

IN THE SUPREME COURT OF ILLINOIS

In the Matter of:

ASHMIT S. PATEL,

Attorney No. 6309877,

Movant.

Supreme Court No. MR

Commission No. 2024PR00015

MOTION PURSUANT TO SUPREME COURT RULE 762(a)

Movant, Ashmit S. Patel, respectfully represents to the Court that:

1. Movant was licensed to practice law in Illinois on November 1, 2012.
2. Movant desires to have his name stricken from the Roll of Attorneys pursuant to Supreme Court Rule 762(a), effective immediately.
3. Filed contemporaneously with this motion is a statement of charges prepared by the Administrator and Movant's affidavit in support of this motion.

WHEREFORE, Movant respectfully requests that the Court enter an order striking his name from the Roll of Attorneys.



Ashmit S. Patel

Ashmit S. Patel
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STATEMENT OF CHARGES PURSUANT
TO SUPREME COURT RULE 762(a)

Lea S. Gutierrez, Administrator of the Attorney Registration and Disciplinary Commission, by her attorneys, M. Katherine Boychuk and Matthew D. Lango, pursuant to Supreme Court Rule 762(a), states that on the date Ashmit S. Patel (hereinafter "Movant") filed a motion requesting that his name be stricken from the Roll of Attorneys, a one-count complaint was pending against Movant before the Hearing Board charging him with committing a criminal act that reflects adversely on his honesty, trustworthiness, or fitness as a lawyer. Had Movant's conduct been the subject of a hearing, the Administrator would have introduced the evidence described below, and that evidence would have clearly and convincingly established the misconduct set forth below:

I. FACTUAL BASIS

Movant's admissions, court records from the Southern District of California case docketed as *United States v. Ongkaruck Sripetch, et al.*, number 20CR00160H, including the January 29, 2024 judgment of conviction, and the testimony of various individuals would establish the following facts:

1. Beginning no later than September 2014 and continuing until in or around January 2017, Movant conspired to commit the crimes of securities fraud and manipulative securities

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trading in connection with VMS Rehab Systems, Inc. (“VMS”), and its stock, in violation of Title 18, U.S.C. § 371. Together with his co-conspirators Michael Wexler, Ongkaruck Sripetch, and Brehnan Knight, Movant conspired to conduct an illegal pump-and-dump scheme, a fraudulent scheme that involved the artificial inflation of the stock price of VMS (the “pump”) so that individuals who controlled a substantial portion of the stock could sell shares of that stock at artificially high prices (the “dump”). Movant and his co-conspirators also conspired to conduct a manipulative trading scheme, a fraudulent scheme that involved creating the false and misleading appearance of trading activity for VMS stock and the market for such stock.

2. During the events described in this statement, Wexler was the chief executive officer of VMS, Sripetch ran a stock promotion website called Stockpalooza and controlled Optimus Prime Financial, Inc., Knight maintained a personal bank account, and Movant maintained a domestic brokerage account.

3. Movant, Wexler, Sripetch, and Knight agreed that they would carry out the scheme by Movant acquiring millions of shares of VMS stock, purportedly in exchange for providing legal services, and then making misrepresentations to his brokerage firm in order to deposit and trade the shares of VMS through his brokerage account. Sripetch and Knight would then engage in manipulative trading in VMS stock in order to create a false or misleading appearance of active trading in the stock and of the market for the stock. To generate interest in the company and its stock, and to provide material for use in third-party promotions of the stock, Wexler would issue press releases about VMS. Sripetch would promote the stock in order to artificially inflate and maintain the inflated price. Movant would sell the VMS stock from his brokerage account into the open market at the inflated price, and then transfer a portion of the proceeds to a bank account controlled by Knight, who, in turn, would transfer a portion to an account controlled by Sripetch.

4. Movant, Wexler, Sripetch, and Knight carried out various aspects of their agreement to perpetrate a pump-and-dump scheme between March 2016 and January 2017. Wexler and Sripetch issued promotional materials containing false, misleading, or exaggerated information regarding VMS in order to artificially inflate its share price. Knight and Sripetch engaged in manipulative trading of the stock to affect its price and generate the appearance of demand for the shares. On or about December 21, 2016, Movant sold, or caused to be sold, 5,321,434 shares of VMS stock through his brokerage account for proceeds of \$183,057.33. On or about December 23, 2016, Movant transferred \$56,500 from his bank account to a bank account controlled by Knight, who then transferred a portion of the proceeds to a bank account controlled by Sripetch.

