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CERTIFICATE OF SERVICE BY MAIL

I certify that a true and correct copy of the foregoing **AMENDED NOTICE OF FORMAL HEARING** by placing said copy in a sealed and postage fully prepaid envelope for first-class mail, and deposited in the United States mail at Las Vegas, Nevada to:

R. Christopher Reade, Esq.
c/o Richard A. Wright, Esq.
WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

and via email to:

1. Mark B. Bailus, Esq. (Panel Chair): mbailus@bckltd.com; sfagin@bckltd.com;
2. Jason R. Maier, Esq. (Panel Member): jrm@mgalaw.com;
3. William M. Holland (Lay Member): Wholland2@aol.com;
4. Richard A. Wright, Esq. (Counsel for Respondent): wsw@wswlawlv.com;
5. David W. Mincavage, Esq. (Assistant Counsel): davidm@nvbar.org;

DATED THIS 30th of June, 2016.

By: 

Tiffany Bradley, an employee of
the Office of Bar Counsel

Case Nos.: CR14-0087



FILED

JUN - 7 2016

STATE BAR OF NEVADA
BY: [Signature]
OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA
SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

vs.

CHRISTOPHER READE, ESQ.,
NV BAR No. 6791

Respondent.

AD HOC ORDER

IT IS HEREBY ORDERED that the following member of the Southern Nevada Disciplinary Board, WILLIAM HOLLAND has been released as a panel member, and will be replaced by panel member RANDALL SCOTT. The hearing will be convened on the 23rd day of June, 2016 at 9:30 A.M. at the offices of the State Bar of Nevada, 3100 West Charleston Boulevard, Suite 100, Las Vegas, NV 89102.

DATED this 6th day of June, 2016.

STATE BAR OF NEVADA

By: [Signature]

Luke Puschnig, Esq.
Nevada Bar No. 3792
Chair of Southern Nevada Disciplinary Board

1 **CERTIFICATE OF SERVICE**

2 The undersigned hereby certifies that a true and correct copy of the foregoing **AD HOC**
3 **ORDER** was placed in a sealed envelope and sent by United States Mail in Las Vegas, Nevada,
4 postage fully prepaid thereon for first class regular mail addressed to:

5 R. Christopher Reade, Esq.
6 c/o Richard A. Wright, Esq.
7 WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

8 and via email to:

- 9 1. Mark B. Bailus, Esq. (Panel Chair): mbailus@bckltd.com; sfagin@bckltd.com;
10 2. Jason R. Maier, Esq. (Panel Member): jrm@mgalaw.com;
3. Randall L. Scott, CPA (Lay Member): randallscott29@gmail.com;
11 4. Richard A. Wright, Esq. (Respondent Counsel): wsu@wsulawlv.com;
5. David W. Mincavage, Esq. (Assistant Bar Counsel): davidm@nvbar.org;

12 DATED this 7th day of June, 2016.

13
14 By: 

15 Tiffany Bradley, an Employee
16 of the State Bar of Nevada
17
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Case No.: CR14-0087



FILED

AUG 05 2016

STATE BAR OF NEVADA

**BY: W. L. G. - L. L. L.
OFFICE OF BAR COUNSEL**

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

vs.

R. Christopher Reade,

Nevada Bar No. 6791

Respondent.

**FINDINGS OF FACT, CONCLUSIONS OF
LAW, and RECOMMENDATION**

TO: R. Christopher Reade
c/o Richard Wright, Esq.
Wright, Stanish & Winckler
300 S. Fourth St., Suite 701
Las Vegas, NV 89101

This matter came before a designated Formal Hearing Panel of the Southern Nevada Disciplinary Board (Panel) on Thursday, June 23, 2016, at 3:00 p.m. The Panel consisted of Mark B. Bailus, Esq., Chair; Jason Maier, Esq.; and Randall Scott, Lay member.

Assistant Bar Counsel David Mincavage, Esq., represented the State Bar of Nevada (State Bar). Respondent was present at the hearing, represented by Richard Wright Esq. of Wright, Stanish & Winckler.

The Panel admitted into evidence without objection State Bar's Exhibit 1 (hearing packet containing pages SB 1 through SB 67) *see transcript Pg. 8 ln. 14 – pg. 9 ln. 11*, Exhibit 2 (affidavit of Tiffany Bradley regarding Respondent's prior disciplinary history) *see transcript Pg. 9 ln. 20 – Pg. 10*

1 *ln. 2, and Exhibit 3 (Order Rejecting Conditional Guilty Plea and Remand for Further Proceedings)*
2 *see transcript Pg. 10 ln. 5- 10. The Panel, also, admitted into evidence without objection Respondents*
3 *Exhibit A (Defendant's Sentencing Memorandum) and Exhibit B (Respondent's Letters of Support)*
4 *see transcript Pg 10 ln.17 – Pg. 11 ln 9.*

5 Based upon the pleadings on file herein, the stipulated facts, and the evidence admitted during
6 the hearing, the Panel issues the following Findings of Fact, Conclusions of Law, and
7 Recommendation:

8 **FINDINGS OF FACT**

9 1. Respondent is licensed to practice law in the State of Nevada and his principal place of
10 business is located in Clark County, Nevada. *(See Exhibit 1 SBN Pg. 49 ln.19 - 20)*

11 2. By Supreme Court order pursuant to SCR 111, Respondent was suspended from the
12 practice of law on July 25, 2014, for a conviction, pursuant to a guilty plea, of one count of Accessory
13 After the Fact to Laundering of Monetary Instruments in violation of 18 U.S.C. Sec. 3. *(See SBN*
14 *Exhibit 1 Pg. 49 ln. 21 - 23)*

15 3. The State Bar filed a Formal Complaint on the above referenced case on September 22,
16 2014. The parties agreed to waive the filing of a Verified Answer. Respondent waived any and all
17 defects as to jurisdiction and process and consented for said matter to be adjudicated by the hearing
18 panel. *(See SBN Exhibit 1 Pg. 50 ln. 1 - 4)*

19 4. On January 22, 2014, a Criminal Information was filed in United States District Court
20 District of Nevada charging Respondent with Accessory After the Fact to Laundering of Monetary
21 Instruments, in violation of Title 18, United States Code, Section 3. *(See SBN Exhibit 1 Pg. 50 ln. 5 - 7)*

22 5. Also on January 22, 2014, a Plea Agreement was filed (the "Plea Agreement"). *(See*
23 *SBN Exhibit 1 Pg. 50 ln. 8)*

1 6. Respondent pled guilty to one count of Accessory After the Fact to Laundering of
2 Monetary Instruments in violation of 18 U.S.C. § 3 and agreed not to withdraw his guilty plea after he
3 entered it in court. *(See SBN Exhibit 1 Pg. 50 ln. 9 - 11)*

4 7. The elements of the offense of 18 U.S.C. § 3 (Accessory After the Fact to the
5 Laundering of Monetary Instruments) are:

6 a. From on or about February 15, 2007, continuing on or about August 21, 2007,
7 the crime of laundering monetary instruments in violation of Title 18, United States Code, Section
8 1956(a)(1)(B)(i) had been committed by Richard Young and others.

9 b. Respondent knew that this crime had been committed, and that Young and others
10 had committed it.

11 c. Respondent thereafter intentionally received, relieved, comforted, or assisted
12 Young in order to hinder and prevent his punishment for the crimes of laundering monetary
13 instruments. *(See SBN Exhibit 1 Pg. 50 ln. 12 - 21)*

14 8. The elements of the underlying offense of Laundering Monetary Instruments, in
15 violation of 18 U.S.C. § 1956(a)(1)(B)(i) for the principal Young, are as follows:

16 a. Young conducted or intended to conduct a financial transaction involving
17 property that represented the proceeds of a specified unlawful activity;

18 b. Young knew that the property represented the proceeds of the specified
19 unlawful activity;

20 c. Young knew that the transaction was designed in whole or in part to conceal or
21 disguise the nature, location, ownership, and control of the proceeds of the specified unlawful activity;
22 and

23 d. Young did something that was a substantial step toward committing the crime.
24 *(See SBN Exhibit 1 Pg. 50 ln. 22 – Pg. 51 ln. 7)*

25 9. Respondent admitted the following was true in the Plea Agreement:

1 a. Respondent was a licensed attorney in the State of Nevada, practicing law in Las
2 Vegas, Nevada. *(See SBN Exhibit 1 Pg. 51 ln. 8 - 10)*

3 b. Young owned and operated a Nevada corporation known as Global One Group,
4 LLC (Global One), a web-based company which purported to train others how to trade in the FOREX.
5 *(See SBN Exhibit 1 Pg. 51 ln. 11 - 13)*

6 c. FOREX was a term colloquially associated with the market generated by trades
7 in foreign currency future contracts. Currency future contracts were generally traded through Futures
8 Commissions Merchants (FCMs), also referred to as FOREX brokers or FOREX dealers. *(See SBN*
9 *Exhibit 1 Pg. 51 ln. 14 - 17)*

10 d. As founder and CEO of Global One, Young advertised to the general public that
11 he was an experienced and highly successful trader in the FOREX market and would teach others his
12 strategies and techniques. For a small fee, Young offered "memberships" in Global One where
13 members could access Young's web-based live training seminars, where he claimed he had developed
14 an automated trading program that traded according to his strategies simply by "flipping a switch."
15 *(See SBN Exhibit 1 Pg. 51 ln. 18 - 23)*

16 e. As Global One grew, Young constructed a scheme and artifice to defraud its
17 members of their money and property by falsely representing that in return for "loans" made to Global
18 One, members could be paid high yield returns generated from profits derived from the trades in his
19 automated program. Young concealed from members that the automated program did not exist as
20 represented, that payments of member loans were made from the proceeds of later in time loans from
21 other members and not from profits generating from Global One and the proceeds from member loans
22 were diverted to Young's personal use and interests away from Global One. *(See SBN Exhibit 1 Pg. 51*
ln. 24 - Pg. 52 ln.5)

23 f. From 2006 to 2008, Young derived approximately \$16 million in proceeds from
24 his fraudulent scheme. *(See SBN Exhibit 1 Pg. 52 ln. 6 - 7)*

1 g. Beginning in February 2007, Respondent represented Global One and Young in
2 connection with transactions and litigation arising from Global One's business activities. (See SBN
3 Exhibit 1 Pg. 52 ln. 8 - 9)

4 h. In March 2007, Young intended to purchase a FOREX broker, named Trend
5 Commodities (Trend), using proceeds from the loans from Global One members. The purchase of
6 Trend would allow Young to become a broker/dealer in currency futures contracts. (See SBN Exhibit 1
7 Pg. 52 ln. 10 - 12)

8 i. To disguise the source, ownership and control of Global One's "loan" proceeds
9 to be used to purchase Trend, Young authorized Respondent to create a holding corporation called
10 Way FX Corp., listing Respondent as its Director, Secretary and President. Thereafter, in or about
11 April 2007, Young directed the transfer of approximately \$2,250,000 from Global One accounts to an
12 account held by Way FX and controlled by Respondent for purchase and capitalization of Trend.
13 These transactions constituted the unlawful laundering of monetary instruments by Young, in violation
14 of 18 U.S.C. § 1956(a)(1)(B)(i). (See SBN Exhibit 1 Pg. 52 ln. 13 - 19)

15 j. The National Futures Associations (NFA) is an independent regulatory agency
16 designed by federal regulations to regulate the practice of its FOREX brokers/dealers and enforce rules
17 and regulations designed to protect the public from fraud and deceitful and deceptive trading practices
18 in FOREX. (See SBN Exhibit 1 Pg. 52 ln. 20 - 23)

19 k. NFA is required to review and approve the purchase of any FOREX broker in
20 the United States. As part of the process, prospective purchasers must undergo a background check
21 and demonstrate that any funds used to purchase and capitalize the broker are neither encumbered nor
22 derived from fraud. (See SBN Exhibit 1 Pg. 53 ln. 1 - 4)

23 l. From on or about May 2007 to August 2007, and in the course of its review and
24 audit of the Trend purchase, NFA regulators conducted interviews of, and meetings with, Respondent
25 where he was asked if Global One was involved in the purchase of Trend and if the funds for the

1 capitalization of Trend were in anyway encumbered. Respondent responded falsely that a) he was
2 unaware who owned Global One; b) Global One's assets were not used to purchase Trend; c) he was
3 unaware of how Global One raised money; and d) the funds in the Way FX accounts came from his
4 personal contributions and assets. *(See SBN Exhibit 1 Pg. 53 ln. 5 - 11)*

5 m. Respondent knew that his representations were false and that Young had
6 committed the offense of money laundering by Young directing the transfer of money to Way FX
7 accounts for the Trend purchase. Respondent knew that, by his misrepresentations to the NFA, he
8 assisted Young in order to hinder the NFA's investigation of Young in connection with Trend
9 transaction and prevent the punishment of Young for crime of money laundering. *(See SBN Exhibit 1*
10 *Pg. 53 ln. 12 - 16)*

11 n. On August 21, 2007, by check issued to Reade & Associates, Respondent
12 received \$75,000 from Global One's merchant account for his firm's services, including expenses,
13 relating to Way FX and the purchase of Trend. *(See SBN Exhibit 1 Pg. 53 ln. 17 - 19)*

14 10. Respondent received \$75,000 from Global One on August 21, 2007, for his legal
15 services, including expenses relating to Way FX and the purchase of Trend Commodities. Respondent
16 agreed to forfeit said sum to the Internal Revenue Service. *(See SBN Exhibit 1 Pg. 53 ln. 20 - 22)*

17 11. Restitution in the criminal case was not requested by the government or imposed by the
18 sentencing judge in that Respondent had not been a party to or participate in the fraud perpetrated by
19 Young. *(See SBN Exhibit 1 Pg. 53 ln.23 - 25)*

20 12. Respondent was sentenced on July 15, 2014. The government requested a sentence of
21 eighteen months. The Judge downgraded the recommended sentence and imposed a term of twelve
22 months and one day. Respondent was assessed criminal monetary penalties in the amount of \$40,000.
23 The amount was paid immediately by Respondent. *(See SBN Exhibit 1 Pg. 54 ln. 1 - 4)*

24 13. Prior to the entry of a plea, on or about January 13, 2014, Respondent met with Bar
25 Counsel to discuss the anticipated plea agreement. Discussions were held regarding the procedure of

1 13. Prior to the entry of a plea, on or about January 13, 2014, Respondent met with Bar
2 Counsel to discuss the anticipated plea agreement. Discussions were held regarding the procedure
3 of selling Respondent's law office and his efforts to protect his clients and staff. *(See SBN Exhibit 1*
4 *Pg. 54 In. 5 - 7)*

5 14. Respondent complied with the procedure and all requests of Bar Counsel in selling his
6 law office and finding substitute counsel for his clients. He voluntarily went on inactive status on
7 January 16, 2014. *(See SBN Exhibit 1 Pg. 54 In. 8 -10)*

8 15. On or about May 27, 2014, the State Bar and Respondent filed with the Supreme
9 Court a Joint Petition for a temporary suspension pursuant to SCR 111. The temporary suspension
10 was ordered by the Supreme Court on June 25, 2014. *(See SBN Exhibit 1 Pg. 1)*

11 16. The following matters are to be considered in aggravation:

- 12 • substantial experience in the practice of law (SCR 102.5(1)(i)); and
- 13 • illegal conduct (SCR 102.5(1)(k))
 (transcript Pg.91 In. 16 – 20)

14 17. The following matters are to be considered in mitigation:

- 15 • Respondent has an absence of dishonest or selfish motive (SCR 102.5(2)(b))
- 16 • timely good faith effort to rectify consequences of misconduct (SCR 102.5(2)(d))
- 17 • full and free disclosure to disciplinary authority and cooperative attitude toward proceeding
 (SCR 102.5(2)(e))
- 18 • Character and reputation (SCR 102.5(2)(g))
- 19 • Imposition of other penalties or sanctions (SCR 102.5(2)(l); and
- 20 • Remorse (SCR 102.5(2)(m))
- Community service, especially related to pro bono projects
- Lack of identified victim in the Federal Plea Agreement
- No prior disciplinary action
 (transcript Pg.91 In.21 – Pg. 92 In 11)

21 18. Pursuant to the entry of a conditional guilty plea dated October 20, 2014, a panel
22 accepted the terms of the agreement and recommended a suspension for two years retroactive to
23 January 16, 2014, the date Respondent voluntarily transferred to inactive status. *(See SBN Exhibit*
24 *1 Pg. 55 In. 1 - 3)*

1 CONCLUSIONS OF LAW

2 (A) The Panel was duly designated by the Southern Nevada Disciplinary Board Chair to
3 adjudicate this matter.

4 (B) The Panel has jurisdiction over Respondent and the subject matter of these proceedings.
5 SCR 99.

6 (C) Venue is appropriately with the Southern Nevada Disciplinary Board and in the County
7 of Clark, Nevada. SCR 105.

8 Based upon the testimony adduced and evidence submitted during the Hearing, the Panel finds
9 that Respondent violated the Rules of Professional Conduct RPC 8.4(b) In that he did commit a
10 criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer in
11 other respects. (*See transcript Pg. 91 ln. 14 - 15*)

12 RECOMMENDATION

13 Based upon the pleadings and papers on file herein, the evidence admitted and the foregoing
14 Findings of Fact and Conclusions of Law, the Panel hereby recommends by a majority decision (2 to 1
15 vote) the following discipline:

16 1. **SUSPENSION:** The Panel recommends that Respondent be suspended
17 from the practice of law for a period of (30) thirty months retroactive to January 16, 2014, the date
18 Respondent voluntarily transferred to inactive status. (transcript Pg. 92 ln. 12 – 15). Respondent must
19 petition for reinstatement. (transcript Pg. 93 ln 2 – 5)

20 2. **FINE:** \$25,000.00 to be paid to the State Bar of Nevada Client Security
21 Fund. (transcript Pg. 93 ln. 6 – 8)

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1 3. **COSTS:** Respondent is assessed the costs of these proceedings,
2 excluding staff salaries, due within thirty (30) days of invoicing from the State Bar of Nevada.
3 (transcript Pg. 92 ln. 25 – Pg. 93 ln. 2)

4 DATED this 20 day of July 2016.

5
6 
7 _____
Mark B. Bailus Esq., Formal Hearing Panel Chair,
Southern Nevada Disciplinary Panel

8 Submitted by:

9 **STATE BAR OF NEVADA**
10 C. Stanley Hunterton, Bar Counsel

11 
12 _____
David W. Mineavage, Esq.
13 Assistant Bar Counsel
Nevada Bar No. 5067



FILED

AUG 05 2016

STATE BAR OF NEVADA
BY: *[Signature]*
OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,)
)
Complainant,)
)
vs.)
)
R. Christopher Reade,)
)
Nevada Bar No. 6791)
)
Respondent.)

STATE BAR OF NEVADA'S
MEMORANDUM OF COSTS

Description	Amount
Court Reporter Fee & Transcript Fee (Hearing held on June 23, 2016)	\$ 1,084.95
Court Reporter Fee Cancellation of February 18, 2016 Hearing	\$150.00
Total:	\$1,234.95

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1 State of Nevada)
2 County of Clark) §:

3 I, DAVID W. MINCAVAGE, do hereby swear under penalty of perjury:

4 1. I am Assistant Bar Counsel with the State Bar of Nevada. I have personal knowledge of
5 the above-referenced costs and disbursements expended.

6 2. The costs set forth above are true and correct to the best of my knowledge and belief and
7 were necessary and reasonably incurred and paid in connection with this matter.

8 True and correct copies of invoices supporting these costs are attached to this Memorandum of Costs.

9 3. As stated in the Findings of Fact, Conclusions of Law and Recommendation,
10 Respondent shall be ordered to pay the fees and costs of these proceedings within thirty (30) days of
11 receipt of the State Bar of Nevada's Memorandum of Costs in this matter pursuant to Supreme Court
12 Rule 120(1).

13 Dated this 5th day of August, 2016.

14 STATE BAR OF NEVADA
15 C. Stanley Hunterton, Bar Counsel

16 By: 

17 David W. Mincavage, Assistant Bar Counsel
18 3100 W. Charleston Boulevard, Ste. 100
19 Las Vegas, Nevada 89102
20 Attorney for State Bar of Nevada


21 Subscribed and sworn to before me
22 on this 5th day of August, 2016.

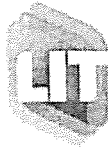
23 NOTARY PUBLIC
24 CLARK OF COUNTY
25 STATE OF NEVADA



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R. Christopher Reade
c/o Richard Wright, Esq.
Wright, Stanish & Winckler
300 S. Fourth St., Suite 701
Las Vegas, NV 89101

By: 
Tiffany Bradley, an employee of
the State Bar of Nevada



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Dave Mincavage, Esq.
State Bar of Nevada
3100 W. Charleston Blvd, Suite 100
Las Vegas, NV 89102

INVOICE

Invoice No.	Invoice Date	Job No.
1079114	7/12/2016	305834
Job Date	Case No.	
6/23/2016		
Case Name		
In Re: Christopher Reade 14-0087		
Payment Terms		
Due upon receipt		

Transcript of Proceedings

Hearing	120.00	Pages	@	7.75	930.00
Exhibit	228.00	Pages	@	0.30	68.40
Appearance Fee - Half Day				85.00	85.00
Exhibits (Color)				1.55	1.55

TOTAL DUE >>>

\$1,084.95

AFTER 8/11/2016 PAY

\$1,193.45

Please note, disputes or refunds will not be honored or issued after 30 days

STATE BAR OF NEVADA DEPT *Disc*
ACCT NAME(S) ACCT#(S) \$AMT(S)

6305
APPROVED *S. Young* TOTAL \$1084.95
Shelley Young

Tax ID: 27-5114755

Phone: 702-382-2200 Fax: 702-385-2878

Please detach bottom portion and return with payment.

