

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

IN THE MATTER OF TODD LESLIE TREADWAY

VSB DOCKET NO. 12-041-090996

AGREED DISPOSITION MEMORANDUM ORDER

On August 8, 2013, this matter was heard by the Virginia State Bar Disciplinary Board upon the joint request of the parties for the Board to accept the Agreed Disposition signed by the parties and offered to the Board as provided by the Rules of the Supreme Court of Virginia. The panel consisted of Pleasant S. Brodnax, III, Chair, John S. Barr, Lisa A. Wilson, Esther J. Windmueller and Robert W. Carter, Lay Member. The Virginia State Bar was represented by Renu M. Brennan, Assistant Bar Counsel. Todd Leslie Treadway was present and was not represented by counsel. The Chair polled the members of the Board as to whether any of them were aware of any personal or financial interest or bias which would preclude any of them from fairly hearing the matter to which each member responded in the negative. Court Reporter Terry S. Griffith, Chandler and Halasz, P.O. Box 9349, Richmond, Virginia 23227, telephone (804) 730-1222, after being duly sworn, reported the hearing and transcribed the proceedings.

WHEREFORE, upon consideration of the Agreed Disposition, the Certification, Respondent's Disciplinary Record and any responsive pleadings of counsel,

It is **ORDERED** that the Board accepts the Agreed Disposition and the Respondent shall receive a Public Reprimand, as set forth in the Agreed Disposition, which is attached to this Memorandum Order.

It is further **ORDERED** that the sanction is effective August 8, 2013.

The Clerk of the Disciplinary System shall assess costs pursuant to ¶ 13-9 E. of the Rules.

A copy teste of this Order shall be mailed by certified mail to Todd Leslie Treadway, at his last address of record with the Virginia State Bar, PO Box 50099, Arlington, VA 22205, and hand-delivered to Renu M. Brennan, Assistant Bar Counsel, 707 East Main Street, Suite 1500, Richmond, Virginia 23219.

ENTERED THIS 8th DAY OF AUGUST, 2013

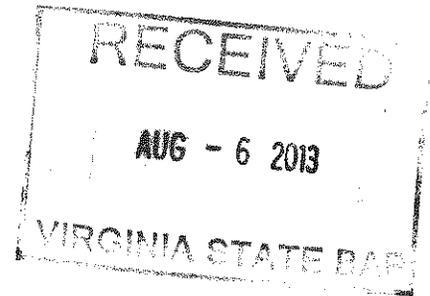
VIRGINIA STATE BAR DISCIPLINARY BOARD



Pleasant S. Brodnax, III, Chair

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AUG 6 2013
BEFORE THE DISCIPLINARY BOARD
OF THE VIRGINIA STATE BAR



IN THE MATTER OF
TODD LESLIE TREADWAY

VS B Docket No. 12-041-090996

AGREED DISPOSITION FOR A PUBLIC REPRIMAND

Pursuant to the Rules of the Virginia Supreme Court Rules of Court Part 6, Section IV, Paragraph 13-6.H., the Virginia State Bar, by Renu Mago Brennan, Assistant Bar Counsel, and Todd Leslie Treadway, Respondent, hereby enter into the following Agreed Disposition for a Public Reprimand arising out of the referenced matter.

I. STIPULATIONS OF FACT

1. At all times referenced herein Respondent Todd Lewis Treadway was an attorney licensed to practice law in the Commonwealth of Virginia.
2. By letter dated February 10, 2012, the Office of General Counsel of the United States Securities and Exchange Commission (SEC) informed the Virginia State Bar (bar) that the SEC had sued Respondent in the Southern District of New York (SDNY) on March 7, 2011. The SEC suit alleged that Respondent violated Section 10(b) of the Securities Exchange Act of 1934 (the Exchange Act) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 thereunder [17 C.F.R. § 240.14e-3]. The SEC suit further alleged Respondent traded on the basis of confidential, nonpublic, inside information obtained through his position as a lawyer at a New York law firm to realize a combined illicit profit of approximately \$27,000 in the purchase of stock in two separate companies.
3. Respondent consented to entry of judgment permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 14(e) of the Exchange Act and Rule 14e-3 thereunder. Respondent did not admit or deny the allegations of the SEC suit.
4. On January 27, 2012, the SDNY entered a final judgment by consent permanently enjoining Respondent from future violations Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 14(e) of the Exchange Act and Rule 14e-3 thereunder and ordering Respondent to pay disgorgement of \$27,407.54, together with prejudgment interest thereon in the amount of \$3,474.43, and a civil penalty in the amount of \$10,000 pursuant to Section 21A of the Exchange Act. Based on

Respondent's sworn representations in his Statement of Financial Condition dated November 15, 2011, and other documents and information submitted to the SEC the Court did not impose a greater penalty.

5. On February 3, 2012, the SEC suspended Respondent from appearing and practicing before the SEC as an attorney pursuant to SEC Rule of Practice 102(e)(3)(i).
6. By letter dated February 27, 2012, the bar enclosed the February 10, 2012 letter from the SEC and enclosures to Respondent and requested a response.
7. By letter dated March 20, 2012, Respondent responded that no findings of fact were made to the Court, and he stated that he admitted no allegations in the SEC suit, except as to jurisdiction. Respondent further advised that he paid the disgorgement and civil penalty. Respondent provided the bar with his answer to the SEC suit and a copy of his check to the SEC.
8. By letter dated March 22, 2012, the bar advised that the complaint had been referred to the Fourth District for a more detailed investigation and that a bar investigator might contact Respondent during the investigation. The letter further referenced Respondent's duty to comply with Rule 8.1(c) by responding, in a timely manner, with the bar investigator's lawful demands for information not protected by Rule 1.6.
9. On March 22, 2012, the bar subpoenaed all documents in Respondent's possession regarding his work on the transactions referenced in the SEC lawsuit and any and all documents related to the trades at issue.
10. By letter dated April 25, 2012, Respondent advised the bar that he did not retain the documents requested by the subpoena.
11. The bar's investigator tried several times to contact Respondent to interview him regarding the complaint. Despite the bar's letter of March 22, 2012 advising Respondent of the investigation and reminding Respondent of his duty under Rule 8.1(c), Respondent failed to respond to the bar's investigator and to submit to an interview regarding the complaint.
12. As a result of Respondent's failure to respond to the bar's investigator and submit to an interview, the bar cannot fully investigate the serious allegations of misconduct against Respondent.

II. NATURE OF MISCONDUCT

Such conduct by the Respondent constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct:

RULE 8.1 Bar Admission And Disciplinary Matters

An applicant for admission to the bar, or a lawyer already admitted to the bar, in connection with a bar admission application, any certification required to be filed as a condition of maintaining or renewing a license to practice law, or in connection with a disciplinary matter, shall not:

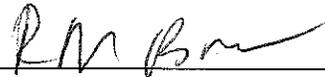
- (c) fail to respond to a lawful demand for information from an admissions or disciplinary authority, except that this Rule does not require disclosure of information otherwise protected by Rule 1.6; or

III. PROPOSED DISPOSITION

Accordingly, Assistant Bar Counsel and the Respondent tender to the Disciplinary Board for its approval the agreed disposition of a Public Reprimand as representing an appropriate sanction if this matter were to be heard through an evidentiary hearing by a panel of the Disciplinary Board.

If the Agreed Disposition is approved, the Clerk of the Disciplinary System shall assess an administrative fee.

THE VIRGINIA STATE BAR

By: 

Renu Mago Brennan, Assistant Bar Counsel



Todd Leslie Treadway, Respondent