

SEP 17 2020

JEFFREY P. COLWELL
CLERK

FOR THE DISTRICT OF COLORADO

Disciplinary Action No. 14-DP-27

COMMITTEE ON CONDUCT,

v. Complainant,

ROBERT CHRISTOPHER READE,

Respondent.

ORDER GRANTING CONDITIONAL ADMISSION OF MISCONDUCT
IN EXCHANGE FOR AGREED FORM OF DISCIPLINE

Before the Disciplinary Panel of the Court are the Committee on Conduct's Response Brief in Support of Recommended Discipline and Respondent Robert Christopher Reade's Reply in support of Response Brief and Requested Discipline Pursuant to D.C.COLO.LAttyR 7(c) and D.C.COLO.LAttyR 7(g).

On September 16, 2014, the Colorado Supreme Court entered an Order of Suspension, immediately suspending Respondent from the practice of law in Colorado. Upon receipt of notice by the Colorado Supreme Court, the Clerk of the District Court, pursuant to D.C.COLO.LAttyR 3(c), downgraded Mr. Reade's bar status to "not in good standing." The Clerk also notified Mr. Reade by letter of his obligation to self-report not only his suspension under D.C.COLO.LAttyR 4(a)(2), but also any criminal conviction under D.C.COLO.LAttyR 4(a)(5) that may have led to the suspension by the Colorado Supreme Court.

On October 10, 2014, Mr. Reade notified the District Court that he had pled guilty in the United States District Court for the District of Nevada to one count of accessory after the fact to

laundering monetary instruments, a felony in violation of 18 U.S.C. § 3. The Committee on Conduct, consequently, opened an investigation to determine if formal charges were appropriate under D.C.COLO.LAttyR 8(e). Given the serious nature of the crime, the subcommittee conducting the investigation determined that charges were warranted and recommended to the full Committee that formal charges be filed with the Disciplinary Panel, with a recommendation of disbarment. The Committee voted unanimously to approve the filing of charges pursuant to D.C.COLO.LAttyR 7(e)(3), and on May 15, 2015, the Disciplinary Panel ordered the Clerk of Court to file the charges tendered by the Committee and to effect service on Respondent.

On July 28, 2015, Mr. Reade filed his answer to the charges and proposed pursuant to D.C.COLO.LAttyR 7(g) a suspension coterminous with the two-year suspension levied by the Hearing Panel of the Southern Nevada Disciplinary Board for the State Bar of Nevada. Before the Committee could offer a recommendation to the Disciplinary Panel regarding the requested conditional admission of misconduct, the Nevada Supreme Court rejected the decision of the Hearing Panel and set for hearing the matter of the discipline to be imposed. On February 17, 2017, the Committee filed a recommendation urging the Disciplinary Panel to reject the conditional admission of misconduct proffered by Respondent and to stay all proceedings pending a final determination by the Nevada Supreme Court. On February 28, 2017, the Disciplinary Panel accepted the Committee's recommendation. On November 16, 2017, the Nevada Supreme Court imposed a suspension of four years, to run retroactively from June 25, 2014. On March 5, 2018, the Nevada Supreme Court denied a petition by Mr. Reade for a rehearing.

On July 13, 2018, the Committee moved to lift the stay and proceed with the prosecution of charges against Mr. Reade. The Disciplinary Panel lifted the stay on July 24, 2018, prompting

Respondent to offer a second conditional admission of misconduct under D.C.COLO.LAttyR 7(g) in exchange for a proposed suspension of four years, retroactive to June 25, 2014. The Committee again objected to the conditional admission; the Disciplinary Panel denied the conditional admission on July 2, 2019. The Panel rejected Mr. Reade's conditional admission of misconduct because of the serious nature of the crime and the fact that the retroactive application of the suspension would result in a suspension that already would have been served. The Disciplinary Panel noted, however, that no court at the federal or state level had imposed as severe a sanction of disbarment on Mr. Reade. The Panel also set a briefing schedule for the Respondent and the Committee.

