

IN THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 1851 Disciplinary Docket No. 3
: :
Petitioner : No. 90 DB 2012
: :
v. : Attorney Registration No. 73874
: :
ROBERT WILLIAM STEIN, : (Montgomery County)
: :
Respondent :

ORDER

PER CURIAM

AND NOW, this 19th day of January, 2017, upon consideration of the Recommendation of the Three-Member Panel of the Disciplinary Board, the Joint Petition in Support of Discipline on Consent is granted, and Robert William Stein is suspended on consent from the Bar of this Commonwealth for a period of five years, retroactive to August 16, 2012. He shall comply with all the provisions of Pa.R.D.E. 217.

A True Copy Patricia Nicola
As Of 1/19/2017

Attest: 
Chief Clerk
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

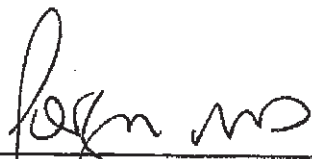
OFFICE OF DISCIPLINARY COUNSEL : 1851 (MS)
Petitioner : No. 17Q1 Disciplinary Docket No. 3
v. : No. 90 DB 2012
ROBERT WILLIAM STEIN : Attorney Registration No. 53927
Respondent : (Montgomery County) 73874 (MS)

RECOMMENDATION OF THREE-MEMBER PANEL
OF THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

The Three-Member Panel of the Disciplinary Board of the Supreme Court of Pennsylvania, consisting of Board Members Stefanie B. Porges, Jane G. Penny and Brian J. Cali, has reviewed the Joint Petition in Support of Discipline on Consent filed in the above-captioned matter on November 29, 2016.

The Panel approves the Joint Petition consenting to a five year suspension retroactive to August 16, 2012 and recommends to the Supreme Court of Pennsylvania that the attached Petition be granted.

The Panel further recommends that any necessary expenses incurred in the investigation and prosecution of this matter shall be paid by the respondent-attorney as a condition to the grant of the Petition.



Stefanie B. Porges, Panel Chair
The Disciplinary Board of the
Supreme Court of Pennsylvania

Date: 12/12/16

**BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA**

OFFICE OF DISCIPLINARY COUNSEL,	:	No. 90 DB 2012
Petitioner	:	¹⁸¹ No. 1701 Disciplinary
	:	^{MS} Docket No. 3
v.	:	
	:	Attorney Reg. No. 53927
ROBERT WILLIAM STEIN	:	
Respondent	:	(Montgomery County)

73874
MS

**JOINT PETITION IN SUPPORT
OF DISCIPLINE ON CONSENT
PURSUANT TO Pa.R.D.E. 215 (d)**

Petitioner, the Office of Disciplinary Counsel by Paul J. Killion, Chief Disciplinary Counsel, and Barbara Brigham Denys, Disciplinary Counsel, and Respondent, Robert William Stein (hereinafter, "Respondent"), by and through his counsel, Griesling Law, LLC, Ellen C. Brotman, Esquire, respectfully petition the Disciplinary Board in support of discipline on consent, pursuant to Pennsylvania Rule of Disciplinary Enforcement ("Pa.R.D.E.") 215(d), and in support thereof state:

1. Petitioner, whose principal office is situated at Pennsylvania Judicial Center, 601 Commonwealth Ave., Suite 2700, P.O. Box 62485, Harrisburg, PA 17106 is invested, pursuant to Pa.R.D.E. 207, with the power and duty to investigate all

<p>FILED 11/29/2016 The Disciplinary Board of the Supreme Court of Pennsylvania</p>
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matters involving alleged misconduct of an attorney admitted to practice law in the Commonwealth of Pennsylvania and to prosecute all disciplinary proceedings brought in accordance with the various provisions of the aforesaid Enforcement Rules.

2. Respondent, Robert William Stein, was born on June 7, 1967, and was admitted to practice law in the Commonwealth on December 12, 1994. His Attorney Registration No. is 73874. Respondent's registered public access address is 217 Ryers Avenue, Cheltenham, Pennsylvania 19012-2225.