Dave Mincavage, Esq.
State Bar of Nevada
3100 W. Charleston Blvd, Suite 100
Las Vegas, NV 89102

Job No. : 305834 BU ID : LV-CR
Case No. :
Case Name : In Re: Christopher Reade 14-0087

Invoice No. : 1079114 Invoice Date : 7/12/2016
Total Due : \$1,084.95
AFTER 8/11/2016 PAY \$1,193.45

Remit To: **Litigation Services and Technologies of
Nevada, LLC**
P.O. Box 98813
Las Vegas, NV 89193-8813

PAYMENT WITH CREDIT CARD



Cardholder's Name: _____
Card Number: _____
Exp. Date: _____ Phone#: _____
Billing Address: _____
Zip: _____ Card Security Code: _____
Amount to Charge: _____
Cardholder's Signature: _____

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STATE BAR OF NEVADA

Invoice No.	Invoice Date	Job No.
1052001	2/18/2016	289917
Job Date	Case No.	
2/18/2016	CR14-0087	
Case Name		
In Re: Christopher Reade		
Payment Terms		
Due upon receipt		

Shelley Young
State Bar of Nevada
3100 W. Charleston Blvd, Suite 100
Las Vegas, NV 89102

Cancelled/Scheduled Deposition Of:

Hearing**CANCELLED

Late Cancellation

150.00

150.00

TOTAL DUE >>>

\$150.00

AFTER 3/19/2016 PAY

\$165.00

Ordered By : Brian Kunzi, Esq.
State Bar of Nevada
3100 W. Charleston Blvd, Suite 100
Las Vegas, NV 89102

STATE BAR OF NEVADA	DEPT	Disc
ACCT NAME(S)	ACCT#(S)	\$AMT(S)
		6305
APPROVED	Young	TOTAL \$150.00

Shelley Young

Tax ID: 27-5114755

Please detach bottom portion and return with payment.

Shelley Young
State Bar of Nevada
3100 W. Charleston Blvd, Suite 100
Las Vegas, NV 89102

Invoice No. : 1052001
Invoice Date : 2/18/2016
Total Due : \$ 150.00
AFTER 3/19/2016 PAY \$165.00

Remit To: Litigation Services and Technologies of
Nevada, LLC
PO Box 843298
Los Angeles, CA 90084-3298

Job No. : 289917
BU ID : LV-CR
Case No. : CR14-0087
Case Name : In Re: Christopher Reade

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R. Christopher Reade
c/o Richard A. Wright, Esq.
Wright Stanish & Winckler
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101-6011

DATED this 8th

Tiffany Bradley, an employee of the State Bar of Nevada.

IN RE:)
DISCIPLINE OF)
R. CHRISTOPHER READE,)
NV BAR NO. 6791)

RECORD OF DISCIPLINARY PROCEEDINGS,
PLEADINGS AND TRANSCRIPT OF HEARING

R. Christopher Reade
c/o Richard A. Wright, Esq.
Nevada Bar No. 886
300 S. Fourth Street, Ste. 701
Las Vegas, NV 89101-6011
Counsel for Respondent

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN RE:
DISCIPLINE OF
R. CHRISTOPHER READE
NEVADA BAR NO. 6791

CASE SUMMARY FOR RECORD ON APPEAL

1. Summary of Nature of the Case.

On January 22, 2014 R. Christopher Reade ("Respondent") pled Guilty to one count of Accessory After the Fact to Money Laundering of Monetary Instruments in violation of 18 U.S.C. Section 3. On July 15, 2014, Respondent was sentenced to twelve (12) months and a day in prison. He was also placed on three (3) years of supervised release with special conditions and assessed criminal monetary penalties of \$40,000.

Respondent assisted a client in the violation of the federal money laundering statute. Respondent's felony conviction was directly related to his law practice. Respondent knowingly made false representations to the National Futures Associations (NFA) that hindered the NFA's investigation and assisted his client in an attempt to avoid punishment for the crime of money laundering.

A complaint regarding the allegations against Respondent was filed September 22, 2014. On October 20, 2014, a panel accepted a Conditional Guilty Plea wherein the terms of the agreement recommended a suspension of 2 years retroactive to January 16, 2014, the date Respondent voluntarily transferred to inactive status. By order dated October 9, 2015, the Supreme Court of Nevada rejected the recommended discipline.

The Court determined a suspension was warranted but concluded the length of the suspension was insufficient in relation to Respondent's conduct. This contested matter came before a Formal Hearing Panel on June 23, 2016.

2. Summary of the Recommended Discipline.

At the conclusion of the evidence, the Hearing Panel in a majority vote (2 to1) recommended as follows:

1. The Panel recommended that Reade be suspended from the practice of law for thirty (30) months retroactive to January 16, 2014, the date Respondent voluntarily transferred to inactive status.
2. Respondent is to be assessed the actual costs of the disciplinary proceedings excluding staff salaries.
3. Respondent is to pay a fine to the Client Security Fund at the State Bar of \$25,000.

DATED this 5th day of August, 2016.

STATE BAR OF NEVADA
C. STANLEY HUNTERTON, BAR COUNSEL

By:

~~David W. Mincavage, Assistant Bar Counsel
Nevada Bar No. 5067
3100 W. Charleston Blvd, Suite 100
Las Vegas, Nevada 89102
(702) 382-2200
Attorney for State Bar of Nevada~~

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Joint Petition for Temporary Suspension Filed May 27, 2014	ROA 001-035	I
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TRANSCRIPTS & EXHIBITS

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IN THE SUPREME COURT OF THE STATE OF NEVADA

In Re: Discipline of
R. CHRISTOPHER READE, ESQ.
Nevada Bar No. 6791

} Case No.

Electronically Filed
May 27 2014 11:35 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

VERIFIED JOINT PETITION FOR TEMPORARY SUSPENSION
PURSUANT TO SCR 111

In accordance with the requirements set forth in Supreme Court Rule (SCR) 111(4), the State Bar of Nevada, upon receiving the self-reporting of the conviction of attorney R. CHRISTOPHER READE (Respondent), Nevada Bar No. 6791, and obtaining a certified copy¹ of the same, the undersigned hereby files with this Court the Criminal Information and Plea Agreement filed in *United States of America v. R. Christopher Reade*, United States District Court, District of Nevada, Case No. 2:14-cr-00022-KJD-CWH-1, attached as **Exhibit 1, pp. 13-29.**

STATEMENT OF FACTS

1. Respondent was admitted to practice law in the State of Nevada in 1998 and is subject to the disciplinary jurisdiction of the State Bar of Nevada.

¹ To facilitate electronic filing, Exhibit 1 is true and correct page-numbered copy of the certified documents obtained from the United States District Court. The State Bar maintains the original documents for review or production as may be requested.

2. On January 22, 2014, a Criminal Information was filed in United States District Court District of Nevada charging Respondent with Assessory After the Fact to Laundering of Monetary Instruments, in violation of Title 18, United States Code, Section 3. See Ex. 1, pg. 13.

3. Also on January 22, 2014, a Plea Agreement was filed. See Ex. 1, pp. 14-29 (the "Plea Agreement").

4. Respondent pled guilty to one count of Assessory After the Fact to Laundering of Monetary Instruments in violation of 18 U.S.C. § 3 and agreed not to withdraw his guilty plea after he entered it in court. See, Ex. 1, pg. 15.

5. The elements of the offense of 18 U.S.C. § 3 (Accessory After the Fact to the Laundering of Monetary Instruments) are:

A. From on or about February 15, 2007, continuing on or about August 21, 2007, the crime of laundering monetary instruments in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i) had been committed by Richard Young and others.

B. Respondent knew that this crime had been committed, and that Young and others had committed it.

C. Respondent thereafter intentionally received, relieved, comforted, or assisted Young in order to hinder and prevent his punishment for the crimes laundering of monetary instruments. See

Ex. 1, pg. 16.

6. The elements of the underlying offense of Laundering Monetary Instruments, in violation of 18 U.S.C. § 1956(a)(1)(B)(i) for the principal Young, are as follows:

A. Young conducted or intended to conduct a financial transaction involving property that represented the proceeds of a specified unlawful activity;

B. Young knew that the property represented the proceeds of the specified unlawful activity;

C. Young knew that the transaction was designed in whole or in part to conceal or disguise the nature, location, ownership, and control of the proceeds of the specified unlawful activity; and

D. Young did something that was a substantial step toward committing the crime. See, Ex. 1, pp. 16-17.

7. Respondent admitted the following was true See, Ex. 1, pp. 17-20:

A. Respondent was a licensed attorney in the State of Nevada, practicing law in Las Vegas, Nevada.

B. Young owned and operated a Nevada corporation known as Global One Group, LLC (Global One), a web-based company which purported to train others how to trade in the FOREX.

C. FOREX was a term colloquially associated with the market generated by trades in foreign currency future contracts. Currency future contracts were generally traded through Futures Commissions Merchants (FCMs), also referred to as FOREX brokers or FOREX dealers.

D. As founder and CEO of Global One, Young advertised to the general public that he was an experienced and highly successful trader in the FOREX market and would teach others his strategies and techniques. For a small fee, Young offered “memberships” in Global One where members could access Young’s web-based live training seminars, where he claimed he had developed an automated trading program that traded according to his strategies simply by “flipping a switch.”

E. As Global One grew, Young constructed a scheme and artifice to defraud its members of their money and property by falsely representing that in return for “loans” made to Global One, members could be paid high yield returns generated from profits derived from the trades in his automated program. Young concealed from members that the automated program did not exist as represented, that payments of member loans were made from

the proceeds of later in time loans from other members and not from profits generating from Global One and the proceeds from member loans were diverted to Young's personal use and interests away from Global One.

F. From 2006 to 2008, Young derived approximately \$16 million in proceeds from his fraudulent scheme.

G. Beginning in February 2007, Respondent represented Global One and Young in connection with transactions and litigation arising from Global One's business activities.

H. In March 2007, Young intended to purchase a FOREX broker, named Trend Commodities (Trend), using proceeds from the loans from Global One members. The purchase of Trend would allow Young to become a broker/dealer in currency futures contracts.

I. To disguise the source, ownership and control of Global One's "loan" proceeds to be used to purchase Trend, Young authorized Respondent to create a holding corporation called Way FX Corp., listing Respondent as its Director, Secretary and President. Thereafter, in or about April 2007, Young directed the transfer of approximately \$2,250,000 from Global One accounts to

an account held by Way FX and controlled by Respondent for purchase and capitalization of Trend. These transactions constituted the unlawful laundering of monetary instruments by Young, in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

J. The National Futures Associations (NFA) is an independent regulatory agency designed by federal regulations to regulate the practice of its FOREX brokers/dealers and enforce rules and regulations designed to protect the public from fraud and deceitful and deceptive trading practices in FOREX.

K. NFA is required to review and approve the purchase of any FOREX broker in the United States. As part of the process, prospective purchasers must undergo a background check and demonstrate that any funds used to purchase and capitalize the broker are neither encumbered nor derived from fraud.

L. From on or about May 2007 to August 2007, and in the course of its review and audit of the Trend purchase, NFA regulators conducted interviews of, and meetings with, Respondent where he was asked if Global One was involved in the purchase of Trend and if the funds for the capitalization of Trend were in anyway encumbered. Respondent responded falsely that a) he was

unaware who owned Global One; b) Global One's assets were not used to purchase Trend; c) he was unaware of how Global One raised money; and d) the funds in the Way FX accounts came from his personal contributions and assets.

M. Respondent knew that his representations were false and that Young had committed the offense of money laundering by directing the transfer of money to Way FX accounts for the Trend purchase. Respondent knew that, by his misrepresentations to the NFA, he assisted Young in order to hinder the NFA's investigation of Young in connection with Trend transaction and prevent the punishment of Young for crime of money laundering.

N. On August 21, 2007, by check issued to Reade & Associates, Respondent received \$75,000 from Global One's merchant account for his services, including expenses, relating to Way FX and the purchase of Trend.

8. The maximum penalty that can be imposed at sentencing is ten (10) years imprisonment and a fine of \$250,000, followed by supervised release not to exceed three (3) years. See, Ex. 1, pg. 23.

9. The parties agreed that restitution was not applicable in this case. See, Ex. 1, pg. 24.

10. Respondent agreed to the abandonment to the Internal Revenue Service of \$75,000, which is the amount Respondent received from Global One's Merchant Account by check made payable to Reade & Associates. See, **Ex. 1, pp. 25-26.**

11. The sentencing is scheduled for July 15, 2014 at 9:00 a.m. **See Exhibit 2, pg. 33.**

12. On or about January 13, 2014, Respondent and his attorney met with Bar Counsel to discuss the Plea Agreement that they were anticipating filing. They also discussed the procedure following the Plea, Respondent's selling of his law office, Respondent going on inactive status with the State Bar and filing a Joint Petition pursuant to SCR 111.

13. Respondent complied with the procedure and all requests of Bar Counsel in selling his law office and placing clients with substitute counsel and did so in a timely manner. He was placed on inactive status on January 16, 2014.

MEMORANDUM OF POINTS AND AUTHORITIES

14. In accordance with SCR 111(7), upon receipt of a certificate of conviction of an attorney for a serious crime, the Court shall enter an order suspending the attorney.

15. In accordance with SCR 111(8), upon receipt of a certificate of

conviction of an attorney for a serious crime, the Court shall refer the matter to the appropriate disciplinary board for the institution of a formal proceeding before a hearing panel, in which the sole issue to be determined shall be the extent of the discipline to be imposed. As evidenced by the documentation submitted herein, Respondent has pleaded guilty to a felony crime and the following language, as set forth in SCR 111(6), dictates that Respondent's crimes constitute a serious crime:

Definition of "serious crime." The term "serious crime" means (1) a felony and (2) any crime less than a felony a necessary element of which is, as determined by the statutory or common law definition of the crime, improper swearing, misrepresentation, fraud, willful failure to file an income tax return, deceit, bribery, extortion, misappropriation, theft, or an attempt or a conspiracy or solicitation of another to commit a "serious crime."

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CONCLUSION

WHEREFORE, the State Bar and Respondent bring this matter to this Court's attention and requests that this Court enter an order temporarily suspending Respondent from the practice of law and referring this matter to the Southern Nevada Disciplinary Board for further disciplinary proceedings, in accordance with SCR 111.

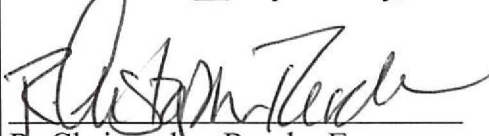
Respectfully submitted this 16TH day of May, 2014.

STATE BAR OF NEVADA

By 

David A. Clark, Bar Counsel
Nevada Bar No. 4443
600 E. Charleston Blvd.
Las Vegas, Nevada 89104

DATED this 15 day of May, 2014.



R. Christopher Reade, Esq.
Nevada Bar No. 6791
Respondent



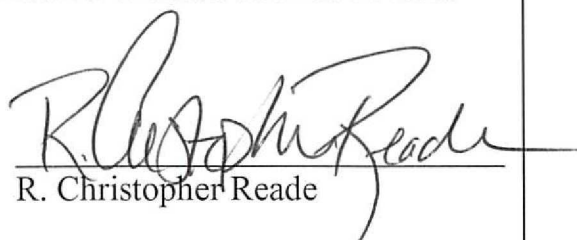
Richard Wright, Esq.
Nevada Bar No. 886
Wright Stanish & Winckler
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

VERIFICATION

STATE OF NEVADA)
)
COUNTY OF CLARK)

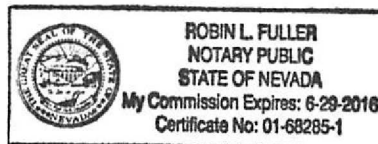
R. Christopher Reade, being first duly sworn, deposes and says:

That he is the Respondent in the above-entitled action; that he has read the foregoing Verified Joint Petition for Temporary Suspension Pursuant to Supreme Court Rule 111 and knows the contents thereof; that the factual statements contained therein are true and correct he believes them to be true.


R. Christopher Reade

SUBSCRIBED and SWORN to by R. Christopher Reade
before me this 16 day of May, 2014.


NOTARY PUBLIC in and for said
County and State



CERTIFICATE OF SERVICE BY MAIL

Pursuant to SCR 109 and NRCP 5, the undersigned certifies that a copy of the foregoing **VERIFIED JOINT PETITION FOR TEMPORARY SUSPENSION PURSUANT TO SCR 111** was deposited in the United States Mail at Las Vegas, Nevada, postage fully pre-paid thereon for first class mail, addressed as follows:

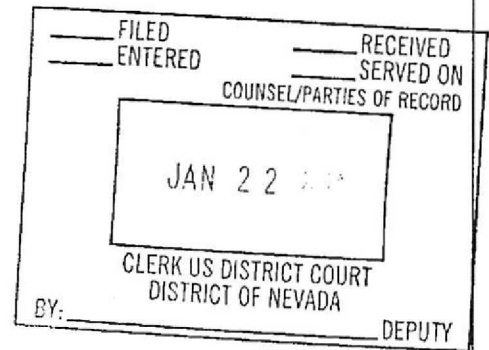
R. Christopher Reade, Esq.
c/o Richard Wright, Esq.
Wright Stanish & Winckler
300 S. Fourth Street
Suite 701
Las Vegas, NV 89101

DATED this 22nd day of May, 2014.



Rebecca L. Thole, an Employee
of the State Bar of Nevada

EXHIBIT 1



STEVEN W. MYHRE
Attorney for the United States
Acting Under Authority Conferred by
Title 28, United States Code, Section 515
JAMES E. KELLER
Assistant United States Attorney
333 Las Vegas Boulevard South, Suite 5000
Las Vegas, Nevada 89101

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

UNITED STATES OF AMERICA,
Plaintiff,
vs.
R. CHRISTOPHER READE,
Defendant.

Case No. 2:14-CR-0022-JAP-CWH

CRIMINAL INFORMATION

VIOLATION:

Title 18, United States Code, Section 3 –
Accessory After the Fact to Laundering of
Monetary Instruments

THE ATTORNEY FOR THE UNITED STATES CHARGES THAT:

Between on or about February 15, 2007, and continuing to on or about September 13, 2007, in the District of Nevada, and elsewhere,

R. CHRISTOPHER READE,
defendant herein, knowing that an offense against the United States had been committed, to wit: the Laundering of Monetary Instruments, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i), did receive, relieve, comfort, and assist the offender, Richard Young, in order to hinder and prevent the offender's apprehension, trial, and punishment, all in violation of Title 18, United States Code, Section 3.

DATED this 16th day of January, 2014.

STEVEN W. MYHRE
Attorney for the United States
Acting Under Authority Conferred by
Title 28, United States Code, Section 515

JAMES E. KELLER
Assistant United States Attorney

I hereby attest and certify on 4/28/14
that the foregoing document is a full, true
and correct copy of the original on file in my
legal custody.

CLERK, U.S. DISTRICT COURT
DISTRICT OF NEVADA

By *[Signature]* Deputy Clerk



FILED	RECEIVED
ENTERED	SERVED ON
COUNSEL/PARTIES OF RECORD	
JAN 22 2014	
CLERK US DISTRICT COURT DISTRICT OF NEVADA	
BY:	DEPUTY

STEVEN W. MYHRE
Attorney for the United States
Acting Under Authority Conferred by
Title 28, United States Code, Section 515
JAMES E. KELLER
Assistant United States Attorney
333 Las Vegas Boulevard South, Suite 5000
Las Vegas, Nevada 89101
(702) 388-6336
Attorneys for the United States

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

UNITED STATES OF AMERICA,
Plaintiff,

vs.

R. CHRISTOPHER READE,
Defendant.

Case No. 2:14-cr-0022-JAD-CWH

PLEA AGREEMENT UNDER
FED. R. CRIM. P. 11 (c)(1)(A) and
(B)

Plaintiff United States of America, by and through the undersigned, defendant R. Christopher Reade, and the defendant's undersigned attorneys, respectfully submit this Plea Agreement pursuant to Fed. R. Crim. P. 11(c)(1)(A) and (B).

