

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

March 31, 2011

Date of Report (Date of earliest event reported)

PRO-PHARMACEUTICALS, INC.

(Exact Name of Registrant as Specified in Charter)

NEVADA
**(State or Other Jurisdiction
of Incorporation)**

000-32877
**(Commission
File Number)**

04-3562325
**(IRS Employer
Identification No.)**

7 WELLS AVENUE
NEWTON, MASSACHUSETTS
02459
(Address of Principal Executive Offices) (Zip Code)

(617) 559-0033
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensation Arrangements of Certain Officers

On March 31, 2011, Pro-Pharmaceuticals, Inc. (the “Company” or “we”) entered into an Amended Employment Agreement with Anatole Klyosov, D.Sc., our Chief Scientist (the “Klyosov Agreement”), for a one-year term ending March 31, 2012 (the “Term”). Under the Klyosov Agreement, Dr. Klyosov is entitled to a base salary of \$170,000, participation in our employee benefit plans and a grant of 200,000 stock options that vest over one year and are exercisable for seven years at \$1.04 per share. If Dr. Klyosov terminates his employment for “good reason,” as defined in the Klyosov Agreement, he is entitled to salary and benefits through the end of the Term, but not if he voluntarily terminates his employment without “good reason.” The Klyosov Agreement contains non-competition, confidentiality, assignment of inventions, and non-solicitation provisions. In connection with the Klyosov Agreement, we and Dr. Klyosov entered into a mutual release of any claims related to his prior employment or employment agreement dated January 3, 2006. The foregoing description of the Klyosov Agreement is not complete and is qualified in its entirety by reference to the full text thereof, a copy of which is attached as Exhibit 10.1 to this report and incorporated herein by reference.

On March 31, 2011, the Company entered into an Employment Agreement with Eliezer Zomer, Ph.D., our Executive Vice President of manufacturing and product development (the “Zomer Agreement”), for a one-year term ending March 31, 2012 (the “Term”). Under the Zomer Agreement, Dr. Zomer is entitled to a base salary of \$170,000 and participation in our employee benefit plans. If Dr. Zomer terminates his employment for “good reason,” as defined in the Zomer Agreement, he is entitled to salary and benefits through the end of the Term, but not if he voluntarily terminates his employment without “good reason.” The Zomer Agreement contains non-competition, confidentiality, assignment of inventions, and non-solicitation provisions. The foregoing description of the Zomer Agreement is not complete and is qualified in its entirety by reference to the full text thereof, a copy of which is attached as Exhibit 10.2 to this report and incorporated herein by reference.

On March 31, 2011, the Company entered into a Separation Agreement with Theodore D. Zucconi, Ph.D. (the “Separation Agreement”) in connection with his resignation as Chief Executive Officer and President of the Company. Pursuant to the Separation Agreement, Dr. Zucconi shall serve as a consultant, with the title Director of Business Development, in connection with such matters as we may request, including the program for approval, marketing and sale of our DAVANAT® product in South American or Latin American countries. The Separation Agreement provides for a consultancy term ending between November 30, 2011 and March 31, 2012 at a monthly rate of \$13,333 and entitles Dr. Zucconi to a grant of 300,000 stock options exercisable for seven years which vest as to 100,000 shares each upon approval milestones in up to three South or Latin American countries achieved during his consultancy; a cash bonus equal to 1% of the

amount received by June 30, 2012 from (i) actual receipts of gross sales of DAVANAT® in South and Latin American countries and (ii) licensing fees paid in connection with agreements to market DAVANAT® in such countries other than Colombia; and health and dental coverage for up to 24 months. The Separation Agreement also contains mutual general releases of Dr. Zucconi and the Company and their respective related entities and persons. The foregoing description of the Separation Agreement is not complete and is qualified in its entirety by reference to the full text thereof, a copy of which is attached as Exhibit 10.3 to this report and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Amended Employment Agreement dated March 31, 2011, between Pro-Pharmaceuticals, Inc. and Anatole Klyosov
- 10.2 Employment Agreement dated March 31, 2011, between Pro-Pharmaceuticals, Inc. and Eliezer Zomer
- 10.3 Separation Agreement dated March 31, 2011, between Pro-Pharmaceuticals, Inc. and Theodore D. Zucconi

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PRO-PHARMACEUTICALS, INC.