3. On June 14, 2012, Petitioner and Respondent filed in the Supreme Court of Pennsylvania a Joint Petition to Temporarily Suspend an Attorney.

4. By Order dated August 16, 2012, the Court granted the Joint Petition placing Respondent on temporary suspension pursuant to Rule 214, Pa.R.D.E.

5. Respondent is subject to the disciplinary jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

SPECIFIC FACTUAL ALLEGATIONS ADMITTED

6. On February 23, 2012, Respondent entered a guilty plea in the United States District Court for the District of New Jersey to a one-count Information which charged that from at least as early as 1998 until approximately 2009, Respondent and

his co-conspirators entered into and engaged in a combination and conspiracy to suppress and eliminate competition by submitting non-competitive and collusive bids at certain public auctions for tax liens conducted by municipalities within the District of New Jersey in violation of the Sherman Act (15 U.S.C. § 1) (a Class C Felony). By way of background:

- a. Respondent was President of Crusader Servicing Corporation ("CSC") and Royal Tax Lien Services, LLC ("RTL"), and owned twenty percent of CSC and forty percent of RTL.¹ Respondent oversaw the purchase of tax liens for CSC.
- b. CSC was among the major and most active purchasers of tax liens in New Jersey during the charged conspiracy. It attended nearly every 500 plus annual auctions, and had sufficient funds to bid any size lien.
- c. Respondent had an agreement to rig bids with others throughout the duration of the conspiracy and first rigged a tax lien bid in June 1998.
- d. On two separate occasions two different CSC Board of Director members learned that CSC bidders were rigging bids at tax lien auctions. In 2002, one

¹ References herein to CSC include RTL.

such Board member, attended a tax lien auction, and reported collusive behavior to the Board. He recommended putting procedures in place to prevent such collusive behavior. However, Respondent took no action to put such procedures in place. In the mid-2000s, another Board member attended a tax lien auction and witnessed a coin toss involving a CSC bidder and a bidder from another company to decide which company would win a tax lien. That Board member reported to Respondent what he witnessed, and told him to be aware of such activity. Respondent did not take any action to prevent a reoccurrence of such conduct.

- e. In November 2010, as a result of Respondent's involvement in the conspiracy, Respondent resigned his positions as President of CSR and RTLS.
- f. The victims of the conspiracy were property owners whose liens were sold at auctions corrupted by rigged bids. Those property owners were harmed in two ways. They paid higher interest rates, paying more money than they would have paid in a truly competitive environment, and they were subjected to a greater risk of losing their homes or other

property in foreclosure because they paid artificially high rates.

7. The statutory maximum penalty upon conviction for a violation of the Sherman Act (15 U.S.C. § 1) is a term of imprisonment for ten years, a maximum fine of \$1,000,000.00, and a term of supervised release of three years following any term of imprisonment.

8. The plea agreement incorporated a January 23, 2012 letter of the United States Department of Justice, Antitrust Division, setting forth an agreed-upon calculation of the Guidelines total offense level of 15 (18-24 months), with a fine range of \$100,000 to \$500,000, based upon a \$10,000,000 value of commerce attributable to Respondent.

a. That total offense level incorporated downward adjustments for Respondent's acceptance of responsibility for the offense and for his assistance to authorities in the investigation and prosecution of Respondent's own misconduct.

b. Restitution was deemed inapplicable. Respondent was released on \$100,000.00 personal recognizance bond, and his bail supervision was transferred to the Eastern District of Pennsylvania based upon his Pennsylvania residency.

9. In the plea agreement, Respondent agreed to "cooperate fully and truthfully with the United States in the prosecution of th[e] case, the conduct of the current federal investigation of violations of federal antitrust and related criminal laws involving the purchase of municipal liens in the State of New Jersey, as well as any other federal investigation resulting therefrom, and any litigation or other proceedings arising or resulting from any such investigation to which the United States [wa]s a party..." The sentence to be imposed remained within the sole discretion of the sentencing judge.

