

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-20350

<p>In the Matter of</p> <p>Immune Pharmaceuticals Inc.,</p> <p>Respondent.</p>

DIVISION OF ENFORCEMENT'S MOTION FOR
DEFAULT AND BRIEF IN SUPPORT

Motion

On May 27, 2021, the Commission issued an Order Instituting Proceedings against Immune Pharmaceuticals Inc. (the "Respondent"), which has securities registered with the Commission under Section 12(g) of the Securities Exchange Act of 1934 ("Exchange Act") and is delinquent in filing its mandated periodic reports. The Division hereby moves that the Commission find that Respondent is in default in this proceeding and enter an order revoking the registration of each class of its securities registered pursuant to Exchange Act Section 12(g).

Brief in Support

I. Status of the Proceeding

As shown in the Supplemental Declaration of Therese Scheuer to Assist Secretary with Record of Service, a copy of which is attached as Exhibit 1 hereto, the Respondent was served by Priority Mail Express by or before October 12, 2021, in accordance with Rule 141(a)(2)(ii) of the Commission's Rules of Practice. The defaulting Respondent did not file an answer on or before the deadline for filing answers based on the date of service and thus is in default.

II. Motion for Default

The Respondent is delinquent in its filings with the Commission. The issuer has a class of securities registered pursuant to Exchange Act Section 12(g). Immune Pharmaceuticals Inc. has failed to file any periodic reports for three years. The Respondent failed to file an answer or otherwise appear in this proceeding. Accordingly, the Division moves for an order, pursuant to Rule 155(a)(2) of the Commission's Rules of Practice, finding the Respondent to be in default in this proceeding and ordering that the registration of each class of its securities registered pursuant to Exchange Act Section 12 be revoked.

Conclusion

For the reasons set forth above, the Division respectfully requests that the Commission 1) grant the Division's Motion; 2) enter an order of default as to the Respondent; and 3) revoke the registration of each class of its securities registered pursuant to Exchange Act Section 12(g).

Dated: February 23, 2022

Respectfully submitted,

Therese Scheuer

Therese A. Scheuer 202-551-6029
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-6010

COUNSEL FOR
DIVISION OF ENFORCEMENT

CERTIFICATE OF SERVICE

I hereby certify that I caused true copies of the Division of Enforcement's Motion for Default and Brief in Support to be served on the following on February 23, 2022, in the manner indicated below:

By First Class Mail

Immune Pharmaceuticals Inc.
c/o Jeffrey A. Lester, Chapter 7 Trustee
Braverman & Lester
374 Main St.
Hackensack, NJ 07601-5897

Jonathan I. Rabinowitz, Esq.
Counsel for Chapter 7 Trustee, Jeffrey A. Lester
Rabinowitz, Lubetkin & Tully, L.L.C.
293 Eisenhower Parkway, Suite 100
Livingston, NJ 07039

Immune Pharmaceuticals Inc.
1 Bridge Plaza North, Suite 270
Fort Lee, NJ 07024

Immune Pharmaceuticals Inc.
2510 East Sunset Road Suite 5 – 889
Las Vegas, NV 89120

Therese Scheuer

Therese Scheuer

Exhibit 1

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-20350

<p>In the Matter of</p> <p>Immune Pharmaceuticals Inc.,</p> <p>Respondent.</p>

SUPPLEMENTAL DECLARATION OF THERESE SCHEUER
TO ASSIST SECRETARY WITH RECORD OF SERVICE

THERESE SCHEUER, pursuant to 28 U.S.C. § 1746, declares:

1. I am a Trial Counsel with the Division of Enforcement (“Division”) of the Securities and Exchange Commission, and co-counsel for the Division in the captioned administrative proceeding. I am submitting this Declaration to assist the Secretary in maintaining a record of service on the Respondent, Immune Pharmaceuticals Inc., CIK 1208261 (“IMNPQ”), in the captioned proceedings pursuant to Rule 141(a)(3). Herein, I also address the issues raised by the Commission in its September 24, 2021 Order Regarding Service.

Service on the Trustee

2. The Respondent filed a voluntary petition, commencing a Chapter 11 bankruptcy proceeding on February 17, 2019. The Chapter 11 proceeding was converted to a Chapter 7 proceeding by court order dated April 2, 2020, and a trustee (“Trustee”) was appointed to manage IMNPQ’s affairs.

3. Under the Bankruptcy Code, the trustee is the representative of the estate with the capacity to sue and be sued. 11 U.S.C. §323(a). The estate is defined as including “all legal or equitable interests of the debtor in property as of the commencement of the case.” 11 U.S.C. §541(a)(1). Upon appointment, the Chapter 7 Trustee assumed control of IMNPQ. *See CFTC v. Weintraub*, 471 U.S. 343, 353 (1985) (“Congress contemplated that when a trustee is appointed, he assumes control of the business, and the debtor’s directors are ‘completely ousted.’”). Service of the OIP on the Trustee therefore satisfied Rule 141(a)(2)(ii)’s directive that the papers be served on “an officer, managing or general agent, or any other agent authorized by appointment or by law.” Accordingly, service was accomplished when the OIP was served on the Trustee on June 5, 2021.

