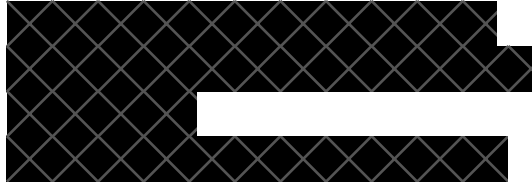


Complaint to the New York Attorney Grievance Committee Against Victor Suthammanont, Esq.



Date: April 7, 2025

To the New York Attorney Grievance Committee:

I, [REDACTED] hereby submit this formal complaint against Victor Suthammanont, Esq., for professional misconduct during his tenure as Senior Counsel in the U.S. Securities and Exchange Commission's (SEC) Division of Enforcement within the New York Regional Office (NYRO) from 2017 to 2021. Suthammanont's actions—jointly leading the investigation and enforcement action in SEC v. Middleton, Case No. 1:19-cv-04625 (E.D.N.Y.), including his role in Mark Sheahan's deposition and having his name listed in the signature block of the SEC complaint filed on August 12, 2019—violated the New York Rules of Professional Conduct (2022), federal statutes, New York Penal Law, his oath of office, and equitable principles established by case law, to be read alongside the very serious misconduct allegations as contained in the previously filed Bar Complaint against Jorge Tenreiro, copy attached, which actions appear to have been condoned, co-conspired or overlooked by Suthammanont, as co-counsel, joint investigator and litigator. In view of his leading role in this case, Suthammanont should be facing the same allegations as contained in the said Tenreiro Bar Complaint and the allegations contained therein and its contents are repeated herein in full. These actions caused significant harm to Veritaseum, its founder

Reginald Middleton, and numerous VERI token holders, as evidenced by victim impact statements and supporting documents.

Introduction

This complaint addresses Victor Suthammanont's leading role in the SEC's investigation, litigation and enforcement action against Veritaseum Inc., and Veritaseum LLC (collectively called Veritaseum), a blockchain-based digital asset platform, and its founder, Reginald Middleton. Suthammanont, serving as Senior Counsel in the SEC's Division of Enforcement within the NYRO under Director Marc P. Berger, Associate Regional Director, Lara S. Mehraban, and Assistant Director John O. Enright from 2017 to 2021, jointly, together with Jorge Tenreiro, conducted the investigation, led the litigation and enforcement efforts, as described in a press release issued on August 13, 2019 (<https://www.sec.gov/newsroom/press-releases/2019-150>), culminating in the filing of a [Complaint](#) on August 12, 2019. This complaint, signed by Berger with Mehraban, Enright, Tenreiro and Suthammanont's names at the top and in the signature block, sought a [Final Judgment](#) permanently barring Middleton and Veritaseum from serving as officers or directors of public companies, prohibiting participation in digital asset securities offerings, and imposing civil penalties. Suthammanont's direct involvement in witness depositions, including Mark Sheahan's, included false statements, witness coercion, threats of felony charges, and attempts to seize personal devices, contributing to financial losses, missed business opportunities, psychological distress, reputational damage, and widespread distrust in government among affected individuals.

The evidence includes:

- The Complaint; a legal document signed by Berger with Suthammanont's name appearing at the top and on page 29, dated August 12, 2019, from the SEC v. Middleton et al case.
- Victim impact statements from nine individuals (including Mark A. Sheahan's statements from October 5 and October 21, 2024).
- Suthammanont's employment history with the SEC (Senior Counsel, NYRO, 2017–2021).
- Supporting documents such as declarations, court filings, and a FOIA response.
- Tenreiro Complaint previously filed with the Attorney Grievance Committee.

This complaint alleges violations of:

- **New York Rules of Professional Conduct (2022):** Rules 1.1, 3.3(a)(1), 3.4(a)(1), (3) & (4), 3.4(e), 4.1, 8.4(b), 8.4(c), 8.4(d).
- **Federal Statutes:** 18 U.S.C. § 1001 (False Statements), 18 U.S.C. § 1512 (Witness Tampering), 18 U.S.C. § 242 (Deprivation of Rights Under Color of Law).
- **New York Penal Law:** § 195.00 (Official Misconduct).
- **Case Law:** Liu v. SEC, 591 U.S. 71 (2020) (equitable principles).

I request a thorough investigation and disciplinary action against Suthammanont, including potential disbarment, as well as referral to federal and state authorities for prosecution.

