

IN THE SUPREME COURT OF PENNSYLVANIA

In the Matter of : No. 218 Disciplinary Docket No. 3  
: :  
GRAHAME P. RICHARDS, JR. : No. 43 DB 1996  
: :  
: Attorney Registration No. 03189  
: :  
: (Philadelphia)  
PETITION FOR REINSTATEMENT :  
: :  
: :  
: :

ORDER

PER CURIAM

**AND NOW**, this 21<sup>st</sup> day of September, 2016, the Petition for Reinstatement is granted. Petitioner is directed to pay the expenses incurred by the Board in the investigation and processing of the Petition for Reinstatement. See Pa.R.D.E. 218(f).

A True Copy Patricia Nicola  
As Of 9/21/2016

Attest:   
Chief Clerk  
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

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PETITION FOR REINSTATEMENT : (Philadelphia)

REPORT AND RECOMMENDATIONS OF  
THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

TO THE HONORABLE CHIEF JUSTICE AND JUSTICES  
OF THE SUPREME COURT OF PENNSYLVANIA:

Pursuant to Rule 218(c)(5) of the Pennsylvania Rules of Disciplinary Enforcement, The Disciplinary Board of the Supreme Court of Pennsylvania submits its findings and recommendations to your Honorable Court with respect to the above captioned Petition for Reinstatement.

I. HISTORY OF PROCEEDINGS

By Order of the Supreme Court dated May 20, 1996, Grahame P. Richards, Jr. was disbarred on consent as a result of his embezzlement of client funds in the amount of more than \$1,000,000.00 over approximately a six year period in the 1990s. On May 29, 2015, Mr. Richards filed a Petition for Reinstatement to the bar, which was not opposed by Office of Disciplinary Counsel.

A reinstatement hearing was held on January 29, 2016, before a District I Hearing Committee comprised of Chair Kevin E. Raphael, Esquire and Members Tara L. Kelly, Esquire and Henry P. Canelo, Esquire. Petitioner was represented by Ellen C. Brotman, Esquire. Petitioner presented exhibits and the testimony of three witnesses and testified on his own behalf. Office of Disciplinary Counsel presented five exhibits and did not call any witnesses.

Following the submission of a brief by Petitioner, the Hearing Committee filed a Report on June 14, 2016, and recommended that the Petition for Reinstatement be granted.

No Briefs on Exceptions were filed by the parties.

This matter was adjudicated by the Disciplinary Board at the meeting on July 23, 2016.

## II. FINDINGS OF FACT

The Board makes the following findings:

1. Petitioner is Grahame P. Richards, Jr. He was born in 1937 and was admitted to practice law in the Commonwealth of Pennsylvania in 1965. He is subject to the jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

2. After graduating from Princeton in 1955, Petitioner served in the Navy. He spent a total of 30 years in the Navy, with three years of active duty and twenty-seven years in the Naval Reserves. N.T. 48, 74, 75; P-10.

3. Following his admission to the bar of the Supreme Court of Pennsylvania, Petitioner worked at the Philadelphia office of Obermayer, Rebman, Maxwell & Hippel ("Obermayer"). N.T. 81.

4. In 1985, after working at Obermayer for twenty years, Petitioner was asked to leave because he was not generating enough business. N.T. 94. Petitioner was then 48 years of age and the loss of this job was devastating to him and a reversal of his expectation that he would retire from Obermayer. N.T. 104.

5. After leaving Obermayer, Petitioner began working as a non-equity partner at Mylotte, David & Fitzpatrick ("Mylotte"). N.T. 95.

6. Beginning in 1987, Petitioner served as Chairman of the Bar Association's Section on Probate and Trust Law. While the transition to Mylotte was an opportunity for Petitioner to grow his career in trusts and estates, it represented a change in his life, as he was no longer an equity partner and his expenses, including college tuitions for his children, had increased. N.T. 86, 102, 105, 125-126, 147, 148.