I. SCOPE OF AGREEMENT

The parties to this Plea Agreement are the United States of America (also referred to herein as "the government") and R. CHRISTOPHER READE, the defendant. This Plea Agreement binds the defendant and the United States Attorney's Office for the District of Nevada. It does not bind any other prosecuting, administrative, or regulatory authority, the United States Probation Office, or the Court.

The Plea Agreement sets forth the parties' agreement regarding the criminal charge referenced in the Plea Agreement and applicable sentences, fines, restitution, and

1 forfeiture. It does not control or prohibit the United States or any agency or third party
2 from seeking any other civil or administrative remedies directly or indirectly against the
3 defendant.
4

5 **II. DISPOSITION OF CHARGES AND WAIVER OF TRIAL RIGHTS**

6 A. Guilty Plea. The defendant knowingly and voluntarily agrees to plead
7 guilty to the following charge set forth in the Information, filed by the United States
8 Attorney's Office, contemporaneous with the filing of the defendant's voluntary and
9 knowing waiver of his right to a federal grand jury's consideration of the charge set forth
10 in the Information, that is: Accessory After the Fact to Laundering of Monetary
11 Instruments; in violation of 18 U.S.C. § 3.

12 B. Waiver of Trial Rights. The defendant acknowledges that he has been
13 advised and understands that by entering a plea of guilty he is waiving -- that is, giving
14 up -- certain rights guaranteed to all defendants by the laws and the Constitution of the
15 United States. Specifically, the defendant is giving up:

16 1. The right to proceed to trial by jury on all charges, or to a trial by a
17 judge if the defendant and the United States both agree;

18 2. The right to confront the witnesses against the defendant at such a
19 trial, and to cross-examine them;

20 3. The right to remain silent at such a trial, with assurance that his
21 silence could not be used against him in any way;

22 4. The right to testify in his own defense at such a trial if he so chooses;

23 5. The right to compel witnesses to appear at such a trial and testify in
24 the defendant's behalf; and

25 6. The right to have the assistance of an attorney at all stages of such
26 proceedings.

27 C. Withdrawal of Guilty Plea. The defendant will not seek to withdraw his
28 guilty plea after he has entered it in court.

1 D. Additional Charges. The United States agrees not to bring any additional
2 charges against the defendant arising out of the investigation in the District of Nevada
3 which culminated in this Plea Agreement and based on conduct known to the United
4 States.

5 E. Tolling of Applicable Statute of Limitations. The United States and the
6 defendant have agreed, through the voluntary and knowing execution of a Tolling
7 Agreement dated July 3, 2012 ("Tolling Agreement"), and the subsequent execution
8 Addendums One through Eight thereto, to the tolling of the statute of limitations
9 applicable to the charges investigated and considered by the United States as to the
10 defendant in this case. The Tolling Agreement, with Addendums One through Eight
11 thereto, remains in full force and effect for this case and for this plea agreement.

12 **III. ELEMENTS OF THE OFFENSE**

13 Count: The elements of Accessory After the Fact to the Laundering of Monetary
14 Instruments, in violation of 18 U.S.C. § 3 are:

15 (1) From on or about February 15, 2007, continuing to on or about to August
16 21, 2007, the crime of laundering of monetary instruments in violation of Title 18,
17 United States Code, Section 1956(a)(1)(B)(i) had been committed by Rick Young and
18 others;

19 (2) The defendant knew that this crime had been committed, and that Rick
20 Young and others had committed it; and

21 (3) The defendant thereafter intentionally received, relieved, comforted, or
22 assisted Rick Young in order to hinder and prevent his punishment for the crime
23 laundering of monetary instruments.

24 The elements of the underlying offense, Laundering of Monetary Instruments, in
25 violation of 18 U.S.C. § 1956(a)(1)(B)(i), for the principal, Rick Young, are as follows:

26 (1) Young conducted or intended to conduct a financial transaction involving
27 property that represented the proceeds of a specified unlawful activity;

28 (2) Young knew that the property represented the proceeds of the specified
unlawful activity;

1 (3) Young knew that the transaction was designed in whole or in part to
2 conceal or disguise the nature, location, source, ownership, and control of the proceeds of
3 the specified unlawful activity; and

4 (4) Young did something that was a substantial step toward committing the
5 crime.

6 **IV. FACTS SUPPORTING GUILTY PLEA**

7 A. The defendant will plead guilty because he is, in fact and under the law,
8 guilty of the crime charged.

9 B. The defendant acknowledges that if he elected to go to trial instead of
10 pleading guilty, the United States could prove his guilt beyond a reasonable doubt. The
11 defendant further acknowledges that his admissions and declarations of facts set forth
12 below satisfy every element of the charged offense.

13 C. The defendant waives any potential future claim that the facts he admitted
14 in this Plea Agreement were insufficient to satisfy the elements of the charged offense.

15 D. The defendant admits and declares under penalty of perjury that the facts
16 set forth below are true and correct:

17 Unless stated otherwise, at all times relevant to the Information:

18 Background

19 1. Defendant R. Christopher Reade was a duly licensed attorney in the
20 State of Nevada, practicing business law in Las Vegas, Nevada.

21 2. Rick Young owned and operated a Nevada corporation known as
22 Global One Group, LLC (hereinafter "Global One"), a web-based company which
23 purported to train others how to trade in the FOREX.

24 3. FOREX was a term colloquially associated with the market
25 generated by trades in foreign currency futures contracts. Currency futures contracts
26 were generally traded through Futures Commission Merchants ("FCMs"), also referred
27 to as FOREX brokers or FOREX dealers.

28 ///

1 Underlying Money Laundering Conduct by Rick Young

2 4. As founder and CEO of Global One, Young advertised to the general
3 public that he was an experienced and highly successful trader in the FOREX market,
4 who could teach others his winning trading strategies and techniques. For a fee, Young
5 offered "memberships" in Global One where joining members gained access to Young's
6 web-based live training seminars. During these seminars, Young claimed, among other
7 things, that he had developed an automated trading program that traded according to
8 his strategies simply by "flipping a switch."

9 5. As Global One's membership grew, Young constructed a scheme and
10 artifice to defraud its members of their money and property. As part of the scheme and
11 artifice, Young falsely and fraudulently represented that in return for "loans" made to
12 Global One, participant members would be paid high yield returns generated from
13 profits derived from trades made through his automated trading program. As a further
14 part of the scheme, Young fraudulently concealed from Global One members that, in
15 truth and in fact, the automated trading program did not exist as represented, that
16 payments of member loans were made from the proceeds of later-in-time loans from
17 other members and not from profits generated by Global One, and that the proceeds from
18 member loans were diverted to Young's personal use and interests and away from Global
19 One's business purposes or interests in the District of Nevada and elsewhere.

20 6. From 2006 to 2008, Young derived approximately \$16 million in
21 proceeds from his fraudulent scheme.

22 Defendant's Relationship with Global One and Rick Young

23 7. Beginning in February 2007, defendant Reade represented Global
24 One and Young in connection with transactions and litigation arising from Global One's
25 business activities.

26 8. In March 2007, Young intended to purchase a FOREX broker, named
27 Trend Commodities ("Trend"), using proceeds derived from the "loans" from Global One
28 members. The purchase of Trend would allow Young to become a broker/dealer in
currency futures contracts.

1 9. To disguise the source, ownership, and control of Global One's "loan"
2 proceeds to be used for the purchase of Trend, Young authorized defendant Reade to
3 create a holding corporation called Way FX Corp., listing Reade as its Director, Secretary
4 and President. Thereafter, in or about April 2007, Young directed the transfer of
5 approximately \$2,250,000 from Global One accounts to an account held by Way FX and
6 controlled by Reade for the purchase and capitalization of Trend. These transactions
7 constituted the unlawful laundering of monetary instruments by Young, in violation of
8 Title 18, United States Code, Section 1956(a)(1)(B)(i).

9 10. In April 2007, Reade, nominally on behalf of Way FX, signed an
10 agreement to purchase Trend.

11 Monitoring of Purchases of FOREX Brokers within the United States

12 11. The National Futures Association ("NFA") is an independent
13 regulatory agency designated by federal regulations to regulate the practice of its
14 FOREX brokers/dealers in the United States and to enforce rules and regulations
15 designed to protect the trading public from fraud and deceitful and deceptive trading
16 practices in the FOREX.

17 12. The NFA is required to review and approve the purchase of any
18 FOREX broker in the United States. As part of that process, prospective purchasers
19 must undergo a background check and demonstrate that any funds used to purchase and
20 capitalize the broker are neither encumbered nor derived from fraud.

21 13. From on or about May 2007 to August 2007, and in the course of its
22 review and audit of the Trend purchase, NFA regulators conducted interviews of, and
23 meetings with, defendant Reade in the District of Nevada and elsewhere where he was
24 asked if Global One was involved in the purchase of Trend and if the funds for the
25 capitalization of Trend were in any way encumbered. Reade responded falsely in the
26 District of Nevada and elsewhere that: (a) he was unaware who owned Global One; (b)
27 Global One's assets were not used to purchase Trend; (c) he was unaware how Global
28 One raised money; and (d) the funds in the Way FX accounts came from his personal
contributions and assets.

1 14. Defendant Reade knew that his representations were false, and that
2 Young had committed the offense of money laundering by directing the transfer of money
3 to Way FX accounts for the Trend purchase. Defendant Reade further knew that, by his
4 misrepresentations to the NFA, he assisted Young in order to hinder the NFA's
5 investigation of Young in connection with the Trend transaction and prevent the
6 punishment of Young for the crime of money laundering.

7 15. On August 21, 2007, in the District of Nevada, by check issued to
8 Reade & Associates, defendant Reade received \$75,000 from Global One's merchant
9 account for his services, including expenses, relating to Way FX and the purchase of
10 Trend.

11 All in violation of Title 18, United States Code, Section 3.

12 **V. COLLATERAL USE OF FACTUAL ADMISSIONS**

13 The facts set forth in Section IV of this Plea Agreement shall be admissible
14 against the defendant under Fed. R. Evid. 801(d)(2)(A) at sentencing for any purpose. If
15 the defendant does not plead guilty or withdraws his guilty plea, the facts set forth in
16 Section IV of this Plea Agreement shall be admissible at any proceeding, including a
17 trial, for impeaching or rebutting any evidence, argument or representation offered by or
18 on the defendant's behalf. The defendant expressly waives all rights under Fed. R. Crim.
19 P. 11(f) and Fed. R. Evid. 410 regarding the use of the facts set forth in Section IV of this
20 Plea Agreement.

21 **VI. APPLICATION OF SENTENCING GUIDELINES PROVISIONS**

22 A. Discretionary Nature of Sentencing Guidelines. The defendant
23 acknowledges that the Court must consider the United States Sentencing Guidelines
24 ("USSG" or "Sentencing Guidelines") in determining the defendant's sentence, but that
25 the Sentencing Guidelines are advisory, not mandatory, and the Court has discretion to
26 impose any reasonable sentence up to the maximum term of imprisonment permitted by
27 statute.
28

1 B. Offense Level Calculations. The parties stipulate to the following
 2 calculation of the defendant's offense level under the Sentencing Guidelines and
 3 acknowledge that these stipulations do not bind the Court:

4 Accessory After the Fact to Money Laundering, in violation of 18 U.S.C. § 3:
 5

6 Base offense level for Laundering of Monetary Instruments
 7 USSG §§ 2S1.1(a)(2) 8

8 Specific Offense Characteristics – USSG § 2B1.1(b)(1)(I)
 9 More than \$1 million but less than \$2.5 million + 16

10 Reductions

11 Accessory After the Fact USSG § 2X3.1 - 6

12 Acceptance of Responsibility USSG § 3E1.1 - 3
 13 USSG § 3E1.1

14 Adjusted Offense Level 15

15 The defendant acknowledges that the statutory maximum sentence limits the
 16 Court's discretion in determining the defendant's sentence notwithstanding any
 17 applicable Sentencing Guidelines provisions.

18 C. Acceptance of Responsibility. Under USSG § 3E1.1(a), the government will
 19 recommend that the defendant receive a two-level downward adjustment for acceptance
 20 of responsibility unless he (a) fails to truthfully admit facts establishing a factual basis
 21 for the guilty plea when he enters the plea; (b) fails to truthfully admit facts establishing
 22 the amount of restitution owed when he enters his guilty plea; (c) fails to truthfully
 23 admit facts establishing the forfeiture allegations when he enters his guilty plea; (d)
 24 provides false or misleading information to the United States, the Court, Pretrial
 25 Services, or the Probation Office; (e) denies involvement in the offense or provides
 26 conflicting statements regarding his involvement or falsely denies or frivolously contests
 27 conduct relevant to the offense; (f) attempts to withdraw his guilty plea; (g) commits or
 28 attempts to commit any crime; (h) fails to appear in court; or (i), if applicable, violates
 the conditions of pretrial release.

1 Under USSG § 3E1.1(b), the government will move for an additional one-level
2 downward adjustment for acceptance of responsibility before sentencing because the
3 defendant communicated his decision to plead guilty in a timely manner that enabled
4 the government to avoid preparing for trial and to efficiently allocate its resources.

5 D. Relevant Conduct

6 The parties understand that the Court may consider all other relevant conduct,
7 whether charged or uncharged, in determining the defendant's applicable Sentencing
8 Guidelines range pursuant to USSG § 1B1.3, and whether to depart from that range.

9 E. Enhancements Adjustments Variances

10 Except as specifically set forth in this Plea Agreement, the parties agree not to
11 seek any further enhancements or upward adjustments, and not to seek any further
12 reductions or downward adjustments based on the offense conduct to which he is pleading
13 guilty and all conduct relevant to the offense conduct.

14 F. Criminal History Category. The defendant acknowledges that the Court
15 may base its sentence in part on the defendant's criminal record or criminal history. The
16 Court will determine the defendant's Criminal History Category under the Sentencing
17 Guidelines. At the time of this Plea Agreement, the parties are unaware of any criminal
18 history for the defendant.

19 G. Additional Sentencing Information. The stipulated Sentencing Guidelines
20 calculations are based on information now known to the parties. The parties may
21 provide additional information to the United States Probation Office and the Court
22 regarding the nature, scope, and extent of the defendant's criminal conduct and any
23 aggravating or mitigating facts or circumstances. Good faith efforts to provide truthful
24 information or to correct factual misstatements shall not be grounds for the defendant to
25 withdraw his guilty plea.

26 The defendant acknowledges that the United States Probation Office may
27 calculate the Sentencing Guidelines differently and may rely on additional information it
28 obtains through its investigation. The defendant also acknowledges that the Court may
rely on this and other additional information as it calculates the Sentencing Guidelines

1 range and makes other sentencing determinations, and the Court's reliance on such
2 information shall not be grounds for the defendant to withdraw his guilty plea.

3 **VII. APPLICATION OF SENTENCING STATUTES**

4 A. Maximum Penalty. The maximum penalty for Accessory After the Fact
5 under 18 U.S.C. § 3 is a prison sentence of not more than one-half the maximum term of
6 imprisonment and a fine of not more than one-half the maximum fine prescribed for the
7 punishment of the principal, or both. The maximum term of imprisonment for the
8 principal for the offense for money laundering in violation of 18 U.S.C. § 1956(a)(1)(B)(i)
9 is 20 years, and the maximum fine for the principal for the offense of money laundering
10 in violation of 18 U.S.C. § 1956(a)(1)(B)(i) is \$500,000 or twice the value of the property
11 involved in the transaction, whichever is greater. See 18 U.S.C. § 1956(a)(1)(B)(i).
12 Therefore, the maximum penalty for Accessory After the Fact under 18 U.S.C. § 3 in this
13 case is a prison sentence of 10 years and a fine of \$250,000 or not more than the value of
14 the property involved in the transaction, whichever is greater.

15 B. Factors Under 18 U.S.C. § 3553. The Court must consider the factors set
16 forth in 18 U.S.C. § 3553(a) in determining the defendant's sentence. However, the
17 statutory maximum sentence limits the Court's discretion in determining the
18 defendant's sentence.

19 C. Additional Mandatory Sentencing Provisions. There is no mandatory
20 minimum sentence that must be imposed by statute in this case.

21 D. Parole Abolished. The defendant acknowledges that his prison sentence
22 cannot be shortened by early release on parole because parole has been abolished.

23 E. Supervised Release. In addition to imprisonment and a fine, the defendant
24 will be subject to a term of supervised release of up to 3 years. 18 U.S.C. § 3583(b).
25 Supervised release is a period of time after release from prison during which the
26 defendant will be subject to various restrictions and requirements. If the defendant
27 violates any condition of supervised release, the Court may order the defendant's return
28 to prison for all or part of the term of supervised release, which could result in the

1 defendant serving a total term of imprisonment greater than the statutory maximum
2 prison sentence of 10 years.

3 F. Special Assessment. The defendant will pay a \$100.00 special assessment
4 at the time of sentencing.

5 **VIII. POSITIONS REGARDING SENTENCE**

6 The defendant reserves the right to argue pursuant to the sentencing factors set
7 forth under 18 U.S.C. § 3553(a) for a sentence, such as a sentence of probation, that is
8 below the Sentencing Guidelines range as calculated in this Plea Agreement. In any
9 event, the defendant will not seek a downward adjustment pursuant to any other
10 provision of the Sentencing Guidelines other than those reserved in this Plea Agreement.

11 The United States will recommend that the Court sentence the defendant to the
12 low-end of the Sentencing Guidelines range as calculated by this Plea Agreement, unless
13 (a) the defendant commits any act that could result in a loss of the downward
14 adjustment for Acceptance of Responsibility, or (b) the defendant argues for a sentence
15 that is below the Sentencing Guidelines range as calculated by this Plea Agreement.

16 If the defendant argues for a sentence pursuant to the factors set forth in 18
17 U.S.C. § 3553(a) that falls below the Sentencing Guidelines range as calculated by this
18 Plea Agreement, then the government is bound only to recommend a sentence within the
19 Sentencing Guidelines range as calculated in this Plea Agreement.

20 The defendant acknowledges that the Court does not have to follow the
21 government's or the defendant's recommendation as to his sentence.

22 Notwithstanding its agreement to recommend a low-end sentence, the United
23 States reserves its right to defend any lawfully imposed sentence on appeal or in any
24 post-conviction litigation.

25 **IX. RESTITUTION**

26 The parties take the position that restitution is not applicable and the government
27 agrees not to seek an Order of Restitution for the offense conduct. The defendant
28 understands, however, that the decision whether restitution is appropriate under 18
U.S.C. § 3663 ultimately rests with the Court.

1 **X. ABANDONMENT**

2 The defendant knowingly and voluntarily:

3 A. Agrees to the abandonment to the United States and the Internal Revenue
4 Service (hereinafter, "the United States and its agencies") of \$75,000 (hereinafter, the
5 "property"), which is the amount of United States currency the defendant withdrew from
6 Global One's Merchant Account by check made payable to Reade & Associates on August
7 21, 2007, for the defendant's assistance relating to Way FX and the purchase of Trend
8 Commodities;

9 B. Through this abandonment, acknowledges that he is disclaiming,
10 relinquishing, transferring, and terminating in favor of the United States and its
11 agencies any and all interest he has or may have in the property;

12 C. Through this abandonment, further acknowledges that no other person or
13 entity known to him has any ownership or possessory interest in the property, other
14 than the law firm of Reade & Associates, for which defendant has the authority to
15 disclaim and hereby knowingly and voluntarily so disclaims said interest on behalf of
16 Reade & Associates;

17 D. Through this abandonment, waives any right he may have to receive notice
18 of any administrative abandonment proceedings, any civil administrative forfeiture
19 proceedings, and any civil judicial forfeiture proceedings of the property (hereinafter,
20 "proceedings") and further consents to the disposition of the property, or any portion
21 thereof, as the United States and its agencies deems appropriate;

22 E. Through this abandonment, waives service of process of any and all
23 documents filed in any proceedings concerning the property arising from the facts and
24 circumstances of this case;

25 F. Through this abandonment, waives any further notice to him, his agents, or
26 his attorney(s) regarding the abandonment and disposition of the property;

27 G. Through this abandonment, agrees not to file any claim, answer, petition, or
28 other documents in any proceedings concerning the property;

1 H. Through this abandonment, waives the statute of limitations, the Civil
2 Asset Forfeiture Reform Act ("CAFRA") requirements, Fed. R. Crim. P. 7 and 32.2, the
3 constitutional requirements, and the constitutional due process requirements of any
4 proceedings concerning the property;

5 I. Through this abandonment, waives all constitutional, legal, and equitable
6 defenses to the forfeiture or abandonment of the property in any proceedings, including
7 but not limited to constitutional or statutory double jeopardy defenses;

8 J. Through this abandonment, agrees to make no claim or other assertion of
9 any entitlement to the property or any objection to the disposition of the property in any
10 administrative, judicial, or quasi-judicial forum;

11 K. Through this abandonment, knowingly and voluntarily releases and forever
12 discharges the United States and its agencies and employee from any and all claims,
13 rights, or causes of action of any kind that he know has or may hereafter have on
14 account of, or in any way growing out of, the seizure, detention, custody, or abandonment
15 of the property;

16 L. Through this abandonment, agrees that forfeiture is immediately due and
17 payable and subject to immediate collection by the United States and its agencies;

18 M. Through this abandonment, agrees and understands the abandonment, the
19 civil administrative forfeiture, or the civil judicial forfeiture of the property shall not be
20 treated as satisfaction of any assessment, fine, restitution, cost of imprisonment, or any
21 other penalty the Court may impose upon the defendant in addition to the abandonment
22 or the forfeiture;

23 N. Acknowledges that the amount of the forfeiture may differ from, and may
24 be significantly greater than, the amount of restitution; and

25 O. Acknowledges that he has had an opportunity to obtain the advice of
26 counsel regarding the terms of this abandonment and has affixed his signature to this
27 plea agreement voluntarily.