Specific Allegations of Misconduct

1. False Statements and Misrepresentations to the Court

Suthammanont, as Senior Counsel, jointly led the investigation and litigation including the development of the SEC complaint filed on August 12, 2019, his name appearing at the top and in the signature block, confirming that he helped draft, review and endorsed the same. The SEC complaint contained numerous false allegations of wrongdoing that sought to bar the defendants from digital asset securities offerings (Section VIII) and impose penalties (Section IX).

- **False Allegations About Platform Operability:** The SEC complaint falsely alleged that the VeADIR platform was not functional nor operational, however victim statements, such as [Chad Albert's](#), highlight misrepresentations about the VeADIR platform's operability, [Mark Sheahan's](#) statements detail how the SEC falsely claimed the VeADIR platform was non-functional despite a live demonstration to SEC staff at their offices on March 9, 2018, attended by Jorge G. Tenreiro and others, and despite running a youtube channel providing tutorials and information on its use, [youtube.com/c/VeTest], loss of token utility, and trust in the SEC as a fair regulator. By allowing or endorsing false statements about the platform's operability and functionality, Suthammanont's actions ran counter to his obligations to be truthful in all communications. Suthammanont is accused of endorsing or failing to correct false statements about the operability of the VeADIR platform, despite ample evidence showing that the platform was operational and functional, such false claims were made to support regulatory action against Veritaseum. In this context, the misrepresentation about the VeADIR platform is not only misleading to investors and stakeholders but also undermines the integrity of the legal process by presenting inaccurate technical and operational information as part of the enforcement action.

- False Representations Regarding the Ownership of the Kraken Crypto Account:** This complaint asserts that Suthammanont played a leading role in endorsing or allowing false statements regarding the ownership of the Kraken crypto account. Specifically, there was an utterly false allegation that the Kraken account belonged personally to Reginald Middleton, leading to an unjust asset freeze. [A FOIA response \(No. 24-04057\)](#) initially confirmed there were no communications with Kraken between April 1, 2017, and August 31, 2019, undermining the claim of Middleton's personal account ownership, a falsehood Suthammanont endorsed through his direct involvement as joint lead investigator and litigator. He further failed to ensure a correction of subsequent pleadings concerning ownership of the Kraken account once a supplemental declaration had been filed by Patrick Doody (SEC expert witness), contradicting his earlier testimony and now confirming its true ownership.
- Asset Misappropriation and Dissipation:** The SEC complaint falsely alleged that Middleton had misappropriated funds through a personal Kraken account, which was later corrected by the SEC's expert witness; Patrick Doody, nonetheless Suthammanont pressed ahead with their false narrative regardless. Further, the SEC alleged that funds used to pay overseas contractors were some sort of scheme to secret away funds outside of US jurisdiction, when in fact this was the legitimate payment of bona fide invoices from overseas contractors for goods and services rendered to Veritaseum, as confirmed by the SEC's other inhouse expert witness; Roseann Daniello.

Violations:

- **NY Rule 1.1:** Attorneys must provide competent legal representation however, Suthammanont's failure to ensure that SEC proceedings followed due process standards suggests a lack of professional competence.
- **NY Rule 3.3(a)(1):** The duty of candor toward the tribunal requires that all factual representations made in pleadings are accurate and prohibits a lawyer from knowingly endorsing false statements of fact or law. It is alleged that Suthammanont knowingly or recklessly endorsed false statements in the complaint, such as VeADIR's non-existence and false claims about the Kraken account ownership, misappropriation and dissipation of assets without ensuring correction. Suthammanont knowingly failed to ensure that the factual assertions about VeADIR's operability and Kraken account ownership were correct, he violated his duty to maintain integrity before the court.
- **NY Rule 4.1 Truthfulness in Communications:** obligates lawyers to be truthful in all statements made to others. By misrepresenting the operability of the VeADIR platform and ownership of the Kraken account, Suthammanont not only misled the tribunal but also the broader public and investors, thereby compromising his credibility and the integrity of the proceedings.
- **NY Rule 8.4(b), Misconduct (Illegal or Criminal Conduct that Reflects on Fitness to Practice Law):** Broader Implications of Misrepresentation: engaging in conduct that involves fraud or deceit, even if it is part of a larger regulatory strategy, reflects negatively on a lawyer's fitness to practice. In this situation, endorsing or failing to correct demonstrably false statements regarding platform operability, account ownership and misappropriation and dissipation of assets constitutes a significant ethical lapse. The false claim about the Kraken account ownership undermines the factual foundation of

the regulatory action and damages the trust required for proper legal advocacy. If the false statements were part of a broader fraudulent scheme, Suthammanont's participation would constitute a serious ethical breach.

