UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	: Hon.
	:
	: Crim. No. 17-
v.	:
	: 18 U.S.C. § 371
	: 15 U.S.C. §§ 78j(b) and 78ff,
EVAN KITA	: 17 C.F.R. §§ 240.10b-5 and
	: 240.10b5-2, and 18 U.S.C. § 2

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Conspiracy to Commit Securities Fraud)

1. At all times relevant to this Information:

a. Defendant EVAN KITA resided in Yardley, Pennsylvania. Defendant KITA was an employee in the Accounting Department of Celator Pharmaceuticals Inc. ("Celator") from in or about June 2013 through in or about April 2016.

b. Celator was a biopharmaceutical company that developed a drug to treat cancer (the "Cancer Drug") and was headquartered in Ewing Township, New Jersey. Securities of Celator were traded on the Nasdaq Stock Market under the symbol CPXX.

c. Signal Private Messenger was an encrypted communications application for smartphones.

The Insider Trading Scheme

2. From in or about March 2016 to in or about May 2017, defendant EVAN KITA, and others known and unknown, participated in a scheme to defraud by disclosing material, non-public information ("Inside Information") and executing securities transactions based on that Inside Information concerning Celator. EVAN KITA obtained Inside Information concerning Celator and disclosed that information to his co-conspirators in violation of duties of trust and confidence he owed to Celator and its shareholders, officers and employees. The defendant's co-conspirators, in turn, knowing that EVAN KITA had disclosed the information in violation of his duties of trust and confidence, executed securities transactions in the securities of Celator and earned a profit, a portion of which the co-conspirators agreed to pay to the defendant.

The Conspiracy

3. From in or about March 2016 to in or about May 2017, in Mercer County, in the District of New Jersey, and elsewhere, defendant

EVAN KITA

and others known and unknown, unlawfully, willfully, and knowingly did combine, conspire, confederate and agree together and with each other to commit an offense against the United States, namely, securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Sections 240.10b-5 and 240.10b5-2.

Object of the Conspiracy

4. It was part and an object of the conspiracy that defendant EVAN KITA and others, known and unknown, unlawfully, willfully and knowingly, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, would and did use and employ, in connection with the purchase and sale of securities, manipulative and deceptive devices and contrivances by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, contrary to Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Sections 240.10b-5 and 240.10b5-2.

Overt Acts

5. In furtherance of the conspiracy and to effect the unlawful objects thereof, defendant EVAN KITA and others committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. On or about March 11, 2016, defendant EVAN KITA met with a co-conspirator in Pennington, New Jersey, and disseminated Inside Information by telling him in substance and in part that the Phase 3 testing results for the Cancer Drug would be released soon and that the results were favorable for the company.

b. On or about May 20, 2016, defendant EVAN KITA sent a message via Signal Private Messenger to a co-conspirator and disseminated Inside Information by telling him in substance and in part as follows: "I have a little bird[.] And I am told today is a deadline for submitting bids to buy the company[.] Get your ducks in line on your end, idk when it's gonna be announced but it's gonna pop again."

All in violation of Title 18, United States Code, Section 371.

COUNT TWO
(Securities Fraud)

1. The allegations set forth in paragraphs 1, 2, and 5 of Count One of this Information are repeated and realleged as if fully set forth herein.

2. From in or about March 2016 to in or about May 2017, in Mercer County, in the District of New Jersey, and elsewhere, defendant

EVAN KITA

did unlawfully, willfully and knowingly, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and the mails and of the facilities of national securities exchanges, in connection with the purchase and sale of securities, did use and employ manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, to wit: by disclosing material, non-public information concerning Celator to his co-conspirators, in breach of a duty of trust and confidence that was owed directly, indirectly, and derivatively to the issuers of those securities, the shareholders of those issuers, and to other persons who were the source of the material nonpublic information, for the purpose of his co-conspirators executing securities transactions in the securities of Celator.

In violation of Title 15, United States Code, Sections 78j(b) and 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5 and 240.10b5-2 and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATIONS

1. As the result of committing the offenses constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), as alleged in Counts One and Two of this Information, defendant EVAN KITA shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said conspiracy and securities fraud offenses, and all property traceable thereto, including, but not limited to, a sum of money equal to at least $250,685.41 in United States currency.

Substitute Assets Provision

2. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third person;

(c) has been placed beyond the jurisdiction of the Court;

(d) has been psubstantially diminished in value; or

(e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

William E. Fitzpatrick

WILLIAM E. FITZPATRICK
Acting United States Attorney

CASE NUMBER: ____________

United States District Court
District of New Jersey

UNITED STATES OF AMERICA

v.

EVAN KITA

INFORMATION FOR

18 U.S.C. § 371
15 U.S.C. §§ 78j(b) and 78ff,
17 C.F.R. §§ 240.10b-5 and 240.10b5-2, and
18 U.S.C. § 2

WILLIAM E. FITZPATRICK
ACTING UNITED STATES ATTORNEY
FOR THE DISTRICT OF NEW JERSEY

DANIEL SHAPIRO
ASSISTANT U.S. ATTORNEY
NEWARK, NEW JERSEY
(973) 353-6087