

proposed Final Judgment to which Christopher Collins agreed. The proposed Final Judgment would permanently enjoin him from violating Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder and Section 17(a)(1) of the Securities Act of 1933 (“Securities Act”). It would also order that Christopher Collins be permanently prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

5. Attached as Exhibit 3 is the executed Consent of Defendant Cameron Collins, setting forth the terms of his settlement with the Commission. Attached as Exhibit 4 is the proposed Final Judgment to which Cameron Collins agreed. The proposed Final Judgment would permanently enjoin him from violating Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and Section 17(a)(1) of the Securities Act. It would further order him to pay disgorgement in the amount of \$570,900, plus prejudgment interest thereon in the amount of \$63,399.

6. Attached as Exhibit 5 is the executed Consent of Defendant Stephen Zarsky, setting forth the terms of his settlement with the Commission. Attached as Exhibit 6 is the proposed Final Judgment to which Stephen Zarsky agreed. The proposed Final Judgment would permanently enjoin him from violating Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and Section 17(a)(1) of the Securities Act. It would further order him to pay disgorgement in the amount of \$143,900, plus prejudgment interest thereon in the amount of \$15,980.

The Commission respectfully requests that the Court enter the proposed Final Judgments attached hereto as Exhibit 2, 4, and 6.

Dated: December 9, 2019

Respectfully submitted,

s/ Melissa Armstrong

Melissa Armstrong

U.S. Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549

(202) 551-4724 (Armstrong)

CERTIFICATE OF SERVICE

I certify that on December 9, 2019, the foregoing motion and all exhibits thereto were served on counsel for each Defendants in this action via ECF notification and by email.

s/ Melissa Armstrong
Melissa Armstrong

Exhibit 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

	:	
UNITED STATES SECURITIES AND	:	
EXCHANGE COMMISSION	:	
	:	
Plaintiff,	:	
	:	
vs.	:	1:18-cv-07128-KPF-KNF
	:	
CHRISTOPHER COLLINS,	:	
CAMERON COLLINS, and	:	
STEPHEN ZARSKY,	:	
	:	
Defendants.	:	
	:	

CONSENT OF DEFENDANT CHRISTOPHER COLLINS

1. Defendant Christopher Collins (“Defendant”) acknowledges having been served with the complaint in this action, enters a general appearance, and admits the Court’s jurisdiction over Defendant and over the subject matter of this action.

2. Defendant has pleaded guilty to criminal conduct relating to certain matters alleged in the complaint in this action. Specifically, in *United States v. Christopher Collins, et al.*, Crim. No. 18-567 (SDNY), Defendant pleaded guilty to one count of conspiracy to commit securities fraud (15 U.S.C. § 78j(b)) in violation of 18 U.S.C. § 371, and to one count of making a false statement to an FBI agent in violation of 18 U.S.C. § 1001. In connection with that plea, Defendant admitted the facts set out in the transcript of his plea allocution that is attached as Exhibit A to this Consent. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in *United States v. Christopher Collins, et al.*

3. Defendant hereby consents to the entry of the final Judgment in the form attached hereto (the “Final Judgment”) and incorporated by reference herein, which, among other things:

- (a) permanently restrains and enjoins Defendant from violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder and Section 17(a)(1) of the Securities Act of 1933 [15 U.S.C. § 77q(a)(1)]; and
- (b) orders that Defendant be permanently prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

4. Defendant waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

5. Defendant waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

6. Defendant enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Defendant to enter into this Consent.

7. Defendant agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

8. Defendant will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

9. Defendant waives service of the Final Judgment and agrees that entry of the Final

Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions. Defendant further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Defendant has received and read a copy of the Final Judgment.

10. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Defendant understands that he shall not be permitted to contest the factual allegations of the complaint in this action.

11. Defendant understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the

allegations in the complaint or order for proceedings.” As part of Defendant’s agreement to comply with the terms of Section 202.5(e), Defendant acknowledges the guilty plea for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or creating the impression that the complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Defendant does not admit the allegations of the complaint, or that this Consent contains no admission of the allegations; (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the complaint; and (iv) stipulates for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code [*11 U.S.C. §523*], that the allegations in the complaint are true, and further, that any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under the Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant 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)*]. If Defendant breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant’s: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

12. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney’s fees or other fees,

expenses, or costs expended by Defendant to defend against this action. For these purposes, Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.

