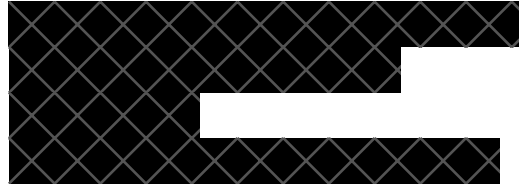

Complaint to the New York Attorney Grievance Committee Against Marc P. Berger, Esq.



Date: April 4, 2025

To the New York Attorney Grievance Committee:

I, [REDACTED], hereby submit this formal complaint against Marc P. Berger, Esq., for egregious professional misconduct during his tenure as Director of the U.S. Securities and Exchange Commission's (SEC) New York Regional Office (NYRO) from 2017 to 2021. Specifically, Berger's actions—signing the SEC complaint and Ex-Parte Temporary Restraining Order (TRO) filed on August 12, 2019, issuing a press release on August 13, 2019 (available at <https://www.sec.gov/newsroom/press-releases/2019-150>), and supervising attorneys including Jorge G. Tenreiro, Lara S. Mehraban (Associate Regional Director), John O. Enright, Victor Suthammanont and Karen Willenken in SEC v. Middleton et al, Case No. 1:19-cv-04625 (E.D.N.Y.)—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 or overlooked by Marc P. Berger, Esq., as his ultimate supervisor. These actions caused profound harm to Veritaseum, its founder

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

Introduction

This complaint addresses Marc P. Berger’s leadership role in the SEC’s enforcement action against Veritaseum Inc., and Veritaseum LLC (collectively called Veritaseum), a blockchain-based digital asset platform, and its founder, Reginald Middleton. Berger, who served as Acting Director and Deputy Director of the Division of Enforcement and Director of the New York Regional Office (NYRO) from 2017 to 2021, signed a [Complaint](#) on August 12, 2019, with the names of Lara S. Mehraban, Associate Regional Director of the NYRO, John O. Enright, Jorge G. Tenreiro and Victor Suthammanont also appearing on the said complaint. The SEC complaint sought a [Final Judgment](#) that permanently barred Middleton and Veritaseum from serving as officers or directors of public companies, prohibiting participation in digital asset securities offerings, and imposing civil penalties. Berger additionally authorized a press release on August 13, 2019, that presented unproven allegations as facts, amplifying the harm. As supervisor of attorneys including Tenreiro, Mehraban, Enright, Suthammanont and Willenken, Berger failed to prevent or correct pervasive misconduct, including false statements, witness coercion, threats of felony charges, and reckless disregard for truth—causing significant 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 on page 29, dated August 12, 2019, from the SEC v. Middleton et al case.
- SEC Press Release (August 13, 2019).
- Victim impact statements from nine individuals (including Mark A. Sheahan's updated statement from October 21, 2024).
- Berger's employment history with the SEC (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), 4.1, 5.1, 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 Berger, 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 and Public

Berger signed the SEC complaint on August 12, 2019, with the names of Lara S. Mehraban, Associate Regional Director of the NYRO, John O. Enright, Jorge G. Tenreiro and Victor Suthammanont also appearing on the said complaint, containing numerous allegations of wrongdoing. Berger also authorized a press release the following day presenting unproven allegations against Middleton and Veritaseum as facts without sufficient evidence, that amplified these claims. The relevant extract of the press release stated that “After learning about Middleton’s transfer of funds, we took quick action to prevent the further dissipation of investor assets,” said Marc P. Berger, Director of the SEC’s New York Regional Office. “Whether in digital currency or plain cash, we will act to protect investor assets and to pursue fraud and manipulation in our securities markets.” The complaint sought to bar defendants from digital asset securities offerings (Section VIII) and impose penalties (Section IX), implying wrongdoing that disrupted Veritaseum’s operations. Victim statements, such as, highlight misrepresentations about the VeADIR platform’s operability, asset dissipation, and Kraken account ownership, leading to unjust asset freezes. [Mark Sheahan’s](#) statement details how the SEC falsely claimed VeADIR was non-functional despite a live demonstration to SEC staff at their offices on March 9, 2018, attended by Tenreiro and others. [Chad Albert’s](#), highlight misrepresentations about the VeADIR platform’s operability, asset dissipation, and Kraken account ownership, leading to unjust asset freezes. [Mark Sheahan’s](#) statement details how the SEC falsely claimed VeADIR was non-functional despite a live demonstration to SEC staff at their offices on March 9, 2018, attended by Tenreiro and others. [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. The press release exacerbated harm by stigmatizing Veritaseum publicly, as noted by Anthony Allen and M. Angelia Ellis Kamhi.

- **Violations: NY Rule 3.3(a)(1):** Berger knowingly endorsed false statements in the complaint, such as VeADIR's non-existence and the Kraken account claim, without correction, and 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) confirming its true ownership.
- **NY Rule 4.1:** The press release's premature and unproven assertions, authorized by Berger, misled third parties.
- **NY Rule 8.4(c):** Berger engaged in conduct involving dishonesty and misrepresentation. Mr. Berger's oversight of SEC enforcement proceedings involved questionable representations. Records indicate that he may have been aware of misleading statements submitted in court filings yet failed to correct them.
- **18 U.S.C. § 1001:** Falsifying material facts in federal proceedings implicates Berger's endorsement of unverified claims. If Mr. Berger knowingly allowed false statements to be submitted to federal courts, this could constitute a violation of federal law. The SEC's reliance on potentially misleading declarations under his leadership warrants further investigation.