By: /s/ Maureen Foley

Maureen Foley

Chief Operating Officer

Date: April 6, 2011

EXHIBIT INDEX

**Exhibit
Number**

Exhibit

- | | |
|------|--|
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PRO-PHARMACEUTICALS, INC.

AMENDED EMPLOYMENT AGREEMENT

This Amended Employment Agreement (“Agreement”) is entered into this 31st day of March 2011 (the “Effective Date”) by and between PRO-PHARMACEUTICALS, INC., a Nevada corporation, having its principal Employee office at 7 Wells Avenue, Suite 34, Newton, Massachusetts 02459 (the “Company”), and ANATOLE KLYOSOV, an individual residing at 36 Walsh Road, Newton, Massachusetts 02459 (the “Employee”).

WHEREAS, the Employee is currently the Chief Scientist of the Company under a certain written Employment Agreement effective as of January 3, 2006 (the “Prior Employment Agreement”);

WHEREAS, pursuant to said Prior Employment Agreement, the Employee was employed on an “at will” basis permitting the Company to terminate his employment with the Company with or without cause;

WHEREAS, the Employee and the Company desire ongoing employment of the Employee for a specific duration rather than on a strictly “at will” basis;

WHEREAS, the Company is not required to offer the Employee employment of a specific duration and the Employee is not required to accept an offer of employment for specific duration and either may terminate the Employee’s employment at any time with or without cause; and

WHEREAS, the Company and the Employee have come to an agreement for the Employee to be employed for specific duration, unless terminated earlier for reasons set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration the receipt of which is hereby acknowledged, the parties mutually agree as follows:

Section 1. Term and Scope of Employment.

The Company Employer agrees to employ the Employee and the Employee agrees to be employed by Company with the title of Chief Scientist for a period of one (1) year, commencing on March 31, 2011 and ending at the close of business on March 31, 2012, unless terminated earlier by the Company for cause or by the Employee for good cause or without cause, as described and provided for in Section 5 below, whichever shall first occur. The Employee shall report directly to the Chief Executive Officer (“CEO”) of the Company.

The Employee agrees to devote his full time and effort to the business and affairs of the Company and that, to the best of the Employee's ability and experience, the Employee will, at all times, conscientiously perform all of the duties and obligations as may be assigned to the Employee by the CEO of the Company.

Section 2. Devotion of Full Time and Effort.

The Employee agrees to devote his full time and effort to the business and affairs of the Company and that, to the best of the Employee's ability and experience, the Employee will, at all times, conscientiously perform all of the duties and obligations as may be assigned to the Employee by the CEO of the Company. Employee represents and warrants, understanding such representation and warranty to be material to the Company's agreement to enter into this Amended Employment Agreement, that he currently holds no other employment, consultancy, management or board positions with any other company and that there are no representations on any other company's websites or literature that he is employed by or performs any work for any company but Pro-Pharmaceuticals, Inc. Employee hereby agrees not to accept the appointment to any employment, consultancy, management or board position with any other company without the prior approval of the CEO of the Company.

Section 3. Compensation.

(a) **Salary.** In consideration of all of the services rendered by the Employee under the terms of this Agreement, the Company shall pay to the Employee a base salary at the annualized rate of One Hundred Seventy Thousand Dollars (\$170,000.00) per annum ("Base Salary"), less required withholdings, payable in equal amounts in accordance with the Company's payroll practices in effect from time to time.

(b) **Reimbursement of Expenses.** The Company shall reimburse the Employee, in accordance with the Company's policies and practices in effect from time to time, for all out-of-pocket expenses reasonably incurred by the Employee in performance of the Employee's duties under this Agreement. The Employee is responsible for proper substantiation and reporting of all such expenses. Employee shall consult a tax advisor of his own choosing to determine the taxability of any reimbursements made hereunder and the record keeping requirements therefor.

Section 4. Benefits.

(a) The Employee will be entitled to participate in all incentive, retirement, profit-sharing, life, medical, disability and other benefit plans and programs (collectively "Benefit Plans") as are from time to time generally available to other Employees of the Company with comparable responsibilities, subject to the provisions of those programs. Without limiting the generality of the foregoing, the Company will provide the Employee with basic health and medical benefits on the terms that such benefits are provided to other Employees of the Company with comparable responsibilities. The Employee will also be entitled to holidays, sick leave and vacation in accordance with the Company's policies as they may be in effect from time

to time and which are subject to change at any time at the Company's sole discretion. This notwithstanding, during the term of this Agreement, Employee shall accrue vacation time at the rate of 1 and 2/3 of a day per month (four weeks total should the Employee remain employed for the full year). Vacation leave shall accrue on the last day of each month.

