PRO PHARMACEUTICALS INC
Form SC 13D/A
October 26, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 4)*

PRO-PHARMACEUTICALS, INC

(Name of Issuer)

Common Stock

(Title of Class of Securities)

74267T109

(CUSIP Number)

Rod D. Martin

1099 Forest Lake Terrace

Niceville, FL 32578

Name, Address and Telephone Number of Person Authorized to

Receive Notices and Communications)

September 30, 2009

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. o

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

This Amendment No. 4 amends and supplements the statement on Schedule 13D filed with the Securities and Exchange Commission (the SEC) on August 25, 2009 (the Schedule 13D), with respect to the common stock, $0.001 par value per share (the Common Stock), of Pro-Pharmaceuticals, Inc. (the Issuer).

CUSIP No. 74267T109

1. Names of Reporting Persons.

10X Fund, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) x
(b)

3. SEC Use Only

4. Source of Funds (See Instructions)

WC

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

o

6. Citizenship or Place of Organization

State of Delaware, United States

Number of Shares Beneficially Owned by Each Reporting Person With:	7. Sole Voting Power 31,020,80431,020,804 shares of Common Stock[1] 8. Shared Voting Power N/A 9. Sole Dispositive Power 31,020,804 shares of Common Stock 10. Shared Dispositive Power N/A

11. Aggregate Amount Beneficially Owned by Each Reporting Person

31,020,80431,020,804

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

X[1]

13. Percent of Class Represented by Amount in Row (11)

38.1%

14. Type of Reporting Person (See Instructions)

IV, PN

CUSIP No. 74267T109

1. Names of Reporting Persons.

10X Capital Management, LLC

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) x
(b)

3. SEC Use Only
4. Source of Funds (See Instructions)

WC

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

o

6. Citizenship or Place of Organization

State of Florida, United States

Number of Shares Beneficially Owned by Each Reporting Person With:	7. Sole Voting Power 31,020,804 shares of Common Stock[2]
	8. Shared Voting Power N/A
	9. Sole Dispositive Power 31,020,804 shares of Common Stock
	10. Shared Dispositive Power N/A

11. Aggregate Amount Beneficially Owned by Each Reporting Person

31,020,804

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

X[1]

13. Percent of Class Represented by Amount in Row (11)

38.1%

14. Type of Reporting Person (See Instructions)

IA, HC, CO

ITEM 1. SECURITY AND ISSUER

There have been no changes to Item 1 since the Schedule 13D/A filed on June 15, 2009.

ITEM 2. IDENTITY AND BACKGROUND

There have been no changes to Item 2 since the Schedule 13D/A filed on June 15, 2009.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

Item 3 is hereby amended to add the following paragraphs to the end thereof:

On September 30, 2009, 10X Fund purchased, and Issuer sold, (a) 162,500 shares of Series B-2 Preferred Stock (which are convertible into 650,000 shares of Common Stock), (b) a Class A-1 warrant exercisable to purchase 325,000 shares of Common Stock at an exercise price of $0.50 per share, (c) a Class A-2 warrant exercisable to purchase 325,000 shares of Common Stock at an exercise price of $0.50 per share, and (d) a Class B warrant exercisable to purchase 1,300,000 shares of Common Stock at an exercise price of $0.50 per share (collectively, the Fourth Subsequent Closing Securities). The purchase price paid by 10X Fund to Issuer for the Fourth Subsequent Closing Securities was $325,000.

On September 30, 2009, 10X Fund received 213,136 shares of Common Stock of the Issuer in payment of dividends on the shares of Series B-1 and B-2 Convertible Preferred Stock owned by 10X Fund.

ITEM 4. PURPOSE OF TRANSACTION

Item 4 is hereby amended to delete the second paragraph and add the following as the new second paragraph thereof:

In addition to acquiring the Initial Closing Securities, the First Subsequent Closing Securities, the Second Subsequent Closing Securities, the Third Subsequent Closing Securities and the Fourth Subsequent Closing Securities pursuant to the Purchase Agreement, 10X Fund may also purchase, at one or more additional closings, (a) 1,087,500 shares of Series B-2 Convertible Preferred Stock, par value $0.01 per share, of Issuer (which are convertible into 4,350,000 shares of Common Stock), (b) Class A-1 warrants exercisable to purchase 2,175,000 shares of Common Stock at an exercise price of $0.50 per share, (c) Class A-2 warrants exercisable to purchase 2,175,000 shares of Common Stock at an exercise price of $0.50 per share, and (d) Class B warrants exercisable to purchase 8,700,000 shares of Common Stock at an exercise price of $0.50 per share (collectively, the Subsequent Closing Securities). Under the Purchase Agreement, the additional closings to consummate the purchase of the Subsequent Closing Securities must occur on or before February 11, 2010. The Reporting Person may be considered to have beneficial ownership of all or a portion of the Subsequent Closing Securities based upon 10X Fund s right to acquire the Subsequent Closing Securities.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

Item 5 is hereby amended to read in its entirety as follows:

(a) Aggregate number and percentage of beneficially owned Common Stock: 31,020,804; 38.1%[3]

(b) Aggregate number of beneficially owned shares of Common Stock with:

Sole power to vote or direct the vote: 31,020,804[4]