10. On April 13, 2016, the Government moved for a downward departure from the advisory Sentencing Guideline range for Respondent based on Respondent's substantial assistance in the investigation or prosecution of others involved in the conspiracy. According to the Government, Respondent's cooperation significantly contributed to a co-conspirator's guilty plea and to successfully seeking indictment against five others. Respondent also assisted the Government as a trial witness contributing to the conviction of others involved in the conspiracy.

11. On April 27, 2016, Respondent was sentenced to a term of probation for one year and ordered to pay the United States a fine in the amount of \$20,000, and a mandatory special

assessment of \$100.00.

12. At the sentencing, The Honorable Susan D. Wigenton acknowledged that Respondent "essentially rose to the gold standard of cooperation in that [he] did, in fact, testify," described the "true sense of sincerity that [Respondent] exhibited and the fact that the information [he] testified to was very truthful," and commented that Respondent "appeared very remorseful."

13. Judge Wigenton found that Respondent "without question" "provided the Government with significant, useful, and timely assistance as they proceeded with these prosecutions," warranting a downward departure.

14. Respondent's conviction for a single-count violation of the Sherman Act (15 U.S.C. § 1) constitutes an independent basis for discipline, pursuant to Rule 203 (b) (1), Pa.R.D.E.

**SPECIFIC RULES OF PROFESSIONAL CONDUCT AND
RULES OF DISCIPLINARY ENFORCEMENT VIOLATED**

Respondent violated the following Rule of Disciplinary Enforcement and Rules of Professional Conduct:

- A. **Pa.R.D.E. 203 (b) (1)**, which provides that conviction of a crime shall be grounds for discipline;
- B. **RPC 8.4 (b)**, which states that it is professional misconduct for a lawyer to commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer in other respects; and
- C. **RPC 8.4 (c)**, which states that it is professional misconduct for a lawyer to engage in conduct involving dishonesty, fraud, deceit or misrepresentation.

SPECIFIC RECOMMENDATION FOR DISCIPLINE

15. Petitioner and Respondent jointly recommend that the appropriate discipline for Respondent's admitted misconduct is a five-year suspension, retroactive to Respondent's placement on temporary suspension.

16. Respondent hereby consents to that discipline being imposed upon him by the Supreme Court of Pennsylvania. Attached to this Petition is Respondent's executed Affidavit required by Rule Pa.R.D.E. 215(d), stating that he consents to the recommended discipline and including the mandatory acknowledgements contained in Rule 215(d)(1) through (4) Pa.R.D.E.

17. In support of Petitioner and Respondent's joint recommendation, it is respectfully submitted that the following mitigating factors are present:

- a) Respondent agreed to and did cooperate with the Government in a timely fashion in connection with its investigation and enforcement efforts. His cooperation was extensive and comprehensive.
- b) In cooperating with the Government, Respondent was truthful, complete, and reliable. By the nature and extent of Respondent's cooperation with the Government, he strived to be as helpful and cooperative as possible.
- c) Respondent's cooperation was significant in assisting the Government's law enforcement efforts. Respondent provided truthful, detailed and comprehensive information regarding the dynamics of the conspiracy and credible information which contributed to a co-conspirator's guilty plea and to the Government successfully seeking indictment against five others. Respondent also assisted the Government as a trial witness contributing to the conviction of others involved in the conspiracy.

- d) Although Respondent faced a maximum sentence of ten years imprisonment, and an advisory range of eighteen to twenty-four months incarceration under the Sentencing Guidelines, the Court was persuaded to sentence him to a probationary term based upon his cooperation with the Government and expression of sincere remorse.
- e) Respondent is remorseful. Respondent has shown his remorse by expressing deep remorse to the Government on multiple occasions, by expressing his remorse in connection with his testimony as a witness, and by pleading guilty to his crime.
- f) Respondent has reportedly taken the following steps to make restitution to his victims and to repay Royal Bank America (which has an ownership interest in CSC and of which RTLS is a subsidiary), reflecting a good faith effort by Respondent to address losses he and his co-conspirators caused. Respondent paid \$115,000.00 to resolve his portion of a civil class action lawsuit relating to the conduct at issue and relinquished \$3.4 million equity in RTLS to Royal Bank America, which was allocated to pay 60% of the costs incurred in the

investigation and related civil action, including \$1.2 million of CSC's \$2 million criminal fine, \$990,000.00 of the \$1.65 million settlement in the civil lawsuit, and attorney's fees.