(b) In addition to any options or warrants currently held by the Employee, the Company hereby agrees to grant the Employee 200,000 options to purchase common stock of the Company under the Company's 2009 Incentive Compensation Plan ("Plan"). The options shall be deemed issued as of the date of this Agreement, and shall be subject to all terms and conditions of the Plan. The options shall have the minimum exercise price permitted under the Plan for the Employee; a term of 7 years; and shall be subject to a one (1) year vesting period.

Section 5. Compliance with Company Policy.

During Employee's employment with the Company, Employee shall observe all Company rules and policies in effect from time to time, including, without limitation, such policies as are contained in the Company policy and procedures manual, as may be amended or superseded from time to time.

Section 6. Termination of Employment.

Unless terminated earlier pursuant to the provisions of this Section 6, this Agreement and the Employee's employment with the Company shall terminate at the close of business on March 31, 2012. At such time, the Employee shall be entitled to no further salary or benefits other than those earned or accrued but unpaid as of that date.

Employee's employment with the Company may be terminated prior to the close of business on March 31, 2012 for the following reasons:

(a) By The Company For Cause. The Company shall have the right, upon written notice thereof to the Employee, to terminate Employee's employment "For Cause" prior to the close of business on March 31, 2012 in the following circumstances:

(i) The Employee

- (a)** Fails or refuses in any material respect to perform any duties, consistent with his position, assigned to him by the President or CEO;
- (b)** Is grossly negligent in the performance of his duties hereunder;
- (c)** Commits any act of fraud, misappropriation of funds, embezzlement or dishonesty with respect to the Company;

(d) Is convicted of a felony or other criminal violation, which, in the reasonable judgment of the Company, could materially impair the Company from substantially meeting its business objectives; or

(e) Engages in any other intentional misconduct adversely affecting the business or affairs of the Company in a material manner. The term "intentional misconduct adversely affecting the business or affairs of the Company" shall mean such misconduct that is detrimental to the business or the reputation of the Company as it is perceived both by the general public and the biotechnology industry.

(ii) With respect to matters referred to in (i)(a) and (b) above, should the Employee not cure the cause within (30) days of receipt of written notice thereof (the "Cure Period"), the Employee's employment shall terminate at the close of business on the last day of the Cure Period. During said Cure Period, the Employee's salary and benefits shall continue. Following termination, however, the Employee shall not be entitled to any further salary or benefits other than those previously accrued but unpaid through the date of termination. With respect to matters referred to in (i) (c-e) above, the Employee may be terminated immediately and shall not be entitled to payment of any further salary or benefits other than those previously accrued but unpaid through the date of termination.

(b) By The Employee For Good Reason.

The Employee may terminate his employment with the Company for "Good Reason" (as defined herein), if the Company shall have failed to cure an event or circumstance constituting "Good Reason" within thirty (30) days after receipt of written notice thereof from the Employee (which period may be extended by the parties) or within a reasonable time thereafter should it be impossible or impractical for the Company to cure within that time. For purposes of this paragraph, "Good Reason" shall mean the occurrence of any of the following without the Employee's consent or approval:

(i) The assignment to the Employee of duties inconsistent with this Agreement;

(ii) Change in Employee's title or significant and material change in Employee's authority;

(iii) Material breach of the terms of this Agreement by the Company; or

(iv) Any failure of the company to obtain the assumption of this Agreement by any successor or assign of the Company during Employee's employment with the Company.

In the event that Employee terminates his employment for Good Reason pursuant to the terms hereof, Employee shall be entitled to all salary and benefits through the end of the term of this Agreement, i.e., through March 31, 2012, but shall not be entitled to any other sums or any damages including, without limitation, any consequential damages.

(c) By Employee Without Cause.

In the event the Employee terminates his employment without Good Reason prior to the end of his then current term of employment, then Employee will have been considered to have terminated his employment Without Cause. In such case, the Employee shall be considered to have resigned effective immediately and shall be entitled to no further salary or benefits other than those previously accrued but unpaid through the date of termination.

Section 7. Survival of Obligations.