2. Supervisory Failures Over Subordinate Misconduct

Berger supervised attorneys including lead attorney Tenreiro, who engaged in egregious misconduct such as coercing Lloyd G. Cupp III to falsely testify as a fraud victim and misrepresenting Veritaseum's patented technology

(US11196566B2) as lacking novelty (Barry O’Sullivan). Sheahan’s updated statement (October 21, 2024) reveals Tenreiro, Victor Suthammanont, and Karen Willenken led a deposition marked by aggressive, abusive questioning and threats of felony charges to silence his support for Middleton, followed by attempts to seize his electronic devices post-surgery. Sheahan notes the SEC monitored Veritaseum chatrooms, targeting community members, a tactic unchecked by Berger. The Preliminary Injunction (p. 7) notes defendants’ non-opposition, possibly due to resource disparities rather than guilt—a dynamic Berger should have scrutinized per SEC investigative fairness standards.

Violations:

- **Rule 5.1(a)-(d):** Berger failed to ensure ethical conformity (a), inadequately supervised his team (b)(2), ratified misconduct via the signed complaint (d)(1), and knew of misconduct without action (d)(2)(i). As a supervisory attorney, Marc Berger had a duty to ensure his subordinates complied with ethical obligations. Evidence from SEC enforcement actions indicates that he failed to exercise proper oversight, allowing subordinates to engage in potential misconduct. A supervisory lawyer is responsible for another lawyer’s ethical violations if they knew of the misconduct and failed to take corrective action. Newly obtained evidence suggests that Mr. Berger personally approved actions that may have violated due process rights, making him directly culpable.
- **NY Rule 1.1:** Berger’s oversight lacked competence in allowing baseless claims and coercive tactics to proceed. Attorneys must provide competent legal representation. Berger’s failure to ensure that

SEC proceedings followed due process standards suggests a lack of professional competence.

- **18 U.S.C. § 1512(b)(1):** Witness tampering by Tenreiro, including threats against Sheahan, under Berger's supervision implicates his liability.

3. Abuse of Process and Harm to Investors

Under Berger's leadership, the SEC's actions disrupted Veritaseum's operations, including 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 post-deposition harassment that hindered his recovery. The TRO (p. 3) froze \$8 million excessively, criticized as wasteful of judicial resources in a separate filing (p. 12) and disproportionate (p. 15), under Berger's approval. This constitutes abuse of process, prioritizing regulatory overreach over investor protection.

Violations:

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

4. Breach of Oath of Office

Berger swore to uphold the law with integrity. His role in misleading the court and public and failing to protect investors like William Billingsley (VeriDAO member), breaches this oath. Sheahan's experience—threatened with felony charges and device seizures immediately following major spinal surgery—underscores aggressive tactics under Berger's watch, 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 by Berger (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 Berger failed to rectify.

Violation:

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

6. Deprivation of Rights Under Color of Law

Berger's failure to prevent due process violations—e.g., asset freezes, and coercive tactics based on unverified evidence—constitutes willful misconduct under color of law. The FOIA response and blockchain tracing capabilities highlight the recklessness of the ownership of the Kraken account claim, approved by Berger, while Sheahan's post-surgery harassment reflects denied fair process, with the TRO granted Ex Parte (Sheahan complaint, p. 20).

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 Berger'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**: “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, token utility, and trust in the SEC as a fair regulator.”

Summary of Harms:

- **Financial Loss:** Token value and utility plummeted (Albert, Allen, Billingsley, 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. Mr. Berger contributed through his negligence 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

Marc P. Berger’s actions as NYRO Director—signing the August 12, 2019, complaint, issuing a misleading press release treating allegations as matters of proven fact, and failing to supervise subordinates like Tenreiro—constitute a pattern of misconduct violating ethical and legal standards. The evidence, including Sheahan’s harrowing experience, demonstrates significant harm to Veritaseum and its stakeholders, undermining the SEC’s investor protection mandate.

I request that the Committee:

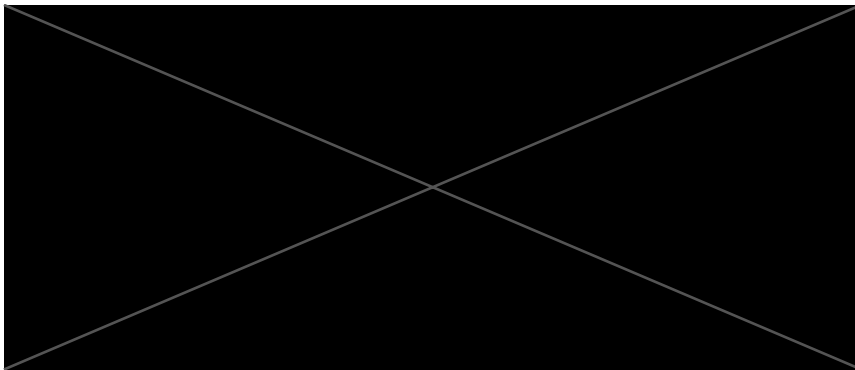
- Investigate Berger’s violations of the New York Rules of Professional Conduct, federal statutes, and New York Penal Law.

- Assess potential fraud upon the court and official misconduct, warranting disbarment or suspension for Berger.
- 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.

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

Sincerely,



April 4, 2025

Additional Supporting Documents

A majority of the supporting documents can be found in any of the Jorge Tenreiro complaints by the impact statements linked in the body of the text above.

- [SEC vs Middleton et al Complaint Signed by Marc P Berger](#)
- [SEC vs Middleton et al Final Judgment](#)

- [SEC Press Release \(August 13, 2019\).](#)
- [Berger Named Director of New York's Regional Office of the SEC](#)
- [Berger's SEC Employment History \(2017–2021\).](#)
- [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](#)