- **NY Rule 8.4(c):** Under this rule, a lawyer must refrain from engaging in conduct involving dishonesty or misrepresentation. Endorsing false representations, knowingly or recklessly, can be seen as a deliberate attempt to deceive the court or the public. Suthammanont's direct involvement as lead investigator and litigator of these SEC enforcement proceedings involved false and misleading representations. Records indicate that he may have been directly responsible or at the very least been aware of false and misleading statements submitted in court filings, yet failed to correct them or have them corrected.
- **18 U.S.C. § 1001:** Falsifying material facts in federal proceedings implicates Suthammanont's endorsement of unverified claims. If he knowingly made or allowed false statements to be submitted to federal courts, this could constitute a violation of federal law. The SEC's reliance on potentially false and misleading declarations warrants further investigation.

2. Witness Coercion and Intimidation: Threatening Mark Sheahan with Felony Charges to Influence Testimony

Suthammanont directly participated in the deposition of Mark Sheahan, as detailed in Sheahan's October 21, 2024, statement. Alongside Tenreiro and Karen Willenken, Suthammanont engaged in aggressive, abusive questioning and threatened Sheahan with multiple felony charges to scare him into silence for his support of Middleton, targeting his role as a beta tester and YouTube channel operator ([youtube.com/c/VeTest]), all aimed at pressuring Sheahan into altering or

withholding testimony that could support Veritaseum's case. The deposition, conducted via video conference due to Sheahan's impending major spinal surgery, included demands for personal details of Veritaseum Telegram members and an order to confiscate his mobile phones and other devices, which he resisted. Post-surgery, Suthammanont and the SEC team escalated harassment, attempting to seize all his electronic devices causing considerable stress, severely impacting his recovery. This coercion mirrors Tenreiro's pressure on [Lloyd G. Cupp III](#) to falsely testify as a fraud victim, reflecting a pattern of misconduct Suthammanont actively advanced and was engaged in. The use of threats to coerce a witness falls outside the acceptable bounds of professional advocacy. It constitutes an abuse of power that can damage not only the immediate case but also public confidence in legal institutions. Such behavior is expressly prohibited as it subverts the role of lawyers as officers of the court. By attempting to intimidate a witness, Suthammanont's actions appear designed to manipulate the evidence and testimony, which strikes at the heart of ethical legal practice and fair judicial proceedings. Each of these actions reflects a disregard for the professional norms and ethical standards expected of lawyers, particularly those holding positions of significant responsibility, and justifies a formal complaint with detailed reasoning regarding the alleged ethical breaches.

Violations:

- **NY Rule 3.3(b) – Duty to Correct False Evidence or Misleading Testimony:** Under this rule, a lawyer has a duty to correct false evidence or misleading testimony. Suthammanont was aware that false evidence was being presented and failed to correct it, he was complicit in professional misconduct. Suthammanont was aware of the potential for false or coerced

testimony and did nothing to correct it—or worse, actively contributed to the pressure on the witness—he is in clear violation of this duty.

- **NY Rule 3.4(a)(1), (2) & (4):** Suthammanont unlawfully obstructed Sheahan’s rights by attempting to seize his devices, compromising access to evidence.
- **NY Rule 3.4(e) – Fairness to Opposing Party and Counsel (Threatening Criminal Charges for Advantage):** This prohibits lawyers from engaging in conduct that is prejudicial to the administration of justice or that employs threats and coercion. Threatening a witness with felony charges in an effort to secure favorable testimony is not only unethical—it directly undermines the integrity of the judicial process. Suthammanont threatened felony charges against Mark Sheahan to coerce testimony or evidence, he violated this rule, which prohibits lawyers from improperly influencing witnesses and is tantamount to extortion.
- **NY Rule 4.1:** He made false or intimidating statements to a third party to suppress truthful testimony.
- **NY Rule 8.4(b):** His conduct constitutes illegal acts, including potential harassment or coercion.
- **NY Rule 8.4(d) – Misconduct (Conduct Prejudicial to the Administration of Justice):** Threatening a witness to manipulate their testimony undermines the justice system and constitutes professional misconduct. Suthammanont threatened felony charges against Mark Sheahan in an attempt to coerce testimony or evidence, he violated this rule, which prohibits lawyers from improperly influencing witnesses.
- **18 U.S.C. § 1512(b)(1):** Suthammanont’s threats and seizure attempts amount to witness tampering.