Mr. Reade failed to respond to the Disciplinary Panel's briefing schedule deadline until contacted by the Clerk, whereupon he promptly filed on October 3, 2019, a motion for enlargement of time to respond and additionally filed a third conditional admission of misconduct, offering to serve a five-year suspension, retroactive to September 16, 2014, in exchange for an admission to the charges. Acting without the Committee's recommendation, on December 20, 2019, the Disciplinary Panel rejected Mr. Reade's conditional admission of misconduct and again noted that the retroactive application of the suspension would expire under its own terms. The Motion for Enlargement of Time was granted, and Respondent's brief and mitigation evidence were placed in the record.

On May 3, 2020, the Committee filed its Response Brief in support of the recommended discipline to be imposed on Respondent. Although the Committee initially had sought disbarment as the appropriate discipline, after a review of Colorado Supreme Court rulings, the Committee ultimately and unanimously concluded that a suspension of three years, effective as of the date of the Disciplinary Panel's order, would be an appropriate sanction to recommend to

the Disciplinary Panel. On May 8, 2020, Respondent filed his reply in support of the Committee's recommendation, declaring he was amenable to the terms of the suspension recommended by the Committee in exchange for his conditional admission of misconduct under D.C.COLO.LAttyR 7(g).

The misconduct at issue here involved serious criminal conduct on the part of Mr. Reade. Respondent does not dispute the underlying facts or his criminal conduct. Beginning in February 2007, Mr. Reade represented clients Richard Young and Global One in litigation and transactional matters. Respondent created a holding corporation used to conceal the source and ownership of fraudulent proceeds obtained from members of Global One. The holding corporation listed Mr. Reade as the director, secretary, and president. Richard Young transferred millions of dollars of fraudulently obtained proceeds to the holding corporation's bank account to purchase a FOREX brokerage business, while also concealing the source of payment. Global One then paid Mr. Reade \$75,000 for his legal services.

The National Futures Association, a self-regulatory entity mandated by federal statute, regulates trading practices on the FOREX exchange. When NFA investigators interviewed Respondent about Young and Global One's actions, Mr. Reade falsely stated he was unaware who owned Global One, falsely stated that Global One's assets were not used to purchase FOREX brokerage, and falsely stated he was unaware of how Global One raised money. Mr. Reade knew that his false representations would hinder the NFA's investigation, and he intended that his false representations would prevent his client from being prosecuted for money laundering. Mr. Reade ultimately pleaded guilty to one count of accessory after the fact, under 18 U.S.C. § 3.

This Court has adopted the Colorado Rules of Professional Conduct as stated in

D.C.COLO.LAttyR 2(a). Mr. Reade violated, by clear and convincing evidence, Colorado Rules of Professional Conduct 8.4(b) (committing a criminal act that reflects adversely on the lawyer's honesty, trustworthiness, or fitness as a lawyer) by pleading guilty to an accessory after the fact, a federal felony, and 8.4(c) (engaging in conduct involving dishonesty, fraud, deceit or misrepresentation), by knowingly making false statements to NFA investigators and hindering the NFA investigation.

The only issue before the Disciplinary Panel is the appropriate discipline to be imposed for Mr. Reade's conviction of a serious crime and his dishonest conduct. The American Bar Association, Standards for Imposing Lawyer Sanctions serves as guide in determining the appropriate level of discipline. ABA Standard 5.11 states as follows:

Disbarment is generally appropriate when:

- (a) a lawyer engages in serious criminal conduct a necessary element of which include intentional interference with the administration of justice, false swearing, misrepresentation, fraud, extortion, misappropriation, or theft . . . or
- (b) a lawyer engages in any other intentional conduct involving dishonesty, fraud, deceit, or misrepresentation that seriously adversely reflects on the lawyer's fitness to practice.

Mr. Reade's serious criminal conduct falls within both clauses of ABA Standard 5.11.

His mental state was intentional: he intentionally interfered with the NFA investigation to hinder the investigation and prevent his client from being convicted of money laundering. Respondent was clearly acting in an intentionally dishonest manner in making his misrepresentations to the investigators.

The ABA Standards also permit consideration of aggravating and mitigating circumstances in determining what level of discipline should be imposed. See ABA Standards 9.0, et seq. Mr. Reade admits that aggravating factors include his substantial experience in the

practice of law and illegal conduct. His dishonest motive is a further aggravating factor here. Respondent ultimately received \$75,000 for assisting his client in setting up a shell corporation for the purpose of engaging in fraudulent activity.

