchase the cinema ground lease for \$5.9 million at the end of the lease term. Additionally, the lease has a put option pursuant to which SHC may require us to purchase all or a portion of SHC's interest in the existing cinema lease and the cinema ground lease at

any time between July 1, 2013 and December 4, 2019. SHC's put option may be exercised on one or more occasions in increments of not less than \$100,000 each. In 2005, we acquired from a third party the fee interest and from SHC its interest in the ground lease estate underlying and the improvements constituting the Cinemas 1, 2 & 3. In connection with that transaction, we granted to SHC an option to acquire a 25% interest in the special purpose entity formed to acquire these interests at cost. On June 28, 2007, SHC exercised this option, paying the option exercise price through the application of its \$3 million deposit plus the assumption of its proportionate share of SHP's liabilities, giving SHC a 25% non-managing membership interest in SHP. We manage this cinema property for an annual management fee equal to 5% of its annual gross income.

In February 2015, we and SHP entered into an amendment to the management agreement dated as of June 27, 2007 between us and SHC. The amendment, which was retroactive to December 1, 2014, memorialized our undertaking to SHP with respect to \$750,000 (the "Renovation Funding Amount") of renovations to Cinemas 1, 2 & 3 funded or to be funded by us. In consideration of our funding of the renovations, our annual management fee under the management agreement was increased commencing January 1, 2015 by an amount equivalent to 100% of any incremental positive cash flow of Cinemas 1, 2 & 3 over the average annual positive cash flow of the Cinemas over the three-year period ended December 31, 2014 (not to exceed a cumulative aggregate amount equal to the Renovation Funding Amount), plus a 15% annual cash-on-cash return on the balance outstanding from time to time of the Renovation Funding Amount, payable at the time of the payment of the annual management fee. Under the amended management agreement, we are entitled to retain ownership of (and any right to depreciate) any furniture, fixtures and equipment purchased by us in connection with such renovation and have the right (but not the obligation) to remove all such furniture, fixtures and equipment (at our own cost and expense) from the Cinemas upon the termination of the management agreement. The amendment also provides that, during the term of the management agreement, SHP will be responsible for the cost of repair and maintenance of the renovations.

#### **OBI Management Agreement**

Pursuant to a Theater Management Agreement (the "Management Agreement"), our live theater operations are managed by OBI LLC ("OBI Management"), which is wholly owned by Ms. Margaret Cotter, who is our Vice Chair and the sister of Ellen M. Cotter.

The Management Agreement generally provides that we will pay OBI Management a combination of fixed and incentive fees, which historically have equated to approximately 21% of the net cash flow received by us from our live theaters in New York. Since the fixed fees are applicable only during such periods as the New York theaters are booked, OBI Management receives no compensation with respect to a theater at any time when it is not generating revenue for us. This arrangement provides an incentive to OBI Management to keep the theaters booked with the best available shows, and mitigates the negative cash flow that would result from having an empty theater. In addition, OBI Management manages our Royal George live theater complex in Chicago on a fee basis based on theater cash flow. In 2014, OBI Management earned \$397,000, which was 20.9% of net cash flows for the year. In 2013, OBI Management earned \$401,000, which was 20.1% of net cash flows for the year. In 2012, OBI Management earned \$390,000, which was 19.7% of net cash flows for the year. In each year, we reimbursed travel related expenses for OBI Management personnel with respect to travel between New York City and Chicago in connection with the management of the Royal George complex.

OBI Management conducts its operations from our office facilities on a rent-free basis, and we share the cost of one administrative employee of OBI Management. Other than these expenses and travel-related expenses for OBI Management personnel to travel to Chicago as referred to above, OBI Management is responsible for all of its costs and expenses related to the performance of its management functions. The Management Agreement renews automatically each year unless either party gives at least six months' prior notice of its determination to allow the Management Agreement to expire. In addition, we may terminate the Management Agreement at any time for cause.

#### **Live Theater Show Investment**

From time to time, our officers and Directors may invest in plays or other shows that lease our live theaters. The show STOMP has played in our Orpheum Theatre since prior to our acquisition of the theater in 2001. Mr. Cotter, Sr. owned an approximately 5% interest in that show.

#### **Shadow View Land and Farming LLC**

During 2012, Mr. Cotter, Sr., our former Chair, Chief Executive Officer and controlling shareholder, contributed \$2.5 million of cash and \$255,000 of his 2011 bonus as his 50% share of the purchase price of a land parcel in Coachella, California

and to cover his 50% share of certain costs associated with that acquisition. This land is held in Shadow View Land and Farming, LLC, which is owned 50% by our Company. Mr. Cotter, Jr. contends that the other 50% interest in Shadow View Land and Farming, LLC is owned by the James J. Cotter, Sr. Living Trust, while Ellen M. Cotter and Margaret Cotter contend that such interest is owned by the Estate of James J. Cotter, Sr. We are the managing member of Shadow View Land and Farming, LLC, with oversight provided by our Audit Committee.

## INDEPENDENT PUBLIC ACCOUNTANTS

### Summary of Principal Accounting Fees for Professional Services Rendered

Our independent public accountants, Grant Thornton LLP, have audited our financial statements for the fiscal year ended December 31, 2014, and are expected to have a representative present at the Annual Meeting, who will have the opportunity to make a statement if he or she desires to do so and is expected to be available to respond to appropriate questions.

#### Audit Fees

The aggregate fees for professional services for the audit of our financial statements, audit of internal controls related to the Sarbanes-Oxley Act, and the reviews of the financial statements included in our Forms 10-K and 10-Q provided by Grant Thornton LLP for 2014 and 2013 were approximately \$661,700 and \$550,000, respectively.

#### Audit-Related Fees

Grant Thornton LLP did not provide us any audit related services for 2014 or 2013.

#### Tax Fees

Grant Thornton LLP did not provide us any products or any services for tax compliance, tax advice, or tax planning for 2014 or 2013.

#### All Other Fees

Grant Thornton LLP did not provide us any services for 2014 or 2013, other than as set forth above.

### Pre-Approval Policies and Procedures

Our Audit Committee must pre-approve, to the extent required by applicable law, all audit services and permissible non-audit services provided by our independent registered public accounting firm, except for any *de minimis* non-audit services. Non-audit services are considered *de minimis* if (i) the aggregate amount of all such non-audit services constitutes less than 5% of the total amount of revenues we paid to our independent registered public accounting firm during the fiscal year in which they are provided; (ii) we did not recognize such services at the time of the engagement to be non-audit services; and (iii) such services are promptly submitted to our Audit Committee for approval prior to the completion of the audit by our Audit Committee or any of its members who has authority to give such approval. Our Audit Committee pre-approved all services provided to us by Grant Thornton LLP for 2014 and 2013.

## STOCKHOLDER COMMUNICATIONS

### Annual Report

A copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 is being provided with this Proxy Statement.

### Stockholder Communications with Directors

It is the policy of our Board of Directors that any communications sent to the attention of any one or more of our Directors in care of our executive offices will be promptly forwarded to such Directors. Such communications will not be opened or reviewed by any of our officers or employees, or by any other Director, unless they are requested to do so by the addressee of any such communication. Likewise, the content of any telephone messages left for any one or more of our Directors (including call-back number, if any) will be promptly forwarded to that Director.

### Stockholder Proposals and Director Nominations

Any stockholder who, in accordance with and subject to the provisions of the proxy rules of the SEC, wishes to submit a proposal for inclusion in our Proxy Statement for our 2016 Annual Meeting of Stockholders, must deliver such proposal in writing to the Secretary of the Company at the address of our Company's principal executive offices at 6100 Center Drive, Suite 900, Los Angeles, California 90045. Unless we change the date of our annual meeting by more than 30 days from the prior year's meeting, such written proposal must be delivered to us no later than June 22, 2016 to be considered timely. If our 2016 Annual Meeting is not within 30 days of the anniversary of our 2015 Annual Meeting, to be considered timely, stockholder proposals must be received no later than ten days after the earlier of (a) the date on which notice of the 2016 Annual Meeting is mailed, or (b) the date on which the Company publicly discloses the date of the 2016 Annual Meeting, including disclosure in an SEC filing or through a press release. If we do not receive timely notice of a stockholder proposal, the proxies that we hold may confer discretionary authority to vote against such stockholder proposal, even though such proposal is not discussed in our Proxy Statement for that meeting.

Our Board of Directors will consider written nominations for Directors from stockholders. Nominations for the election of Directors made by our stockholders must be made by written notice delivered to our Secretary at our principal executive offices not less than 120 days prior to the first anniversary of the date that this Proxy Statement is first sent to stockholders. Such written notice must set forth the name, age, address, and principal occupation or employment of such nominee, the number of shares of our Company's common stock that is beneficially owned by such nominee and such other information required by the proxy rules of the SEC with respect to a nominee of the Board of Directors.