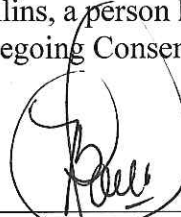
13. Defendant agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice.

14. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.


Dated: Oct 17, 2019

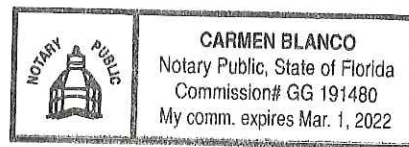

Christopher Collins

On October 17, 2019, Christopher Collins, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.


Notary Public
Commission expires: Mar 1, 2022

Approved as to form:


Jonathan R. Barr
Baker & Hostetler LLP
Washington Square, Suite 1100
1050 Connecticut Avenue, N.W.
Washington, DC 20036
(202) 861-1500
jbarr@bakerlaw.com



Attorney for Defendant

Exhibit A

Jallcolp

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

3 UNITED STATES OF AMERICA,

4 v.

18 Cr. 567 (VSB)

5 CHRISTOPHER COLLINS,

6 Defendant.

Plea

7
8 New York, N.Y.
9 October 1, 2019
3:05 p.m.

10 Before:

11 HON. VERNON S. BRODERICK,

12 District Judge

13 APPEARANCES

14 GEOFFREY S. BERMAN

15 United States Attorney for the
16 Southern District of New York

17 BY: SCOTT A. HARTMAN

A. DAMIAN WILLIAMS

18 MAX C. NICHOLAS

Assistant United States Attorneys

19 BAKER & HOSTETLER LLP

Attorneys for Defendant

20 BY: JONATHAN R. BARR, ESQ.

JONATHAN B. NEW, ESQ.

21 KENDALL E. WANGSGARD, ESQ.

Jallcolp

1 plead guilty or sign the agreement?

2 THE DEFENDANT: No, they have not.

3 THE COURT: Has anyone made you a promise as to what
4 your sentence will be?

5 THE DEFENDANT: No, they have not.

6 THE COURT: Okay. All right. Now, Mr. Collins, we've
7 reached the point in the proceedings where I'm asking you to
8 tell me what it is that you did that makes you believe you're
9 guilty of Count One and Count Eleven in the superseding
10 indictment.

11 THE DEFENDANT: Yes, sir. So going back to June of
12 2017, I was a member of the board of directors of a company
13 called Innate Immunotherapeutics based in Australia. I'd been
14 a member of that board for well over a decade. I understood
15 that I had a duty not to disclose certain confidential
16 corporate information that I would get as a board member.
17 Innate was developing a drug, MIS416, that was intended to
18 treat secondary progressive multiple sclerosis, one of the most
19 debilitating diseases in America. Over many years, I was the
20 one who had supported their efforts to develop this drug and I
21 strongly believed, based on compassionate use patients, that
22 this drug was going to succeed. However, on June 22nd of 2017,
23 I was notified by the CEO of Innate that the drug had in fact
24 failed its drug trial, showing no significant difference
25 between the placebo and those on the drug. I was shocked. I

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1 was devastated by that news, in thinking about the multiple
2 sclerosis patients we would not be able to treat. I was in a
3 very emotional state at that moment in time, and I called my
4 son Cameron. Although I can't remember exactly what I said to
5 him, I certainly know I made it clear, with the news of
6 Innate's drug trial, that the trial had not succeeded and that,
7 understanding he was a shareholder, that if he could trade the
8 stock, he would. I understood that this trading would avoid --
9 allow him to avoid trading losses because I knew that this
10 information would not be public for several days and that when
11 it did become public, it would have devastating effect on the
12 stock price.

13 Ten months later, the FBI knocked on my door in a
14 surprise early-morning visit to ask me questions about the
15 trading of Innate Immunotherapeutics. I falsely denied to the
16 agents that I had told my son Cameron about the drug trial
17 results before they were publicly announced.