28 ///

1 **XI. FINANCIAL INFORMATION AND DISPOSITION OF ASSETS**

2 Before or after sentencing, upon request by the Court, the United States, or the
3 Probation Office, the defendant will provide accurate and complete financial information,
4 submit sworn statements, and/or give depositions under oath concerning his assets and
5 his ability to pay.

6 **XII. THE DEFENDANT'S ACKNOWLEDGMENTS AND WAIVERS**

7 A. Plea Agreement and Decision to Plead Guilty. The defendant acknowledges
8 that:

9 (1) He has read this Plea Agreement and understands its terms and
10 conditions;

11 (2) He has had adequate time to discuss this case, the evidence, and this
12 Plea Agreement with his attorney;

13 (3) He has discussed the terms of this Plea Agreement with his attorney;

14 (4) The representations contained in this Plea Agreement are true and
15 correct, including the facts set forth in Section IV; and

16 (5) He was not under the influence of any alcohol, drug, or medicine that
17 would impair his ability to understand the Agreement when he considered signing this
18 Plea Agreement and when he signed it.

19 The defendant understands that he alone decides whether to plead guilty or go to
20 trial, and acknowledges that he has decided to enter his guilty plea knowing of the
21 charge brought against him, his possible defenses, and the benefits and possible
22 detriments of proceeding to trial. The defendant also acknowledges that he decided to
23 plead guilty voluntarily and that no one coerced or threatened him to enter into this Plea
24 Agreement.

25 B. Waiver of Appeal and Post-Conviction Proceedings. The defendant
26 knowingly and expressly waives: (a) the right to appeal any sentence imposed within or
27 below the applicable Sentencing Guideline range as calculated by this Plea Agreement;
28 (b) the right to appeal the manner in which the Court determined that sentence on the

1 grounds set forth in 18 U.S.C. § 3742(a)(2)-(4); and (c) the right to appeal any other
2 aspect of the conviction or sentence and any order of restitution or forfeiture.

3 The defendant also knowingly and expressly waives all collateral challenges,
4 including any claims under 28 U.S.C. § 2255, to his conviction, sentence, and the
5 procedure by which the Court adjudicated guilt and imposed sentence, except non-
6 waivable claims of ineffective assistance of counsel.

7 The defendant reserves only the right to appeal any portion of the sentence that is
8 greater than the Sentencing Guidelines range as calculated by this Plea Agreement, or
9 an unlawful sentence imposed in violation of the law as provided in 18 U.S.C. §
10 3742(a)(1).

11 The defendant acknowledges that the United States is not obligated or required to
12 preserve any evidence obtained in the investigation of this case 15 days after the entry of
13 defendant's judgment is entered in this case.

14 XIII. ADDITIONAL ACKNOWLEDGMENTS

15 This Plea Agreement resulted from an arms-length negotiation in which both
16 parties bargained for and received valuable benefits in exchange for valuable
17 concessions. It constitutes the entire agreement negotiated and agreed to by the parties.

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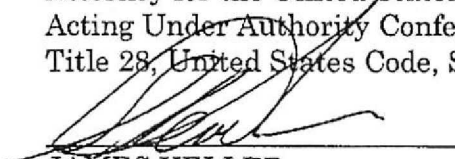
27 ///

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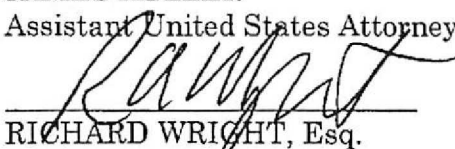
1 No promises, agreements or conditions other than those set forth in this agreement have
2 been made or implied by the defendant, the defendant's attorney, or the United States,
3 and no additional promises, agreements or conditions shall have any force or effect
4 unless set forth in writing and signed by all parties or confirmed on the record before the
5 Court.

6 STEVEN W. MYHRE
7 Attorney for the United States
8 Acting Under Authority Conferred by
9 Title 28, United States Code, Section 515

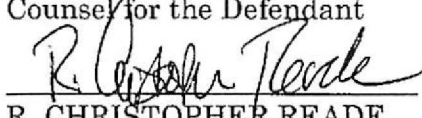
10 DATE 1/16/14


11 JAMES KELLER
12 Assistant United States Attorney

13 DATE 1/15/14


14 RICHARD WRIGHT, Esq.
15 MARGARET STANISH, Esq.
16 WRIGHT, STANISH & WINCKLER
17 Counsel for the Defendant

18 DATE 1/15/14


19 R. CHRISTOPHER READE
20 Defendant

21 I hereby attest and certify on 4/28/14
22 that the foregoing document is a full, true
23 and correct copy of the original on file in my
24 legal custody.

25 CLERK, U.S. DISTRICT COURT
26 DISTRICT OF NEVADA

27 By  Deputy Clerk
28



EXHIBIT 2

**United States District Court
District of Nevada (Las Vegas)
CRIMINAL DOCKET FOR CASE #: 2:14-cr-00022-KJD-CWH-1**

Case title: USA v. Reade

Date Filed: 01/16/2014

Assigned to: Judge Kent J. Dawson
Referred to: Magistrate Judge Carl W.
Hoffman

Defendant (1)**R. Christopher Reade**

represented by **Richard A. Wright**
Wright Stanish & Winckler
300 S. Fourth Street
Suite 701
Las Vegas, NV 89101
(702) 382-4004
Fax: (702) 382-4800
Email: Rick@wswlawlv.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Retained

Margaret M Stanish
Wright Stanish & Winckler
300 S. Fourth Street, Ste 701
Las Vegas, NV 89101
702-382-4004
Fax: 702-382-4800
Email: MStanish@wswlawlv.com
ATTORNEY TO BE NOTICED

Pending Counts

18:3 - Accessory after the fact to
Laundering of Monetary Instruments
(1)

Highest Offense Level (Opening)

Felony

Terminated Counts

None

Disposition**Disposition**

Highest Offense Level (Terminated)

None

Complaints

None

Disposition**Plaintiff**

USA

represented by **James E Keller**

United States Attorneys Office

100 West Liberty

Reno, NV 89501

775-784-5438

Fax: 775-784-5181

Email: James.Keller3@usdoj.gov

LEAD ATTORNEY**ATTORNEY TO BE NOTICED****Steven W. Myhre**

U.S. Attorney's Office

333 Las Vegas Blvd So

Suite 5000

Las Vegas, NV 89101-

Email: Steven.Myhre@usdoj.gov

ATTORNEY TO BE NOTICED

Date Filed	#	Docket Text
01/16/2014		Case assigned to Judge Jennifer A. Dorsey and Magistrate Judge Carl W. Hoffman. (LMC) (Entered: 01/16/2014)
01/17/2014	<u>1</u>	SEALED MINUTE ORDER IN CHAMBERS of the Honorable Judge Jennifer A. Dorsey, as to R. Christopher Reade on 1/17/2014. By Deputy Clerk: D. Sherwood.The Court, having received a Criminal Information and Plea Agreement, IT IS ORDERED that the hearing for Waiver of Indictment, Filing of an Information, Initial Appearance and Arraignment and Plea is scheduled on 1/22/2014 at 10:30 AM in LV Courtroom 6D before Judge Jennifer A. Dorsey. IT IS FURTHER ORDERED that the defendant shall contact the Pretrial Services Office not later than 24 hours prior to this hearing date if not previously interviewed. (no image attached) (Copies have been distributed pursuant to the NEF - DMS) (Entered: 01/17/2014)
01/22/2014	<u>2</u>	DESIGNATION of Retained Counsel by Richard A. Wright on behalf of R. Christopher Reade. (SLR) (Entered: 01/22/2014)

01/22/2014	<u>3</u>	WAIVER OF INDICTMENT by R. Christopher Reade. (SLR) (Entered: 01/22/2014)
01/22/2014	<u>4</u>	INFORMATION as to R. Christopher Reade (1) Count 1. (SLR) (Entered: 01/22/2014)
01/22/2014	<u>5</u>	AO 257 to <u>4</u> Information - Felony as to R. Christopher Reade. (SLR) (Entered: 01/22/2014)
01/22/2014	<u>6</u>	PLEA AGREEMENT as to R. Christopher Reade. (SLR) (Entered: 01/22/2014)
01/22/2014	<u>7</u>	NOTICE to Contact the U.S. Probation Office by USA as to R. Christopher Reade. (SLR) (Entered: 01/22/2014)
01/22/2014	<u>8</u>	PR BOND Entered as to R. Christopher Reade. (SLR) (Entered: 01/22/2014)
01/22/2014	<u>9</u>	MINUTES OF PROCEEDINGS - Waiver of Indictment/Arraignment & Plea as to R. Christopher Reade held on 1/22/2014 before Judge Jennifer A. Dorsey. Crtrm Administrator: <i>D. Sherwood</i> ; AUSA: <i>Steven Myhre, James Keller</i> ; Def Counsel: <i>Richard Wright</i> ; Court Reporter/FTR #: <i>Felicia Zabin</i> ; Time of Hearing: <i>11:05 a.m.-11:10 a.m.</i> ; Courtroom: <i>6D</i> ; Defendant is present. The Court advises counsel this was the date and time set for the filing of a Waiver of Indictment, Information, Initial Appearance and Arraignment and Plea, however, after reviewing the pleadings, this Court must recuse on this case as the Court has known Mr. Reade for many years and they have many friends in common. The Court advises counsel, after speaking with Chief Judge Navarro, this case can either be randomly reassigned and this hearing rescheduled or Chief Judge Navarro will take the plea today and then have the clerk's office randomly reassign the case to another judge. Counsel indicate they wish to have Chief Judge Navarro take the plea today and then have the case randomly reassigned. The Court advises counsel Chief Judge Navarro will take the bench momentarily to take the plea. (no image attached) (Copies have been distributed pursuant to the NEF - DMS) (Entered: 01/22/2014)
01/22/2014	<u>10</u>	MINUTES OF PROCEEDINGS - Waiver of Indictment/Arraignment & Plea as to R. Christopher Reade held on 1/22/2014 before Chief Judge Gloria M. Navarro. Crtrm Administrator: <i>D. Sherwood</i> ; AUSA: <i>Steven Myhre, James Keller</i> ; Def Counsel: <i>Richard Wright</i> ; PTS: <i>Zack Bowen</i> ; Court Reporter/FTR #: <i>Felicia Zabin</i> ; Time of Hearing: <i>11:50 a.m.-12:30 p.m.</i> ; Courtroom: <i>6D</i> ; Defendant is present. Counsel advise the Court they have stipulated to unseal the case. Defense counsel retained. Defendant and counsel execute and file a Waiver of Indictment. The Information is filed. Defendant pleads GUILTY to count(s) One of the Information. Plea Agreement filed. Court accepts the guilty plea. This matter is referred to the probation department for investigation and report. Sentencing and disposition set for 5/2/2014 at 09:00 AM. The Court advises counsel once the case is reassigned, this sentencing date may be rescheduled. Defendant is released on a PR Bond with no conditions. (no image attached) (Copies have been distributed pursuant to the NEF - DMS) (Entered: 01/22/2014)

01/22/2014	11	ORDER OF RECUSAL. This action is referred to Chief Judge Gloria M. Navarro for reassignment. Signed by Judge Jennifer A. Dorsey. (Copies have been distributed pursuant to the NEF - MJZ) (Entered: 01/23/2014)
01/23/2014	12	MINUTE ORDER IN CHAMBERS of the Honorable Chief Judge Gloria M. Navarro, as to R. Christopher Reade on 1/23/2014. IT IS ORDERED that this case is reassigned to Judge Kent J. Dawson for all further proceedings. Judge Jennifer A. Dorsey no longer assigned to case. All further documents must bear the correct case number 2:14-cr-0022-KJD-CWH. (no image attached) (Copies have been distributed pursuant to the NEF - LMC) (Entered: 01/23/2014)
01/24/2014	13	NOTICE OF ATTORNEY APPEARANCE Steven W. Myhre appearing for USA. (Myhre, Steven) (Entered: 01/24/2014)
04/25/2014	14	MINUTE ORDER IN CHAMBERS of the Honorable Judge Kent J. Dawson, as to R. Christopher Reade on 4/25/2014. By Deputy Clerk: Denise Saavedra. Sentencing and disposition set for 5/2/14 is RESCHEDULED to 7/15/2014 at 09:00 AM in LV Courtroom 4A before Judge Kent J. Dawson. (no image attached) (Copies have been distributed pursuant to the NEF - DXS) (Entered: 04/25/2014)

PACER Service Center			
Transaction Receipt			
05/12/2014 12:58:31			
PACER Login:	sb1042	Client Code:	reade dr
Description:	Docket Report	Search Criteria:	2:14-cr-00022-KJD-CWH
Billable Pages:	3	Cost:	0.30

2:14-cr-22-KJD-CWH - July 15, 2014

1 UNITED STATES DISTRICT COURT

2 DISTRICT OF NEVADA

3
4 UNITED STATES OF AMERICA,) Case No. 2:14-cr-22-KJD-CWH
5 Plaintiff,) Las Vegas, Nevada
6 vs.) July 15, 2014
7 ROBERT CHRISTOPHER READE,) 10:17 a.m.
8 Defendant.) IMPOSITION OF SENTENCE
9) **ORIGINAL**

10 REPORTER'S TRANSCRIPT OF PROCEEDINGS

11 BEFORE THE HONORABLE KENT J. DAWSON,
12 UNITED STATES DISTRICT JUDGE

13 APPEARANCES:

14 For the Plaintiff: STEVEN W. MYHRE, AUSA
15 United States Attorney's Office
16 333 Las Vegas Boulevard South, Suite 5000
17 Las Vegas, Nevada 89101
(702) 388-6336

18 JAMES E. KELLER, AUSA
19 United States Attorney's Office
20 100 West Liberty Street, Suite 600
Reno, Nevada 89501
(775) 784-5438

21 (continued next page)

22 COURT REPORTER: Felicia Rene Zabin, FCRR, RPR, CCR 478
23 United States District Court
24 333 Las Vegas Boulevard South, Room 1334
Las Vegas, Nevada 89101

25 Proceedings reported by machine shorthand. Transcript produced by
computer-aided transcription.

1 APPEARANCES CONTINUED:

2 For the Defendant: RICHARD A. WRIGHT, ESQ.
MARGARET M. STANISH, ESQ.
3 Wright, Judd & Winckler
300 South 4th Street, Suite 701
4 Las Vegas, Nevada 89101
(702) 382-4004

5 Also Present: Leonel Sanchez, Probation Officer
6 Robert Christopher Reade, Defendant

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1 MS. WINCKLER: Nothing further, Your Honor.

2 THE COURT: Thank you.

3 MR. MYHRE: If I may have just one moment, Your Honor.

4 THE COURT: Yes.

5 (Pause in the proceedings.)

6 MR. MYHRE: Your Honor, other than that, we'd submit all
7 of the exhibits we had previously filed for the Court's
8 consideration.

9 THE COURT: Thank you.

10 MR. MYHRE: But we have nothing further to present.

11 THE COURT: All right.

12 Defendant wish to call sentencing witnesses?

13 MR. WRIGHT: No witnesses, Your Honor.

14 THE COURT: Okay.

15 (Pause in the proceedings.)

16 THE COURT: Okay. Let's go to the Motion for Variance.

17 Mr. Wright, are you going to argue that or is
18 Ms. Stanish?

19 MR. WRIGHT: I'm going to, Your Honor.

20 THE COURT: Okay. You may proceed.

21 (Pause in the proceedings.)

22 MR. WRIGHT: May it please the Court, Your Honor.

23 I essentially view the Motion for Variance as my argument
24 for leniency and why it should happen in this case. And the Court
25 exactly hit on it from the briefing: how culpable is Mr. Reade

1 for his criminal act and then what type of person is he, what is
2 his character, was this a aberration in the life of a good man or
3 is this a bad lawyer or a crooked person who finally got caught?
4 I kinda compare Mr. Myhre's description or portrait of Mr. Reade
5 and his motivations with Margaret's. They wrote the briefs in
6 this.

7 And Mr. Myhre characterizes the conduct here. And when
8 I'm talking about "the conduct," he committed a crime. There's no
9 doubt about it. If it was debatable, we would have tried the
10 case. He stuck his neck out for a client. And the question is:
11 Why was he doing that? Was he misled? Was he sticking his neck
12 out wrongly, crossing the line, for a client he trusted and
13 believed in? Or was he, to characterize it as Mr. Myhre does,
14 motivated by greed and profit; knowingly lying and cheating to
15 advance and conceal an invidious fraud netting millions of dollars
16 that devastated the lives of victims? Was he knowing all of that
17 and participating in it or was he -- and when I call it "stepping
18 over the line," I'm not minimizing what he did. He lied to the
19 NFA; he made misrepresentations. What I am looking at is what
20 motivated him after havin' read all about his life, his parents,
21 those letters. What was it this time that did it?

22 And to me all of those letters serve two purposes: it
23 isn't just to show the Court his good deeds so that he has a
24 reservoir of goodwill he can draw upon and then, therefore, is
25 entitled to some credit, some leniency because he is a good man.

1 But, more importantly, it's to shed light and help the Court
2 decide which portrait of this man is correct. Was this a man who
3 knew full and well of the fraud, this Ponzi misrepresentation
4 going on, did he know all of that and jump in and participate? Or
5 was he believing in his clients and then going too far in zealous
6 representation?

7 And I don't think -- I'm sure the Court knows from seeing
8 all that the Court has in lawyering what a dangerous occupation it
9 can be when you are an individual representing clients, doing your
10 best to represent them, trust them, and at the same time having to
11 keep an eye out, not turn a blind eye to misconduct yet at the
12 same time being the loyal advocate and speaking for them.

13 I mean, it is a dangerous area that I talk about; that
14 it's like you're helping a client go through a minefield and in a
15 sense you're tethered to the client and helping them. I kinda
16 chuckled when I heard Margaret make the representation here, I
17 assure the Court he promptly intended to return the funds. And so
18 it -- and, when we're lawyers and we do that, we're stepping into
19 and advocating for and on behalf of our clients. And what really
20 matters in this case is what did he know; what did he know when,
21 at various times.

22 There's no question he made the misrepresentations. But
23 the question to me is was he committing an offense -- I understand
24 that -- but was this out of greed and to get money and at the time
25 knowing that he is victimizing people and that Mr. Young and

1 Mr. Reade are perpetuating a fraud and he is lying to help it. I
2 submit when you look at all of the letters that are written -- and
3 it was so hard to put them in those stacks of friends, lawyers,
4 clients because he treats them all equally. I say that you --
5 this is fairly easy for me to resolve when I look at the man's
6 character. He doesn't change his character after, like, 19 years
7 in practice here and one day decide I'm gonna go to work for some
8 knowing Ponzi-scheme fraudsters.

9 And in representation, you know from -- and it seems to
10 me it's more in civil cases than criminal cases. Maybe 'cuz you
11 see more in criminal cases so you know more when you're a criminal
12 lawyer about what to be weary of and what goes over the line and
13 doesn't. But, in civil cases, I see things where lawyers don't
14 always fully recognize the dangerous waters and areas they are
15 getting into in representing clients and in the constant, zealous
16 battle to win for your client.

17 I read, as an aside, over the weekend this report of
18 Anton Vaculas [sic], or however you pronounce his name, on the
19 General Motors scandal. And it was a scathing indictment of the
20 lawyers at General Motors. And of the 15 people terminated that
21 still worked there, half of them were lawyers. And you read this
22 and you almost wonder: How did lawyers participate in a 10-year
23 hiding of faulty ignition problems? And when you read it and you
24 practice law and understand, you can see that these were good
25 lawyers, it seemed to me in my judgment, that were fighting so

1 hard for their client, General Motors, that they would see a bad
2 case: We got to settle this at all costs. Settle it, sealed it
3 so it's not public for the -- it's almost like shortsighted.
4 Everything they were doing to protect their client turned out to
5 have done more damage to their client than they ever envisioned.
6 Yet they weren't malicious, evil, intentionally causing harm.
7 They were just an overzealous.