Under our governing documents and applicable Nevada law, our stockholders may also directly nominate candidates from the floor at any meeting of our stockholders held at which Directors are to be elected.

#### **OTHER MATTERS**

We do not know of any other matters to be presented for consideration other than the proposals described above, but if any matters are properly presented, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their judgment.

#### **DELIVERY OF PROXY MATERIALS TO HOUSEHOLDS**

As permitted by the Securities Exchange Act of 1934, only one copy of the proxy materials are being delivered to our stockholders residing at the same address, unless such stockholders have notified us of their desire to receive multiple copies of the proxy materials.

We will promptly deliver without charge, upon oral or written request, a separate copy of the proxy materials to any stockholder residing at an address to which only one copy was mailed. Requests for additional copies should be directed to our Corporate Secretary by telephone at (213) 235-2240 or by mail to Corporate Secretary, Reading International, Inc., 6100 Center Drive, Suite 900, Los Angeles, California 90045.

Stockholders residing at the same address and currently receiving only one copy of the proxy materials may contact the Corporate Secretary as described above to request multiple copies of the proxy materials in the future.

By Order of the Board of Directors,



Ellen M. Cotter  
*Chair of the Board*

October 16, 2015

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## PROXY VOTING INSTRUCTIONS

YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.

We encourage you to take advantage of Internet or telephone voting.

Both are available 24 hours a day, 7 days a week.

Internet and telephone voting is available through 11:59 p.m., PT, on November 9, 2015.

### VOTE BY INTERNET

WWW.FIRSTCOASTRESULTS.COM/RDI

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m., PT, on November 9, 2015. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

OR

### VOTE BY TELEPHONE

1-800-303-7885

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m., PT, on November 9, 2015. Have your proxy card in hand when you call and then follow the instructions.

OR

### VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided to: First Coast Results, Inc., P.O. Box 3672, Ponte Vedra Beach, FL 32004-9911.

If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card. Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

CONTROL NUMBER

△ If submitting a proxy by mail, please sign and date the card below and fold and detach card at perforation before mailing. ✓

#### READING INTERNATIONAL ANNUAL MEETING PROXY CARD

BOARD OF DIRECTORS - The Board of Directors recommends a vote FOR all nominees listed.

##### Proposal 1

(01) Ellen M. Cotter (02) Guy W. Adams (03) Judy Coddling (04) James J. Cotter, Jr. (05) Margaret Cotter  
(06) William D. Gould (07) Edward L. Kane (08) Douglas J. McEachern (09) Michael Wrotniak

FOR ALL



WITHHOLD ALL



FOR ALL EXCEPT



To withhold your vote for any individual nominee(s), mark "For All Except" box and write the number(s) of the nominee(s) on the line below.

**Proposal 2** Ratification of the Appointment of Our Independent Auditors, Grant Thornton LLP, for fiscal year 2015- The Board of Directors recommends a vote FOR approval of the appointment of our Grant Thornton LLP.

FOR



AGAINST



ABSTAIN



**Proposal 3** Other Business. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting and at and with respect to any and all adjournments or postponements thereof. The Board of Directors at present knows of no other business to be presented by or on behalf of the Company or the Board of Directors at the meeting.

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

Signature

Signature (Capacity)

Date

NOTE: Please sign exactly as your name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If stockholder is a corporation, please sign full corporate name by authorized officers, giving full title as such. If a partnership, please sign in partnership name by authorized person, giving full title as such.

SIGN, DATE AND MAIL YOUR PROXY TODAY,  
UNLESS YOU HAVE VOTED BY INTERNET OR TELEPHONE.

IF YOU HAVE NOT VOTED BY INTERNET OR TELEPHONE, PLEASE DATE, MARK, SIGN AND RETURN  
THIS PROXY PROMPTLY. YOUR VOTE, WHETHER BY INTERNET, TELEPHONE OR MAIL, MUST BE  
RECEIVED NO LATER THAN 11:59 P.M. PACIFIC TIME, NOVEMBER 9, 2015,  
TO BE INCLUDED IN THE VOTING RESULTS. ALL VALID PROXIES RECEIVED PRIOR TO 11:59 P.M.  
PACIFIC TIME, NOVEMBER 9, 2015 WILL BE VOTED.

SEE REVERSE SIDE

! If submitting a proxy by mail, please sign and date the card on reverse and fold and detach card at perforation before mailing. !



**ANNUAL MEETING OF STOCKHOLDERS**  
November 10, 2015, 11:00 a.m.

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

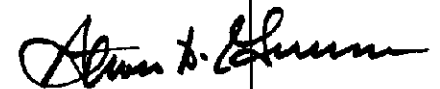
The undersigned hereby appoints Ellen M. Cotter and Andrzej Matyczynski, and each of them, the attorneys, agents, and proxies of the undersigned, with full powers of substitution to each, to attend and act as proxy or proxies of the undersigned at the Annual Meeting of Stockholders of Reading International, Inc. to be held at the Ritz Carlton – Marina Del Rey, located at 4375 Admiralty Way, Marina del Rey, California 90292, on Tuesday, November 10, 2015 at 11:00 a.m., local time, and at and with respect to any and all adjournments or postponements thereof, and to vote as specified herein the number of shares which the undersigned, if personally present, would be entitled to vote.

The undersigned hereby ratifies and confirms all that the attorneys and proxies, or any of them, or their substitutes, shall lawfully do or cause to be done by virtue hereof, and hereby revokes any and all proxies heretofore given by the undersigned to vote at the Annual Meeting. The undersigned acknowledges receipt of the Notice of Annual Meeting and the Proxy Statement accompanying such notice.

**THE PROXY, WHEN PROPERLY EXECUTED AND RETURNED PRIOR TO THE ANNUAL MEETING, WILL BE VOTED AS DIRECTED. IF NO DIRECTION IS GIVEN, IT WILL BE VOTED "FOR" PROPOSAL 1, 2, AND IN THE PROXY HOLDERS' DISCRETION AS TO ANY OTHER MATTER THAT MAY PROPERLY COME BEFORE THE ANNUAL MEETING OR ANY POSTPONEMENT OR ADJOURNMENT THEREOF.**

SEE REVERSE SIDE

# Tab 04



CLERK OF THE COURT

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

JAMES COTTER, JR. ET AL,

Plaintiff(s),

VS

MARGARET COTTER, ET AL,

Defendant(s),

READING INTERNATIONAL, INC,

Nominal Defendant.

Case No. 15 A 719860

Dept. No. XI

Date of Hearing: 10/29/15

Time of Hearing: 8:30a.m.

**SCHEDULING ORDER AND  
ORDER SETTING CIVIL JURY TRIAL,  
PRE-TRIAL CONFERENCE AND CALENDAR CALL**

MC  
This SCHEDULING ORDER AND TRIAL SETTING ORDER is entered following the  
Mandatory Rule 16 Conference conducted on October 29, 2015. Filing of the Joint Case Conference  
Report has been waived. Based upon the information presented at the conference and the agreement of  
the parties, EDCR Rule 2.55 is superseded by this Scheduling Order. This Order may be amended or  
modified by the Court upon good cause shown.

**IT IS HEREBY ORDERED** that the parties will comply with the following deadlines:

Percipient Witness Discovery Cut Off **04/29/16**

Initial Experts Disclosures **05/27/16**

Rebuttal Expert Disclosures **07/15/16**

Expert Discovery Cut Off **08/26/16**

Dispositive Motions and Motions in Limine to be filed by **09/23/16**

000075

CLERK OF THE COURT

RECEIVED  
NOV 10 2015

1           **IT IS HEREBY FURTHER ORDERED THAT:**

2           A.     The above entitled case is set to be tried to a jury on a **Five week stack** to begin,  
3 **November 14, 2016 at 1:30p.m.**

4  
5           B.     A Pre-Trial Conference with the designated attorney and/or parties in proper person  
6 will be held on Friday, **October 21, 2016 at 8:30a.m.**

7  
8           C.     A calendar call will be held on Thursday, **November 10, 2016 at 8:45a.m.**  
9 Parties must bring to Calendar Call the following:

- 10                   (1) Typed exhibit lists;  
11                   (2) List of depositions;  
12                   (3) List of equipment needed for trial, including audiovisual equipment;<sup>1</sup> and  
13                   (4) Courtesy copies of any legal briefs on trial issues.

14           The Final Pretrial Conference will be set at the time of the Calendar Call.

15           D.     Parties are to appear on **May 5, 2016 at 8:30 a.m.** and **September 1,**  
16 **2016 at 8:30 a.m.** for Status Checks on the matter.