3. Abuse of Process and Harm to Investors

Suthammanont's actions in the enforcement process, including his leading role in the complaint and depositions, contributed to disrupting Veritaseum's operations, such as partnerships with the [Jamaica Stock Exchange](#) (Kamhi) and the VeADIR platform (Fountain). Sheahan highlights destroyed agreements with the [Nigerian Stock Exchange](#) and the loss of VeADIR's utility, compounded by the personal toll of post-deposition harassment. The TRO (p. 3) froze \$8 million excessively, criticized as wasteful of judicial resources in a separate filing (p. 12) and disproportionate (p. 15), a measure Suthammanont supported through his involvement. This constitutes abuse of process, prioritizing regulatory overreach over investor protection.

Violations:

- **NY Penal Law § 195.00:** Suthammanont's participation in unauthorized acts, including threats and seizures against Sheahan, aligns with official misconduct. By failing to uphold his duties in an impartial and just manner, Suthammanont engaged in official misconduct, warranting state-level review.
- **NY Rule 8.4(d):** An attorney must not engage in conduct that interferes with justice, instead Suthammanont engaged in conduct prejudicial to justice administration. Newly reviewed cases show how Suthammanont's SEC enforcement actions have led to unjust rulings based on flawed evidence.

4. Breach of Oath of Office

Suthammanont swore to uphold the law with integrity as an SEC attorney. His role in endorsing a misleading complaint and intimidating witnesses like Sheahan, while failing to protect investors like William Billingsley (VeriDAO member), breaches this oath. Sheahan's experience—threatened with felony charges and

device seizures despite major spinal surgery—underscores aggressive tactics he employed, eroding trust in regulators.

Violation:

- **Oath of Office:** Ethical breach as an officer of the court.

5. Violation of Equitable Principles

The final judgment sought in the complaint Suthammanont endorsed (Section X) aimed to benefit investors, yet substantially less than 1% of token holders were “compensated” (Liu v. SEC, 591 U.S. 71), contradicting equitable relief requirements. Sheahan notes the asset freeze halted VeADIR, stripping him of token utility and harming those the SEC claimed to protect, a pattern Suthammanont exacerbated through his actions.

Violation:

- **Liu v. SEC:** Failure to ensure equitable outcomes.

6. Deprivation of Rights Under Color of Law

Suthammanont’s direct participation in coercive tactics and endorsement of unverified claims in the complaint—e.g., the Kraken account falsehood supported by the FOIA response—constitutes willful misconduct under color of law. His harassment of Sheahan post-surgery denied fair process, while the TRO granted Ex Parte (Sheahan complaint, p. 20) reflects broader due process violations he facilitated.

Violation:

- **18 U.S.C. § 242:** Deprivation of rights under color of law. The SEC’s improper targeting of individuals in enforcement actions, without sufficient legal basis, raises concerns under this federal statute.

Victim Impact Statements: Evidence of Harm

The following statements illustrate the harm caused by Suthammanont's actions:

- **Chad Albert**: “The misrepresentations... led to unjust asset freezes... causing me great financial, emotional, and psychological harm...”
- **Anthony Allen**: “My purchase in Veritaseum was devalued... The actions of Jorge Tenreiro made me lose trust in... regulatory bodies...”
- **William Billingsley**: “this misconduct caused me considerable harm and financial loss as a first-time investor in financial markets”
- **M. Angelia Ellis Kamhi**: “I lost the potential for profit... The project with the Jamaica Stock Exchange was destroyed...”
- **Barry O. Sullivan**: “Tenreiro’s false statements... impacted my ability to utilize Veritaseum’s patented technology.”
- **Thomas Devereux**: “I missed out on two market cycles... The loss of respect for the government remains...”
- **Alvin Paul Fortunato**: “It was heartbreaking... I no longer feel confident that the government acts in investors’ best interests.”
- **Lloyd G. Cupp III**: “Tenreiro attempted to frame me as a victim... I refused his offer...”
- **Keith Fountain**: “I experienced significant financial loss... The halting of Veritaseum’s platform prevented access...”
- **Mark A. Sheahan**: (October 21, 2024) “The SEC’s actions... shut down [VeADIR]... causing significant financial and reputational damage... I was subpoenaed post-affidavit, faced aggressive questioning and felony threats during a deposition led by Tenreiro, Suthammanont, and Willenken, and

endured ongoing harassment post-spinal surgery, including attempts to seize my devices. I lost my [YouTube channel](https://www.youtube.com/c/VeTest), [youtube.com/c/VeTest], token utility, and trust in the SEC as a fair regulator.”