The Service Address for IMNPQ

4. During the bankruptcy proceeding, Immune surrendered its principal place of business (1 Bridge Plaza North, Suite 270, Fort Lee, NJ). (5/27/21 OIP at Para 1.)

5. On April 12, 2021, IMNPQ filed a Form 8-K, which continued to list its address as 1 Bridge Plaza North, Suite 270, Fort Lee, NJ.

6. On April 13, 2021, IMNPQ filed a Form 8-K, which identified its address as 2510 East Sunset Road Suite 5 – 889, Las Vegas, NV. According to that filing, however, the “updated” address is the address of a new Nevada corporation – which was incorporated on April 12, 2021 – which has a name identical to the Respondent’s and was formed “to merge [with] and survive the bankrupt Immune Pharmaceuticals Inc [sic] (NJ).”

7. On May 13, 2021, the bankruptcy Trustee filed a Notice in the bankruptcy proceedings, indicating that the April 12 and 13 filings had not been authorized by the

Trustee, that no merger was contemplated, and that the name “Immune Pharmaceuticals Inc.” was the property of the estate and that the use of the name by the Nevada entity was a violation of the automatic stay in the bankruptcy. *See* Exhibit 1.

Additional Service

8. In light of the Commission’s September 24, 2021 Order, on October 8th, 2021, I mailed the Order Instituting Proceedings (“OIP”)¹ to the Respondent via Priority Mail Express, Tracking No. EJ127656946US, to the address shown on the April 13, 2021 Form 8-K filing, which is the most recent document filed on EDGAR, at 2510 East Sunset Road Suite 5 – 889, Las Vegas, NV 89120. The USPS tracking system confirms that it was delivered on October 12, 2021. *See* Exhibit 2 at page 1.

I declare under penalty of perjury that the foregoing is true and correct.
Executed on October 21, 2021.



Therese Scheuer

¹ The package included the OIP, a letter from the Commission’s Secretary, and a letter from the Division offering discovery pursuant to Rule of Practice 230.

CERTIFICATE OF SERVICE

I hereby certify that I caused true copies of the Division of Enforcement's Supplemental Declaration of Therese Scheuer to Assist Secretary with Record of Service, and the Exhibit thereto, to be served on the following on October 21, 2021, in the manner indicated below:

By UPS

Immune Pharmaceuticals Inc.
c/o Jeffrey A. Lester, Chapter 7 Trustee
Braverman & Lester
374 Main St.
Hackensack, NJ 07601-5897

Jonathan I. Rabinowitz, Esq.
Counsel for Chapter 7 Trustee, Jeffrey A. Lester
Rabinowitz, Lubetkin & Tully, L.L.C.
293 Eisenhower Parkway, Suite 100
Livingston, NJ 07029

Immune Pharmaceuticals Inc.
1 Bridge Plaza North, Suite 270
Fort Lee, NJ 07024

Immune Pharmaceuticals Inc.
2510 East Sunset Road Suite 5 – 889
Las Vegas, NV 89120

Therese Scheuer

Therese Scheuer

EXHIBIT 1

RABINOWITZ, LUBETKIN & TULLY, LLC
293 Eisenhower Parkway, Suite 100
Livingston, NJ 07039
(973) 597-9100
Jonathan I. Rabinowitz
Counsel to Jeffrey A. Lester, Chapter 7 Trustee

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

<p>In re:</p> <p>IMMUNE PHARMACEUTICALS INC., et als.,</p> <p style="text-align: center;">Debtors.</p>	<p>Case No. 19-13273 (VFP)</p> <p>Chapter 7</p> <p>Jointly Administered</p>
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**TRUSTEE’S NOTICE REGARDING RECENT SEC FILINGS,
PRESS RELEASES AND RELATED COMMUNICATIONS**

The Trustee states as follows:

1. The Trustee files this statement to place parties-in-interest on notice regarding recent SEC filings, press releases and related communications.
2. These bankruptcy cases were commenced by Immune Pharmaceuticals Inc. (“Immune”) filing a voluntary Chapter 11 Petition in the United States Bankruptcy Court for the District of New Jersey (the “Court”) on February 17, 2019. Its subsidiaries filed voluntary Chapter 11 cases in the Court shortly thereafter (the “Subsidiaries” and Immune collectively the “Debtors”). All of the Debtors were continued in possession of their assets and the management of their businesses as debtors-in possession. No trustee was appointed. A committee of unsecured creditors was formed.
3. The Debtors’ Chapter 11 cases were converted to Chapter 7 on April 2, 2020.