17           E.     The Pre-Trial Memorandum must be filed no later than **November 9, 2016**, with  
18 a courtesy copy delivered to Department XI. All parties, (Attorneys and parties in proper person)  
19 **MUST** comply with **All REQUIREMENTS** of E.D.C.R. 2.67, 2.68 and 2.69. Counsel should include in the  
20 Memorandum an identification of orders on all motions in limine or motions for partial summary  
21 judgment previously made, a summary of any anticipated legal issues remaining, a brief summary of  
22 the opinions to be offered by any witness to be called to offer opinion testimony as well as any  
23 objections to the opinion testimony.

24  
25           F.     All motions in limine, must be in writing and filed no later than **September 23,**  
26 **2016. Orders shortening time will not be signed except in extreme emergencies.**

27  
28           If counsel anticipate the need for audio visual equipment during the trial, a request  
must be submitted to the District Courts AV department following the calendar call. You can  
reach the AV Dept at 671-3300 or via E-Mail at CourtHelpDesk@ClarkCountyCourts.us

1 G. All original depositions anticipated to be used in any manner during the trial must be  
2 delivered to the clerk prior to the final Pre-Trial Conference. If deposition testimony is anticipated to  
3 be used in lieu of live testimony, a designation (by page/line citation) of the portions of the testimony  
4 to be offered must be filed and served by facsimile or hand, two (2) judicial days prior to the final Pre-  
5 Trial Conference. Any objections or counterdesignations (by page/line citation) of testimony must be  
6 filed and served by facsimile or hand, one (1) judicial day prior to the final Pre-Trial Conference  
7 commencement. Counsel shall advise the clerk prior to publication.  
8

9 H. In accordance with EDCR 2.67, counsel shall meet, review, and discuss exhibits. All  
10 exhibits must comply with EDCR 2.27. Two (2) sets must be three hole punched placed in three ring  
11 binders along with the exhibit list. The sets must be delivered to the clerk prior to the final Pre-Trial  
12 Conference. Any demonstrative exhibits including exemplars anticipated to be used must be disclosed  
13 prior to the calendar call. Pursuant to EDCR 2.68, at the final Pre-Trial Conference, counsel shall be  
14 prepared to stipulate or make specific objections to individual proposed exhibits. Unless otherwise  
15 agreed to by the parties, demonstrative exhibits are marked for identification but not admitted into  
16 evidence.  
17

18 I. In accordance with EDCR 2.67, counsel shall meet, review, and discuss items to be  
19 included in the Jury Notebook. Pursuant to EDCR 2.68, at the final Pre-Trial Conference, counsel shall  
20 be prepared to stipulate or make specific objections to items to be included in the Jury Notebook.  
21

22 J. In accordance with EDCR 2.67, counsel shall meet and discuss preinstructions to the  
23 jury, jury instructions, special interrogatories, if requested, and verdict forms. Each side shall provide  
24 the Court, at the final Pre-Trial Conference, an agreed set of jury instructions and proposed form of  
25 verdict along with any additional proposed jury instructions with an electronic copy in Word format.

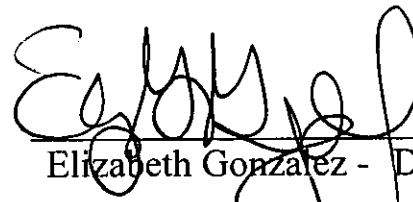
26 J. In accordance with EDCR 7.70, counsel shall file and serve by facsimile or hand, two  
27 (2) judicial days prior to the final Pre-Trial Conference voir dire proposed to be conducted pursuant to  
28 conducted pursuant to EDCR 2.68.

**Failure of the designated trial attorney or any party appearing in proper person to  
appear for any court appearances or to comply with this Order shall result in any of the**

1 following: (1) dismissal of the action (2) default judgment; (3) monetary sanctions; (4) vacation  
2 of trial date; and/or any other appropriate remedy or sanction.

3 Counsel is required to advise the Court immediately when the case settles or is otherwise  
4 resolved prior to trial. A stipulation which terminates a case by dismissal shall also indicate whether a  
5 Scheduling Order has been filed and, if a trial date has been set, the date of that trial. A copy should  
6 be given to Chambers.  
7

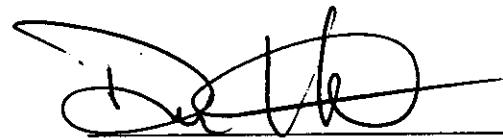
8 DATED this 9<sup>th</sup> day of November, 2015.

9  
10  
11 

12 Elizabeth Gonzalez - District Court Judge

13 **Certificate of Service**

14 I hereby certify, that on the date filed, this Order was served on the parties identified  
15 on Wiznet's e-service list.

16  
17 

18 Dan Kutinac  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

# Tab 05

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**From:** Krum, Mark  
**To:** Alexander Robertson (arobertson@arobertsonlaw.com)  
**Sent:** 1/28/2016 9:37:39 PM  
**Subject:** (Privileged and Confidential; Not for distribution)

**From:** James J. Cotter [<mailto:jcotterprivate@gmail.com>]  
**Sent:** Thursday, January 07, 2016 1:17 PM  
**To:** 'Ellen Cotter' <[Ellen.Cotter@readingrdi.com](mailto:Ellen.Cotter@readingrdi.com)>; 'Margaret Cotter' <[margaret.cotter@readingrdi.com](mailto:margaret.cotter@readingrdi.com)>; 'Kane' <[elkane@san.rr.com](mailto:elkane@san.rr.com)>; 'Guy Adams' <[GAdams@gwacap.com](mailto:GAdams@gwacap.com)>; [wgould@troygould.com](mailto:wgould@troygould.com); [M.Wrotniak@Aminco.biz](mailto:M.Wrotniak@Aminco.biz); [judyconding@gmail.com](mailto:judyconding@gmail.com); 'McEachern, Doug (US - Retired)' <[dmceachern@deloitte.com](mailto:dmceachern@deloitte.com)>  
**Subject:** Appointment of President & CEO  
**Importance:** High

On June 15, the Company reported its intention to engage the assistance of a leading executive search firm to identify a permanent President and CEO. On August 4, Ellen advised the Board that she had engaged Korn Ferry and that a search committee consisting of Ellen Cotter, her sister Margaret, Bill Gould and Doug McEachern had been formed. Korn Ferry reportedly was selected because, as among the search firms considered, it was the only one that could provide independent detailed assessments of candidates, apparently to ensure the independence and/or adequacy of the search process.

Even after a number of requests, not one update on this search was provided to the Board (e.g., assessment of the Company's goals and objectives, candidate search criteria, progress of interviews with candidates, reporting structure of new hire). Then, on December 17, months after the last report to the Board, Ellen reported to the Board that five external candidates had been interviewed on our behalf by Korn Ferry, Ellen was submitting her candidacy and the search committee would shortly make its recommendation to the Board.

### Process

As a result, the other five members of the Board effectively have no understanding of what process, if any, was undertaken to actually search for and evaluate any candidates. It therefore is impossible to make an informed decision that the process was adequate or even that it was genuine. The memo from Craig Tompkins, provided two days before the Board will be asked to select Ellen as the new President and CEO, not only fails to provide Board members with information sufficient to satisfy themselves that a genuine and adequate search process was conducted, it actually indicates otherwise. Among other things:

There is no indication that the search committee undertook any process to develop candidate search criteria, much less did so. On the contrary, it implies that Korn Ferry did so, stating "It emphasized a real estate background, based on the assumption that... Ellen Cotter and Robert Smerling would continue to be principally responsible for the operation of the Company's domestic cinema operations and Wayne Smith would continue to be principally responsible for the operation of the Company's Australia / NZ cinema operations." This is not a CEO specification. That is a specification for a glorified director of real estate position.

There is no indication that the search committee developed, much less implemented, any process for considering internal candidates. On the contrary, every indication is that the committee allowed Ellen, an internal candidate, to select the search firm to be engaged, to direct the formulation of the director of real estate type criteria that Korn Ferry apparently used to identify candidates, and to participate in all committee activity other than actual interviews of other candidates until less than two weeks before the committee decided to select Ellen, who reportedly was selected based on the considerations set out in the bullet points on pages 5 and 6 of Craig Thompkins' memo, not on the criteria set forth in Korn Ferry's position specification.

Craig Thompkins' memo indicates that Ellen was selected not as a result of any search process, much less an adequate and genuine one, but rather based on considerations that largely if not entirely are not mentioned in the Korn Ferry position specification document. Moreover, almost all of those considerations are unique to Ellen as among the supposed candidates, and are unique to her by virtue of her position as interim President and CEO and a supposedly

controlling shareholder. Had the committee developed a set of candidate search criteria reflecting the considerations that Craig Tompkins' memo indicates serve as the basis for the selection of Ellen, the criteria would have dictated that no process be undertaken and that Ellen be selected.