The obligations of the Employee as set forth in Sections 8 through 16 below shall survive the term of this Agreement and the termination of Employee's employment hereunder regardless of the reason or cause therefor.

Section 8. Non-Competition and Conflicting Employment.

(a) During the term of this Agreement, the Employee shall not, directly or indirectly, either as an Employee, Employer, Employee, Consultant, Agent, Principal, Partner, Corporate Officer, Director, Shareholder, Member, Investor or in any other individual or representative capacity, engage or participate in any business or business related activity of any kind that is in competition in any manner whatever with the business of the Company or any business activity related to the business in which the Company is now involved or becomes involved during the Employee's employment. For these purposes, the current business of the Company is biotechnology drug development and related business. The Employee also agrees that, during his employment with the Company, he will not engage in any other activities that conflict with his obligations to the Company.

(b) As a material inducement to the Company to continue the employment of the Employee, and in order to protect the Company's Confidential Information and good will, the Employee agrees that:

(i) For a period of twelve (12) months following termination of the Employee's employment with the Company or its affiliates for any reason, Employee will not directly or indirectly solicit or divert or accept business relating in any manner to Competing Products or to products, processes or services of the Company, from any of the customers or accounts of the Company with which the Employee had any contact as a result of Employee's employment with the Company; and

(ii) For a period of six (6) months after termination of Employee's employment with the Company or its affiliates for any reason, Employee will not (A) render services directly or indirectly, as an Employee, consultant or otherwise, to any Competing Organization in connection with research on or the acquisition, development, production, distribution, marketing or providing of any Competing Product, or (B) own any interest in any Competing Organization.

(c) For purposes of this Section:

(i) "Competing Product" means any product, process, or service of any person or organization other than the Company, in existence or under development (a) which is identical to, substantially the same as, or an adequate substitute for any product, process or service of the Company in existence or under development, based on any patent or patent application (provisional or otherwise) naming Employee as inventor thereunder and which Employee has assigned or licensed to the Company, or other intellectual property of the Company about which the Employee acquires Confidential Information, and (b) which is (or could reasonably be anticipated to be) marketed or distributed in such a manner and in such a geographic area as to actually compete with such product, process or service of the Company; and

(ii) "Competing Organization" means any person or organization, including the Employee, engaged in, or about to become engaged in, research on or the acquisition, development, production, distribution, marketing or providing of a Competing Product.

(d) The parties agree that the Company is entitled to protection of its interests in these areas. The parties further agree that the limitations as to time, geographical area, and scope of activity to be restrained do not impose a greater restraint upon Employee than is necessary to protect the goodwill or other business interest of the Company. The parties further agree that in the event of a violation of this Covenant Not To Compete, that the Company shall be entitled to the recovery of damages from Employee and injunctive relief against Employee for the breach or violation or continued breach or violation of this Covenant. The Employee agrees that if a court of competent jurisdiction determines that the length of time or any other restriction, or portion thereof, set forth in this Section 8 is overly restrictive and unenforceable, the court may reduce or modify such restrictions to those which it deems reasonable and enforceable under the circumstances, and as so reduced or modified, the parties hereto agree that the restrictions of this Section 8 shall remain in full force and effect. The Employee further agrees that if a court of competent jurisdiction determines that any provision of this Section 8 is invalid or against public policy, the remaining provisions of this Section 8 and the remainder of this Agreement shall not be affected thereby, and shall remain in full force and effect.

Section 9. Confidentiality.

(a) Employee recognizes and acknowledges that he will have access to certain information of members of the Company Group (as defined below) and that such information is confidential and constitutes valuable, special and unique property of such members of the Company Group. The parties agree that the Company has a legitimate interest in protecting the Confidential Information, as defined below. The parties agree that the Company is entitled to protection of its interests in the Confidential Information. The Employee shall not at any time, either during or subsequent to his employment with the Company, disclose to others, use, copy or permit to be copied, except in pursuance of his duties for an on behalf of the Company, its successors, assigns or nominees, any Confidential Information of any member of the Company Group (regardless of whether developed by the Employee) without the prior written consent of the Company. Employee acknowledges that the use or disclosure of the Confidential Information to anyone or any third party could cause monetary loss and damages to the Company as well as irreparable harm. The parties further agree that in the event of a violation of this covenant against non-use and non-disclosure of Confidential Information, that the Company shall be entitled to a recovery of damages from Employee and/or to obtain an injunction against Employee for the breach or violation, continued breach, threatened breach or violation of this covenant.

(b) As used herein, "Company Group" means the Company, and any entity that directly or indirectly controls, is controlled by, or is under common control with, the Company, and for purposes of this definition "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by contract or otherwise.

(c) As used herein, the term "Confidential Information" with respect to any person means any secret or confidential information or know-how and shall include, but shall not be limited to, plans, financial and operating information, customers, supplier arrangements, contracts, costs, prices, uses, and applications of products and services, results of investigations, studies or experiments owned or used by such person, and all apparatus, products, processes, compositions, samples, formulas, computer programs, computer hardware designs, computer firmware designs, and servicing, marketing or manufacturing methods and techniques at any time used, developed, investigated, made or sold by such person, before or during the term of this Agreement, that are not readily available to the public or that are maintained as confidential by such person. The Employee shall maintain in confidence any Confidential Information of third parties received as a result of his employment with the Company in accordance with the Company's obligations to such third parties and the policies established by the Company.

(d) As used herein, "Confidential Information" with respect to the Company means any Company proprietary information, technical data, trade secrets, know-how or other business information disclosed to the Employee by the Company either directly or indirectly in writing, orally or by drawings or inspection or unintended view of parts, equipment, data, documents or the like, including, without limitation:

- (i) Medical and drug research and testing results and information, research and development techniques, processes, methods, formulas, trade secrets, patents,

patent applications, computer programs, software, electronic codes, mask works, inventions, machines, improvements, data, formats, projects and research projects;

- (ii) Information about costs, profits, markets, sales, pricing, contracts and lists of customers, distributors and/or vendors and business, marketing and/or strategic plans;
- (iii) Forecasts, unpublished financial information, budgets, projections, and customer identities, characteristics and agreements as well as all business opportunities, conceived, designed, devised, developed, perfected or made by the Employee whether alone or in conjunction with others, and related in any manner to the actual or anticipated business of the Company or to actual or anticipated areas of research and development; and
- (iv) Employee personnel files and compensation information.

(e) Employee further understands that Confidential Information does not include any of the foregoing items which (a) has become publicly known or made generally available to the public through no wrongful act of Employee; (b) has been disclosed to Employee by a third party having no duty to keep Company matter confidential; (c) has been developed by Employee independently of employment with the company; (d) has been disclosed by the Company to a third party without restriction on disclosure; or (e) has been disclosed with the Company's written consent.

(f) Employee hereby acknowledges and agrees that all Confidential Information shall at all times remain the property of the Company.

(g) Employee agrees that she will not improperly use or disclose any Confidential Information, proprietary information or trade secrets of any former employer or other person or entity or entity with which Employee has an agreement or duty to keep in confidence information acquired by Employee and that Employee will not bring onto Company premises any unpublished document or proprietary information belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

(h) Employee recognizes that the Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest of confidence and not to disclose it to any person, firm or entity or to use it except as necessary in carrying out Employee's work for the Company consistent with Company's agreement with such third party.

(i) Employee represents and warrants that from the time of the Employee's first contact with the Company, Employee has held in strict confidence all Confidential Information and has not disclosed any Confidential Information directly or indirectly to anyone outside the Company, or used, copied, published or summarized any Confidential Information, except to the extent otherwise permitted under the terms of this Agreement.

(j) Employee will not disclose to the Company or use on its behalf any confidential information belonging to others and Employee will not bring onto the premises of the Company any confidential information belonging to any such party unless consented to in writing by such party.

Section 10. Inventions.

(a) Attached hereto as Exhibit A is a list describing all ideas, processes, trademarks, service marks, inventions, designs, technologies, computer hardware or software, original works of authorship, formulas, discoveries, patents, copyrights, copyrightable works, products, marketing and business ideas, and all improvements, know-how, data rights, and claims related to the foregoing, whether or not patentable, registrable or copyrightable, which were conceived, developed or created by Employee prior to Employee's employment or first contact with Company (collectively referred to herein as "Prior Inventions"), (A) which belong to Employee, (B) which relate to the Company's current or contemplated business, products or research and development, and (C) which are not assigned to the Company hereunder. If there is no Exhibit A or no items thereon, the Employee represents that there are no such Prior Inventions. If in the course of Employee's employment with the Company, the Employee incorporates or embodies into a Company product, service or process a Prior Invention owned by the Employee or in which the Employee has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, service or process.

(b) Employee agrees that Employee will promptly make full, written disclosure to the Company and will hold in trust for the sole right and benefit of the Company, and the Employee hereby assigns to the Company, or its designee, all of the Employee's right, title and interest in and to any and all ideas, process, trademarks, service marks, inventions, designs, technologies, computer hardware or software, original works of authorship, formulas, discoveries, patents, copyrights, copyrightable works, products, marketing and business ideas, and all improvements, know-how, data, rights and claims related to the foregoing, whether or not patentable, registrable or copyrightable, which Employee may, on or after the Effective Date of this Agreement, solely or jointly with others conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the period of time the Employee is in the employ of the Company (collectively referred to herein as "Intellectual Property items"); and the Employee further agrees that the foregoing shall also apply to Intellectual Property Items which relate to the business of the Company or to the Company's anticipated business as of the end of the Employee's employment and which are conceived, developed or reduced to practice during a period of one year after the end of such employment. Without limiting the foregoing, the

Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of Employee's employment and which are protectable by copyright are works made for hire as that term is defined in the United States Copyright Act.

(c) Employee agrees to keep and maintain adequate and current written records of all Intellectual Property Items made by Employee (solely or jointly with others) during the term of Employee's employment with the Company. The records will be in the form of notes, sketches, drawings and any other format that may be specified by the Company. The records will be available to, and remain the sole property of, the Company at all times.

(d) Employee shall not at any time use the Company's name or any of the Company trademark(s) or trade name(s) in any advertising or publicity without the prior written consent of the Company.

Section 11. Return of Company Property.

Employee agrees that, at any time upon request of the Company, and, in any event, at the time of leaving the Company's employ, Employee will deliver to the Company (and will not keep originals or copies in Employee's possession or deliver them to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, material, equipment or other documents or property, or reproduction of any of the aforementioned items, containing Confidential Information or otherwise belonging to the Company, its successors or assigns, whether prepared by the Employee or supplied to the Employee by the Company.

Section 12. Non-Solicitation.

Employee agrees that he shall not, during his employment or other involvement with the Company and for a period of twelve (12) months immediately following the termination of the Employee's employment with the Company, for any reason, whether with or without cause, (i) either directly or indirectly solicit or take away, or attempt to solicit or take away Employees of the Company, either for the Employee's own business or for any other person or entity and/or (ii) either directly or indirectly recruit, solicit or otherwise induce or influence any investor, lessor, supplier, customer, agent, representative or any other person which has a business relationship with the Company to discontinue, reduce or modify such employment, agency or business relationship with the Company.

Section 13. Publications.

Employee agrees that he will, in advance of publication, provide the Company with copies of all writings and materials which Employee proposes to publish during the term of Employee's employment and for two years thereafter. Employee also agrees that Employee will, at the Company's request and sole discretion, cause to be deleted from such writings and

materials any information the Company believes discloses or will disclose Confidential Information. The Company's good faith judgment in these matters will be final. The Employee will also, at the Company's request and in its sole discretion, cause to be deleted any reference whatsoever to the Company from such writings and materials.

Section 14. Equitable Remedies.

Employee agrees that any damages awarded the Company for any breach of this Agreement by Employee would be inadequate. Accordingly, in addition to any damages and other rights or remedies available to the Company, the Company shall be entitled to obtain injunctive relief from a court of competent jurisdiction temporarily, preliminarily and permanently restraining and enjoining any such breach or threatened breach and to specific performance of any such provision of this Agreement, and, if it prevails in such proceeding, the Company shall be entitled to recover from the Employee all costs and expenses incurred to enforce the terms of this Agreement and/or recover from Employee for any breach(es) thereof, including reasonable attorneys' fees.

Section 15. Representations and Warranties of Employee.

Employee represents and warrants as follows: (i) Employee has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with the Employee's undertaking a relationship with the Company; and (ii) that Employee has not entered into, nor will Employee enter into, any agreement (whether oral or written) in conflict with this Agreement.

Section 16. Miscellaneous.

(a) **Entire Agreement.** This Agreement and the exhibit attached hereto contain the entire understanding of the parties and supersede all previous contracts, arrangements or understandings, express or implied, between the Employee and the Company with respect to the subject matter hereof, including, without limitation, the Prior Employment Agreement. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement or in the attached exhibit.