18 When I did these things, I knew they were illegal and
19 improper. I regret my actions beyond anything I could explain
20 here today. I am sorry for the pain that I've caused my
21 family -- my wife, who has been devastated for the last 18
22 months with both her husband and her son in this situation; my
23 son, who I've spent my life supporting, from being an Eagle
24 Scout to his athletics and his college, and to now my phone
25 call putting him in this jeopardy at his young age is

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1 something -- I don't think "regret" is the proper word. It's
2 something I will live with the rest of my life. My friends who
3 I've known for decades, I've let them down; certainly those at
4 Innate, the board, other board members and shareholders, I've
5 certainly betrayed my trust to them and I've let them down.
6 And my constituents. As a member of Congress, I've tried to be
7 a model citizen to them. The actions I took are anything but
8 those that a model citizen would take, and I'm embarrassed and
9 dismayed in putting my constituents in that position with this
10 plea deal today.

11 So your Honor, I am sorry with regret, and it's
12 nothing I can change at this point in time other than to take
13 responsibility, own up to my actions, and that's why I'm here
14 right now, telling you the truth of exactly what happened.

15 THE COURT: Okay. Mr. Barr, Mr. New, do you know of
16 any valid defense that would prevail at trial or do you know of
17 any reason why Mr. Collins should not be permitted to plead
18 guilty?

19 MR. BARR: No, your Honor.

20 THE COURT: Okay. Let me ask, with regard to
21 Mr. Hartman, are there any additional questions that I should
22 ask?

23 MR. HARTMAN: Your Honor, if the government could just
24 proffer the facts with respect to venue.

25 THE COURT: Yes.

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1 THE COURT: Okay. Thank you very much. We'll stand
2 adjourned.

3 I'd ask Mr. Barr, Mr. New, if you could provide the
4 original back to the government, of the plea agreement.

5 MR. NEW: Thank you, your Honor.

6 THE COURT: Thank you.

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Exhibit 2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

	:	
UNITED STATES SECURITIES AND	:	
EXCHANGE COMMISSION	:	
	:	
Plaintiff,	:	
	:	
vs.	:	1:18-cv-07128-KPF-KNF
	:	
CHRISTOPHER COLLINS,	:	
CAMERON COLLINS, and	:	
STEPHEN ZARSKY,	:	
	:	
Defendants.	:	
	:	

FINAL JUDGMENT AS TO DEFENDANT CHRISTOPHER COLLINS

The Securities and Exchange Commission having filed a Complaint, and Defendant Christopher Collins having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;

- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [*15 U.S.C. § 77q(a)*] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in

Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(2) of the Exchange Act [*15 U.S.C. § 78u(d)(2)*] and Section 20(e) of the Securities Act [*15 U.S.C. § 77t(e)*], Defendant is permanently prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [*15 U.S.C. § 78l*] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [*15 U.S.C. § 78o(d)*].

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code [*11 U.S.C. § 523*], the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant 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)*].

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: _____, _____

UNITED STATES DISTRICT JUDGE

Exhibit 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION

Plaintiff,

vs.

1:18-cv-07128-KPF-KNF

CHRISTOPHER COLLINS,
CAMERON COLLINS,
STEPHEN ZARSKY, and

Defendants.

CONSENT OF DEFENDANT CAMERON COLLINS

1. Defendant Cameron Collins (“Defendant”) acknowledges having been served with the complaint in this action, enters a general appearance, and admits the Court’s jurisdiction over Defendant and over the subject matter of this action.

2. Defendant has pleaded guilty to criminal conduct relating to certain matters alleged in the complaint in this action. Specifically, in *United States v. Christopher Collins et al.*, S1 18 Cr. 567 (VSB) (S.D.N.Y.) (the “Criminal Action”), Defendant pleaded guilty to violating 18 U.S.C. § 371 (Conspiracy to Commit Securities Fraud). In connection with that plea, Defendant admitted the facts set out in the transcript of his plea allocution that is attached as Exhibit A to this Consent. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in the Criminal Action.

3. Defendant hereby consents to the entry of the final judgment in the form attached hereto (the “Final Judgment”) and incorporated by reference herein, which, among other things:

- (a) permanently restrains and enjoins Defendant from violation of Section

10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder and Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)]; and

(b) orders Defendant to pay disgorgement in the amount of \$570,900, plus prejudgment interest thereon in the amount of \$63,399.