8 This was an overzealous attorney (pointing). And I'm not
9 talkin' minimizing the wrong. He understands that. And there is
10 no excuse for the misrepresentation. But, when we're fashioning a
11 punishment, it makes a difference whether I know I am helping
12 victimize people because if you judge this man's character -- and
13 I know we had to cull out letters. I mean, we didn't even deliver
14 them all to the Court just to save your eyes somewhat. But to
15 have this many people, clients -- and these letters are about as
16 finely crafted a bunch as I've ever submitted to a Court, well
17 thought out, letters from people who tell you I've never even
18 written a letter like this before. Letter from his father who is
19 here (pointing). And, of course, you can't miss him. Just two
20 clones. His father:

21 "I cannot hide the fact to this Court that
22 this is not my first draft of this letter which
23 has been very difficult, as a father and a man who
24 has known Chris for 43 years, to keep within the
25 bounds of what this Court probably wants."

1 Some of these letters -- my hardest part in helping
2 gather the letters was to convince the people -- judges I talked
3 to, lawyers I talked to -- that Chris had committed a crime and
4 had done something wrong and don't write in the letter -- don't
5 criticize the Government, don't -- just right up front state "I
6 fully understand he pled guilty and he committed this offense,"
7 because it is so out of character for him to be in the position he
8 is.

9 As his father said:

10 "I find it incomprehensible that Chris has
11 been charged, let alone he pled" -- "to plead
12 guilty. Never in his 43 years of life has he ever
13 done anything dishonest or to hurt other people.
14 Chris has spent his entire life focused on helping
15 people. Those of us who know Chris can tell you
16 story upon story about how Chris has helped
17 people. Never stories about the money he has
18 made. I have always watched Chris fight hard but
19 never fight dirty."

20 And, of course, those stories of his help are in here.
21 And those stories are the character of the person and the
22 character that helps ya decide is he the knowing, intentional
23 advocate and liar for a ongoing criminal enterprise that he knows
24 is harming people.

25 THE COURT: That's the question.

1 MR. WRIGHT: That's it.

2 THE COURT: That's the question. The question is did he
3 know or should he have known. There's not much evidence before
4 the Court on that except for a little bit and that is the
5 transcript of the hearing before Judge Earl where -- and that was
6 in 2008 after this event -- where it started to come to light, at
7 least irrefutably come to light, that something was amiss with the
8 investors and how they had been dealt with and attracted to this.
9 But that didn't happen until, as I said, 2008.

10 MR. WRIGHT: It was 2008 before Judge Earl. It --

11 THE COURT: You've hit the nail on the head, what did he
12 know and when did he know it.

13 MR. WRIGHT: Correct.

14 And it's compounded when you're an attorney. I mean,
15 this is hard to verbalize. But you're still doing no harm for
16 your client and litigating ongoing, which is what that was -- that
17 was the *Walsh* litigation I think it was -- and you are putting
18 everything in the best light --

19 THE COURT: Right.

20 MR. WRIGHT: -- that you can for your client.

21 THE COURT: Yeah. I do not fault him on his conduct in
22 that hearing. It was obviously a TRO hearing that he prevailed
23 on. But should that have alerted him -- and maybe it was too
24 late. Maybe the damage has already been done because he's already
25 made his misrepresentations a year earlier about the source of

1 funds.

2 And so that's what I'm really interested in is should he
3 have known, should he have discovered, should he have investigated
4 these guys. And it is a dilemma for civil practitioners as to how
5 far they go to investigate clients before they undertake
6 representation. I appreciate the dilemma he's in. We've all been
7 in it. At least those who have practiced for any period of time,
8 we've all been in those shoes.

9 MR. WRIGHT: I think in one of the letters, an
10 experienced contemporary of ours, an attorney, said:

11 "I suppose it's fair to say that the older we
12 get and the longer we practice law there may be a
13 tendency to trust less and want to verify more."

14 THE COURT: I read those words.

15 MR. WRIGHT: Right. And I did too. And I thought I know
16 that because I've lived it.

17 And the -- it's -- and the problem with this situation,
18 which Mr. Myhre characterized it as he shoulda known somethin' was
19 up with Mr. Young regard -- about the time he had made
20 misrepresentations to the NFA and then got caught in it
21 essentially, admitted what had happened. But still knowing what
22 was up is what did he know that was up? Because there were
23 multiple levels of fraud in the -- there was the fraud in the
24 sense that these loans were actually securities so, therefore,
25 they were fraudulent and it shouldn't have been happening. And,

1 of course, that's what Judge Earl was talking about when -- how
2 many are there? 1,738 of these. The money ought to be paid back.
3 And, in fact, that's what he advised his clients to do on it.
4 That's one level of fraud. I can call it technical; but, I mean,
5 it's fraud.

6 But then there's the real level of fraud in the case
7 which was Mr. Young and Mr. Willard misrepresenting to all of
8 these victims/customers what was truly taking place and duping
9 them in a Ponzi scheme. And to -- I get nervous when I make
10 representations after I read that transcript of the Judge Earl
11 hearing and then see -- havin' to come back years later and
12 justify 'em. But to me he became a -- he knew of the loans,
13 contracts, the problems; that they were securities and told his
14 clients to pay it back. But he didn't become aware during this
15 time at all, before charges, that this was a gigantic Ponzi-scheme
16 fraud put forth through misrepresentations to all the customers
17 and to Mr. Reade who was misrepresented to by his clients.

18 And to me, when it's unclear which he is, that's where
19 character matters. I mean, you read these letters. I mean, I
20 have a client, tells me a Lebanese saying: "You tell me who you
21 know. I'll tell you who you are." I read these: who he knows,
22 who respects him, who comes forward. And then I'd say he was --
23 he committed an offense for the good -- even though it's still an
24 offense and I'm not minimizing it -- but he did it believing his
25 clients and he stuck his neck out criminally.

1 There was one letter from an attorney:

2 "I have always thought of him as one of the
3 good guys. So to say I was shocked to learn of
4 his involvement in this matter and his plea would
5 be a complete understatement. I am still having
6 difficulty wrapping my head around it. Although I
7 have not spoken with Chris at all about the
8 details of this situation, I find it impossible to
9 believe he acted with any criminal intent or
10 desire to harm anyone because that is simply not
11 the person he is. He is a helper to the core. I
12 am not making excuses for his behavior, but I
13 truly believe, in some misguided way, he believed
14 he was somehow helping."

15 To me, as I read all of these, that's what -- that
16 characterizes the person I know who was engaging in this
17 representation. And, if that is a true measure of who he is and
18 what he believed and his character, then to me this does
19 distinguish him from most of the other lawyers that I have seen in
20 front of this Court. And as we know, 'cuz it was all summarized
21 in the newspaper recently, there's been 23 of 'em in the last 4
22 years. And it's embezzlement. It's theft from clients. It's
23 cheating on your taxes. It is putting money in your own pockets
24 to the detriment of those who are trusting you. And he was not
25 doing that. He made his \$75,000 fee which we are abandoning as

1 part of the Plea Agreement.

2 THE COURT: Right.

3 MR. WRIGHT: And to me, a true, fair -- and I do have to
4 touch upon all that he has done as an honorable lawyer to his
5 clients and to the Bar. And I don't think -- you could ask
6 Mr. Clark, Bar counsel -- if there was ever a lawyer who has
7 handled his conviction and problems with the same honor and
8 concern for his clients and the Bar as Mr. Reade.

9 We went there, I think, before -- in December to lay it
10 all out to Mr. Clark and to what the transition -- the sale of the
11 practice, the keeping every single employee there, Mr. Boychack
12 (phonetic) buying it, all of the lawyers working, telling every
13 single client. To go to clients: Could you write me a letter for
14 my upcoming federal sentencing? And he did -- we stipulated. He
15 went inactive January 15th of this year, voluntarily. We then
16 stipulated to a -- the procedure for a temporary suspension of his
17 license. And it will go to appropriate committee for the
18 appropriate sanction. But laid out everything to them and laid it
19 out so that everyone keeps their jobs and every single client is
20 protected.

21 And then what does he do? He continues with his public
22 service. He's had 700 hours this year of pro bono law clerking,
23 for lack of a better word, making sure that all that he does isn't
24 the practice of law in violation of the temporary suspension.
25 Because one day, regardless of the sentence, he'll be back and

1 he'll be practicing law again. I am absolutely confident of that.
2 And the -- he learns from his mistakes and he's resilient. But he
3 is honorable, as you can tell from these letters. And to give as
4 much, he is as extraordinary of an attorney to the way he gives as
5 any I have ever seen or heard about. And that's why we cited the
6 cases on the leniency because of goodwill. And of the five cases
7 cited in there of downward departures or variances based upon
8 sterling goodwill, those cases pale in comparison to what he has
9 done in this community.

10 And to me a sentence of some type of community
11 confinement, whether it's house arrest, all with a condition of he
12 continue community service -- he's never had to be ordered to do
13 it -- but a sentence of community service. Continue to work for
14 Barbara Buckley.

15 Barbara Buckley, I mean, in her letter --

16 THE COURT: I read it and --

17 MR. WRIGHT: -- he --

18 THE COURT: -- I was impressed by the fact that she
19 hasn't ever written a sentencing letter before according --

20 MR. WRIGHT: I read --

21 THE COURT: -- to her representation. And, of course,
22 you have the Mayor of North Las Vegas and others, prominent
23 individuals. There's no question about -- on that side of the
24 ledger.

25 MR. WRIGHT: He's a decent man who made a serious

1 mistake. And when I read -- of every letter -- and I'm not gonna
2 bore you with 'em. You read them all --

3 THE COURT: I did.

4 MR. WRIGHT: -- selfless, tireless, honorable, caring,
5 moral, dependable, humble, workhorse and not a shore hose [sic] --
6 shore -- show horse, sincere, dedicated, old-fashioned,
7 straightlaced, unwavering advocate, kindhearted, polite, gentle,
8 unbelievable mentor, compassionate, loyal, fervent devotion to his
9 clients. And that fervent devotion to his clients is what
10 obscured the correct path to take in this situation 'cuz there's
11 no question about it.

12 But the qualities that make him what he is is what led
13 him astray in this. So I think some type of extraordinary
14 community service would fit his misconduct and would benefit the
15 community. And that's basically our basis for downward departure,
16 Your Honor.

17 THE COURT: Okay. Thank you.

18 MR. WRIGHT: Thank you.

19 MR. MYHRE: May I, Your Honor?

20 THE COURT: Yes. Thank you.

21 MR. MYHRE: Thank you, Your Honor.

22 Well, we've covered a lot of adjectives in the last
23 presentation. I'm not going to take on all of those adjectives
24 because the Government does not dispute the letters, the fine
25 letters, that were written on behalf of Mr. Reade or from, you

1 know, the quality of the -- not only the quality of the writing of
2 the letters but also the quality of the people that wrote the
3 letters. As the Court has said, that's really not in dispute.
4 What is in dispute here is whether Mr. Reade is going to be held
5 accountable to the fullest extent under the law. And, as the
6 Court has already articulated, the burden really is on him to show
7 why the variance here should depart from the Guidelines.

8 The Guidelines have already taken into account, Your
9 Honor, all of the nature of the offense and, you know, the
10 severity of the offense, if you will, in just sort of a cold and
11 antiseptic way. But what we have tried to do and provide for the
12 Court are some of the facts surrounding the offense and we have
13 provided the Court with a great deal of information and we're well
14 aware of that and we appreciate the Court's indulgence in that
15 regard. But we did it for a purpose. We wanted to set for the
16 Court the context within which this offense occurred.

17 Mr. Reade has already admitted, pursuant to his plea,
18 that he knew that a crime had been committed and that Rick Young
19 and others had committed it and that he "thereafter intentionally
20 relieved, received, comforted, or assisted Rick Young in order to
21 hinder and prevent his punishment for the crime of laundering
22 monetary instruments."

23 The Court had commented about the Judge Earl hearing and
24 whether Mr. Reade knew the extent of the broader fraud and to what
25 extent did he have knowledge of that. And it's the Government's .

1 position that the Court really doesn't need to reach that question
2 in order to impose a Guideline sentence here because the conduct
3 in and of itself is serious enough irrespective of what Mr. Reade
4 may have known about the greater fraud. But we believe the
5 evidence before the Court shows that he did know about the greater
6 fraud.

7 After the Earl hearing on February 15th, 2008, clearly,
8 as the Court can glean from that transcript, Judge Earl picked up
9 immediately the fraudulent nature of this: how the loans didn't
10 make sense, none of it made sense. Mr. Reade did an admirable job
11 defending these loan agreements and some of these circumstances.
12 But what was clear from Judge Earl's -- the takeaway from
13 Judge Earl's comments was that he wanted those loans paid back, he
14 wanted them paid back right away, and he was very concerned about
15 where the money in Global One was going.

16 And it was in June of 2008, Your Honor, a few months
17 after that hearing, where everyone agreed the money's gonna go
18 back to the lenders, that Mr. Reade makes more transfers of money
19 to Rick Young. He transfers the money. He moves the money in
20 June three times to the tune of more than \$270,000 to Young's
21 account.

22 Now, what attorney, having gone through what he went
23 through with the NFA -- and, clearly, if he had no takeaway from
24 all of those experiences with the NFA from Ms. Johnson to Ms. Cain
25 to the Membership Agreement to the agreement not to participate,

1 clearly the takeaway for him from that was there's something
2 really suspect about Global One, about Rick Young, and about that
3 whole unholy alliance of trying to purchase this FOREX dealership.
4 He clearly took that away from there. And yet we find him in
5 February making the representations to -- or at least leaving the
6 impression with Judge Earl that the money's gonna go back to the
7 lenders. And what do we have in June of 2008? Him moving the
8 money.

9 Why would an attorney be within a million miles of that
10 money? Why would an attorney want his or her name on that money,
11 moving money? If he followed only his basic ethical
12 considerations, he would have known not to do it, but yet he
13 continued on. And that's the point we made in our Sentencing
14 Memorandum.

15 There were times he could stop. He could have stopped in
16 May when he was first contacted by the NFA asked about Global One,
17 Rick Young, where the money was coming from. He could have at
18 that point said: You know what? I'm just a nominee. I'm just
19 doin' what my client told me. I may be in waters too deep for me
20 to really tread at this point. But let me tell ya what I know.
21 No, that didn't happen.

22 When Ms. Johnson came out to Las Vegas in June, another
23 opportunity to say: You know what? I'm just an attorney here.
24 I'm just a nominee. I don't know what's going on. He didn't. He
25 stalled; he delayed. It wasn't until -- then he hires a lawyer

1 and then we go through the whole Kabuki dance with the NFA over
2 what's gonna happen next. But clearly he had many opportunities
3 along the way to say no and to just walk away.

4 Now, Mr. Wright asked the question, well, what -- why?
5 Why? Why? Well, that's the age-old question, isn't it, Your
6 Honor? And, as I've heard argued many times and have heard courts
7 articulate, that no one can really truly know the inner workings
8 of the human mind. Perhaps if we knew that, we wouldn't need
9 criminal courts because we could address why people do things and
10 address that.

11 No one knows ultimately why Mr. Reade did what he did
12 except for Mr. Reade. What we're faced with and what the
13 Government has and what the cases that have been presented at the
14 Young and Willard proceedings is we have the documents; we have
15 the cold, hard facts as to what happened. And the facts when you
16 look at the chronology of events -- and we've laid out the
17 chronology for you in our -- both in our Sentencing Memorandum as
18 well as in our response to the defendant's objections. So I'm not
19 gonna go in detail with -- address those in detail at this point.
20 But what that chronology shows is that at various points there
21 were ways to exit out of this. The fact that he did not exit out
22 of this shows that he knew what he was doing and he went ahead and
23 did it anyway.

24 And why? We have -- the record before the Court shows
25 money. Because as was articulated in our proffer and was

1 articulated by Ms. Johnson on the witness stand, these FOREX
2 dealerships are tremendously profitable. I think we presented
3 testimony from the Young trial where one of the former managers of
4 a dealership was saying that he made \$60,000 a month and he was
5 just a manager. Mr. Reade was listed as a principal. Mr. Reade
6 stood as a principal legally to gain from that dealership. If
7 that Trend transaction had gone through, as a principal he stood
8 to gain.

9 I understand the Court's questioning with respect to
10 whether, well, could he have incorporated very early on Way FX and
11 put his name on Global One's papers with the Secretary of State
12 because he was acting as an attorney? Perhaps. But that does not
13 explain why he listed himself as a principal nor does it explain
14 why he didn't -- as soon as the inquiry was made from the NFA as
15 to all the -- who was owning these entities, why didn't he take
16 his name off right away. And so, Your Honor, we believe that
17 shows his involvement.

18 I think -- you know, I could understand the argument from
19 Mr. Wright better if he said: Take a look at the crime and
20 off-weigh it with the good character evidence. I wouldn't accept
21 that, but I could understand it better. But what I understood his
22 argument was that: Well, yes, we don't want to minimize. But he
23 didn't know. But he didn't hurt anybody. But he didn't, you
24 know, on and on and on.

25 He's already admitted that he's known about the crime,

1 Your Honor. He admitted it in his Plea Agreement; he admitted it
2 during his plea colloquy. He knew that a crime had been
3 committed; he knew that he was assisting in concealing and
4 assisting Mr. Young.

5 We believe that a Guideline sentence, Your Honor, would
6 put Mr. Reade's culpability in line with that of the other players
7 in this fraud scheme. And I won't dwell on it a great deal. The
8 Court has plenty of evidence before it as to the devastating
9 nature of the fraud that was committed by Young and Willard.

10 THE COURT: Was Young actually given 300 months?

11 MR. MYHRE: Yes, Your Honor. He was sentenced to --

12 THE COURT: That's not a typographical error? It wasn't
13 30; it was 300?

14 MR. MYHRE: That's correct, Your Honor. 25 years for
15 Mr. Young. 15 months for Mr. Willard who had cooperated and
16 testified in the Young trial.

17 The victims here were -- well, there were a great number,
18 over 250 victims. Many of them very vulnerable victims,
19 elderly --

20 THE COURT: Judge Hicks, I think, used a different
21 figure. I thought I saw -- in one place, I saw 1400 victims; in
22 another, I saw 1600 victims.

23 MR. MYHRE: Yes, Your Honor, I think what that was in
24 reference to is that there were approximately 1700 of these loans.
25 Some of the loans were paid back as part of the Ponzi scheme.

1 What ultimately came out in sentencing was that there were 250
2 actual victims who lost in this scheme and the loss amount was in
3 excess of \$14 million.

4 But the people who fell prey to this scheme were in many
5 cases elderly, unsophisticated, very vulnerable victims who lost
6 everything. And the -- it's difficult to describe to the Court
7 how that fraud impacted the lives of those victims, which explains
8 Judge Hicks's comments at sentencing, that the Court has before
9 it, as well as the length of the sentence imposed which, as the
10 Court as alluded to, is very high for a fraud scheme but
11 nevertheless warranted.

12 Your Honor, we believe that, you know, in terms of
13 putting this in line with the other offenders here, Mr. Reade had
14 advantages that Young and Willard didn't. Mr. Reade had the
15 benefit of a good education. Mr. Reade had the benefit,
16 obviously, of family and friend support. Mr. Reade had the
17 benefit at the time that he entered into this of 10 years of legal
18 experience. This was not a novice lawyer who just, you know, was
19 taking on something for the first time and lost his or her
20 bearings. This was someone who was experienced, someone who is
21 savvy, someone who is smart.

22 And, Your Honor, to not sentence him to a custodial
23 sentence, Your Honor, we believe would send the wrong impression
24 or the wrong signal. Does it mean that if someone has education
25 they get more of a break than someone who doesn't? Does someone

1 who has a lot of friends get a break where someone who hasn't a
2 friend in the world doesn't?

3 Everyone, Your Honor, stands equal before the law. And
4 it's the Government's position everyone stands equally accountable
5 for the law. Whether they've got a million dollars or don't have
6 a penny in their pocket, whether they've got a hundred friends
7 from important positions or they don't have a person they can call
8 a friend in the whole world.

9 And, Your Honor, we believe that in this case, given the
10 egregious nature of the conduct and the egregious nature of the
11 lies; the fact that this was a defendant who knew better; this was
12 a defendant who knew the law, who was an experienced practitioner
13 that he should be held accountable to that standard and that he
14 should be sentenced to a Guideline custodial term of between 18
15 and 24 months.