The reason Korn Ferry supposedly was selected, which was that it alone as among the search firms would provide the company with proprietary independent assessments of final candidates, was in effect canceled by the search committee, ostensibly to save money. According to Craig Tompkins' memo, he was tasked by the committee with directing Korn Ferry not to perform what it describes as "an objective, accurate process to determine individual or group readiness, potential and fit." He did so and the committee preempted what appears to have been a critical process intended to ensure that the search process was both genuine and adequate.

The supposed search committee also has acted to insure that the other five members of the board cannot make independent, informed decisions by eliminating the presentation of the final three candidates to the full board for vetting, acting instead to presume to do that for the full board.

Under the circumstances, including the apparent inadequate if not manipulated process, I do not see how we as five directors can rely on the recommendation of this search committee to make a decision on the hiring of a President and CEO.

### **Assessment of Performance of US Cinemas**

As would our former CEO and Chairman, I have strong views as to why such an appointment would be a gross mistake. These views are driven not by personal animus, but an assessment of her business unit and her management effectiveness as Chief Operating Officer of the US Cinemas, including:

- Ø US Cinemas have experienced significant management issues for a long time, resulting in mismanagement at individual US cinemas. These problems including those with which our former CEO and Chairman and Tim Storey took serious issue continue to go unaddressed. *See California and Hawaii Theater Reviews.*
- Ø Historical performance of the Pacific Acquired Cinemas (representing close to 65% of US Cinemas' revenues) evidences the impact these management issues have had with significant erosion of cashflow, contraction of margins and loss of market share at these theaters over the years after Ellen took over management from Pacific Theaters in February 2008. *See charts below.*
- Ø Ellen has never operated the US Cinemas with a business plan, budget or CapEx plan. Only this year, after multiple requests from me with repeated urging from Tim Storey, did she produce her first business plan, budget and CapEx plan. Allowing her to operate the entire company (including the real estate operations) the way she did this small division will result in significant issues and delays for the whole Company (just as it did when she took over substantially more screens with the Pacific Acquired Cinemas).
- Ø US Cinemas have not been re-invested in under her watch and as a result, are completely behind the curve in terms of innovations (even those not requiring substantial CapEx costs). *See California and Hawaii Theater Reviews.*
- Ø US Cinemas' historical operating performance has significantly underperformed compared to our other cinema divisions and the rest of the industry. EBITDA margins of our Australian Cinemas are almost 100% higher than those of our US Cinemas. EBITDA margins of our New Zealand Cinemas are almost 40% higher than those of our US Cinemas. *See Segment Report.*
- Ø Ellen's wheel-and-spoke management structure (with almost everyone in her division effectively reporting to her) results in a top-heavy management structure and a grossly disproportionately high G&A. We operate our 21 Australian cinemas with \$1.47 million of G&A and our 10 New Zealand cinemas with \$240,000 in G&A. Ellen operates our 27 US cinemas with \$4 million of G&A. *See Segment Report.*

[Financial information omitted]

**Mark G. Krum**

Partner

702.949.8217 office

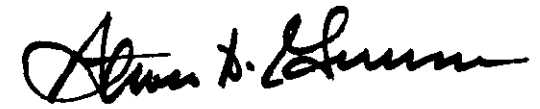
702.216.6234 fax  
[mkrum@lrrc.com](mailto:mkrum@lrrc.com)

---

**Lewis Roca**  
**ROTHGERBER CHRISTIE**

Lewis Roca Rothgerber Christie LLP  
3993 Howard Hughes Parkway, Suite 600  
Las Vegas, Nevada 89169  
[lrrc.com](http://lrrc.com)

# Tab 06



CLERK OF THE COURT

**MCMPL**  
**COHEN|JOHNSON|PARKER|EDWARDS**

**IL. STAN JOHNSON, ESQ.**  
Nevada Bar No. 00265  
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**MICHAEL V. HUGHES, ESQ.**  
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**QUINN EMANUEL URQUHART & SULLIVAN, LLP**

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Los Angeles, CA 90017  
Telephone: (213) 443-3000

Attorneys for Defendants Margaret Cotter,  
Ellen Cotter, Douglas McEachern, Guy Adams, and Edward Kane

**EIGHTH JUDICIAL DISTRICT COURT**

**CLARK COUNTY, NEVADA**

**JAMES J. COTTER, JR.** individually and  
derivatively on behalf of Reading  
International, Inc.,

Plaintiffs,

v.

**MARGARET COTTER, ELLEN COTTER,**  
**GUY ADAMS, EDWARD KANE, DOUGLAS**  
**McEACHERN, TIMOTHY STOREY,**  
**WILLIAM GOULD, and DOES 1 through 100,**  
inclusive,

Defendants.

**AND**

Case No.: A-15-719860-B  
Dept. No.: XI

Case No.: P-14-082942-E  
Dept. No.: XI

Related and Coordinated Cases

**BUSINESS COURT**

**DEFENDANT ELLEN COTTER,**  
**MARGARET COTTER, GUY ADAMS,**  
**DOUGLAS MCEACHERN, AND**  
**EDWARD KANE'S MOTION TO**  
**COMPEL PLAINTIFF JAMES COTTER,**  
**JR. TO PRODUCE A PRIVILEGE LOG**  
**REGARDING DOCUMENTS WITHHELD**  
**IN CONNECTION WITH THE FIRST**  
**SET OF REQUESTS FOR PRODUCTION**  
**ON ORDER SHORTENING TIME**

1 READING INTERNATIONAL, INC., a Nevada  
2 corporation,

3 Nominal Defendant.  
4

1     **DEFENDANT ELLEN COTTER, MARGARET COTTER, GUY ADAMS, DOUGLAS**  
2     **MCEACHERN, AND EDWARD KANE'S MOTION TO COMPEL PLAINTIFF JAMES**  
3     **COTTER, JR. TO PRODUCE A PRIVILEGE LOG REGARDING DOCUMENTS**  
4     **WITHHELD IN CONNECTION WITH THE FIRST SET OF REQUESTS FOR**  
5     **PRODUCTION ON ORDER SHORTENING TIME**

6     **TO: ALL PARTIES, COUNSEL, AND THE COURT:**

7     Pursuant to Nevada Rules of Civil Procedure 26, 34, 37, and EDCR 2.34, Defendants  
8     Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern (collectively,  
9     "Moving Defendants"), by and through their counsel of record, Cohen|Johnson|Parker|Edwards  
10    and Quinn Emanuel Urquhart & Sullivan, LLP, hereby submit this Motion to Compel Plaintiff  
11    James J. Cotter, Jr. to Produce a Privilege Log Regarding Documents Withheld in Connection with  
12    the First Set of Request for Production. The Moving Defendants request that this matter be heard  
13    on an order shortening time.

14    Moving Defendants request that the Court order Plaintiff to produce a privilege log of all  
15    documents responsive to Defendants' First Set of Requests for Production that Plaintiff is  
16    withholding on the basis of privilege within two weeks following the hearing of this Motion, or,  
17    alternatively, order Plaintiff to produce all responsive documents being withheld on the grounds  
18    of privilege.

19    ///

20    ///

21    ///

22    ///

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25    ///

26    ///

27    ///

28    ///

1 This Motion is based upon the following Memorandum of Points and Authorities, the  
2 Declaration of Noah S. Helpen, the pleadings and papers on file, and any oral argument at the  
3 time of a hearing on this motion.

4 Dated: February 12, 2016

5 **COHEN|JOHNSON|PARKER|EDWARDS**

6  
7 By: Michael V. Hughes  
8 H. STAN JOHNSON, ESQ.

9 Nevada Bar No. 00265

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11 MICHAEL V. HUGHES, ESQ.

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17 Facsimile: (702) 823-3400

18 **QUINN EMANUEL URQUHART &  
19 SULLIVAN, LLP**

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24 California Bar No. 169269, *pro hac vice*

25 marshallsearcy@quinnemanuel.com

26 865 South Figueroa Street, 10<sup>th</sup> Floor

27 Los Angeles, CA 90017

28 Telephone: (213) 443-3000

*Attorneys for Defendants*

*Margaret Cotter, Ellen Cotter,*

*Douglas McEachern, Guy Adams,*

*and Edward Kane*

**ORDER SHORTENING TIME**

It appearing to the satisfaction of the Court and good cause appearing therefor, IT IS  
HEREBY ORDERED that the hearing on Defendants Margaret Cotter, Ellen Cotter, Guy Adams,  
Edward Kane, and Douglas McEachern's (collectively, "Moving Defendants") Motion to Compel  
Plaintiff James J. Cotter, Jr. to Produce a Privilege Log Regarding Documents Withheld in  
Connection with the First Set of Request for Production shall be heard before the above-entitled  
Court in Department XI, on the 24 day of MARCH, 2016  
at 9:30 a.m./p.m., or as soon thereafter as counsel can be heard.