- g) Respondent has sought redemption by dedicating time to his community and volunteering with Philabundance and at his synagogue.
- h) Respondent agreed to be placed on temporary suspension following his guilty plea as evidenced by his participation in the filing of a Joint Petition to Suspend.
- i) Respondent admits to engaging in misconduct and violating Rule of Professional Conduct 8.4(b) & (c) and Rule of Disciplinary Enforcement 203(b)(1).
- j) Respondent promptly supplied information to the Pennsylvania disciplinary authorities concerning his sentencing and the conclusion of the criminal case against him.
- k) Respondent is remorseful for his misconduct and understands he should be disciplined, as is evidenced by his cooperation with ODC in pursuit of the proposed consent discipline.

l) Respondent has no record of discipline or prior criminal record of any kind.

m) The crime in question did not involve the practice of law or the provision of legal services.

18. The proposed five-year suspension is supported by precedent addressing similar misconduct and mitigating factors.

19. A suspension of five years was imposed by the Pennsylvania Supreme Court in *ODC v. Marc D. Manoff*, No. 1701 Disciplinary Docket No. 3, 10 DB 2011 (2013). The underlying facts of the criminal conduct addressed in *ODC v. Manoff* are similar to the facts at issue here in that Manoff and his co-defendant had conspired with others to illegally manipulate the share prices of thinly traded "pink sheet" stocks in exchange for stock and cash. Manoff pled guilty in the United States District Court of the Eastern District of Pennsylvania to three counts of conspiracy to commit securities fraud and was sentenced to five years probation. In the disciplinary matter addressing Manoff's crimes, Manoff was suspended on consent for five years retroactive to his placement on temporary suspension. Like Respondent Stein, Manoff's misconduct was mitigated by factors which included his substantial cooperation with the government, his provision of truthful, complete and reliable information to the government, remorse reflected by his guilty

plea, his agreement to be placed on temporary suspension, his cooperation with ODC, and a lack of a history of discipline or prior criminal record. See also *ODC v. Rhonda McCullough Anderson*, 156 DB 2007 (2007) (respondent suspended for five years for conviction of one count of mail fraud in which she had aided the corruption of a public official); and *ODC v. Gori Alisha Kasner*, 51 DB 2011 (2013) (respondent suspended for five years for conviction of two counts of mail fraud in which she had aided and abetted clients in the filing of fake insurance claims to fraudulently recover personal injury settlements), which were cited in the *Manoff* Joint Petition for Discipline on Consent.

20. Considering the specific nature of Respondent's misconduct and the substantial mitigating circumstances, ODC and Respondent jointly propose discipline of a five-year suspension, retroactive to Respondent's placement on temporary suspension.


WHEREFORE, Petitioner and Respondent respectfully request that, pursuant to Pennsylvania Rules of Disciplinary Enforcement 215(e) and 215(g)(2), a three-member panel of the Disciplinary Board review and approve the Joint Petition in Support of Discipline on Consent and file a recommendation with the Supreme Court of Pennsylvania that Respondent receive a five-year suspension, retroactive to August 16, 2012, and that Respondent

be ordered to pay all necessary expenses incurred in the investigation and prosecution of this matter as a condition to the grant of the Petition.