7. The Mylotte firm began to face financial difficulties and Petitioner was encouraged by the firm to bring in more business to help the firm meet its cash needs. N.T. 96.

8. During times when money was tight at the firm, Petitioner began taking estate fees that were not yet earned, but would be earned by the end of the year to make it appear that more cash was coming into the firm. The firm's partners were unaware of this practice. N.T. 96-97, 99.

9. At first, these misappropriations went only to the firm. N.T. 101. Later, as Petitioner's own financial needs began to increase, he took these unearned fees from estates for himself. N.T. 97, 125. Finally, Petitioner went from taking money that had not yet been earned on accounts to taking money from the estates themselves. N.T. 97.

10. Petitioner misappropriated funds from eleven estates and trusts. Reinstatement Questionnaire ("DB-36") ¶15.

11. After being confronted by the partners at Mylotte, Petitioner engaged counsel and admitted his offenses to the District Attorney's Office. N.T. 128.

12. Petitioner entered a plea of guilty to forgery, theft by unlawful taking, and theft by deception. He was sentenced on October 14, 1997, to eleven and a half to twenty-three months in the county prison followed by eight years of reporting probation. ODC-5; DB-36 ¶4; P-3.

13. Petitioner was sentenced to make full restitution in the amount of at least \$1,087,715.83 to the estates that he had harmed, and was required to contribute 200 hours of service to his community. N.T. 106-107; ODC-5; DB-36.

14. Petitioner made restitution to each estate through a loan from his close friend, Harold Fitzgerald ("Gerry") Lenfest. N.T. 20, 29, 58-59, 126; DB-36 ¶5.

15. In 1998, after serving eleven and a half months in prison for his crimes, Petitioner re-entered the workforce. P-6. Through the continuing generosity of Mr. Lenfest, Petitioner began working at Suburban Cable, which was owned by Mr. Lenfest. N.T. 107.

16. After Suburban Cable was sold to Comcast in 1999, Petitioner began working full time for the Lenfest Foundation ("Foundation"). P-6.

17. Throughout the past twenty years, Petitioner has maintained a robust commitment to civic and charitable organizations. N.T. 82-83, 83-84, 86-88, 108-110, 110-111, 112; P-6, P-9.

18. Through his work at the Foundation, Petitioner has been able to accomplish many philanthropic projects in and around Philadelphia. N.T. 21, 22, 27, 60, 62, 112, 113; P-6.

19. After leaving prison, Petitioner was interested in finding a way to improve the lives of former fellow inmates. Starting in 2000, he joined the Prison Ministry of St. Vincent's Parish in Germantown and returned to the prison block where he had been incarcerated. He visited the cell block every Sunday for the next 13 years until the program ended. N.T. 108-110; P-6.

20. Petitioner joined the board of the Pennsylvania Prison Society. Through the Society he became an Official Visitor and as of the date of the reinstatement hearing, served as the Chair of the Governance Committee. N.T. 31-32, 41; P-6, P-9.

21. Gerry Lenfest testified on behalf of Petitioner. Mr. Lenfest was Petitioner's commanding officer when they served in the Navy. They have been good friends for many years. Mr. Lenfest helped Petitioner provide restitution to the victims of Petitioner's crimes and provided him with employment. He described Petitioner as "very trustworthy" and indicated that Petitioner "knows he did wrong, but his character is sterling today." N.T. 18, 19, 23.

22. Angus Love, Esquire is the Executive Director of the Pennsylvania Institutional Law Project and testified on behalf of Petitioner. He has known Petitioner for ten or fifteen years and is a fellow board member of the Pennsylvania Prison Society. He indicated that Petitioner is "a very humble man. He's a very competent man. He's a very committed man. He's very compassionate...The Prison Society strongly believes in giving people a second chance and allowing them an opportunity to demonstrate their worth, and he's done that many times over during the years that we've known him." N.T. 34-35.