Dated this 12 day of February, 2016

  
DISTRICT COURT JUDGE

PREPARED AND SUBMITTED BY:

COHEN|JOHNSON|PARKER|EDWARDS

By: Michael V. Hughes  
H. STAN JOHNSON, ESQ.  
Nevada Bar No. 00265  
sjohnson@cohenjohnson.com  
MICHAEL V. HUGHES, ESQ.  
Nevada Bar No. 13154  
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255 East Warm Springs Road, Suite 100  
Las Vegas, Nevada 89119  
Telephone: (702) 823-3500  
Facsimile: (702) 823-3400

1        **DECLARATION OF COUNSEL NOAH HELPERN IN SUPPORT OF MOTION TO**  
2        **COMPEL PRODUCTION OF PRIVILEGE LOG**

3            I, Noah Helpern, state and declare as follows:

4            1.        I am an a member of the bar of the State of California, and am an attorney with  
5        Quinn Emanuel Urquhart & Sullivan, LLP ("Quinn Emanuel"), attorneys for Defendants  
6        Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern ("Moving  
7        Defendants"). I make this declaration based upon personal, firsthand knowledge, except where  
8        stated to be on information and belief, and as to that information, I believe it to be true. If called  
9        upon to testify as to the contents of this Declaration, I am legally competent to testify to its  
10       contents in a court of law.

11           **Moving Defendants' First Set of Requests for Production of Documents**

12           2.        On August 26, 2015, Moving Defendants served their First Set of Requests for  
13        Production on Plaintiff. Attached hereto as **Exhibit A** is a true and correct copy of Moving  
14        Defendants' First Set of Requests for Production. These requests were served after Plaintiff had  
15        moved this Court to allow expedited discovery in this case.

16           3.        Plaintiff's document production in response to the First Set of Requests for  
17        Production is still ongoing, despite the fact that the Requests have been pending for more than  
18        five months. On information and belief, Plaintiff's most recent production of documents in  
19        response to these Requests was made just two days ago, on February 10, 2016. Plaintiff has not  
20        informed counsel for Moving Defendants when his production of documents in response to these  
21        Requests will be complete.

22           4.        Plaintiff has not produced a privilege log in connection with his responses to the  
23        First Set of Requests for Production. In contrast, Moving Defendants have logged over 1,300  
24        documents in response to Plaintiff's First Set of Requests for Production on them.

25           **Meet and Confer Efforts/EDCR 2.34 Conference**

26           5.        On January 8 and 11, 2016, an EDCR 2.34 conference occurred by way of  
27        telephone calls. I participated in those calls along with Marshall M. Searcy III, Marla J.  
28

1 Hudgens, and Mark Krum. During the call on January 8, 2016, I noted that Plaintiff had not yet  
2 produced a privilege log in connection with his responses to Moving Defendants' First Set of  
3 Requests for Production, and requested that one be produced, as the parties had previously  
4 agreed. During the January 11, 2016 meet and confer call, I again raised Plaintiff's failure to  
5 produce a privilege log. Plaintiff's counsel responded that they were looking into the issue, as  
6 they thought a log had already been prepared.

7 6. On January 25, 2016, in an email chain between myself, Marshall Searcy, and  
8 Mark Krum, among other individuals, I noted for a third time that Moving Defendants still had  
9 not received a privilege log from Plaintiff, and requested to know when the log would be  
10 produced. Plaintiff's counsel never responded to this question. Attached hereto as **Exhibit B** is  
11 a true and correct copy of the January 25, 2016 correspondence.

12 7. On February 7, 2016, in an email chain between myself, Marshall Searcy, Mark  
13 Krum, and Marla Hudgens, I again asked when we could expect a privilege log regarding  
14 documents withheld by Plaintiff in connection with Moving Defendants' First Set of Requests  
15 for Production of Documents. Plaintiff's counsel never responded to this email. Attached hereto  
16 as **Exhibit C** is a true and correct copy of the February 7, 2016 correspondence.

#### 17 Reason for Order Shortening Time

18 8. The accompanying Motion is brought because Plaintiff has failed to produce a  
19 privilege log for documents withheld in response to Moving Defendants' First Set of Requests  
20 for Production. The First Set of Requests for Production was served over five months ago. The  
21 fact discovery cutoff in this case is less than three months away. Moving Defendants cannot  
22 wait any longer for a privilege log, as the documents listed thereon may relate to critical,  
23 disputed issues in this case and Moving Defendants need to be afforded an opportunity to  
24 evaluate Plaintiff's privilege claims and conduct any required follow-on discovery or motion  
25 practice.

26 9. Moving Defendants respectfully submit that this Motion should be heard on an  
27 Order Shortening Time because, with depositions proceeding and less than three months left in  
28

1 fact discovery, Moving Defendants need the opportunity to understand and evaluate what critical  
2 and relevant documents Plaintiff is withholding on the basis of any purported privilege.  
3 Plaintiff's failure to log a single document threatens to impair Moving Defendants' investigation  
4 of the facts relevant to Plaintiff's allegations and claims in this case and Moving Defendants'  
5 ability to conduct full and complete discovery.

6 10. This declaration is made in good faith and not for the purpose of delay.

7 I declare under penalty of perjury under the laws of the State of Nevada that the  
8 foregoing is true and correct. Executed on February 12, 2016, in Los Angeles, California.

9  
10 /s/ Noah Helpern

Noah Helpern

1                                    **MEMORANDUM OF POINTS AND AUTHORITIES**

2        **I.        INTRODUCTION**

3                *More than five months* after Moving Defendants served their First Set of Requests for  
4        Production, Plaintiff has still failed to produce a privilege log or log *a single document*. Plaintiff  
5        has repeatedly ignored Moving Defendants' requests that Plaintiff produce such a log. Moving  
6        Defendants have no idea which or how many documents Plaintiff is withholding on the basis of  
7        any purported privilege.

8                In contrast, Moving Defendants have produced numerous privilege logs and logged over  
9        1,300 documents. Despite this, Plaintiff recently filed a motion with this Court asking for an  
10       order compelling Moving Defendants to complete their logging of documents withheld in  
11       response to Plaintiff's *Second Set* of Requests for Production. *But Plaintiff himself has not even*  
12       *begun the process of logging documents in response to the First Set of Requests for Production,*  
13       *i.e., the so-called "expedited" discovery that Plaintiff demanded.* Plaintiff appears to believe he  
14       is exempt from the very requirements to which he seeks to hold Moving Defendants.

15               Given that fact discovery is set to close in April 2016, Plaintiff should be compelled to  
16       produce a detailed privilege log in compliance with the Nevada Rules of Civil Procedure by  
17       within two weeks of the hearing date of this Motion, or, alternatively, be compelled to produce  
18       all responsive documents being withheld on the grounds of privilege as a result of his failure to  
19       timely produce a privilege log.

20       **II.       FACTUAL BACKGROUND**

21               On August 26, 2015, Moving Defendants served their First Set of Requests for  
22       Production to Plaintiff. *See* Ex. A. This was part of the so-called "expedited" discovery that  
23       Plaintiff demanded. More than five months later, Plaintiff has still not completed his production  
24       of documents in response to these Requests. *See* Helpern Dec., ¶ 3. Not only is document  
25       production still ongoing, but Plaintiff has not provided a privilege log in connection with any  
26       documents withheld in connection with these Requests. *Id.*, ¶ 4. To date, Plaintiff has not  
27       logged a single document in response to any of the discovery requests served by any defendant in  
28       this case. *Id.* In contrast, Moving Defendants have logged **over 1,300 documents**. *Id.*

1 On January 8, 2016, during a telephonic meet and confer with Plaintiff's counsel, Moving  
2 Defendants noted that Plaintiff had not yet produced a privilege log in connection with his  
3 responses the First Set of Requests for Production, and requested that one be produced. *See*  
4 *Helpern Dec.*, ¶ 5. Three days later, on January 11, 2016, Defendants again raised Plaintiff's  
5 failure to produce a privilege log during another telephonic meet and confer; Plaintiff's counsel  
6 responded that they were looking into the issue, as they believed a log had already been  
7 prepared. *See id.* On January 25, 2016, Defendants' counsel noted for the third time that  
8 Defendants still had not received a privilege log from Plaintiff, and requested to know when the  
9 log would be produced. *See Ex. B.* Plaintiff's counsel never responded to this question. *See*  
10 *Helpern Dec.*, ¶ 6. Two weeks later, on February 7, 2016, Defendants' counsel again asked  
11 when the privilege log would be produced. *See Ex. C.* Plaintiff's counsel never responded to  
12 this email. *See Helpern Dec.*, ¶ 7. Plaintiff has refused to provide a date on which a privilege  
13 log will be produced in connection with requests for production that are more than five months  
14 old.