5. On January 8, 2020, a federal grand jury in the Southern District of California returned an indictment against Movant and others. The resulting case was docketed as *United States of America v. Ongkaruck Sripetch et al.*, and assigned case number 20CR0160H. The indictment charged Movant in Count 1 with the offense of conspiracy to commit securities fraud and manipulative trading, in violation of Title 18, U.S.C. § 371, and in Count 2 with the offense of securities fraud, in violation of Title 15, U.S.C. §§ 78j(b) and 78ff, and Title 17, C.F.R. § 240.16b-5.

6. On July 11, 2022, Movant and the United States Attorney for the Southern District of California entered into a written plea agreement in case number 20CR0160H, in which Movant agreed to plead guilty to Count 1 of the indictment and the United States Attorney agreed to dismiss the remaining count against Movant.

7. In the plea agreement, Movant admitted that he committed each element of the offense of conspiracy to commit securities fraud and manipulative trading. Movant further admitted that the unlawful gain that resulted from the offense was approximately \$499,100.

8. On January 29, 2024, the Honorable Marilyn L. Huff, United States District Judge, entered a judgment of conviction against Movant as to Count 1 of the indictment in case number 20CR0160H, and imposed a sentence of three years' probation and a \$100 assessment. Judge Huff also ordered Movant to pay restitution in the amount of \$41,953.26 to the victims of his offense. The judge dismissed Count 2 as to Movant on the motion of the United States.

II. CONCLUSION OF MISCONDUCT

9. As a result of the conduct described above, Movant has engaged in the following misconduct:

- a. committing a criminal act that reflects adversely on his honesty, trustworthiness, or fitness as a lawyer in other respects, by committing the criminal offense of conspiracy to commit securities fraud and manipulative trading in violation of Title 18, United States Code, Section 371 and Rule 8.4(b) of the Illinois Rules of Professional Conduct (2010); and
- b. conduct involving dishonesty, fraud, deceit, or misrepresentation, by conduct including committing the criminal offense of conspiracy to commit securities fraud and manipulative trading in violation of Title 18, United

States Code, Section 371 and Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

Respectfully submitted,

Lea S. Gutierrez, Administrator
Attorney Registration and
Disciplinary Commission

By: /s/ M. Katherine Boychuk
M. Katherine Boychuk

M. Katherine Boychuk
Matthew D. Lango
Counsel for Administrator
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AFFIDAVIT

Affiant, Ashmit S. Patel, being first duly sworn, states:

1. Affiant has filed with this Court a motion to strike his name from the Roll of Attorneys licensed to practice law in Illinois, pursuant to Supreme Court Rule 762(a).
2. Affiant has received and reviewed a copy of the Administrator's statement of the charges that were pending against Affiant as of the filing of the instant motion. If the matter proceeded to hearing, the judgment of conviction would be offered into evidence and would constitute conclusive evidence of his guilt of the crime for purposes of disciplinary proceedings.
3. Affiant's motion is freely and voluntarily made.
4. Affiant understands the nature and consequences of this motion.



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CERTIFICATION

Under penalties as provided by law pursuant to Section 1-109 of the Illinois Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.



Ashmit S. Patel

Dated: May 5, 2024

Ashmit S. Patel
500 N. Michigan Ave. #600
Chicago, IL 60611
ashmitpatel84@outlook.com

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NOTICE OF FILING

TO: Ashmit S. Patel
Email: ashmitpatel84@outlook.com

PLEASE TAKE NOTICE that on May 8, 2024, electronic copies of Movant's MOTION PURSUANT TO SUPREME COURT RULE 762(a), Administrator's STATEMENT OF CHARGES, and Movant's AFFIDAVIT, were submitted to the Clerk of the Supreme Court for filing. On that same date, copies were served on Movant, by e-mail to ashmitpatel84@outlook.com, at or before 5:00 p.m.

Respectfully submitted,

Lea S. Gutierrez, Administrator
Attorney Registration and
Disciplinary Commission

By: /s/ M. Katherine Boychuk
M. Katherine Boychuk

M. Katherine Boychuk
Matthew D. Lango
Counsel for Administrator
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PROOF OF SERVICE

The undersigned, an attorney, hereby certifies, pursuant to the Illinois Code of Civil Procedure, 735 ILCS 5/109, that the Administrator served copies of the Notice of Filing, Movant's MOTION PURSUANT TO SUPREME COURT RULE 762(a), Administrator's STATEMENT OF CHARGES PURSUANT TO SUPREME COURT RULE 762(a) and Movant's AFFIDAVIT, on the individual listed on the forgoing Notice of Filing, by e-mail at ashmitpatel84@outlook.com on May 8, 2024 at or before 5:00 p.m.

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that she verily believes the same to be true.

/s/ M. Katherine Boychuk

M. Katherine Boychuk

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