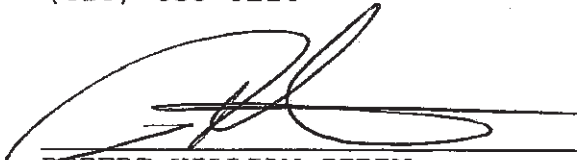
Respectfully submitted,

OFFICE OF DISCIPLINARY COUNSEL
PAUL J. KILLION
Attorney Reg. No. 20955
Chief Disciplinary Counsel


Date: 11/28/14


BARBARA BRIGHAM DENYS
Disciplinary Counsel
Attorney Reg. No. 78562
820 Adams Avenue, Ste 170
Trooper, PA 19403
(610) 650-8210

Date: 11/12/16


ROBERT WILLIAM STEIN
Respondent

Date: 11/22/16


ELLEN C. BROTMAN, Esquire
Attorney for Respondent


VERIFICATION

The statements contained in the foregoing *Joint Petition In Support of Discipline on Consent Discipline* are true and correct to the best of my knowledge or information and belief and are made subject to the penalties of 18 Pa.C.S.A. §4904, relating to unsworn falsification to authorities.

11/28/16
Date


BARBARA BRIGHAM DENYS
Disciplinary Counsel

11/12/16
Date


ROBERT WILLIAM STEIN
Respondent

11/28/16
Date


ELLEN C. BROTMAN, Esquire
Attorney for Respondent

**BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA**

OFFICE OF DISCIPLINARY COUNSEL,	:	No. 90 DB 2012
Petitioner	:	No. 1701 Disciplinary
	:	Docket No. 3
v.	:	
	:	Attorney Reg. No. 53927
ROBERT WILLIAM STEIN	:	
Respondent	:	(Montgomery County)

**AFFIDAVIT
UNDER RULE 215 (d) Pa.R.D.E.**

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF MONTGOMERY

ROBERT WILLIAM STEIN, being duly sworn according to law, deposes and hereby submits this affidavit consenting to the recommendation of a five-year suspension from the practice of law in the Commonwealth of Pennsylvania, retroactive to August 16, 2012, in conformity with Pa.R.D.E. 215(d), and further states as follows:

1. He desires to submit a Joint Petition in Support of Discipline on Consent ("Joint Petition") pursuant to Pa.R.D.E. 215(d).

2. His consent is freely and voluntarily rendered; he is not being subjected to coercion or duress, and he is fully aware of the implications of submitting the consent.

3. He is fully aware of his right to consult and employ

counsel to represent him in the instant proceeding. He has retained, consulted and followed the advice of counsel, Ellen C. Brotman, Esquire, in connection with his decision to consent to discipline.

4. He is aware that there is presently pending an investigation into, or proceeding involving, allegations that he has been guilty of misconduct as set forth in the Joint Petition.

5. He acknowledges that the material facts set forth in the Joint Petition are true.

6. He consents because he knows that if charges predicated upon the matter under investigation were filed, or continued to be prosecuted in the pending proceeding, he could not successfully defend against them.

It is understood that the statements made herein are subject to the penalties of 18 Pa.C.S.A. §4904 (relating to unsworn falsification to authorities).

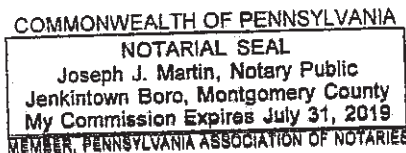
Signed this 12th day of November, 2016.



ROBERT WILLIAM STEIN

Sworn to and subscribed
before me this 12th day
of November, 2016

Joseph J. Martin
Notary Public



Notary Public

CHARGE

**BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA**

OFFICE OF DISCIPLINARY COUNSEL,	:	No. 90 DB 2012
Petitioner	:	¹⁸¹ No. 1701 Disciplinary
	:	¹⁸¹ Docket No. 3
v.	:	
	:	Attorney Reg. No. 53927
ROBERT WILLIAM STEIN	:	
Respondent	:	(Montgomery County)


CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 204 Pa. Code §89.22 (relating to service by a participant).

First Class Mail, as follows:

Ellen C. Brotman, Esquire
Griesling Law LLC
1717 Arch Street
Suite 3630
Philadelphia, PA 19103

Dated: 4/28/16


BARBARA BRIGHAM DENYS
Attorney Reg. No. 78562
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