4. Defendant waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

5. Defendant waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

6. Defendant enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Defendant to enter into this Consent.

7. Defendant agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

8. Defendant will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

9. Defendant waives service of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions. Defendant further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Defendant has received and read a copy of the Final Judgment.

10. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Defendant understands that he shall not be permitted to contest the factual allegations of the complaint in this action.

11. Defendant understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings." As part of Defendant's agreement to comply with the terms of Section 202.5(e), Defendant acknowledges the guilty plea for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or

creating the impression that the complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Defendant does not admit the allegations of the complaint, or that this Consent contains no admission of the allegations; (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the complaint; and (iv) stipulates for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code [*11 U.S.C. §523*], that the allegations in the complaint are true, and further, that any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under the Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant 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)*]. If Defendant breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.


12. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Defendant to defend against this action. For these purposes, Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.

13. Defendant agrees that the Commission may present the Final Judgment to the

Court for signature and entry without further notice.

14. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

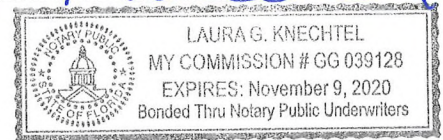
Dated: October 12, 2019


Cameron Collins

On October 12, 2019, Cameron Collins, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.



Notary Public
Commission expires:



Approved as to form:



Thomas A. Hanusik
CROWELL & MORING LLP
1001 Pennsylvania Avenue NW
Washington, DC 200004
202-624-2530
Attorney for Defendant

Exhibit A

JA3VCOLP CORRECTED

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
-----x

UNITED STATES OF AMERICA,

v.

18 CR 567 (VSB)

CAMERON COLLINS,

Defendant.

PLEA

-----x

New York, N.Y.
October 3, 2019
2:12 p.m.

Before:

HON. VERNON S. BRODERICK,

District Judge

APPEARANCES

GEOFFREY S. BERMAN,
United States Attorney for the
Southern District of New York
BY: MAX C. NICHOLAS
BY: DAMIAN WILLIAMS
Assistant United States Attorneys

CROWELL & MORING
Attorneys for Defendant
BY: THOMAS HANUSIK
BY: REBECCA RICIGLIANO
PATRICK BROWN

JA3VCLP CORRECTED

1 THE COURT: And has anyone promised you what your
2 sentence will be?

3 THE DEFENDANT: No.

4 THE COURT: All right.

5 So, Mr. Collins, we've reached the point in the
6 proceedings where I'm asking you to tell me what it is that you
7 did that makes you believe you're guilty of the charge
8 contained in Count One of the superseding indictment.

9 You can stand or remain seated, it's up to you.

10 THE DEFENDANT: Thank you, your Honor.

11 Over a few days in late June 2017, I agreed with
12 others, including my father, to sell stock in Innate
13 Immunotherapeutics based on material nonpublic information
14 regarding a failed clinical trial of Innate's developmental
15 drug.

16 I received the information regarding the drug trial
17 results from my father, who I understood owed a duty to Innate
18 to keep that information confidential. I passed the
19 information on to a few close loved ones and a friend so that
20 they could sell their Innate stock before the public
21 announcement of the drug trial results. I also sold a portion
22 of my own Innate shares before the news became public.

23 At the time I did these things, I knew that I and
24 others would avoid losses by selling our shares, and I knew
25 what I was doing was wrong and illegal.

JA3VCOLP CORRECTED

1 I truly regret my conduct and apologize for the harm I
2 have caused, including to those I care about most: My family,
3 my fiancé, and my fiancé's family.

4 Thank you, your Honor.

5 THE COURT: All right. Thank you, Mr. Collins.

6 So at the time you mentioned that you and your dad had
7 a duty to keep the information confidential. Did you know that
8 he was a member of the board of that company?

9 THE DEFENDANT: Yes, I did, your Honor.

10 THE COURT: Okay.

11 Let me ask defense counsel, do you know of any reason
12 or do you know of any valid defense that would prevail at trial
13 or do you know of any reason why Mr. Collins should not be
14 permitted to plead guilty?