23. Anne-Marie Richards testified on behalf of her husband. She has been married to Petitioner for 53 years and they have six children. She indicated that Petitioner

has spent the years since his crimes trying to make amends for his wrongdoing. N.T. 45-74.

24. Petitioner's character witnesses provided credible testimony.

25. Petitioner testified on his own behalf. His testimony was remorseful and credible. He has had ample opportunity to reflect on his misconduct. He understands that he did not act honorably and did not act in the best interests of his clients: "And the result is that I carry that stain and that remorse in my inner person and I have all my life." N.T. 138.

26. At the time of the reinstatement hearing, Petitioner was 78 years of age. He plans to work for two more years and then retire. N.T. 114.

27. Upon reinstatement, Petitioner does not intend to return to the active practice of law. He plans to continue his work in managing the Lenfest foundations, particularly the core programs involving scholarships and education. DB-36 ¶18.

28. Petitioner's goal in seeking reinstatement is to move past his disbarred standing and spend the later years of his life as an active member of the profession that he still loves and reveres. DB-36 ¶ 21.

29. Should he be reinstated, Petitioner hopes to be able to do "good things and [he hopes] to be able to do some good work with [his] license before he retires." N.T. 115.

30. Petitioner fulfilled the Continuing Legal Education requirements necessary for reinstatement. DB-36 ¶ 19(a).

31. During his disbarment, Petitioner reviewed various nonprofit and foundation law periodicals and electronic newsletters on philanthropy and foundations. DB-36 ¶19(b)

32. During his disbarment, Petitioner attended various legal seminars and programs covering tax law changes, foundation laws and charitable giving. DB-36 ¶19(c).

33. Petitioner has not engaged in the practice of law while disbarred, nor has he held himself out as a lawyer permitted to practice law in the Commonwealth of Pennsylvania.

34. Petitioner introduced into evidence numerous character letters from colleagues and attorneys in his community. These letters support Petitioner's reinstatement to the practice of law and indicate that his reinstatement would reflect positively on the legal profession. P-8.

35. Office of Disciplinary Counsel does not oppose reinstatement.

### III. CONCLUSIONS OF LAW

1. The misconduct for which Petitioner was disbarred is not so egregious as to preclude reinstatement. *Office of Disciplinary Counsel v. John J. Keller*, 506 A.2d 872 (Pa. 1986).

2. Petitioner has demonstrated by clear and convincing evidence that a sufficient period of time has passed since the misconduct. *In re Jerome J. Verlin*, 731 A.2d 600 (Pa. 1999).

3. Petitioner has demonstrated by clear and convincing evidence that he possesses the moral qualifications, competency and learning in the law required to practice law in Pennsylvania, and his resumption of the practice of law within the Commonwealth will be neither detrimental to the integrity and standing of the bar or the administration of justice nor subversive of the public interest. Pa.R.D.E. 218(c)(3).



IV. DISCUSSION

Petitioner seeks readmission to the practice of law in Pennsylvania following his disbarment on consent by Order of the Supreme Court dated May 20, 1996. The misconduct giving rise to Petitioner's resignation was his misappropriation of more than one million dollars in client funds, resulting in his guilty plea to forgery, theft by unlawful taking and theft by deception and his imprisonment for a period of eleven and a half months.

Petitioner's request for readmission is governed initially by the standard set forth in *Office of Disciplinary Counsel v. John J. Keller*, 506 A.2d 872 (Pa. 1986). This standard requires that as a threshold matter, the Board must determine whether Petitioner's breach of trust was so egregious as to preclude consideration of his reinstatement. *See Verlin*, 731 A.2d at 601 (Pa. 1999); *In re Robert W. Costigan*, 664 A.2d 518, 520 (Pa. 1995).