### 15 **III. ARGUMENT**

#### 16 **A. Plaintiff Should Be Compelled To Produce A Privilege Log, Or Be Found To** 17 **Have Waived Any Applicable Privilege Or Protection**

18 Plaintiff should be compelled to produce a privilege log, or be found to have waived any  
19 applicable privilege or protection. Under Nev. R. Civ. P. 34(a), a party may serve on any other  
20 party a request to produce documents within the scope of Rule 26(b). The party to whom the  
21 request is directed "must respond in writing within 30 days after being served." Nev. R. Civ. P.  
22 34(b)(2)(A). When a party withholds information otherwise discoverable by claiming that it is  
23 privileged or subject to protection as trial preparation material, the party "shall make the claim  
24 expressly and shall describe the nature of the documents, communications, or things not  
25 produced or disclosed in a manner that, without revealing information itself privileged or  
26 protected, will enable other parties to assess the applicability of the privilege or protection."  
27 Nev. R. Civ. P. 26(b)(5).

1 A party's failure to produce a privilege log can result in sanctions, including a finding by  
2 the Court that the party has waived any asserted privilege or protection. *See* Nev. R. Civ. P.  
3 37(b)(2), (d); *see also* Fed. R. Civ. P. 26, Advisory Committee Notes to 1993 Amendment ("To  
4 withhold materials without [providing a privilege log] is contrary to the rule, subjects the party to  
5 sanctions under Rule 37(b)(2), and may be viewed as a waiver of the privilege or protection.")).  
6 Under the closely analogous Federal Rules of Civil Procedure upon which the Nevada Rules of  
7 Civil Procedure are modeled,<sup>1</sup> courts routinely find that a party has waived its privilege  
8 objections by failing to provide a timely privilege log. *See, e.g., Burlington N. & Santa Fe Ry.*  
9 *Co. v. U.S. Dist. Court for Dist. of Mont.*, 408 F.3d 1142, 1147 (9th Cir. 2005) (upholding  
10 district court's finding of waiver where a privilege log was filed five months late). Courts  
11 impose such sanctions because "[e]xcessive discovery and evasion or resistance to reasonable  
12 discovery requests pose significant problems," and because "[t]he purpose of discovery is to  
13 provide a mechanism for making relevant information available to the litigants . . . . Thus the  
14 spirit of the rules is violated when advocates attempt to use discovery tools as tactical weapons  
15 rather than to expose the facts and illuminate the issues . . . ." *Burlington*, 408 F.3d at 1148  
16 (quoting Fed. R. Civ. P. 26(f) Advisory Committee's Note (1983 Amendment)).

17 In light of the clear direction of the Rules, as well as the ample notice that Moving  
18 Defendants have repeatedly provided to Plaintiff, the Court should order Plaintiff to produce a  
19 privilege log for all documents being withheld on the grounds of privilege that are responsive to  
20 Moving Defendants' First Set of Requests for Production of Documents. Plaintiff has had over  
21 five months to provide such a log, but has failed to produce it, and has even failed to notify  
22 Moving Defendants of the status of the log after repeated inquiries. In contrast, Moving  
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25 <sup>1</sup> *See, e.g.,* Nev. R. Civ. P. 1, Advisory Committee's Notes (noting that Nevada's rules of  
26 civil procedure are "the counterpart of the federal rules"); Nev. R. Civ. P. 26, Drafter's Note  
27 2004 Amendment (noting that various subdivisions have been "amended to conform to" the  
28 counterpart subdivisions of the federal rules); Nev. R. Civ. P. 34, Drafter's Note 2004  
Amendment (noting that the rule has been "amended to conform to the federal rule"); Nev. R.  
Civ. P. 37, Drafter's Note 2004 Amendment (same).

1 Defendants have logged over 1,300 documents and continue to review documents for  
2 responsiveness and privilege and intend to provide additional logs going forward.

3 Plaintiff has never filed for a protective order, nor has he ever indicated any need for an  
4 extension of time to provide the privilege log. Instead, he has chosen to repeatedly ignore  
5 Moving Defendants' requests that the log be produced. Given that fact discovery closes on April  
6 29, 2016, it is critical that Moving Defendants receive Plaintiff's privilege log in a timely fashion  
7 either.

8 Under these circumstances, the Court should order that Plaintiff produce a privilege log  
9 in connection with his responses to Moving Defendants' First Requests for Production of  
10 Documents within two weeks of the date of this hearing, or, alternatively, order that Plaintiff  
11 produce all responsive documents without privilege objections.

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1 **IV. CONCLUSION**

2 For the foregoing reasons, Moving Defendants respectfully request that the Court grant  
3 their Motion to Compel Plaintiff James J. Cotter, Jr. to Produce a Privilege Log Regarding  
4 Documents Withheld in Connection with the First Set of Request for Production.  
5

6 Dated: February 12, 2016

7 **COHEN|JOHNSON|PARKER|EDWARDS**

8  
9 By: Michael V. Hughes  
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22 Los Angeles, CA 90017

Telephone: (213) 443-3000

23 *Attorneys for Defendants*

24 *Margaret Cotter, Ellen Cotter,*

25 *Douglas McEachern, Guy Adams,*

26 *and Edward Kame*  
27  
28

**CERTIFICATE OF SERVICE**

I hereby certify that, on the 23rd day of February 2016, I caused a true and correct copy of the foregoing document entitled **DEFENDANTS' MOTION TO COMPEL PLAINTIFF TO PRODUCE A PRIVILEGE LOG** to be served on all interested parties in this action via the Court's E-Filing and E-Service System.

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/s/ C.J. Barnabi

10 \_\_\_\_\_  
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**EXHIBIT A**

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Attorneys for Defendants Margaret Cotter,

Ellen Cotter, Douglas McEachern, Guy

Adams, and Edward Kane

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

JAMES J. COTTER, JR., an individually and  
derivatively on behalf of Reading International,  
Inc.;

Plaintiff,

v.

MARGARET COTTER, ELLEN COTTER,  
GUY ADAMS, EDWARD KANE, DOUGLAS  
McEACHERN, TIMOTHY STOREY,  
WILLIAM GOULD, and DOES 1 through 100,  
inclusive;

Defendants.

Case No.: A-15-719860-B

Dept. No.: XXVII

**BUSINESS COURT**

**MARGARET COTTER, ELLEN  
COTTER, GUY ADAMS, EDWARD  
KANE, AND DOUGLAS MCEACHERN'S  
FIRST SET OF REQUESTS FOR  
PRODUCTION TO JAMES J. COTTER,  
JR.**

**MARGARET COTTER, ELLEN COTTER, GUY ADAMS, EDWARD KANE, AND  
DOUGLAS MCEACHERN'S FIRST SET OF REQUESTS FOR PRODUCTION  
TO JAMES J. COTTER, JR.**

TO: JAMES J. COTTER, JR.;

TO: MARK G. KRUM, LEWIS ROCA ROTHBERGER LLP, Attorneys for Plaintiff.

Defendants Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, and Douglas McEachern, by and through their counsel of record, H. Stan Johnson, Esq. and Quinn Emanuel Urquhart & Sullivan, LLP, and requests that James J. Cotter, Jr., in accordance with Nev. R. Civ. P. 34 produce the documents specified below, within thirty (30) days of service, in accordance with the Instructions and Definitions set forth below.

**DEFINITIONS**

1. The term BOARD OF DIRECTORS shall refer to READING'S Board of Directors.

2. COMMUNICATION or COMMUNICATIONS means and includes any disclosure, transfer or exchange of information between two or more persons, whether orally or in writing, including, without limitation,, any conversation or discussion by means of meeting, letter, telephone, note, memorandum, telegraph, telex, telecopier, electronic mail, or any other electronic or other medium, including, without limitation, in written, audio or video form.

3. The term DIRECTOR or DIRECTORS shall refer to Margaret Cotter, Ellen Cotter, Guy Adams, Edward Kane, Douglas McEachern, Timothy Storey, and William Gould, acting in their capacity as directors of READING.