Summary of Harms:

- **Financial Loss:** Token value and utility plummeted (Albert, Allen, Kamhi, Fountain, Sheahan).
- **Missed Opportunities:** Disrupted partnerships and platform access (Kamhi, Fountain, Sheahan).
- **Psychological Toll:** Stress and distrust, worsened by harassment (Albert, Billingsley, Devereux, Fortunato, Sheahan).
- **Reputational Damage:** Stigmatized association with Veritaseum (O’Sullivan, Sheahan).
- **Government Distrust:** Loss of faith in the SEC (Allen, Devereux, Fortunato, Sheahan).
- **Coercion Attempts:** Pressure to falsely testify or comply (Cupp, Sheahan).

The Demotion of SEC’s Jorge Tenreiro After Complaint Filed with the Attorney Grievance Committee

The Attorney Grievance Committee upon receipt of 180+ complaints against Mr. Tenreiro passed the complaints on to the SEC Office of General Counsel indicating that the SEC “was better suited” to investigate the matter. Mr. Tenreiro was promoted to Chief Litigation Counsel in December 2024. Upon receipt of the AGC forwarded complaints, Mr. Tenreiro was relegated to the Information Technology Department. One can only assume this was the outcome of the more than 180

complaints filed against Mr. Tenreiro to date as he awaits adjudication of his deception committed in the SEC vs Reggie Middleton et al 2019 case. However, this nonetheless appears to be an “adverse finding” by the SEC OGC which appears to have taken pre-emptive action in its ongoing investigation.

Suthammanont substantially contributed to this obvious demotion from the number three position at the SEC to the IT department. A humiliating action considering his rise to such a prestigious position within the SEC.

Conclusion and Request for Action

Victor Suthammanont’s actions as Senior Counsel—endorsing the August 12, 2019, complaint and directly participating in coercive deposition tactics—constitute a pattern of misconduct violating ethical and legal standards. The evidence, including Sheahan’s harrowing experience under Suthammanont’s questioning, demonstrates significant harm to Veritaseum and its stakeholders, undermining the SEC’s investor protection mandate.

Finally, I would add that it is now a matter of record that Middleton et al have indicated to the presiding Judge Kuntz that the defendants in the said proceedings intend to [file a motion](#) to vacate the consent judgment for **fraud on the court per Federal Rules of Civil Procedure 60(d)(3)**.

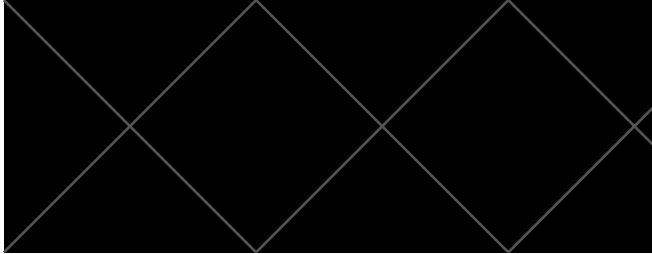
I request that the Committee:

- Investigate Suthammanont’s violations of the New York Rules of Professional Conduct, federal statutes, and New York Penal Law.
- Assess potential fraud upon the court and official misconduct, warranting disbarment or suspension for Suthammanont.

- Refer findings to the U.S. Department of Justice and New York Attorney General for prosecution under 18 U.S.C. §§ 1001, 1512, 242, and NY Penal Law § 195.00.

I affirm the truth of these allegations and am available to assist further.

Sincerely,



April 7, 2025

Submit to: adl-agc-newcomplaints@nycourts.gov

Supporting Documents

- [SEC vs Middleton et al Complaint Signed by Marc P Berger](#)
- [SEC vs Middleton et al Final Judgment](#)
- [SEC Press Release \(August 13, 2019\).](#)
- [Suthammanont's SEC Employment History \(Senior Counsel, NYRO, 2017–2021\).](#)
- [Sheahan Complaint Against Jorge G. Tenreiro \(October 5, 2024\).](#)
- [FOIA Response \(No. 24-04057\).](#)
- [Tenreiro Complaint previously filed with the AGC](#)

- [Letter from Seibert's to Judge Kuntz with intention to file a motion under FRCP 60\(d\)\(3\)](#) motion to vacate a judgment for fraud on the court
- [Middleton Declaration](#)
- [Declaration of Roseann Daniello](#)
- [Supplemental Declaration of Roseann Daniello](#)
- [Declaration of Patrick Doody](#)
- [Second Declaration of Patrick Doody](#)
- [Affidavit of Lloyd G. Cupp III](#)