16 THE COURT: Thank you.

17 MR. MYHRE: If the Court has no further questions, we
18 submit.

19 THE COURT: No further questions. Thank you.

20 MR. MYHRE: Thank you, Your Honor.

21 THE COURT: Mr. Reade, you have an opportunity to address
22 the Court before sentence is imposed.

23 THE DEFENDANT: Yes, please, Your Honor.

24 COURT REPORTER: Move the microphone closer.

25 THE COURT: Yes. Please remain seated and just move the

1 microphone over.

2 THE DEFENDANT: (Complies.)

3 THE COURT: Thank you.

4 THE DEFENDANT: Your Honor, thank you for letting me
5 address the Court.

6 Throughout my life, my father has always told me never to
7 ruin an apology, contrition, or repentance with an explanation.
8 So please understand that what I tell you here today is not meant
9 as a justification or excuse for anything that we have talked
10 about. It's meant to show the remorse, humiliation, and
11 devastation that I know that I have caused to my family, my
12 friends, my community, and the victims in this case.

13 There are two things that I've always shared with my
14 daughters every day. One is I ask them before they leave to make
15 me proud that day and, number two, that to err is human but to not
16 fix it is inexcusable. I have made no one proud in this case and
17 I make no one proud by sitting here. I have fallen short of my
18 standards and the standards to which I understand this Court and
19 the community have the right to hold me.

20 I was given a great life and I built upon that great
21 life. And now I've left it in rubble. I've had a long time since
22 2007 to reflect on my actions and my decisions, to view the direct
23 and collateral victims of my actions.

24 First and foremost, I want to fully apologize and take
25 responsibility for my misrepresentations to the National Futures

1 Association. As this Court may have gleaned from today's
2 proceedings, they were adversarial; they were not friendly.
3 That's not an excuse because I and I alone put myself in that
4 predicament of having my attorney-client privilege and duty of
5 confidentiality in direct conflict with my duty of candor to the
6 NFA. Faced with that very difficult decision which I put myself
7 in, I made a choice and I made a wrong choice and I took actions
8 and they were wrongful actions.

9 Instead of defending the line of propriety for my client,
10 I stepped over that line. I've always tried to fight for what I
11 think is right and in this case I chose wrong and I acted wrong.
12 I lawyered too hard and too fast in an effort to protect my
13 clients and get them what they -- I believed they wanted. There
14 is no justification or excuse for my actions. And I apologize to
15 the NFA today as I did in 2007.

16 Ultimately, though, the direct victims of my actions are
17 the members of Global One. And I agree with Mr. Myhre, the effect
18 of my actions were not directed at those members, but that's who
19 it hurt. It hurt their ability to have a fair chance at a
20 brokerage and to have transparency in the entity with which they
21 were affiliated. While no customer monies were lost from Trend
22 and they all were returned, I recognize those members are still
23 victims and they are the people who I hurt.

24 I betrayed the very principles which I try to live and
25 practice by, do right in every occasion and do no harm to anyone.

1 I realize that I violated both of those. My efforts were so
2 dedicated and driven to try and do what I believed was the best
3 for Global One and its members; to give them what they told me
4 they so wanted, which was a brokerage and a fair place to trade.
5 But, as we all know, the road to Hades is paved with those same
6 good intentions. I was unfair and deceptive which didn't benefit
7 anyone and, in fact, hurt the very people I set out to help.

8 It's for that reason in 2007 that, addressing my conduct
9 to the NFA, I accepted a sanction from the NFA. And I ruefully
10 now accept the same. There's no amount of remorse and sorry and
11 apology that can adequately express the deep despair and grief and
12 repentance that I have for that. Not just back then but today
13 because I know that the effects of those actions weren't limited
14 to 7 years ago but they've carried forward today.

15 There are two things in life, Your Honor, that I love and
16 I'll go to the ends of the earth for: one is my family and the
17 second is the law. To have to look today at the pain,
18 humiliation, and sorrow that I've brought to my family devastates
19 me. To know that I have defaced, defiled, disgraced and destroyed
20 my family name that they built, not I, is heartbreaking. To live
21 with my family and know the anguish and agony and sorrow and
22 despair that I caused them by my actions and my actions alone has
23 made it hard to continue.

24 I've always taken pride that my parents and children
25 could look at me with beaming pride for the good that I do and the

1 people that I've helped. And now I have to know that I've caused
2 them furtive embarrassment as a father and a son. There's no
3 amount of good deeds that I've done before today or will do after
4 today that will ever repair and replace the scar that I have left
5 on this life. Nothing will ever restore the good name that I
6 worked so hard to build which then brings me to my second love
7 which is the law. I don't mean the statutes. I don't mean
8 sitting in this cathedral of the practice. I mean the law,
9 helping people; working so hard to help the people that need a
10 voice to get access to justice.

11 I was proud to read in those letters somewhat that I've
12 come to be known for my zeal and my love and my passion for the
13 law. Your Honor, it is the passion and not the power of law that
14 draws me to this life. This is not my profession. This is my
15 life. This is what I live to do is to help people and to know
16 that I've done the exact opposite in hurting people is
17 devastating. I've seen that unchecked zealousness and unmitigated
18 hubris leads to unquestionable harm.

19 I've resigned from everything because I'm too toxic to
20 serve. Worst of all, I've damaged the very profession that I
21 love, the very practice that I love, the very purpose that I live
22 for; that I've tried to make so honorable, I've dishonored.

23 On Icarus wings, I have not only fallen, but I've harmed
24 those upon which I've landed. And that's a difficult thing to
25 admit. As I said, I know no amount of good deeds, good actions,

1 good will can ever repair and heal the scar that I have left. And
2 yet, as I believe Mr. Wright has alluded to, that doesn't mean I'm
3 not gonna try and I've been trying and I'm gonna continue to try.
4 That from that rubble I've been left with bricks, bricks from
5 which I'm left to rebuild my life. I ask this Court to look not
6 merely at my mistakes, my actions, my crimes but at the good that
7 I've tried to do. I ask this Court for leniency and to allow me
8 to continue to atone. And with that I thank you.

9 THE COURT: Thank you.

10 Well, this is a very difficult case. There are
11 considerations on both sides of the scale: first, that it's a
12 first-time offense; zero Criminal History points for this
13 defendant. A mountain of good work, community service.

14 Beyond that, that we see of most practitioners who
15 involve themselves in the pro bono projects, looking at the
16 recognitions that have been received reminded me of the amount of
17 effort that it took for my firm to be recognized even to a lesser
18 degree than Mr. Reade's firm. However, on the other side is a
19 huge mistake that the Guidelines call for a sentence of 18 to 24
20 months.

21 I don't believe that I did calculate the Offense Level,
22 which I will do now:

23 The Base Offense Level is 18.

24 Three-level reduction for acceptance of responsibility is
25 applied resulting in a Total Offense Level of 15.

1 With a Total Offense Level of 15 and a Criminal History
2 Category of I, the Guideline range is 18 to 24 months with a
3 supervised release range of 1 to 3 years.

4 The Guideline fine range is 4,000 to 40,000 dollars.

5 The concerns the Court has with a noncustodial sentence
6 are the issue of whether it would recognize the seriousness of the
7 crime, promote respect for the law, provide just punishment.

8 I don't believe that we have to worry about reoffending
9 with Mr. Reade. So protecting the public from further crime of
10 the defendant is a nonissue.

11 Providing the defendant with needed education and
12 training is a nonissue.

13 The issue of avoiding sentencing disparities and
14 affording deterrence to criminal conduct are somewhat important.
15 I'm not worried about deterring future conduct on the part of
16 Mr. Reade, but I am concerned about deterrence generally.

17 In the course of defendant's dealings with his clients,
18 there should have been some red flags. The fact that Mr. Young
19 was floating in money, making huge profits; that he was using a
20 system, Global Trac system, that was supposedly a
21 computer-generated proprietary system that would allow wins almost
22 all the time in foreign currency exchange against a history of
23 most people being losers in that activity; the representations of
24 results of trading should have thrown a red flag; the fact that
25 loans were being obtained from the investors and were really, in

1 fact, sales of securities; the disgruntled investors, he probably
2 didn't know too much about those. At least the record doesn't
3 support a finding that you knew about them. But the question is
4 should he have made further investigation and done more due
5 diligence on the individuals he's representing.

6 Sometimes we get a feeling from our clients that they are
7 crooks and the way they are throwing around money that it's too
8 good to be true, that they are engaged in lawful activity. One of
9 the attractions of representing clients, at least the paying ones,
10 is that you do get paid. And these -- I'm sure that he was
11 compensated for his representation of these defendants and I
12 suspect that it was beyond the \$75,000 that was for the limited
13 work he did that is going to be divested.

14 My question still in my mind is why were his clients
15 insisting that he hide the source of the money. He did take it
16 upon himself to hide the source of the money. Why was that
17 needed? If the source of the money was legitimate, why did he
18 need to deceive the investigative arm and cause the delay that was
19 attendant with the misrepresentations?

20 It seems to me that there is some evidence that there was
21 delay in the investors getting their money back and that money was
22 paid to Young in substantial amounts even after the defendant knew
23 that something was wrong.

24 So, with all of that, the Court is going to grant a
25 sentencing variance but not to the extent that has been requested

1 by defense.

2 As I've said already, the restitution will be paid. The
3 client of Mr. Wright and Ms. Stanish has performed a monumental
4 amount of community service that is really unparalleled in my
5 experience and that is one of the primary reasons for a variance.
6 The next reason is the lack of likelihood of recidivism; the fact
7 that the defendant has lost a tremendous amount and I believe in
8 the future will be more careful with who he takes on as clients,
9 will do more due diligence and watch for warning signs that he was
10 not paying attention to as the facts of this case unfolded.

11 I believe that he has a strong community support that has
12 recognized the value of his service to the public. I think that,
13 as is the experience with most of us when we get into serious
14 trouble, we go the other way and become very, very careful about
15 what we do and who we become involved with.

16 So the sentence is twelve months and one day. The one
17 day is added to allow the defendant to receive good time. I'm not
18 going to consider a split sentence in this case where the
19 defendant serves a custodial and alternative time. It's twelve
20 months and one day.

21 The Court imposes a substantial fine at the high end of
22 the Guideline, which is \$40,000.

23 The penalty assessment of \$100 is imposed and due
24 immediately.

25 I do not know if I need to make an order on the \$75,000

1 divestiture, but it's my understanding that will happen if it has
2 not happened already.

3 MR. MYHRE: That's correct, Your Honor. That's our
4 understanding also. But I don't have an order prepared for the
5 Court --

6 THE COURT: Well, that is --

7 MR. MYHRE: -- at this time.

8 THE COURT: -- the order.

9 MR. MYHRE: Thank you, Your Honor.

10 THE COURT: Supervised release is imposed for a term of
11 3 years. While on supervised release, the defendant will comply
12 with the standard conditions as recommended by the Sentencing
13 Commission and the following mandatory conditions required by
14 statute:

15 You shall not commit another federal, state, or local
16 crime during the term of supervision.

17 You shall not possess illegal controlled substances. You
18 shall refrain from any unlawful use of controlled substances and
19 submit to one drug test within 15 days of commencement of
20 supervision and two periodic drug tests thereafter not to exceed
21 104 tests annually. Revocation is mandatory for refusal to
22 comply.

23 You will submit to DNA collection and analysis as
24 directed by the probation officer.

25 In addition, the following special conditions are

1 imposed:

2 You shall not possess, have under your control, or have
3 access to any firearm, explosive device, or dangerous weapon as
4 defined by federal, state, or local law.

5 You shall submit to the search of your person, property,
6 residence, place of business, and vehicle under your control to a
7 search conducted by the probation officer or an authorized person
8 under the immediate and personal supervision of the probation
9 officer at a reasonable time and a reasonable manner based on
10 reasonable suspicion of contraband or evidence of a violation of a
11 condition of supervision. Failure to submit to the search may be
12 grounds for revocation. And you will inform other residents the
13 premises may be subject to search pursuant to this condition.

14 You shall report in person to the Probation office in the
15 district to which you're released within 72 hours following your
16 discharge from custody.

17 Now, in your Plea Agreement, you did waive your right to
18 appeal your conviction and sentence. Even though you have given
19 that waiver, there are certain appellate rights that cannot be
20 waived. If you wish to exercise any right of appeal, you have 14
21 days from this date in which to file the Notice of Appeal. If you
22 cannot afford an attorney to represent you for purposes of appeal,
23 one will be appointed for that purpose. If you cannot afford a
24 transcript, one will be ordered for your use on appeal.

25 Is there a request for designation?

1 MS. STANISH: Court's indulgence.

2 (Attorney-client discussion.)

3 MS. STANISH: Your Honor, we would request Lompoc and
4 then, if that's not available, Taft as the alternative.

5 THE COURT: Court recommends Lompoc and, as a second
6 recommendation Taft, California. Those are the recommendations.

7 Are there any further matters to be addressed at this
8 time? Government?

9 (Government counsel conferring.)

10 MR. MYHRE: Your Honor, we have no objection to
11 continuing on terms and conditions. We'd ask for a report date.

12 THE COURT: Okay. We will set that in just a moment.

13 Any further matters to be addressed by the defense?

14 (Defense counsel conferring.)

15 MS. STANISH: Court's indulgence.

16 THE COURT: Yes.

17 (Defense counsel conferring.)

18 MR. WRIGHT: -- nothing further, Your Honor.

19 THE COURT: Thank you.

20 MR. WRIGHT: Thank you.

21 THE COURT: Report date, Ms. Clerk.

22 COURTROOM ADMINISTRATOR: Yes, Your Honor.

23 Surrender date is Friday, October 17, 2014, by noon to
24 the designated facility.

25 THE COURT: And the record will reflect the probation

1 officer is handing the defendant a copy of the Conditions of
2 Supervision of the District of Nevada, English language version.

3 I will be remiss if I do not take note of the numerous
4 individuals in the courtroom who have spent the better part of
5 four hours here in support of Mr. Reade. And I thank you for your
6 attendance and interest in his case.

7 We are adjourned.

8 (Proceedings concluded at 1:14 p.m.)

9

10 --oOo--

11 COURT REPORTER'S CERTIFICATE

12

13 I, FELICIA RENE ZABIN, Official Court Reporter, United
14 States District Court, District of Nevada, Las Vegas, Nevada, do
15 hereby certify that pursuant to Section 753, Title 28, United
16 States Code, the foregoing is a true, complete, and correct
17 transcript of the proceedings had in connection with the
18 above-entitled matter.

19

20 DATED: December 31, 2015

21

/s/ Felicia Rene Zabin
FELICIA RENE ZABIN, RPR, CCR NO. 478

22

23

24

25

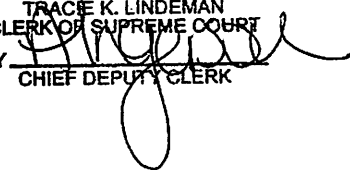
IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF DISCIPLINE OF
R. CHRISTOPHER READE, BAR NO.
6791.

No. 65738

FILED

JUN 25 2014

TRACE K. LINDEMAN
CLERK OF SUPREME COURT
BY 
CHIEF DEPUTY CLERK

ORDER OF TEMPORARY SUSPENSION

This is a joint petition pursuant to SCR 111(4) by bar counsel and attorney R. Christopher Reade based on Reade's conviction in the United States District Court, District of Nevada, pursuant to a guilty plea, of one count of accessory after the fact to laundering of monetary instruments, a felony in violation of 18 U.S.C. § 3. Reade timely informed the State Bar of his conviction. *See* SCR 111(2).

When an attorney has been convicted of a serious crime, SCR 111 provides that this court shall enter an order suspending that attorney pending final disposition of a disciplinary proceeding. SCR 111(7). A felony is explicitly a "serious crime" under SCR 111, and a guilty plea constitutes a "conviction." SCR 111(1), (6). Reade pleaded guilty to a felony count and has therefore been convicted of a serious crime for purposes of SCR 111.

Accordingly, we temporarily suspend Reade from the practice of law and refer this matter to the Southern Nevada Disciplinary Board for the initiation of formal disciplinary proceedings in which the sole issue

Effective Date: 06-25-2014
Nv Bar No. : 6791

to be determined is the extent of discipline to be imposed. See SCR 111(7), (8).

It is so ORDERED.

1 Hardesty, J.
Hardesty

Douglas, J.
Douglas

Cherry, J.
Cherry

cc: Jeffrey R. Albregts, Chair, Southern Nevada Disciplinary Board
David A. Clark, Bar Counsel
Wright Stanish & Winckler
Kimberly K. Farmer, Executive Director, State Bar of Nevada
Perry Thompson, Admissions Office, United States Supreme Court



FILED

SEP 22 2014

STATE BAR OF NEVADA
OFFICE OF BAR COUNSEL

Case No. CR13-0992

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

vs.

R. CHRISTOPHER READE,
Nevada Bar No. 6791

Respondent.

COMPLAINT

TO R. Christopher Reade
c/o Richard Wright, Esq.
Wright Stanish & Winckler
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

PLEASE TAKE NOTICE that pursuant to Supreme Court Rule ("SCR") 105(2), a **VERIFIED RESPONSE OR ANSWER** to this Complaint must be filed with the Office of Bar Counsel, State Bar of Nevada, 600 E. Charleston Boulevard, Las Vegas, Nevada 89104, within twenty (20) days of service of this Complaint. Procedure regarding service is addressed in Supreme Court Rule 109.

Complainant, State Bar of Nevada ("State Bar"), alleges:

1. Respondent R. CHRISTOPHER READE, Bar No. 6791 ("Respondent"), is now and at all times pertinent herein was, a licensed attorney in the State of Nevada, having his principal place of business for the practice of law in Clark County, Nevada.

2. On January 22, 2014, a Criminal Information was filed in United States District Court District of Nevada charging Respondent with Assessory After the Fact to Laundering of Monetary Instruments, in violation of Title 18, United States Code, Section 3

1 3. Also on January 22, 2014, a Plea Agreement was filed (the "Plea Agreement").

2 4. Respondent pled guilty to one count of Accessory After the Fact to Laundering
3 of Monetary Instruments in violation of 18 U.S.C. § 3 and agreed not to withdraw his guilty
4 plea after he entered it in court.

5 5. The elements of the offense of 18 U.S.C. § 3 (Accessory After the Fact to the
6 Laundering of Monetary Instruments) are:

7 a. From on or about February 15, 2007, continuing on or about August 21,
8 2007, the crime of laundering monetary instruments in violation of Title 18,
9 United States Code, Section 1956(a)(1)(B)(i) had been committed by Richard
10 Young and others.

11 b. Respondent knew that this crime had been committed, and that Young
12 and others had committed it.

13 c. Respondent thereafter intentionally received, relieved, comforted, or
14 assisted Young in order to hinder and prevent his punishment for the crimes
15 of laundering monetary instruments.

16 6. The elements of the underlying offense of Laundering Monetary Instruments,
17 in violation of 18 U.S.C. § 1956(a)(1)(B)(i) for the principal Young, are as follows:

18 a. Young conducted or intended to conduct a financial transaction
19 involving property that represented the proceeds of a specified unlawful
20 activity;

21 b. Young knew that the property represented the proceeds of the
22 specified unlawful activity;

23 c. Young knew that the transaction was designed in whole or in part to
24 conceal or disguise the nature, location, ownership, and control of the
25

proceeds of the specified unlawful activity; and

d. Young did something that was a substantial step toward committing the crime.

7. Respondent admitted the following was true in the Plea Agreement:

a. Respondent was a licensed attorney in the State of Nevada, practicing law in Las Vegas, Nevada.

b. Young owned and operated a Nevada corporation known as Global One Group, LLC (Global One), a web-based company which purported to train others how to trade in the FOREX.

c. FOREX was a term colloquially associated with the market generated by trades in foreign currency future contracts. Currency future contracts were generally traded through Futures Commissions Merchants (FCMs), also referred to as FOREX brokers or FOREX dealers.

d. As founder and CEO of Global One, Young advertised to the general public that he was an experienced and highly successful trader in the FOREX market and would teach others his strategies and techniques. For a small fee, Young offered "memberships" in Global One where members could access Young's web-based live training seminars, where he claimed he had developed an automated trading program that traded according to his strategies simply by "flipping a switch."

e. As Global One grew, Young constructed a scheme and artifice to defraud its members of their money and property by falsely representing that in return for "loans" made to Global One, members could be paid high yield returns generated from profits derived from the trades in his automated

1 program. Young concealed from members that the automated program did not
2 exist as represented, that payments of member loans were made from the
3 proceeds of later in time loans from other members and not from profits
4 generating from Global One and the proceeds from member loans were
5 diverted to Young's personal use and interests away from Global One.

6 f. From 2006 to 2008, Young derived approximately \$16 million in
7 proceeds from his fraudulent scheme.

8 g. Beginning in February 2007, Respondent represented Global One and
9 Young in connection with transactions and litigation arising from Global One's
10 business activities.

11 h. In March 2007, Young intended to purchase a FOREX broker, named
12 Trend Commodities (Trend), using proceeds from the loans from Global One
13 members. The purchase of Trend would allow Young to become a
14 broker/dealer in currency futures contracts.

