

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 104651 / January 21, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-22583

In the Matter of

MOHIT VERMA,

Respondent.

ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING A CEASE-AND-DESIST ORDER

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Mohit Verma (“Respondent” or “Verma”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

1. These proceedings arise out of insider trading by Verma in the securities of ImmunityBio, Inc. ("ImmunityBio") in advance of ImmunityBio's public disclosure on May 11, 2023 that the U.S. Food and Drug Administration ("FDA") had decided to delay approval of Anktiva, ImmunityBio's immunotherapy for non-muscle invasive bladder cancer. At the time, Verma, a research scientist, was an employee of ImmunityBio.

2. Verma purchased out-of-the-money ImmunityBio put options on May 9 and 10, 2023, on the basis of the material nonpublic information, and in doing so knowingly or recklessly breached a duty of trust and confidence that he owed to ImmunityBio. Following the public disclosure of the FDA's decision to delay approval of Anktiva, ImmunityBio's common stock price declined approximately 55%, and Verma sold all his ImmunityBio put options, resulting in ill-gotten gains of approximately \$41,000.

Respondent

3. **Verma**, age 37, resides in Lansdale, Pennsylvania. Verma was employed by ImmunityBio during the relevant period.

Other Relevant Entity

4. **ImmunityBio, Inc.** is a clinical-stage biotechnology company that develops therapies and vaccines to bolster the natural immune system to defeat cancers and infectious diseases. ImmunityBio is incorporated in Delaware and headquartered in San Diego, California. ImmunityBio's common stock is registered with the Commission and trades on the Nasdaq Global Select Market under the ticker symbol "IBRX."

Background

5. In July 2019, Verma was hired by a predecessor entity of ImmunityBio, and he became an employee of ImmunityBio in 2021. During the relevant period, Verma's job title was Associate Director of Immunology, and he worked in ImmunityBio's Research and Development Department.

6. During the relevant period, Verma was required to seek pre-clearance of his securities trades from ImmunityBio. He was also required to comply with ImmunityBio's insider

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

trading policy, which prohibited the misuse of material nonpublic information in securities trading and established quarterly “blackout” periods prohibiting trading in ImmunityBio securities. The policy stated that “information should be regarded as material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell securities or would view the information as significantly altering the total mix of information in the marketplace about the issuer of the security.” ImmunityBio’s insider trading policy also prohibited trading in derivatives of the company such as put and call options. Verma acknowledged ImmunityBio’s insider trading policy in 2021. When he was hired in 2019, Verma acknowledged the Global Code of Business Conduct and Ethics for a predecessor entity of ImmunityBio; this policy also prohibited insider trading.

7. In May 2022, ImmunityBio submitted Anktiva for approval by the FDA, the agency in the United States responsible for approving immunotherapies and other medical treatments for commercial use. In July 2022, ImmunityBio publicly announced that the FDA had accepted the Anktiva application with a targeted action date of May 23, 2023 for a decision on approval of the immunotherapy. As of the beginning of May 2023, ImmunityBio had no FDA-approved products; Anktiva would have been the first.

8. In the morning of May 9, 2023, ImmunityBio received a Complete Response Letter from the FDA (the “Complete Response Letter”) which: (1) informed the company that the FDA would not approve Anktiva by May 23, 2023; and (2) requested additional information about the third-party manufacturing process related to Anktiva, in order to further consider the Anktiva application. That day, ImmunityBio’s common stock closed at a price of \$5.92 per share.

9. On May 9, 2023 at approximately 8 p.m. Pacific Time, Verma attended an ImmunityBio meeting via remote videoconference in which ImmunityBio executives informed Verma and others at the company about the substance of the Complete Response Letter and also stressed the confidentiality of that information.

10. On May 9, 2023 at approximately 8:52 p.m. Pacific Time, Verma purchased 72 out-of-the-money ImmunityBio put options that expired on May 19, 2023.

11. On May 10, 2023 between approximately 6:50 a.m. and 8:20 a.m. Pacific Time, Verma purchased an additional 101 out-of-the-money ImmunityBio put options that expired on May 19, 2023. Also that morning, Verma discussed the Complete Response Letter with his supervisor, and then at 12:57 p.m. Pacific Time, Verma purchased 25 more out-of-the-money ImmunityBio put options with a May 19, 2023 expiration date.

12. Before the stock market opened on May 11, 2023, ImmunityBio publicly disclosed its receipt of the Complete Response Letter. That day, the opening price of ImmunityBio’s common stock was \$2.79 per share, down approximately 55% from the previous day’s close of \$6.22.

13. From May 11 to May 18, 2023, Verma sold all of his 198 ImmunityBio put options, resulting in ill-gotten gains of \$41,008.00.

14. Verma purchased ImmunityBio put options on May 9 and 10, 2023 on the basis of material nonpublic information. Those purchases based on material nonpublic information were prohibited by ImmunityBio's insider trading policy that Verma acknowledged, as was Verma's trading in ImmunityBio derivatives, trading without pre-clearance, and trading during a quarterly blackout period. Additionally, Verma's trades on the basis of material nonpublic information were prohibited by the code of ethics that he also acknowledged. Through this conduct, Verma breached his duty of trust and confidence to ImmunityBio, which included an obligation not to trade ImmunityBio securities on the basis of material nonpublic information learned in the course of his employment for personal advantage. Verma knew, or was reckless in not knowing, that he breached his duty to ImmunityBio at the time he purchased and sold the ImmunityBio put options in May 2023.

Violations

15. As a result of the conduct described above, Verma violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in connection with the purchase or sale of securities.

Disgorgement and Civil Penalties

16. The disgorgement and prejudgment interest ordered in paragraph IV.B below are consistent with equitable principles, do not exceed Respondent's net profits from his violations, and returning the money to Respondent would be inconsistent with equitable principles. Therefore, in these circumstances, distributing disgorged funds to the U.S. Treasury is the most equitable alternative. The disgorgement and prejudgment interest ordered in paragraph IV.B below shall be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent cease and desist from committing or causing any violations and any future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Respondent shall pay disgorgement of \$41,008.00, prejudgment interest of \$4,133.85, for a total of \$45,141.85, and a civil money penalty of \$41,008.00 to the Securities and

Exchange Commission for transfer to the general fund of the U.S. Treasury, subject to Exchange Act Section 21F(g)(3).

Payment shall be made in the following installments:

- Within 14 days of the entry of the Order, Respondent shall pay \$21,537.46;
- Within 120 days of the entry of the Order, Respondent shall pay \$21,537.46;
- Within 240 days of the entry of the Order, Respondent shall pay \$21,537.46; and
- Within 365 days of the entry of the Order, Respondent shall pay \$21,537.47 plus all accrued interest.

Payments shall be applied first to post-order interest, which accrues pursuant to SEC Rule of Practice 600 as to disgorgement and pursuant to 31 U.S.C. § 3717 as to the civil money penalty. Prior to making the final payment set forth herein, Respondent shall contact the staff of the Commission for the amount due. If Respondent fails to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth above, all outstanding payments under this Order, including post-order interest, minus any payments made, shall become due and payable immediately at the discretion of the staff of the Commission without further application to the Commission.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Mohit Verma as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Jason H. Lee, Associate Director, Division of Enforcement, Securities and Exchange Commission, 44 Montgomery Street, Suite 700, San Francisco, CA 94104.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary