PRO PHARMACEUTICALS INC
Form 4
May 12, 2010

# FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

| | |
|---|---|
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
10X Fund, L.P.

(Last) (First) (Middle)

1099 FOREST LAKE TERRACE

(Street)

NICEVILLE, FL 32578

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
PRO PHARMACEUTICALS INC [PRWP]

3. Date of Earliest Transaction (Month/Day/Year)
05/10/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director __X__ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**
**(*e.g.*, puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amoun Underlying Securiti (Instr. 3 and 4) |
|---|---|---|---|---|---|---|---|

| (Instr. 3) | Price of Derivative Security | | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amou Numb Share |
| Series B-2 Convertible Preferred Stock | $ 0.5 | 05/10/2010 | | P | | 285,000 | | (1) | (1) | Common Stock | 1,14 |
| Class A-1 Warrant (right to buy) | $ 0.5 | 05/10/2010 | | P | | 1 | | 05/10/2010 | 05/10/2015 | Common Stock | 570 |
| Class A-2 Warrant (right to buy) | $ 0.5 | 05/10/2010 | | P | | 1 | | 05/10/2010 | 05/10/2015 | Common Stock | 570 |
| Class B Warrant (right to buy) | $ 0.5 | 05/10/2010 | | P | | 1 | | 05/10/2010 | 05/10/2015 | Common Stock | 2,28 |

# Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| 10X Fund, L.P.<br>1099 FOREST LAKE TERRACE<br>NICEVILLE, FL 32578 | | X | | |
| 10X Capital Management, LLC<br>1099 FOREST LAKE TERRACE<br>NICEVILLE, FL 32578 | | X | | |

# Signatures

/s/ Robert J. Mottern, as attorney in fact for 10X Fund, L.P. — 05/11/2010

**Signature of Reporting Person — Date

/s/ Robert J. Mottern, as attorney in fact for 10X Capital Management, LLC — 05/11/2010

**Signature of Reporting Person — Date

# Explanation of Responses:

| | |
|---|---|
| * | If the form is filed by more than one reporting person, *see* Instruction 4(b)(v). |
| ** | Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a). |
| **(1)** | Each share of Series B-2 Convertible Preferred Stock is convertible into four shares of Issuer's common stock at a conversion price of $0.50 per share (subject to customary anti-dilution protection adjustments) at the option of (a) the holder, at any time and (b) Issuer, at any time after May 10, 2011 (and upon 10 days notice) if the Issuer's common stock is quoted at or above $1.50 per share for 15 consecutive trading days and an effective registration statement regarding the underlying shares of Issuer's common stock is in effect (subject to certain monthly volume limits). The shares of Series B-2 Convertible Preferred Stock do not expire. |
| **(2)** | On April 30, 2010, 10X Fund, L.P. purchased (a) 285,000 shares of Series B-2 Preferred Stock, (b) one Class A-1 Warrant to purchase 570,000 shares of Common Stock for $0.50 per share, (c) one Class A-2 Warrant to purchase 570,000 shares of Common Stock for $0.50 per share, and (d) one Class B Warrant to purchase 2,280,000 shares of Common Stock for $0.50 per share, for aggregate consideration of $570,000. |
| **(3)** | 10X Fund, L.P. has direct beneficial ownership of all the securities owned by 10X Fund, L.P. 10X Capital Management, LLC, a Florida limited liability company, is the general partner of 10X Fund, L.P., a Delaware limited partnership, and may be deemed to have indirect beneficial ownership of all or a portion of the securities owned directly by 10X Fund, L.P., such portion being equal to 10X Capital Management, LLC's (a) 20% interest in the profits of 10X Fund, L.P., (b) interest in any securities which are used to pay a 2% annual management fee to 10X Capital Management, LLC, and (c) interest in one-half of the Class B Warrants acquired by 10X Fund, L.P. in all closings other than the initial closing held on February 12, 2009, less one Class B Warrant which 10X Capital Management, LLC has committed to reallocate to investors in all prior closings until each such investor has one (1) additional Class B Warrant for each dollar invested. |
| **(4)** | 10X Capital Management, LLC disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein. |

**Remarks:**

This statement is a joint filing by 10X Fund, L.P. and 10X Capital Management, LLC, a Florida limited liability company and

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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