15 i. To disguise the source, ownership and control of Global One's "loan"
16 proceeds to be used to purchase Trend, Young authorized Respondent to
17 create a holding corporation called Way FX Corp., listing Respondent as its
18 Director, Secretary and President. Thereafter, in or about April 2007, Young
19 directed the transfer of approximately \$2,250,000 from Global One accounts to
20 an account held by Way FX and controlled by Respondent for purchase and
21 capitalization of Trend. These transactions constituted the unlawful
22 laundering of monetary instruments by Young, in violation of 18 U.S.C. §
23 1956(a)(1)(B)(i).

24 j. The National Futures Associations (NFA) is an independent regulatory
25

1 agency designed by federal regulations to regulate the practice of its FOREX
2 brokers/dealers and enforce rules and regulations designed to protect the
3 public from fraud and deceitful and deceptive trading practices in FOREX.

4 k. NFA is required to review and approve the purchase of any FOREX
5 broker in the United States. As part of the process, prospective purchasers
6 must undergo a background check and demonstrate that any funds used to
7 purchase and capitalize the broker are neither encumbered nor derived from
8 fraud.

9 l. From on or about May 2007 to August 2007, and in the course of its
10 review and audit of the Trend purchase, NFA regulators conducted interviews
11 of, and meetings with, Respondent where he was asked if Global One was
12 involved in the purchase of Trend and if the funds for the capitalization of
13 Trend were in anyway encumbered. Respondent responded falsely that a) he
14 was unaware who owned Global One; b) Global One's assets were not used to
15 purchase Trend; c) he was unaware of how Global One raised money; and d)
16 the funds in the Way FX accounts came from his personal contributions and
17 assets.

18 m. Respondent knew that his representations were false and that Young
19 had committed the offense of money laundering by directing the transfer of
20 money to Way FX accounts for the Trend purchase. Respondent knew that, by
21 his misrepresentations to the NFA, he assisted Young in order to hinder the
22 NFA's investigation of Young in connection with Trend transaction and
23 prevent the punishment of Young for crime of money laundering.

24 n. On August 21, 2007, by check issued to Reade & Associates, Respondent
25

1 received \$75,000 from Global One's merchant account for his services,
2 including expenses, relating to Way FX and the purchase of Trend.

3 8. The maximum penalty that can be imposed at sentencing is ten (10) years
4 imprisonment and a fine of \$250,000, followed by supervised release not to exceed three (3)
5 years.

6 9. The parties agreed that restitution was not applicable in this case. Respondent
7 agreed to the abandonment to the Internal Revenue Service of \$75,000, which is the amount
8 Respondent received from Global One's Merchant Account by check made payable to Reade
9 & Associates.

10 10. The sentencing was held on July 15, 2014 at 9:00 a.m. Respondent was
11 sentenced to custody for twelve months and one day and was to self-surrender on October
12 27, 2014. Three (3) years of supervised release with special conditions was also ordered.
13 Respondent was assessed criminal monetary penalties in the amount of \$40,000 to be paid
14 immediately.

15 11. Prior to sentencing, on or about January 13, 2014, Respondent and his
16 attorney met with Bar Counsel to discuss the Plea Agreement that they were anticipating
17 filing. They also discussed the procedure following the Plea, Respondent's selling of his law
18 office, Respondent going on inactive status with the State Bar and filing a Joint Petition
19 pursuant to SCR 111.

20 12. Respondent complied with the procedure and all requests of Bar Counsel in
21 selling his law office and placing clients with substitute counsel and did so in a timely
22 manner. He voluntarily went on inactive status on January 16, 2014.

23 13. On or about May 27, 2014, the State Bar and Respondent filed with the
24 Supreme Court a Joint Petition pursuant to SCR 111.

14. On June 25, 2014, the Supreme Court entered an Order of Temporary Suspension and Referral to Disciplinary Board. This Order temporarily suspended Respondent from the practice of law pending the formal disciplinary proceedings, in which the sole issue to be determined is the discipline imposed. A true and correct copy of this order is attached hereto as **Exhibit 1** and incorporated herein by reference.

15. In light of the foregoing, Respondent violated Rule of Professional Conduct (“RPC”) 8.4(b) (Misconduct: Commit a criminal act that reflects adversely on the lawyer’s honesty, trustworthiness or fitness as a lawyer).

WHEREFORE, Complainant prays as follows:

1. That a hearing be held pursuant to Nevada Supreme Court Rule 105;

2. That Respondent be assessed the costs of the disciplinary proceeding pursuant to Supreme Court Rule 120(1); and

3. That pursuant to SCR 102, such disciplinary action be taken by the Southern Nevada Disciplinary Board against Respondent as may be deemed appropriate under the circumstances.

Dated this 8th day of September 2014.

STATE BAR OF NEVADA

By:

David A. Clark, Bar Counsel
Nevada Bar No. 4443
600 E. Charleston Boulevard
Las Vegas, Nevada 89104
(702) 382-2200
Attorney for State Bar of Nevada

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF DISCIPLINE OF
R. CHRISTOPHER READE, BAR NO.
6791.

No. 65738

FILED

JUN 25 2014

TRACE K. LINDEMAN
CLERK OF SUPREME COURT
BY 
CHIEF DEPUTY CLERK

ORDER OF TEMPORARY SUSPENSION

This is a joint petition pursuant to SCR 111(4) by bar counsel and attorney R. Christopher Reade based on Reade's conviction in the United States District Court, District of Nevada, pursuant to a guilty plea, of one count of accessory after the fact to laundering of monetary instruments, a felony in violation of 18 U.S.C. § 3. Reade timely informed the State Bar of his conviction. See SCR 111(2).

When an attorney has been convicted of a serious crime, SCR 111 provides that this court shall enter an order suspending that attorney pending final disposition of a disciplinary proceeding. SCR 111(7). A felony is explicitly a "serious crime" under SCR 111, and a guilty plea constitutes a "conviction." SCR 111(1), (6). Reade pleaded guilty to a felony count and has therefore been convicted of a serious crime for purposes of SCR 111.

Accordingly, we temporarily suspend Reade from the practice of law and refer this matter to the Southern Nevada Disciplinary Board for the initiation of formal disciplinary proceedings in which the sole issue

Effective Date: 06-25-2014
Nv Bar No. 6791

to be determined is the extent of discipline to be imposed. See SCR 111(7), (8).

It is so ORDERED.

Hardesty J.
Hardesty

Douglas J.
Douglas

Cherry J.
Cherry

cc: Jeffrey R. Albregts, Chair, Southern Nevada Disciplinary Board
David A. Clark, Bar Counsel
Wright Stanish & Winckler
Kimberly K. Farmer, Executive Director, State Bar of Nevada
Perry Thompson, Admissions Office, United States Supreme Court



FILED

OCT 20 2014

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA

BY: [Signature]
OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA,)
)
Complainant,)
)
vs.)
)
R. CHRISTOPHER READE,)
Nevada Bar No. 6791)
)
Respondent.)

**CONDITIONAL GUILTY PLEA
IN EXCHANGE FOR A STATED
FORM OF DISCIPLINE**

R. Christopher Reade ("Respondent"), Bar No. 6791 hereby tenders to bar Counsel for the State Bar of Nevada a Conditional Guilty Plea ("Plea") pursuant to Supreme Court Rule ("SCR") 113(1) and agrees to the imposition of the following Stated Form of Discipline in the above-captioned case.

**I.
CONDITIONAL GUILTY PLEA**

Through the instant Plea, Respondent agrees and admits as follows:

1. Respondent is now and at all times pertinent herein was a licensed attorney in the State of Nevada.
2. By Supreme Court order pursuant to SCR 111, Respondent was suspended from the practice of law on July 25, 2014, for a conviction, pursuant to a guilty plea, of one count of Accessory After the Fact to Laundering of Monetary Instruments in violation of 18 U.S.C. § 3.
3. The State Bar filed a Formal Complaint on the above referenced case on September 22, 2014.
4. As part of this Plea, the parties have agreed to waive Respondent filing a Verified Answer to Complaint.

5. In addition, the parties agree to waive the requirement of thirty (30) days' notice of the formal hearing in an effort to convene a hearing prior to Respondent's incarceration.

6. In accordance with the Stipulation of Facts herein, Respondent pleads guilty and admits that he violated Rules of Professional Conduct ("RPC"), 8.4(b) (Misconduct: Commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer).

AGGRAVATION / MITIGATION

7. Pursuant to SCR 102.5 (Aggravation and mitigation), the Parties considered the following aggravating factors in considering the discipline to be imposed:

- Substantial experience in the practice of law; and
- Illegal conduct.

8. Pursuant to SCR 102.5 (Aggravation and mitigation), the Parties considered the following mitigating factors in considering the discipline to be imposed:

- Absence of prior disciplinary record;
- The lack of victim as identified in the Plea Agreement;
- Timely good faith effort to rectify the consequences of the misconduct;
- Full and free disclosure to disciplinary authority or cooperative attitude toward proceeding;
- Character or reputation;
- Community Service;
- Imposition of other penalties or sanctions; and
- Remorse.

II. STIPULATION OF FACTS

The facts stipulated to and agreed upon between Respondent and the State Bar of Nevada in support of this conditional plea are as follows:

1) On January 22, 2014, a Criminal Information was filed in United States District Court District of Nevada charging Respondent with Accessory After the Fact to Laundering of

Monetary Instruments, in violation of Title 18, United States Code, Section 3

2) Also on January 22, 2014, a Plea Agreement was filed (the "Plea Agreement").

3) Respondent pled guilty to one count of Accessory After the Fact to Laundering of Monetary Instruments in violation of 18 U.S.C. § 3 and agreed not to withdraw his guilty plea after he entered it in court.

4) The elements of the offense of 18 U.S.C. § 3 (Accessory After the Fact to the Laundering of Monetary Instruments) are:

a) From on or about February 15, 2007, continuing on or about August 21, 2007, the crime of laundering monetary instruments in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i) had been committed by Richard Young and others.

b) Respondent knew that this crime had been committed, and that Young and others had committed it.

c) Respondent thereafter intentionally received, relieved, comforted, or assisted Young in order to hinder and prevent his punishment for the crimes of laundering monetary instruments.

5) The elements of the underlying offense of Laundering Monetary Instruments, in violation of 18 U.S.C. § 1956(a)(1)(B)(i) for the principal Young, are as follows:

6) Young conducted or intended to conduct a financial transaction involving property that represented the proceeds of a specified unlawful activity;

a) Young knew that the property represented the proceeds of the specified unlawful activity;

b) Young knew that the transaction was designed in whole or in part to conceal or disguise the nature, location, ownership, and control of the proceeds of the specified unlawful activity; and

1 c) Young did something that was a substantial step toward committing
2 the crime.

3 7) Respondent admitted the following was true in the Plea Agreement:

4 a) Respondent was a licensed attorney in the State of Nevada, practicing
5 law in Las Vegas, Nevada.

6 b) Young owned and operated a Nevada corporation known as Global One
7 Group, LLC (Global One), a web-based company which purported to train
8 others how to trade in the FOREX.

9 c) FOREX was a term colloquially associated with the market generated
10 by trades in foreign currency future contracts. Currency future contracts were
11 generally traded through Futures Commissions Merchants (FCMs), also
12 referred to as FOREX brokers or FOREX dealers.

13 d) As founder and CEO of Global One, Young advertised to the general
14 public that he was an experienced and highly successful trader in the FOREX
15 market and would teach others his strategies and techniques. For a small fee,
16 Young offered "memberships" in Global One where members could access
17 Young's web-based live training seminars, where he claimed he had developed
18 an automated trading program that traded according to his strategies simply
19 by "flipping a switch."

20 e) As Global One grew, Young constructed a scheme and artifice to
21 defraud its members of their money and property by falsely representing that
22 in return for "loans" made to Global One, members could be paid high yield
23 returns generated from profits derived from the trades in his automated
24 program. Young concealed from members that the automated program did not
25 exist as represented, that payments of member loans were made from the

1 proceeds of later in time loans from other members and not from profits
2 generating from Global One and the proceeds from member loans were
3 diverted to Young's personal use and interests away from Global One.

4 f) From 2006 to 2008, Young derived approximately \$16 million in
5 proceeds from his fraudulent scheme.

6 g) Beginning in February 2007, Respondent represented Global One and
7 Young in connection with transactions and litigation arising from Global One's
8 business activities.

9 h) In March 2007, Young intended to purchase a FOREX broker, named
10 Trend Commodities (Trend), using proceeds from the loans from Global One
11 members. The purchase of Trend would allow Young to become a
12 broker/dealer in currency futures contracts.

13 i) To disguise the source, ownership and control of Global One's "loan"
14 proceeds to be used to purchase Trend, Young authorized Respondent to
15 create a holding corporation called Way FX Corp., listing Respondent as its
16 Director, Secretary and President. Thereafter, in or about April 2007, Young
17 directed the transfer of approximately \$2,250,000 from Global One accounts to
18 an account held by Way FX and controlled by Respondent for purchase and
19 capitalization of Trend. These transactions constituted the unlawful
20 laundering of monetary instruments by Young, in violation of 18 U.S.C. §
21 1956(a)(1)(B)(i).

22 j) The National Futures Associations (NFA) is an independent regulatory
23 agency designed by federal regulations to regulate the practice of its FOREX
24 brokers/dealers and enforce rules and regulations designed to protect the
25 public from fraud and deceitful and deceptive trading practices in FOREX.

1 k) NFA is required to review and approve the purchase of any FOREX
2 broker in the United States. As part of the process, prospective purchasers
3 must undergo a background check and demonstrate that any funds used to
4 purchase and capitalize the broker are neither encumbered nor derived from
5 fraud.

6 l) From on or about May 2007 to August 2007, and in the course of its
7 review and audit of the Trend purchase, NFA regulators conducted interviews
8 of, and meetings with, Respondent where he was asked if Global One was
9 involved in the purchase of Trend and if the funds for the capitalization of
10 Trend were in anyway encumbered. Respondent responded falsely that a) he
11 was unaware who owned Global One; b) Global One's assets were not used to
12 purchase Trend; c) he was unaware of how Global One raised money; and d)
13 the funds in the Way FX accounts came from his personal contributions and
14 assets.

15 m) Respondent knew that his representations were false and that Young
16 had committed the offense of money laundering by Young directing the
17 transfer of money to Way FX accounts for the Trend purchase. Respondent
18 knew that, by his misrepresentations to the NFA, he assisted Young in order to
19 hinder the NFA's investigation of Young in connection with Trend transaction
20 and prevent the punishment of Young for crime of money laundering.

21 n) On August 21, 2007, by check issued to Reade & Associates, Respondent
22 received \$75,000 from Global One's merchant account for his firm's services,
23 including expenses, relating to Way FX and the purchase of Trend.

24 8) The parties agreed that restitution was not applicable in this case. Respondent
25 agreed to the abandonment to the Internal Revenue Service of \$75,000, which is the amount

1 Respondent received from Global One's Merchant Account by check made payable to Reade
2 & Associates.

3 9) The sentencing was held on July 15, 2014 at 9:00 a.m. Respondent was
4 sentenced to custody for twelve months and one day and was to self-surrender on October
5 27, 2014. Three (3) years of supervised release with special conditions was also ordered.
6 Respondent was assessed criminal monetary penalties in the amount of \$40,000 to be paid
7 immediately and which were paid immediately.

8 10) Prior to sentencing, on or about January 13, 2014, Respondent and his
9 attorney met with Bar Counsel to discuss the Plea Agreement that they were anticipating
10 filing. They also discussed the procedure following the Plea, Respondent's selling of his law
11 office, Respondent's efforts to protect his clients and staff, Respondent going on inactive
12 status with the State Bar and filing a Joint Petition pursuant to SCR 111.

13 11) Respondent complied with the procedure and all requests of Bar Counsel in
14 selling his law office and placing clients with substitute counsel and did so in a timely
15 manner. He voluntarily went on inactive status on January 16, 2014.

16 12) On or about May 27, 2014, the State Bar and Respondent filed with the
17 Supreme Court a Joint Petition pursuant to SCR 111.

18 13) On June 25, 2014, the Supreme Court entered an Order of Temporary
19 Suspension and Referral to Disciplinary Board. This Order temporarily suspended
20 Respondent from the practice of law pending the formal disciplinary proceedings, in which
21 the sole issue to be determined is the discipline imposed.

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**III.
STATED FORM OF DISCIPLINE**

Pursuant to the Conditional Guilty Plea and Stipulation of Facts set forth above, Respondent, his counsel and the State Bar agree that, Respondent shall be **SUSPENDED FOR TWO (2) YEARS retroactive January 16, 2014, the date Respondent was transferred to inactive status with the State Bar.**


In addition, Respondent shall pay the actual costs of the disciplinary proceedings, excluding Bar Counsel and staff salaries, within thirty (30) days of the receipt of Memorandum of Costs from the State Bar.

**IV.
APPROVAL OF RESPONDENT**

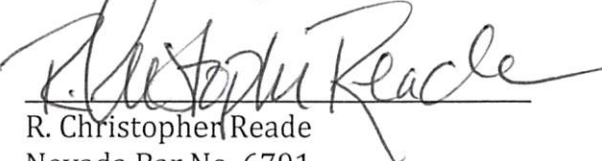
Having read the Plea and being satisfied with it, the same is hereby approved by Respondent.

Respondent has discussed the Plea with his counsel and fully understands the terms and conditions set forth herein.

DATED this ²⁰ day of October, 2014.


Richard Wright, Esq.
Nevada Bar No. 886
Wright Stanish & Winckler
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101
Counsel for Respondent

DATED this ²⁰ day of October, 2014.


R. Christopher Reade
Nevada Bar No. 6791
Respondent

V.
APPROVAL OF BAR COUNSEL

Having read the Plea tendered by Respondent, R. Christopher Reade, and being satisfied with the contents therein, I hereby approve and recommend the Plea for approval by the Formal Hearing Panel.

DATED this ²⁰¹⁴__day of October, 2014.

STATE BAR OF NEVADA



David A. Clark, Bar Counsel
Nevada Bar No. 4443
600 East Charleston Boulevard
Las Vegas, Nevada 89104

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF DISCIPLINE OF
R. CHRISTOPHER READE, BAR NO.
6791.

No. 67150

FILED

OCT 09 2015

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
CHIEF DEPUTY CLERK

***ORDER REJECTING CONDITIONAL GUILTY PLEA AGREEMENT
AND REMANDING FOR FURTHER PROCEEDINGS***

This is an automatic review of a Southern Nevada Disciplinary Board hearing panel's recommendation that this court approve, pursuant to SCR 113, a conditional guilty plea agreement in exchange for a stated form of discipline for attorney R. Christopher Reade. Under the plea agreement, Reade admits to a violation of RPC 8.4(b) (misconduct). This violation arises from Reade's conviction of one count of accessory after the fact to laundering of monetary instruments in violation of 18 U.S.C. § 3.¹

The agreed-upon discipline provides that Reade: (1) shall be suspended for two years commencing on January 14, 2014, the date that Reade voluntarily transferred to inactive status and (2) shall pay the

¹Reade self-reported the charges and guilty plea to the State Bar and met with bar counsel in January 2014 before he was sentenced, voluntarily transferred to inactive status, and filed a joint petition with the State Bar pursuant to SCR 111 in May 2014. On June 25, 2014, this court entered an order temporarily suspending Reade pursuant to SCR 111 and referring him for disciplinary proceedings to determine the discipline to be imposed. *In re Discipline of R. Christopher Reade*, Docket No. 65738 (Order of Temporary Suspension June 25, 2014). It appears that Reade already has complied with SCR 115.

actual costs of the disciplinary proceedings (excluding staff salaries) within 30 days of the State Bar submitting its memorandum of costs.

Based on our review of the record, we agree that a suspension is warranted but conclude that the length of the suspension is insufficient in relation to Reade's admitted conduct.² Accordingly, we reject the conditional guilty plea agreement and remand this matter to the Southern Nevada Disciplinary Board for further proceedings.

It is so ORDERED.³

Hardesty, C.J.
Hardesty

Parraguirre, J.
Parraguirre

Cherry, J.
Cherry

Gibbons, J.
Gibbons

Douglas, J.
Douglas

Saitta, J.
Saitta

Pickering, J.
Pickering

²Cf. *In re Discipline of Noel Gage*, Docket No. 64988 (Order Approving Conditional Guilty Plea Agreement, May 28, 2014); *In re Discipline of Harvey Whittemore*, Docket No. 66350 (Order of Suspension, March 20, 2015).

³This order constitutes our final disposition of this matter. Any further proceedings concerning Reade shall be docketed as a new matter.

cc: Chair, Southern Nevada Disciplinary Panel
Bar Counsel, State Bar of Nevada
Wright Stanish & Winckler
R. Christopher Read
Kimberly Farmer, Executive Director State Bar of Nevada



FILED

JUN 17 2016

STATE BAR OF NEVADA
BY: *[Signature]*
OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA
SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

vs.