In light of the Supreme Court's previous holdings, we cannot say the Petitioner's misconduct was so great that he can never be reinstated to the bar. There are numerous examples where the threshold question has been met in cases involving conversions of substantial amounts of client funds and other criminal conduct. *See In re Lawrence D. Greenberg*, 749 A.2d 434 (Pa. 2000) (misappropriation of two million dollars and commission of perjury in bankruptcy proceeding); *In re William J. Perrone*, 777 A.2d 413 (Pa. 2001) (filing false fee petitions with the court); *Office of Disciplinary Counsel v. Michael K. Simon*, 49 DB 2005 (D.Bd. Rpt. 3/4/14) (S. Ct. Order 6/16/14) (conversion of nearly half a million dollars of client funds).

The above cases are examples of serious and deplorable criminal acts by lawyers, all of whom were able to meet the threshold standard. The Board concludes that

Petitioner's acts were not so egregious as to prevent reinstatement.

Our review of the facts in the instant case convinces us that allowing Petitioner to resume the practice of law at this time would not have a detrimental effect upon the integrity and standing of the bar and on the administration of justice nor would it subvert the public interest. In reaching this conclusion, the Board considered the quantity of time that has passed since Petitioner was disbarred and his efforts at a qualitative rehabilitation, in order to determine whether the detrimental impact of the misconduct on the public trust had dissipated. *Verlin*, 731 A.2d at 602.

Petitioner has been removed from the practice of law for approximately twenty years. The only firm timetable set by the Supreme Court in reinstatement from disbarment matters is the five year waiting period after disbarment. Pa.R.D.E. 218(b). The record in this case demonstrates that the lengthy period of disbarment has been qualitative and meaningful to Petitioner's rehabilitation and has dissipated the impact of the original misconduct on the public trust. During this time period, Petitioner made restitution to all victims, served a term of imprisonment, maintained steady and productive employment, continued to raise his family with his wife, and contributed in significant ways to civic and charitable organizations.

Petitioner testified credibly and exhibited genuine remorse for his misconduct. He has fully acknowledged his wrongdoing as evidenced by his voluntary resignation of his license and testified that he has regretted his actions for twenty years. His lengthy period of disbarment has afforded him the opportunity to reflect on his egregious acts and make amends and his testimony and that of others indicates that he has done so.

The credible testimony of Petitioner's character witnesses and the many character letters offered into evidence confirm Petitioner's current positive reputation and

underscore the support he enjoys as he seeks reinstatement. The witnesses and the character letters lauded Petitioner's dedication to community service during his time of disbarment and recognized that Petitioner was working to recompense society for his previous bad acts.

Petitioner has fulfilled the Continuing Legal Education requirements necessary for reinstatement and has maintained his currency in the law by reading and reviewing legal periodicals and attending legal programs. Although Petitioner has no firm plans to practice law, it is his desire to regain his license in order to remove the tarnish of his disbarment.

The evidence of record demonstrates that Petitioner's twenty years of disbarment have been a time of genuine rehabilitation. *See Office of Disciplinary Counsel v. Robert Eric Hall*, 176 DB 2006 (D.Bd. Rpt. 2/19/2015) (S. Ct. Order 3/17/2015); *Office of Disciplinary Counsel v. Robert S. Teti*, 30 DB 99 (D.Bd. Rpt. 12/13/12) (S. Ct. Order 2/28/13). Petitioner has met the requirements of Pa.R.D.E. 218(c)(3) by showing he is morally qualified, competent and learned in the law, and of equal importance, that his reinstatement will not be detrimental to the public or to the profession. For all of the above reasons, we recommend that the Petition for Reinstatement be granted.

V. RECOMMENDATION

The Disciplinary Board of the Supreme Court of Pennsylvania unanimously recommends that Petitioner, Grahame P. Richards, Jr. be reinstated to the practice of law.

The Board further recommends that, pursuant to Rule 218(f), Pa.R.D.E., Petitioner be directed to pay the necessary expenses incurred in the investigation and processing of the Petition for Reinstatement.

Respectfully submitted,

THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

By: 

Jane G. Penny, Board Chair

Date: 08.23.16

Board Member Cordisco did not participate in the adjudication.