15 MR. HANUSIK: We do not, your Honor.

16 THE COURT: Mr. Nicholas, are there any additional
17 questions that I should ask?

18 MR. NICHOLAS: No, your Honor.

19 The government would just proffer that, first, that
20 the insider trading scheme to which Mr. Collins allocuted did
21 involve the use of one or more facilities of interstate
22 commerce.

23 And second, that at a trial, the government would be
24 able to establish that one or more of the trades in Innate
25 stock that Mr. Collins referenced was executed, in part, in the

Exhibit 4

- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [*15 U.S.C. § 77q(a)*] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in

Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$570,900, representing losses avoided as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$63,399. Defendant shall satisfy this obligation by paying \$634,299 to the Securities and Exchange Commission within 30 days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Cameron Collins as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment,

Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 30 days following entry of this Final Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code [*11 U.S.C. §523*], the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant 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)*].

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: _____, _____

UNITED STATES DISTRICT JUDGE

Exhibit 5

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES SECURITIES AND	:	
EXCHANGE COMMISSION	:	
	:	
Plaintiff,	:	
	:	
vs.	:	1:18-cv-07128-KPF
	:	
CHRISTOPHER COLLINS,	:	
CAMERON COLLINS, and	:	
STEPHEN ZARSKY,	:	
	:	
Defendants.	:	

CONSENT OF DEFENDANT STEPHEN ZARSKY

1. Defendant Stephen Zarsky ("Defendant") acknowledges having been served with the complaint in this action, enters a general appearance, and admits the Court's jurisdiction over Defendant and over the subject matter of this action.

2. Defendant has pleaded guilty to criminal conduct relating to certain matters alleged in the complaint in this action. Specifically, in *United States v. Christopher Collins, et al.*, Crim. No. 18-567 (SDNY), Defendant pleaded guilty to conspiracy to commit securities fraud in violation of 18 U.S.C. § 371. In connection with that plea, Defendant admitted the facts set out in the transcript of his plea allocution that is attached as Exhibit A to this Consent. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in *United States v. Christopher Collins, et al.*

3. Defendant hereby consents to the entry of the final judgment in the form attached hereto (the "Final Judgment") and incorporated by reference herein, which, among other things:

- (a) permanently restrains and enjoins Defendant from violation of Section

10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder and Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)]; and

(b) orders Defendant to pay disgorgement in the amount of \$143,900, plus prejudgment interest thereon in the amount of \$15,980.

4. Defendant waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

5. Defendant waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

6. Defendant enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Defendant to enter into this Consent.

7. Defendant agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

8. Defendant will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

9. Defendant waives service of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions. Defendant further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Defendant has received and read a copy of the Final Judgment.

10. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Defendant understands that he shall not be permitted to contest the factual allegations of the complaint in this action.

11. Defendant understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings." As part of Defendant's agreement to comply with the terms of Section 202.5(e), Defendant acknowledges the guilty plea for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or

creating the impression that the complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Defendant does not admit the allegations of the complaint, or that this Consent contains no admission of the allegations; (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the complaint; and (iv) stipulates for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code [*11 U.S.C. §523*], that the allegations in the complaint are true, and further, that any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under the Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant 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)*]. If Defendant breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

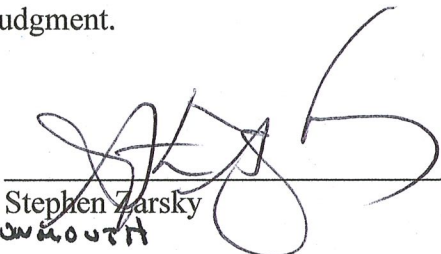
12. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Defendant to defend against this action. For these purposes, Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.

13. Defendant agrees that the Commission may present the Final Judgment to the

Court for signature and entry without further notice.

14. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.


Dated: 10/17/2019



Stephen Zarsky

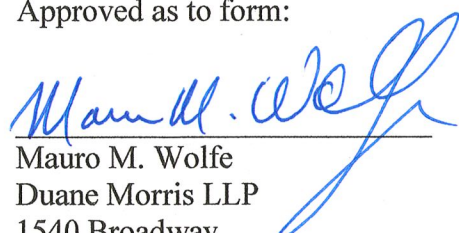
STATE OF: NEW JERSEY County of: MONMOUTH

On October 17, 2019, STEPHEN ZARSKY, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.