R. CHRISTOPHER READE, ESQ.,
NV BAR NO. 6791,

Respondent.

ANSWER TO STIPULATION OF FACTS

COMES NOW, the Respondent, R. Christopher Reade, Esquire by and through his attorney, Richard A. Wright, Esquire, and deny everything except that which is contained in the Stipulation of Facts.

WRIGHT STANISH & WINCKLER

BY

[Signature]

RICHARD A. WRIGHT, ESQUIRE
300 S. Fourth Street
Suite 701
Las Vegas, NV 89101
(702) 382-4004
Attorney for R. Christopher Reade, Esq.



FILED

JUN 20 2016

STATE BAR OF NEVADA

BY: *[Signature]*
OFFICE OF BAR COUNSEL

Case No.: CR14-0087

STATE BAR OF NEVADA
SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,)
)
Complainant,)
)
vs.)
)
R. CHRISTOPHER READE,)
Nevada Bar No. 6791)
)
Respondent.)

STIPULATION OF FACTS

IT IS HEREBY STIPULATED by and between R. Christopher Reade, Esq. ("Respondent"), by and through his attorney, Richard A. Wright, Esq., and the State Bar of Nevada ("State Bar"), by and through Deputy Bar Counsel Brian T. Kunzi, Esq., that, for the purposes of these disciplinary proceedings, the following facts are true, undisputed, and require no further offer of proof:

1. Respondent is licensed to practice law in the State of Nevada and his principal place of business is located in Clark County, Nevada.

2. By Supreme Court order pursuant to SCR 111, Respondent was suspended from the practice of law on July 25, 2014, for a conviction, pursuant to a guilty plea, of one count of Accessory After the Fact to Laundering of Monetary Instruments in violation of 18 U.S.C. Sec. 3.

///

1 3. The State Bar filed a Formal Complaint on the above referenced case on September
2 22, 2014. The parties agree to waive the filing of a Verified Answer. Respondent waives any and
3 all defects as to jurisdiction and process and hereby consents for said matter to be adjudicated by the
4 hearing panel.

5 4. On January 22, 2014, a Criminal Information was filed in United States District
6 Court District of Nevada charging Respondent with Accessory After the Fact to Laundering of
7 Monetary Instruments, in violation of Title 18, United States Code, Section 3.

8 5. Also on January 22, 2014, a Plea Agreement was filed (the "Plea Agreement").

9 6. Respondent pled guilty to one count of Accessory After the Fact to Laundering of
10 Monetary Instruments in violation of 18 U.S.C. § 3 and agreed not to withdraw his guilty plea
11 after he entered it in court.

12 7. The elements of the offense of 18 U.S.C. § 3 (Accessory After the Fact to the
13 Laundering of Monetary Instruments) are:

14 a. From on or about February 15, 2007, continuing on or about August 21,
15 2007, the crime of laundering monetary instruments in violation of Title 18, United States Code,
16 Section 1956(a)(1)(B)(i) had been committed by Richard Young and others.

17 b. Respondent knew that this crime had been committed, and that Young and
18 others had committed it.

19 c. Respondent thereafter intentionally received, relieved, comforted, or
20 assisted Young in order to hinder and prevent his punishment for the crimes of laundering
21 monetary instruments.

22 8. The elements of the underlying offense of Laundering Monetary Instruments, in
23 violation of 18 U.S.C. § 1956(a)(1)(B)(i) for the principal Young, are as follows:

24 a. Young conducted or intended to conduct a financial transaction involving
25 property that represented the proceeds of a specified unlawful activity;

1 b. Young knew that the property represented the proceeds of the specified
2 unlawful activity;

3 c. Young knew that the transaction was designed in whole or in part to conceal
4 or disguise the nature, location, ownership, and control of the proceeds of the specified unlawful
5 activity; and

6 d. Young did something that was a substantial step toward committing the
7 crime.

8 9. Respondent admitted the following was true in the Plea Agreement:

9 a. Respondent was a licensed attorney in the State of Nevada, practicing law
10 in Las Vegas, Nevada.

11 b. Young owned and operated a Nevada corporation known as Global One
12 Group, LLC (Global One), a web-based company which purported to train others how to trade in
13 the FOREX.

14 c. FOREX was a term colloquially associated with the market generated by
15 trades in foreign currency future contracts. Currency future contracts were generally traded
16 through Futures Commissions Merchants (FCMs), also referred to as FOREX brokers or FOREX
17 dealers.

18 d. As founder and CEO of Global One, Young advertised to the general public
19 that he was an experienced and highly successful trader in the FOREX market and would teach
20 others his strategies and techniques. For a small fee, Young offered "memberships" in Global One
21 where members could access Young's web-based live training seminars, where he claimed he had
22 developed an automated trading program that traded according to his strategies simply by
23 "flipping a switch."

24 e. As Global One grew, Young constructed a scheme and artifice to defraud its
25 members of their money and property by falsely representing that in return for "loans" made to

1 Global One, members could be paid high yield returns generated from profits derived from the
2 trades in his automated program. Young concealed from members that the automated program did
3 not exist as represented, that payments of member loans were made from the proceeds of later in
4 time loans from other members and not from profits generating from Global One and the proceeds
5 from member loans were diverted to Young's personal use and interests away from Global One.

6 f. From 2006 to 2008, Young derived approximately \$16 million in proceeds
7 from his fraudulent scheme.

8 g. Beginning in February 2007, Respondent represented Global One and
9 Young in connection with transactions and litigation arising from Global One's business activities.

10 h. In March 2007, Young intended to purchase a FOREX broker, named Trend
11 Commodities (Trend), using proceeds from the loans from Global One members. The purchase of
12 Trend would allow Young to become a broker/dealer in currency futures contracts.

13 i. To disguise the source, ownership and control of Global One's "loan"
14 proceeds to be used to purchase Trend, Young authorized Respondent to create a holding
15 corporation called Way FX Corp., listing Respondent as its Director, Secretary and President.
16 Thereafter, in or about April 2007, Young directed the transfer of approximately \$2,250,000 from
17 Global One accounts to an account held by Way FX and controlled by Respondent for purchase
18 and capitalization of Trend. These transactions constituted the unlawful laundering of monetary
19 instruments by Young, in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

20 j. The National Futures Associations (NFA) is an independent regulatory
21 agency designed by federal regulations to regulate the practice of its FOREX brokers/dealers and
22 enforce rules and regulations designed to protect the public from fraud and deceitful and deceptive
23 trading practices in FOREX.

24 ///

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1 k. NFA is required to review and approve the purchase of any FOREX broker
2 in the United States. As part of the process, prospective purchasers must undergo a background
3 check and demonstrate that any funds used to purchase and capitalize the broker are neither
4 encumbered nor derived from fraud.

5 l. From on or about May 2007 to August 2007, and in the course of its review
6 and audit of the Trend purchase, NFA regulators conducted interviews of, and meetings with,
7 Respondent where he was asked if Global One was involved in the purchase of Trend and if the
8 funds for the capitalization of Trend were in anyway encumbered. Respondent responded falsely
9 that a) he was unaware who owned Global One; b) Global One's assets were not used to purchase
10 Trend; c) he was unaware of how Global One raised money; and d) the funds in the Way FX
11 accounts came from his personal contributions and assets.

12 m. Respondent knew that his representations were false and that Young had
13 committed the offense of money laundering by Young directing the transfer of money to Way FX
14 accounts for the Trend purchase. Respondent knew that, by his misrepresentations to the NFA, he
15 assisted Young in order to hinder the NFA's investigation of Young in connection with Trend
16 transaction and prevent the punishment of Young for crime of money laundering.

17 n. On August 21, 2007, by check issued to Reade & Associates, Respondent
18 received \$75,000 from Global One's merchant account for his firm's services, including expenses,
19 relating to Way FX and the purchase of Trend.

20 10. Respondent received \$75,000 from Global One on August 21, 2007, for his legal
21 services, including expenses relating to Way FX and the purchase of Trend Commodities.
22 Respondent agreed to forfeit said sum to the Internal Revenue Service.

23 11. Restitution in the criminal case was not requested by the government or imposed by
24 the sentencing judge in that Respondent had not been a party to or participate in the fraud
25 perpetrated by Young.

1 12. Respondent was sentenced on July 15, 2014. The government requested a sentence
2 of eighteen months. The Judge downgraded the recommended sentence and imposed a term of
3 twelve months and one day. Respondent was assessed criminal monetary penalties in the amount
4 of \$40,000. The amount was paid immediately by Respondent.

5 13. Prior to the entry of a plea, on or about January 13, 2014, Respondent met with Bar
6 Counsel to discuss the anticipated plea agreement. Discussions were held regarding the procedure
7 of selling Respondent's law office and his efforts to protect his clients and staff.

8 14. Respondent complied with the procedure and all requests of Bar Counsel in selling
9 his law office and finding substitute counsel for his clients. He voluntarily went on inactive status
10 on January 16, 2014.

11 15. On or about May 27, 2014, the State Bar and Respondent filed with the Supreme
12 Court a Joint Petition for a temporary suspension pursuant to SCR 111. The temporary suspension
13 was ordered by the Supreme Court on July 25, 2014.

14 16. The Parties agree matters to be considered in aggravation include the following:

- 15 • substantial experience in the practice of law (SCR 102.5(1)(i)); and
16 • illegal conduct (SCR 102.5(1)(k))

17 17. In mitigation, the Parties agree the following matters be considered:

- 18 • Respondent has an absence of dishonest or selfish motive (SCR 102.5(2)(b))
19 • timely good faith effort to rectify consequences of misconduct (SCR 102.5(2)(d))
20 • full and free disclosure to disciplinary authority and cooperative attitude toward
 proceeding (SCR 102.5(2)(e))
21 • Character and reputation (SCR 102.5(2)(g))
 • Imposition of other penalties or sanctions (SCR 102.5(2)(l); and
 • Remorse (SCR 102.5(2)(m))

22 18. The parties further agree to consider Respondent's record of community service and
23 the lack of a victim identified in the Federal Plea Agreement as a factor in mitigation.

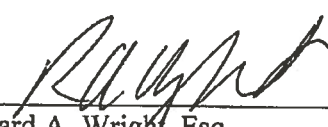
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1 19. Pursuant to the entry of a conditional guilty plea dated October 20, 2014, a panel
2 accepted the terms of the agreement and recommended a suspension for two years retroactive to
3 January 16, 2014, the date Respondent voluntarily transferred to inactive status.

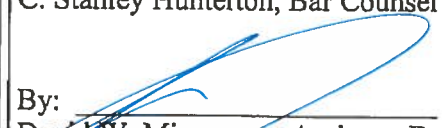
4 20. By order dated October 9, 2015, the Supreme Court of Nevada rejected the panel
5 recommendation. The Court determined a suspension is warranted but concluded the length of the
6 suspension was insufficient in relation to Respondent's conduct.

7
8 DATED this 20th day of June, 2016

9
10 
11 Richard A. Wright, Esq.
12 Wright, Stanish and Winckler
300 S. Fourth Street, Suite 701
Las Vegas, Nevada 89101

13
14 DATED this 20th day of June, 2016

15 **STATE BAR OF NEVADA**
16 C. Stanley Hunterton, Bar Counsel

17 By: 
18 David W. Mincavage, Assistant Bar Counsel
3100 W. Charleston Blvd., Ste. 100
19 Las Vegas, Nevada 89102
Attorney for State Bar of Nevada



FILED

DEC 04 2015

CASE Nos. CR14-0087

STATE BAR OF NEVADA **STATE BAR OF NEVADA**
SOUTHERN NEVADA DISCIPLINARY BOARD
BY: *Mark Bailus*
OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA,
Complainant,

**ORDER APPOINTING
MARK BAILUS, ESQ, AS CHAIR
FOR HEARING**

vs.

CHRISTOPHER READE, ESQ
N.V. Bar No. 6791
Respondent.

IT IS HEREBY ORDERED that the following member of the Southern Nevada Disciplinary Board has been designated to Chair the Hearing Panel that will be convened in the above-entitled matter at a date and time to be determined, and which hearing will be convened at the offices of the State Bar of Nevada, 3100 West Charleston Boulevard, Suite 100, Las Vegas, Nevada 89102.

1. Mark Bailus, Esq. Chair

Dated this 4th day of December, 2015.

STATE BAR OF NEVADA

JEFFREY S. POSIN, ESQ.

Nevada Bar No.: 06457

Chairman

Southern Nevada Disciplinary Board

1 **CERTIFICATE OF SERVICE**

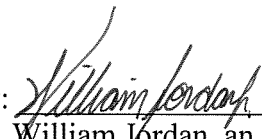
2 The undersigned hereby certifies that a true and correct copy of the foregoing **ORDER**
3 **APPOINTING MARK BAILUS, ESQ, AS CHAIR FOR HEARING** was placed in a sealed
4 envelope and sent by United States Mail in Las Vegas, Nevada, postage fully prepaid thereon for first
5 class regular mail addressed to:

6 R. Christopher Reade, Esq.
7 c/o Richard A. Wright, Esq.
8 WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

9 and via email to:

- 10 1. Mark B. Bailus, Esq. (Panel Chair): mbailus@bckltd.com; sfagin@bckltd.com
11 2. Richard A. Wright, Esq. (Respondent Counsel): wsw@wswlawlv.com
3. Brian T. Kunzi, Esq. (Deputy Bar Counsel): briank@nvbar.org

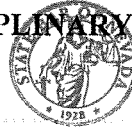
12 DATED this 4th day of December, 2015.

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14 By: 
15 William Jordan, an Employee
16 of the State Bar of Nevada
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Case Nos.: CR14-0087

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD



FILED

JAN 29 2016

STATE BAR OF NEVADA,

Complainant,

vs.

CHRISTOPHER READE, ESQ.,
BAR NO. 6791,

Respondent.

STATE BAR OF NEVADA
BY: Mark B. Bailus
OFFICE OF BAR COUNSEL

SCHEDULING ORDER

On January 28, 2016, the Parties and the undersigned conducted a telephonic initial case conference, pursuant to Disciplinary Rule Of Procedures (DRP) 23. Based upon the representations and stipulations presented, therein, it is HEREBY ORDERED:

1. This matter is set for Formal Hearing on February 18, 2016, at 1:30 p.m.
2. Based upon stipulation, the parties hereby waive the thirty (30) day notice of hearing and disclosure of witness and document list.

Dated this 29 day of January, 2016.

SOUTHERN NEVADA DISCIPLINARY BOARD

By: Mark B. Bailus
Mark B. Bailus, Esq.,
Formal Hearing Panel Chair
Southern Nevada Disciplinary Board

1 **CERTIFICATE OF SERVICE**

2 The undersigned hereby certifies that a true and correct copy of the foregoing **SCHEDULING**
3 **ORDER** was placed in a sealed envelope and sent by United States Mail in Las Vegas, Nevada,
4 postage fully prepaid thereon for first class regular mail addressed to:

5 R. Christopher Reade, Esq.
6 c/o Richard A. Wright, Esq.
7 WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

8 and via email to:

- 9 1. Mark B. Bailus, Esq. (Panel Chair): mbailus@bckltd.com; sfagin@bckltd.com
10 2. Richard A. Wright, Esq. (Respondent Counsel): wsu@wsuwlav.com
11 3. Brian T. Kunzi, Esq. (Deputy Bar Counsel): briank@nvbar.org

12 DATED this 29th day of January, 2016.

13 By: 

14 William Jordan, an Employee
15 of the State Bar of Nevada
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1 CASE Nos: CR14-0087

2
3 **STATE BAR OF NEVADA**
4 **SOUTHERN NEVADA DISCIPLINARY BOARD**

5 **STATE BAR OF NEVADA,**

6 **Complainant,**

7 **vs.**

8 **CHRISTOPHER READE, ESQ.**
9 **NV BAR No. 6791**

10 **Respondent.**

**ORDER APPOINTING
PANEL FOR FORMAL HEARING**



FILED

JAN 29 2016

STATE BAR OF NEVADA

BY: *Jeffrey S. Posin*
OFFICE OF BAR COUNSEL

11 IT IS HEREBY ORDERED that the following members of the Southern
12 Nevada Disciplinary Board have been assigned to the Formal Hearing Panel that will
13 be convened in the above-entitled matter on the 18th day of February at the hour of
14 01:30 P.M. and which hearing will be convened at the offices of the State Bar of
15 Nevada, 3100 West Charleston Boulevard, Suite 100, Las Vegas, Nevada 89102.

- 16
17 1. Mark Bailus, Esq. Chair;
18 2. Jason Maier, Esq.
19 3. Bill Holland, lay member

20 Dated this 29th day of January, 2016.

21 **STATE BAR OF NEVADA**

22
23 *Jeffrey S. Posin*
24 **JEFFREY S. POSIN, ESQ.**
25 Nevada Bar No.: 06457
26 Chairman
27 Southern Nevada Disciplinary Board
28

1 **CERTIFICATE OF SERVICE**

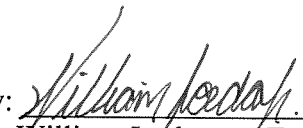
2 The undersigned hereby certifies that a true and correct copy of the foregoing **ORDER**
3 **APPOINTING PANEL FOR FORMAL HEARING** was placed in a sealed envelope and sent by
4 United States Mail in Las Vegas, Nevada, postage fully prepaid thereon for first class regular mail
5 addressed to:

6 R. Christopher Reade, Esq.
7 c/o Richard A. Wright, Esq.
8 WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

9 and via email to:

- 10 1. Mark B. Bailus, Esq. (Panel Chair): mbailus@bckltd.com; sfagin@bckltd.com
11 2. Richard A. Wright, Esq. (Respondent Counsel): wsu@wsulawlv.com
12 3. Jason R. Maier, Esq.: jrm@mgalaw.com
4. William M. Holland (lay member): Wholland2@aol.com
13 5. Brian T. Kunzi, Esq. (Deputy Bar Counsel): briank@nvbar.org

14 DATED this 29th day of January, 2016.

15 By: 
16 William Jordan, an Employee
17 of the State Bar of Nevada
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FILED

FEB 08 2016

Case No CR14-0087

STATE BAR OF NEVADA
 BY: [Signature]
 OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA
SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

vs.

CHRISTOPHER READE, ESQ.,
BAR NO. 6791,

Respondent.

NOTICE OF FORMAL HEARING

TO: **R. Christopher Reade, Esq.**
c/o Richard A. Wright, Esq.
WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

PLEASE TAKE NOTICE that the formal hearing in the above-entitled action has been scheduled for Thursday, **February 18, 2016, at 1:30 p.m.** The hearing will be conducted at State Bar Of Nevada, located at 3100 W. Charleston Blvd., Las Vegas, Nevada.

All parties have agreed to waive the thirty (30) day notice and Designation Of Witnesses, Summary of Evidence requirements of SCR 105.

Dated this 8th day of February, 2016.

STATE BAR OF NEVADA

By: [Signature]
 Brian T. Kunzi, Deputy Bar Counsel
 3100 W. Charleston Boulevard
 Las Vegas, Nevada 89102
 (702) 382-2200
 Attorney for State Bar of Nevada

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R. Christopher Reade, Esq.
c/o Richard A. Wright, Esq.
WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

1. Mark B. Bailus, Esq. (Panel Chair): mbailus@bckltd.com; sfagin@bckltd.com
2. Richard A. Wright, Esq. (Respondent Counsel): wsu@wsulawlv.com
3. Brian T. Kunzi, Esq. (Deputy Bar Counsel): briank@nvbar.org; millies@nvbar.org

016.

By: William Jordan
William Jordan, an employee of
the Office of Bar Counsel



FILED

JUN - 3 2016

Case No CR14-0087

STATE BAR OF NEVADA

BY: *[Signature]*

STATE BAR OF NEVADA

OFFICE OF BAR COUNSEL

SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

vs.

CHRISTOPHER READE, ESQ.,

NEVADA BAR NO. 6791,

Respondent.

**AMENDED NOTICE OF
FORMAL HEARING**

TO: **R. Christopher Reade, Esq.**
c/o Richard A. Wright, Esq.
WRIGHT STANISH & WINCKLER
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

PLEASE TAKE NOTICE that the formal hearing in the above-entitled action has been scheduled for **Thursday, June 23, 2016, at 9:30 a.m.** The hearing will be conducted at State Bar of Nevada, located at 3100 W. Charleston Blvd., Suite 100, Las Vegas, Nevada 89102. You are entitled to be represented by counsel, to cross-examine witnesses, and to present evidence.

Dated this ____ day of June, 2016.

STATE BAR OF NEVADA

C. Stanley Hunteaton, Bar Counsel

By: *[Signature]*

David W. Mincavage, Assistant Bar Counsel
3100 W. Charleston Boulevard, Suite 100
Las Vegas, Nevada 89102
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Attorney for State Bar of Nevada