4. "DOCUMENT" or "DOCUMENTS" means all materials within the full scope of Nev. R. Civ. P. 34, including but not limited to all writings and recordings, including the originals and all non-identical copies, whether different from the original by reason of any notation made on such copies or otherwise, handwriting, typewriting, printing, image,

1 photograph, photocopy, digital file of any kind, transmittal by (or as an attachment to) electronic  
2 mail (including instant messages and text messages) or facsimile, video and audio recordings,  
3 and every other means of recording upon any tangible thing, any form of COMMUNICATION  
4 or representation, and any record thereby created, regardless of the manner in which the record  
5 has been stored, and all non-identical copies of such DOCUMENTS, in the possession, custody,  
6 or control of YOU or any other PERSON acting on YOUR behalf.

7  
8 5. The term MOTION FOR PRELIMINARY INJUNCTION shall refer to Plaintiff  
9 James J. Cotter, Jr.'s Motion for Preliminary Injunction filed in this action on or about August 4,  
10 2015.

11 6. The term READING shall refer to Reading International, Inc.

12 7. RELATES TO, RELATING TO, or RELATED TO means to refer to, reflect,  
13 concern, pertain to or in any manner be connected with the matter discussed.

14 8. The term T2 PLAINTIFFS shall refer to T2 Partners Management, LP dba Kase  
15 Capital Management; T2 Accredited Fund, LP dba Kase Fund; T2 Qualified Fund, LP dba Kase  
16 Qualified Fund; Tilson Offshore Fund, LTD's; T2 Partners Management I, LLC dba Kase  
17 Management; T2 Partners Management Group, LLC dba Kase Group; JMG Capital  
18 Management, LLC; Pacific Capital Management, LLC; and any present and former attorneys,  
19 investigators, agents, and any other individual acting for or on their behalf  
20

21 9. "YOU" or "YOUR" shall mean Plaintiff James J. Cotter, Jr., and any of YOUR  
22 present and former attorneys, investigators, agents, and any other individual acting for or on  
23 YOUR behalf.  
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INSTRUCTIONS

1. YOU are required to produce every DOCUMENT requested that is in your possession, custody, or control.

2. In the event YOU object to any Request set forth below on the grounds that the Request is overbroad for any reason, YOU are requested to respond to the Request as narrowed in a way that renders it not overbroad in YOUR opinion, and state the extent to which YOU have narrowed that request for purposes of YOUR response.

3. These Requests shall be deemed to be continuing so as to require supplemental productions as YOU obtain additional DOCUMENTS between the time of the initial production hereunder and the time of trial in this action.

4. These Requests require the production of original tangible things in the same form and in the same order as they are kept in the usual course of business. The titles or other description on the boxes, file folders, bindings, or other container in which tangible things are kept are to be left intact.

5. DOCUMENTS should be produced in their complete and unaltered form. Attachments to DOCUMENTS should not be removed. The DOCUMENTS should not be cut-up, pasted over, redacted or altered in any way for any reason, including alleged irrelevance. If emails are produced that had attachments, the attachments shall be attached when produced.

6. The fact that a DOCUMENT is produced by another party to this action does not relieve YOU of the obligation to produce YOUR copy of the same DOCUMENT, even if the two DOCUMENTS are identical.

7. All DOCUMENTS are to be produced, organized, and labeled to correspond with the categories in this Request for the Production of Documents.

8. Notwithstanding the assertion of any objections, any purportedly privileged DOCUMENTS containing non-privileged matter must be disclosed, with the purportedly privileged portion redacted. A privilege log shall be produced with the DOCUMENT responsive to these requests listing the privilege which is being claimed and, if the privilege is governed by

1 state law, indicate the state's privilege rule being invoked; and provide the following  
2 information: (i) the type of DOCUMENT, e.g., letter or memorandum; (ii) the general subject  
3 matter of the DOCUMENT; (iii) the date of the DOCUMENT; and (iv) the author of the  
4 DOCUMENT, the addressees of the DOCUMENT, and any other recipients, and, where not  
5 apparent, the relationship of the author, addressees, and recipients to each other.

6 9. In the event that any DOCUMENT called for by these Requests has been  
7 destroyed or discarded, that DOCUMENT is to be identified by stating:

- 8 (i) the date and type of the DOCUMENT, the author(s) and all recipients;
- 9 (ii) the DOCUMENT'S date, subject matter, number of pages, and  
10 attachments or appendices;
- 11 (iii) the date of destruction or discard, manner of destruction or discard, and  
12 reason for destruction or discard;
- 13 (iv) the persons who were authorized to carry out such destruction or discard;
- 14 (v) the persons who have knowledge of the content, origins, distribution and  
15 destruction of the DOCUMENT; and
- 16 (vi) whether any copies of the DOCUMENT exist and, if so, the name of the  
17 custodian of each copy.

18 10. Whenever necessary to bring within the scope of these Requests any information  
19 that otherwise might be construed to be outside the scope, the present tense shall include the past  
20 tense and future tense, the past tense shall include the present tense and future tense, and the  
21 future tense shall include the past tense and present tense.

22 11. Electronically stored information shall be produced in the form in which it is  
23 stored, with all metadata intact.

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**REQUESTS TO PRODUCE**

**REQUEST FOR PRODUCTION NO. 1:**

All DOCUMENTS RELATING TO any alleged breach of fiduciary duty by any DIRECTOR that YOU contend is a basis for YOUR MOTION FOR PRELIMINARY INJUNCTION.

**REQUEST FOR PRODUCTION NO. 2:**

All DOCUMENTS YOU intend to rely on in support of YOUR MOTION FOR PRELIMINARY INJUNCTION.

**REQUEST FOR PRODUCTION NO. 3:**

All DOCUMENTS that support YOUR contention that there is an emergency or exigency that requires a preliminary injunction to issue in this action.

**REQUEST FOR PRODUCTION NO. 4:**

All DOCUMENTS RELATING TO YOUR accomplishments or performance as CEO of READING.

**REQUEST FOR PRODUCTION NO. 5:**

All DOCUMENTS RELATING TO YOUR accomplishments or performance as President of READING.

**REQUEST FOR PRODUCTION NO. 6:**

All DOCUMENTS RELATING TO any business plan, including drafts thereof, prepared by YOU as CEO of READING.

**REQUEST FOR PRODUCTION NO. 7:**

All DOCUMENTS RELATING TO any business plan, including drafts thereof, prepared by YOU as President of READING.

**REQUEST FOR PRODUCTION NO. 8:**

All DOCUMENTS RELATING TO YOUR termination as President and CEO of  
READING.

**REQUEST FOR PRODUCTION NO. 9:**

All DOCUMENTS RELATING TO the alleged “withholding and manipulating draft  
minutes,” “delay [in] the delivery of draft minutes of RDI Board of Directors meetings,”  
“caus[ing] minutes to be edited or revised to suit the litigation purposes of [defendants],” or  
“failing to timely distribute drafts of prior RDI board of directors meeting minutes” referred to in  
YOUR MOTION FOR PRELIMINARY INJUNCTION.

**REQUEST FOR PRODUCTION NO. 10:**

All DOCUMENTS RELATING TO the alleged “withholding and manipulating draft  
board agendas,” “caus[ing] the failure or untimely delivery or agendas and materials to be use  
[sic] at RDI Board of Directors meetings,” or “failing to provide board packages sufficiently in  
advance of board meetings such that board betters were, to the knowledge of JJC, Story, and  
Gould, impromptu actions” referred to in YOUR MOTION FOR PRELIMINARY  
INJUNCTION.

**REQUEST FOR PRODUCTION NO. 11:**

All DOCUMENTS RELATING TO READING’S search for a Chief Executive Officer  
since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 12:**

All DOCUMENTS RELATING TO READING’S search for an executive to advise  
READING regarding its New York real estate holdings since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 13:**

All DOCUMENTS created since January 1, 2014, RELATING TO the Executive Committee of READING'S BOARD OF DIRECTORS, including YOUR participation on that committee.

**REQUEST FOR PRODUCTION NO. 14:**

All DOCUMENTS created since January 1, 2014, RELATING TO transactions entered into by READING involving the expenditure of \$1 million or more made without approval of the BOARD OF DIRECTORS or any committee thereof.

**REQUEST FOR PRODUCTION NO. 15:**

All DOCUMENTS RELATING TO any allegedly misleading public disclosure made by READING in 2015.

**REQUEST FOR PRODUCTION NO. 16:**

All DOCUMENTS RELATING TO any allegedly misleading Securities and Exchange Commission filing made by READING in 2015.

**REQUEST FOR PRODUCTION NO. 17:**

All DOCUMENTS RELATING TO any purported delay in holding READING'S 2015 annual shareholder's meeting.

**REQUEST FOR PRODUCTION NO. 18:**

All COMMUNICATIONS with any READING shareholder (including without limitation the T2 PLAINTIFFS) or anyone acting on any READING shareholder's behalf RELATING TO any alleged breach of fiduciary duty by any DIRECTOR, any lawsuit against READING, any proposed change of control of READING, or YOUR termination as President and CEO of Reading.

