

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

In Re: Case No.: 19-13273  
IMMUNE PHARMACEUTICALS INC., *et al.*, Chapter 7  
Debtors. Judge: Papalia

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**NOTICE OF PROPOSED COMPROMISE or SETTLEMENT OF CONTROVERSY**

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Jeffrey A. Lester, Chapter 7 Trustee (the “Trustee”) for the bankruptcy estates of Immune Pharmaceuticals, Inc. (“Immune”) and related debtors (collectively, the “Debtors”), in this case proposes a compromise, or to settle a claim and/or action as described below. If you object to the settlement or compromise, you must file a written objection with the Clerk of the United States Bankruptcy Court, and serve it on the person named below not later 7 days before the hearing date.

**Address of the Clerk:** Clerk of Court, Martin Luther King, Jr. Federal Building, 50 Walnut Street, Newark, NJ 07102

If an objection is filed, a hearing will be held before the Honorable Vincent F. Papalia on July 10, 2024 at 10:00 a.m. at the United States Bankruptcy Court, courtroom no. 3B, United States Bankruptcy Court, Martin Luther King, Jr. Federal Building, 50 Walnut Street, Newark, NJ 07102 (hearing to be scheduled for at least 28 days from the date of the filing of the notice). If no objection is filed the clerk will enter a *Certification of No Objection* and the settlement may be completed as proposed.

**Nature of action:** Prior to reaching settlement, the Trustee considered whether to assert against Lowenstein Sandler LLP (“Lowenstein Sandler”) claims based on its representation of the Debtors in a certain pre-petition transaction in which Immune issued a debenture convertible into common stock. After the parties exchanged extensive letters addressing the claims, and after the parties attended a mediation session on April 24, 2024, the parties agreed on the terms of a Settlement Agreement and Mutual Release (the “Settlement Agreement”) which is intended to settle any and all issues between and among the parties as to issues in this case.

**Pertinent terms of settlement:**

- (i) Lowenstein Sandler shall withdraw its proofs of claims against and applications for compensation from the Debtors’ estates;
- (ii) Lowenstein Sandler shall pay to the Debtors’ bankruptcy estates the amount of \$99,000 (the “Settlement Amount”);
- (iii) Lowenstein Sandler shall pay all remaining mediation fees, including the Trustee’s share;

- (iv) The Trustee, for himself and on behalf of the Debtors, their bankruptcy estates, and any person or entity asserting a derivative claim through, on behalf of, or for the benefit of the Debtors or their bankruptcy estates, shall waive, release, and forever discharge Lowenstein Sandler and related parties, including attorneys of the firm, from all claims and causes of action with respect to the Debtors, their bankruptcy estates, the bankruptcy cases, or Lowenstein Sandler's representation of the Debtors;
- (v) Lowenstein Sandler, on its own behalf and on behalf of its current partners, associate attorneys, and of counsel attorneys, shall waive, release, and forever discharge the Trustee, the Debtors, and their bankruptcy estates from all claims and causes of action with respect to the Debtors, their bankruptcy estates, the bankruptcy cases, or Lowenstein Sandler's representation of the Debtors;
- (vi) The Settlement Agreement shall be effective upon the latest of the following three dates: (i) the date on which the Settlement Agreement has been executed by both parties; (ii) payment of the Settlement Amount to the Trustee's counsel; and (iii) the date on which this Court's Order approving the Settlement Agreement becomes a "Final Order";
- (vii) Lowenstein Sandler covenants and agrees not to commence against the Trustee, the Debtors, and their bankruptcy estates any action, suit, or proceeding relating to the firm's claims against the Debtors' bankruptcy estates; and
- (viii) The Trustee covenants and agrees not to commence against Lowenstein Sandler and related parties any action, suit, or proceeding relating to the firm's representation of the Debtors.

A copy of the Settlement Agreement is attached to the Trustee's Motion for Approval of Settlement and Mutual Release Agreement with Lowenstein Sandler LLP, a copy of which was filed on May 31, 2024 and which can be found on this Court's docket.

Objections must be served on, and requests for additional information directed to:

Name: Jonathan I. Rabinowitz, Esq., Counsel for Jeffrey A. Lester, Chapter 7

Signature: /s/ Jonathan I. Rabinowitz

Address: Rabinowitz Lubetkin & Tully LLC, 293 Eisenhower Parkway, Suite 100,  
Livingston, New Jersey 07039

Telephone No.: 973-597-9100