The Disciplinary Panel has also reviewed Mr. Reade's brief detailing those factors that he believes serve as mitigating circumstances. The most salient are the absence of any prior disciplinary record and his exemplary cooperation throughout these proceedings and in his other multi-court disciplinary proceedings. The Nevada Supreme Court noted with praise his unique, proactive approach of placing himself on inactive status in Nevada and all other jurisdictions, even before he was charged with the crime for which he was ultimately imprisoned. The Panel also notes that Mr. Reade volunteered over a thousand hours of pro bono legal services as a paralegal during the pendency of his criminal and disciplinary proceedings and prior to his fall from grace was honored with being named as Pro Bono Lawyer of the Decade in Southern Nevada.

Although not controlling precedent, the Disciplinary Panel also looks to Colorado case law for persuasive authority. The case of *People v. Preblud*, 764 P.2d 822 (Colo. 1988), relied upon by the Committee in its response and recommendation, is nearly on point. In *Preblud*, the Colorado Supreme Court determined the appropriate discipline to impose for professional misconduct similar to the conduct in this case to be a three-year suspension. *Preblud* 764 P.2d at 824-27. Like the case now before the Panel, *Preblud* involved an attorney who pleaded guilty to a serious crime (a securities fraud felony), served over a year in federal prison, sought to ameliorate any harm done by fully cooperating with authorities, and expressed deep remorse as testified amply by those who prosecuted him. *Id.* Although the ABA standards would support disbarment in the circumstances of *Preblud*, as it would admittedly in this case, the Supreme

Court determined, with one dissenting voice, that a three-year suspension was the appropriate disciplinary sanction to be imposed. *Id.*

Guided by persuasive Colorado case law, the Committee's unanimous recommendation, the mitigation evidence presented, and the fact that no other disciplinary body has imposed disbarment as a disciplinary sanction, the Disciplinary Panel accepts the proposed discipline agreed to by Mr. Reade in exchange for his admission of misconduct under D.C.COLO.LAttyR 7(g).

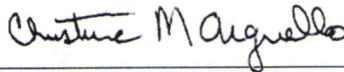
It is therefore ORDERED that Robert Christopher Reade is suspended from the practice of law before the United States District Court for the District of Colorado for a period of three years, the period of suspension to commence from the date of the filing of this order.

Dated at Denver, Colorado this 16 day of September, 2020.

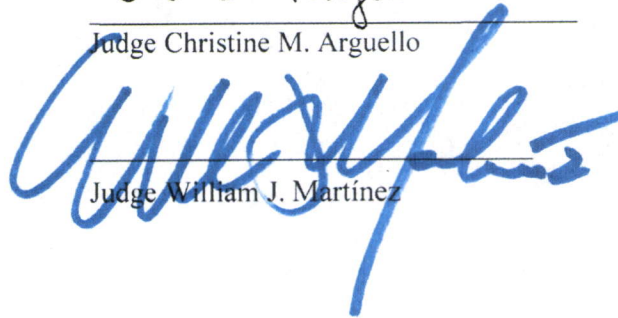
BY THE DISCIPLINARY PANEL OF THE COURT:



Chief Judge Philip A. Brimmer



Judge Christine M. Arguello



Judge William J. Martinez

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

COMMITTEE ON CONDUCT V. ROBERT CHRISTOPHER READE
Disciplinary Action Number 14-DP-27

**** CERTIFICATE OF SERVICE ****

A true and correct copy of the Order Granting Conditional Admission of Misconduct in Exchange for Agreed Form of Discipline dated September 16, 2020, was served by depositing the same in the U.S. Mail, postage prepaid, addressed to:

Robert Christopher Reade
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1333 North Buffalo Drive, Suite 210
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Jessica E. Yates
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Delivery by internal routing:

Betsy Shumaker, Clerk, Court of Appeals

Kenneth S. Gardner, Clerk, Bankruptcy Court

Delivered by email:

All members of the Committee on Conduct

DATED: September 17, 2020.

JEFFREY P COLWELL, CLERK

BY Mark J. Fredrickson
Deputy Clerk