**REQUEST FOR PRODUCTION NO. 19:**

All DOCUMENTS relating to any contemplated or actual purchase or sale by any person or entity of READING shares since January 1, 2014.

**REQUEST FOR PRODUCTION NO. 20:**

All DOCUMENTS RELATING TO any injury allegedly suffered by READING'S shareholders as a result of any breach of fiduciary duty by any DIRECTOR that is alleged in YOUR MOTION FOR PRELIMINARY INJUNCTION.

**REQUEST FOR PRODUCTION NO. 21:**

All DOCUMENTS created in or after June 2014 RELATING TO any litigation—including the settlement or resolution thereof—between YOU, on the one hand, and Ellen and/or Margaret Cotter, on the other hand (excluding pleadings).

**REQUEST FOR PRODUCTION NO. 22:**

All DOCUMENTS created in or after June 2014 RELATING TO control of READING Class B stock.

DATED this 26<sup>th</sup> day of August, 2015.

COHEN-JOHNSON, LLC

By: /s/ H. Stan Johnson  
H. Stan Johnson, Esq.

Christopher Tayback  
Marshall M. Searcy  
QUINN EMANUEL  
URQUHART & SULLIVAN,  
LLP

Attorneys for Defendants  
Margaret Cotter, Ellen Cotter,  
Douglas McEachern, Guy Adams,  
and Edward Kane

**CERTIFICATE OF SERVICE**

I hereby certify that on the 26<sup>th</sup> day of August, 2015, I served a copy of the foregoing  
**MARGARET COTTER, ELLEN COTTER, GUY ADAMS, EDWARD KANE, AND**  
**DOUGLAS MCEACHERN'S FIRST SET OF REQUESTS FOR PRODUCTION TO**  
**JAMES J. COTTER, JR.** upon each of the parties via Odyssey E-Filing System pursuant to  
NRCp 5(b)(2)(D) and EDCR 8.05 to:

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/s/ C.J. Barnabi

An employee of Cohen-Johnson, LLC

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**EXHIBIT B**

## Noah Helpern

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**From:** Noah Helpern  
**Sent:** Monday, January 25, 2016 9:32 AM  
**To:** 'Krum, Mark'; Marshall Searcy  
**Cc:** Alexander Robertson <arobertson@arobertsonlaw.com>  
(arobertson@arobertsonlaw.com); Hudgens, Marla; 'Bonita D. Moore'  
**Subject:** RE: RDI

Mark:

We agree that this document is responsive. However, our position is that the entire exchange is protected by the attorney-client privilege and attorney work product protection.

Without waiving any applicable privilege, and though under no duty to do so, I am happy to provide some general context for this email chain. The first email in the chain—fully redacted in Mr. Gould's production—is from Neal Brockmeyer (counsel for the non-Cotter directors) to his clients after having a conversation with you about issues relating to James Cotter, Jr.'s termination. The subsequent emails in the chain reflect jointly represented parties discussing among themselves the implications of their attorney's advice after threatened litigation. We do not believe that any portion of this email chain should have been produced by Mr. Gould; it is entirely privileged, and we will discuss clawback with counsel for Mr. Gould.

We logged this email chain as entry 406 on Mr. Adams' privilege log.

I hope this clarifies any confusion. I note that we still have not received any privilege log for documents withheld by your client. Please let me know when we can expect one.

Best,

Noah Helpern  
Quinn Emanuel Urquhart & Sullivan, LLP  
(213) 443-3653 / [noahhelpern@quinnemanuel.com](mailto:noahhelpern@quinnemanuel.com)

---

**From:** Krum, Mark [mailto:MKrum@lrrc.com]  
**Sent:** Friday, January 22, 2016 12:10 PM  
**To:** Marshall Searcy <marshallsearcy@quinnemanuel.com>; Noah Helpern <noahhelpern@quinnemanuel.com>  
**Cc:** Krum, Mark <MKrum@lrrc.com>; Alexander Robertson <arobertson@arobertsonlaw.com>  
(arobertson@arobertsonlaw.com) <arobertson@arobertsonlaw.com>; Hudgens, Marla <MHudgens@lrrc.com>  
**Subject:** RDI

Marshall and Noah,

Attached is a May 28, 2015 email exchange to which three of your clients, Ed Kane, Guy Adams and Doug McEachern, among others, are party. In fact, Mr. Kane is the author of one of the emails. Although largely redacted, the unredacted text of Mr. Kane's email concerns the possible termination of James J. Cotter Jr. as CEO of Reading International, Inc., as well as the possible appointment of Mr. Adams as interim CEO following termination of Mr. Cotter as CEO.

This is exactly the kind of document that was to have been produced during the expedited document discovery phase. As best we can tell, none of your clients produced this document and none listed on their respective privilege log. That prompts several questions, three of which we request that you address forthwith.

First, kindly explain why this document was neither produced nor listed on a privilege log by each of Messrs. Kane, Adams and McEachern.

Second, independent of the response to the first question, kindly confirm that the document will be included in the next production by each of Messrs. Kane, Adams and McEachern. The foregoing does not speak to the issue of redactions.

Third, please advise what steps of been taken to ascertain whether any or all of your clients disposed of or destroyed hard copy and/or electronic documents that would or might be subject to production or being listed on privilege log in this case, including whether any of them, and Mr. Kane in particular, disposed of or destroyed emails.

Mark

Mark G. Krum  
Partner  
702.949.8217 office

702.216.6234 fax  
[mkrum@lrrc.com](mailto:mkrum@lrrc.com)

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**Lewis Roca**  
**ROTHGERBER CHRISTIE**

Lewis Roca Rothgerber Christie LLP  
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Las Vegas, Nevada 89169  
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**EXHIBIT C**

## Noah Helpern

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**From:** Noah Helpern  
**Sent:** Sunday, February 07, 2016 1:07 PM  
**To:** 'Krum, Mark'; Marshall Searcy  
**Cc:** Hudgens, Marla  
**Subject:** RE: RDI

Mark:

We can agree to this second extension. However, we do need to know where we stand on other outstanding discovery items. In particular, when can we expect a privilege log regarding documents withheld by Plaintiff in connection with the First Set of Requests for Production? And when can we expect document production to begin in response to the Second Set of Requests for Production?

Thanks,

Noah

---

**From:** Krum, Mark [mailto:MKrum@lrrc.com]  
**Sent:** Friday, February 05, 2016 11:32 AM  
**To:** Marshall Searcy <marshallsearcy@quinnemanuel.com>; Noah Helpern <noahhelpern@quinnemanuel.com>  
**Cc:** Hudgens, Marla <MHudgens@lrrc.com>  
**Subject:** RE: RDI

I regret to report that we will need more time on this. Given my travel and work schedule next week, we probably will need until two weeks from today for Ellen's. I therefore suggest next Wednesday for Margaret's and two weeks hence for Ellen's.

Let me know if that is acceptable. Thanks.

Mark

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**From:** Krum, Mark  
**Sent:** Wednesday, January 27, 2016 6:24 PM  
**To:** 'Marshall Searcy'; Noah Helpern  
**Cc:** Hudgens, Marla  
**Subject:** RE: RDI

Thanks, Marshall. I appreciate the courtesy.

---

**From:** Marshall Searcy [mailto:marshallsearcy@quinnemanuel.com]  
**Sent:** Wednesday, January 27, 2016 6:19 PM  
**To:** Krum, Mark; Noah Helpern  
**Cc:** Hudgens, Marla  
**Subject:** RE: RDI

Mark, that's fine.

**From:** Krum, Mark [<mailto:MKrum@lrrc.com>]

**Sent:** Wednesday, January 27, 2016 3:16 PM

**To:** Marshall Searcy <[marshallsearcy@quinnemanuel.com](mailto:marshallsearcy@quinnemanuel.com)>; Noah Helpern <[noahhelpern@quinnemanuel.com](mailto:noahhelpern@quinnemanuel.com)>

**Cc:** Hudgens, Marla <[MHudgens@lrrc.com](mailto:MHudgens@lrrc.com)>

**Subject:** RDI

Marshall and Noah,

By our calculation, we owe you interrogatory response next Monday. Independent of the number and scope of the interrogatories, the intervening holidays and my near term travel schedule, which has me travelling pretty much all day Friday, Monday and either Wednesday or Thursday, dictate that we obtain more time. Would you please be so kind as to agree that we may timely provide those responses on or before February 10, which is an extra ten calendar days?

Mark

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Partner  
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702.216.6234 fax  
[mkrum@lrrc.com](mailto:mkrum@lrrc.com)

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