4. On April 3, 2020, Jeffrey Lester was appointed Chapter 7 Trustee of these cases (the “Trustee”). Since the date of his appointment, the Trustee has been administering and liquidating property of the estate for distribution to creditors and holders of interests in accordance with the priority scheme set forth in the Bankruptcy Code.

5. Prior to these bankruptcy filings, Immune was a publicly traded company. Before the bankruptcy filings, it appears that Immune’s stock was de-listed from NASDAQ. Subsequent to the bankruptcy filings, it appears that Immune’s stock continued to trade. From time to time, the Trustee received inquiries from holders of interests as to whether they could expect distribution on account of their equity.

6. Due to the existence of the following factors, the Trustee informed those inquiring holders of interests that no such distribution was expected:

- a. The existence of a secured creditor claiming to be owed approximately \$14,000,000 secured by an alleged blanket lien on all of the Debtors’ assets;
- b. Chapter 7 and Chapter 11 administration expense claims presently in the approximate amount of \$3,600,000; and
- c. Priority and general unsecured debt in the amount of \$12,673,847.00.

The Trustee’s position with regard to there being no expected distribution to equity has not changed.

7. The Trustee recently became aware of several press releases apparently issued by Adeel Ahmed and filings (“Filings”) with the Securities Exchange Commission addressing a possible merger of Immune with a recently formed Nevada corporation using Immune’s name formed for this purpose and also announcing that he was appointed interim CEO of Immune.

8. These press releases were not authorized nor issued by the Trustee and were prepared and issued without the Trustee's knowledge. Further, the Filings were not prepared nor filed by the Trustee and he had no prior knowledge of their preparation or filing.

9. The Immune name is property of the Debtors' bankruptcy estates under Section 541(a) of the Bankruptcy Code. The Trustee has not conveyed nor authorized the use of Immune's name to anyone. The Trustee notified Mr. Ahmed that his use of the name was not authorized and violates the automatic stay.

10. The Trustee has not engaged in merger discussions with anyone and does not believe that a merger is legally authorized. Previously, Mr. Ahmed offered to purchase the corporate shell of Immune for a nominal sum of money. The Trustee investigated that offer, determined that it was not legally authorized and so informed Mr. Ahmed of that fact. There have been no further discussions between the Trustee and anyone regarding the sale of the corporate shell.

11. On October 28, 2020 and December 7, 2020, the Court entered orders authorizing the Trustee to sell a drug called Ceplene to Discover Growth Fund, LLC. The transaction closed. The Trustee has no knowledge of any further disposition of Ceplene. Cytovia, Inc. is one of the Debtors. During these Chapter 7 cases, the Trustee has not sought and Court has granted no authority to Cytovia, Inc. to convey any of its assets.

12. The Trustee promptly notified the appropriate regulatory authorities including the SEC of these matters. These regulatory authorities have taken or will take such action as they deem appropriate.

13. The Trustee notifies parties-in-interest seeking further information that they can access certain information regarding these Chapter 7 cases by visiting the Court's website located at <http://www.njb.uscourts.gov/content/obtaining-case-information>

/s/ Jeffrey A. Lester
JEFFREY LESTER, Chapter 7 Trustee of
Immune Pharmaceuticals, Inc.

Exhibit 2

[Track Another Package +](#)

Tracking Number: EJ127656946US

[Remove X](#)

Your item was delivered to an individual at the address at 1:47 pm on October 12, 2021 in LAS VEGAS, NV 89120. The item was signed for by W WOLLETT.

Delivered, Left with Individual

October 12, 2021 at 1:47 pm
LAS VEGAS, NV 89120

Feedback

Get Updates 

Text & Email Updates



Proof of Delivery



Tracking History



October 12, 2021, 1:47 pm
Delivered, Left with Individual
LAS VEGAS, NV 89120

Your item was delivered to an individual at the address at 1:47 pm on October 12, 2021 in LAS VEGAS, NV 89120. The item was signed for by W WOLLETT.

October 9, 2021, 12:47 pm
Delivery Attempted - No Access to Delivery Location
LAS VEGAS, NV 89121

October 9, 2021, 11:56 am

Arrived at Post Office
LAS VEGAS, NV 89121

October 9, 2021, 9:01 am

Departed USPS Regional Facility
LAS VEGAS NV DISTRIBUTION CENTER

October 9, 2021, 8:54 am

Arrived at USPS Regional Facility
LAS VEGAS NV DISTRIBUTION CENTER

October 8, 2021, 11:14 pm

Departed USPS Regional Facility
LINTHICUM HEIGHTS MD DISTRIBUTION CENTER

October 8, 2021, 7:49 pm

Arrived at USPS Regional Facility
LINTHICUM HEIGHTS MD DISTRIBUTION CENTER

Feedback

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FAQs