Notary Public
Commission expires: OCTOBER 12, 2024

Approved as to form:



Mauro M. Wolfe

Duane Morris LLP
1540 Broadway
New York, NY 10036
(212) 692-1017
Attorney for Defendant

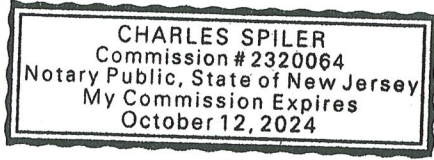


Exhibit A

JA3VZARP

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

3 UNITED STATES OF AMERICA,

4 v.

18 CR 567 (VSB)

5 STEPHEN ZARSKY,

6 Defendant.

PLEA

7 -----x
8 New York, N.Y.
9 October 3, 2019
2:43 p.m.

10 Before:

11 HON. VERNON S. BRODERICK,

12 District Judge

13 APPEARANCES

14 GEOFFREY S. BERMAN,

15 United States Attorney for the
16 Southern District of New York

17 BY: MAX C. NICHOLAS

DAMIAN WILLIAMS

18 Assistant United States Attorneys

19 DUANE MORRIS LLP

Attorneys for Defendant

20 BY: MAURA WOLFE

21 SARAH STEWART

JA3VZARP

1 THE DEFENDANT: Not to my knowledge.

2 THE COURT: Other than what's in the plea agreement,
3 has anyone made any promise to you or offered you any
4 inducement to plead guilty or sign the agreement?

5 THE DEFENDANT: No.

6 THE COURT: Has anyone threatened you or forced you to
7 plead guilty or sign the agreement?

8 THE DEFENDANT: No, they have not.

9 THE COURT: Has anybody promised you what your
10 sentence will be?

11 THE DEFENDANT: No.

12 THE COURT: All right.

13 Let me ask, Mr. Zarsky, how do you plead?

14 THE DEFENDANT: Guilty.

15 THE COURT: All right.

16 Now, Mr. Zarsky, please tell me what it is that you
17 did that makes you believe you're guilty of the charge
18 contained -- in Count One contained in the superseding
19 indictment.

20 THE DEFENDANT: Okay. I have a statement here, your
21 Honor.

22 From June 22nd, 2017 to June 23rd, 2017, I
23 intentionally entered into a conspiracy with a future family
24 member to engage in insider trading.

25 On the evening of June 22nd, 2017, I received material

JA3VZARP

1 nonpublic information about negative test results for a drug
2 made by Innate Immunotherapeutics Limited. I knew this
3 information had been obtained from an individual with a duty
4 not to disclose this information, but who nevertheless
5 disclosed the information in anticipation of a personal
6 benefit. After considering this news, I was beside myself over
7 losing all of my retirement savings.

8 On the morning of June 23rd of 2017, out of fear and
9 in agreement with my future family members who had informed me
10 of the negative test results, I sold all of my shares of Innate
11 in order to avoid a major financial loss which I could not
12 afford.

13 My sale of securities is based, in part, on material
14 nonpublic information I was made willfully and knowingly and
15 was executed through the Southern District of New York.

16 I also shared the news with other individuals in the
17 anticipation they would sell their shares of Innate and avoid
18 financial loss.

19 I am truly sorry for my actions. My moment of
20 weakness will haunt me for the balance of my days. I wish to
21 apologize to the Court, to my family for my actions, and to
22 start making amends for my wrongful conduct.

23 THE COURT: Okay.

24 Mr. Wolfe, do you know of a valid defense that would
25 prevail at trial? Do you know of any reason why Mr. Zarsky

Exhibit 6

- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [*15 U.S.C. § 77q(a)*] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in

Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$143,900, representing losses avoided as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$15,980. Defendant shall satisfy this obligation by paying \$159,880 to the Securities and Exchange Commission within 30 days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

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Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Stephen Zarsky as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment,

Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 30 days following entry of this Final Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code [*11 U.S.C. §523*], the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant 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)*].

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: _____, _____

UNITED STATES DISTRICT JUDGE