Shared power to vote or direct the vote: N/A

Sole power to dispose or direct the disposition: 31,020,804[4]

Shared power to dispose or direct the disposition: N/A

(c) Transactions effected during the last sixty (60) days or since the most recent filing on Schedule 13D:

On September 30, 2009, 10X Fund purchased, and Issuer sold, (a) 162,500 shares of Series B-2 Preferred Stock (which are convertible into 650,000 shares of Common Stock), (b) a Class A-1 warrant exercisable to purchase 3250,000 shares of Common Stock at an exercise price of $0.50 per share, (c) a Class A-2 warrant exercisable to purchase 325,000 shares of Common Stock at an exercise price of $0.50 per share, and (d) a Class B warrant exercisable to purchase 1,300,000 shares of Common Stock at an exercise price of $0.50 per share (collectively, the Fourth Subsequent Closing Securities). The purchase price paid by 10X Fund to Issuer for the Fourth Subsequent Closing Securities was $325,000. 10X Capital, in its capacity as the general partner of 10X Fund, may be deemed to have indirect beneficial ownership of all or a portion of the securities owned by 10X Fund.

On September 30, 2009, 10X Fund received 213,136 shares of Common Stock of the Issuer in payment of dividends on the shares of Series B-1 and B-2 Convertible Preferred Stock owned by 10X Fund. 10X Capital, in its capacity as the general partner of 10X Fund, may be deemed to have indirect beneficial ownership of all or a portion of the securities owned by 10X Fund.

(d) Name of any other person known to have the right to receive or power to direct dividends from, or the proceeds from the sale of the foregoing securities:

James Czirr and Rod D. Martin are co-managing members of 10X Capital, the general partner of 10X Fund.

(e) N/A

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

There have been no changes to Item 6 since the Schedule 13D/A filed on August 25, 2009.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

There have been no changes to Item 7 since the Schedule 13D/A filed on August 25, 2009.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

October 22, 2009

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Date

10X FUND, L.P., a Delaware limited partnership

By: 10X Capital Management, LLC, a Florida limited liability company, its General Partner

/s/ Robert J. Mottern

By: _______________________________

Name: Robert J. Mottern, attorney in fact for 10X Fund, L.P.

10X CAPITAL MANAGEMENT, LLC, a Florida limited liability company

/s/ Robert J. Mottern

By:_______________________________

Name: Robert J. Mottern, attorney in fact for 10X Capital Management, LLC

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative (other than an executive officer or general partner of the filing person), evidence of the representative's authority to sign on behalf of such person shall be filed with the statement: provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Footnotes

[1] The beneficial ownership of 10X Fund, L.P. (10X Fund), a Delaware limited partnership, includes (a) 3,600,000 shares of the Issuer s common stock (Common Stock) which 10X Fund has the right to acquire upon conversion of 900,000 shares of the Issuer s Series B-1 Convertible Preferred Stock, (b) 4,050,000 shares of Common Stock which the 10X Fund has the right to acquire upon conversion of 1,012,500 shares of the Issuer s Series B-2 Convertible Preferred Stock, (c) 3,825,000 shares of Common Stock which 10X Fund has the right to acquire upon exercise of five (5) Class A-1 Warrants of the Issuer, (d) 3,825,000 shares of Common Stock which 10X Fund has the right to acquire upon exercise of five (5) Class A-2 Warrants of the Issuer, (e) 15,300,000 shares of Common Stock which 10X Fund has the right to acquire upon exercise of five (5) Class B Warrants of the Issuer, and (f) 420,804 shares which 10X Fund owns outright, for a total of 31,020,804 shares which 10X Fund owns or has the right to acquire upon conversion or exercise of existing securities of the Issuer owned by 10X Fund. The beneficial ownership of 10X Fund does not include an additional 17,400,000 shares of Common Stock which 10X Fund could acquire upon conversion or exercise of additional shares of Series B-2 Convertible Preferred Stock, Class A-1 Warrants, Class A-2 Warrants and Class B Warrants which 10X Fund has the right to purchase from Issuer pursuant to a Securities Purchase Agreement dated February 12, 2009, as amended on August 11, 2009 (the Purchase Agreement), which 10X Fund disclaims ownership of at this time pursuant to Rule 13d-4. Specifically, for an additional investment in the Issuer of up to $2,175,000, the 10X Fund has the right to acquire from the Issuer 1,087,500 additional shares of Series B-2 Convertible Preferred Stock which would be convertible into 4,350,000 shares of Common Stock, Class A-1 Warrants exercisable to purchase an additional 2,175,000 shares of Common Stock at $0.50 per share, Class A-2 Warrants exercisable to purchase an additional 2,175,000 shares of Common Stock at $0.50 per share, and Class B Warrants exercisable to purchase an additional 8,700,000 shares of Common Stock at $0.50 per share. The additional securities may be purchased from the Issuer at one or more additional closings until February 11, 2010. All of the securities presently owned by 10X Fund, or which may be acquired in the future under the Purchase Agreement, are convertible or exercisable immediately shares of Common Stock. 10X Fund s beneficial ownership does not include shares of Common Stock which the Issuer has the right to issue to 10X Fund in payment of cumulative dividends on shares of Series B-1 or Series B-2 Convertible Preferred Stock of the Issuer.