(b) **Section Headings.** The section headings herein are for the purpose of convenience only and are not intended to define or limit the contents of any section.

(c) **Severability.** If any provision of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, the remainder of this Agreement shall be amended to provide the parties with the equivalent of the same rights and obligations as provided in the original provisions of this Agreement.

(d) **No Oral Modification, Waiver Or Discharge.** No provisions of this Agreement may be modified, waived or discharged orally, but only by a waiver, modification or discharge in

writing signed by the Employee and such officer as may be designated by the Board of Directors of the Company to execute such a waiver, modification or discharge. No waiver by either party hereto at any time of any breach by the other party hereto of, or failure to be in compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the time or at any prior or subsequent time.

(e) Invalid Provisions. Should any portion of this Agreement be adjudged or held to be invalid, unenforceable or void, such holding shall not have the effect of invalidating or voiding the remainder of this Agreement and the parties hereby agree that the portion so held invalid, unenforceable or void shall, if possible, be deemed amended or reduced in scope, or otherwise be stricken from this Agreement to the extent required for the purposes of validity and enforcement thereof.

(f) Execution In Counterparts. The parties may sign this Agreement in counterparts, all of which shall be considered one and the same instrument.

(g) Governing Law And Performance. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts without giving effect to its principles on conflicts of laws.

(h) Successor and Assigns. This Agreement shall be binding on and inure to the benefit of the successors in interest of the parties, including, in the case of the Employee, the Employee's heirs, executors and estate. The Employee may not assign Employee's obligations under this Agreement.

(i) Notices. Any notices or other communications provided for hereunder may be made by hand, fax, email, first class mail or express courier services provided that the same are addressed to the party required to be notified at its address first written above, or such other address as may hereafter be established by a party by written notice to the other party. Notice shall be considered accomplished on the date delivered, faxed, emailed, first class mailed or express couriered.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement under seal as of the date and year first above written.

Company,
Pro-Pharmaceuticals, Inc.,

Employee,

By: /s/ Peter G. Traber
Name: Peter G. Traber, M.D.
Title: President and Chief Executive Officer

/s/ Anatole Klyosov
Anatole Klyosov, D.Sc.

PRO-PHARMACEUTICALS, INC.

AMENDED EMPLOYMENT AGREEMENT

This Amended Employment Agreement ("Agreement") is entered into this 31st day of March 2011 (the "Effective Date") by and between PRO-PHARMACEUTICALS, INC., a Nevada corporation, having its principal Employee office at 7 Wells Avenue, Suite 34, Newton, Massachusetts 02459 (the "Company"), and ELI ZOMER, an individual residing at 374 Kenrick Street, Newton, Massachusetts 02458 (the "Employee").

WHEREAS, the Employee is currently the Executive Vice President of manufacturing and product development of the Company and is employed at will without a written contract;

WHEREAS, the Employee is currently employed on an "at will" basis permitting the Company to terminate his employment with the Company with or without cause;

WHEREAS, the Employee and the Company desire ongoing employment of the Employee for a specific duration under written agreement rather than on a strictly oral "at will" basis;

WHEREAS, the Company is not required to offer the Employee employment of a specific duration and the Employee is not required to accept an offer of employment for specific duration and either may currently terminate the Employee's employment at any time with or without cause; and

WHEREAS, the Company and the Employee have come to an agreement for the Employee to be employed for specific duration under written contract, unless terminated earlier for reasons set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration the receipt of which is hereby acknowledged, the parties mutually agree as follows:

Section 1. Term and Scope of Employment.

The Company Employer agrees to employ the Employee and the Employee agrees to be employed by Company with the title of Executive Vice President of manufacturing and product development for a period of one (1) year, commencing on March 31, 2011 and ending at the close of business on March 31, 2012, unless terminated earlier by the Company for cause or by the Employee for good cause or without cause, as described and provided for in Section 5 below, whichever shall first occur. The Employee shall report directly to the Chief Executive Officer ("CEO") of the Company.

Section 2. Devotion of Full Time and Effort.

The Employee agrees to devote his full time and effort to the business and affairs of the Company and that, to the best of the Employee's ability and experience, the Employee will, at all times, conscientiously perform all of the duties and obligations as may be assigned to the Employee by the CEO of the Company. Currently, the Employee is listed as a member of the management team on the websites of two other companies, Avanyx and Boston Therapeutics. Employee hereby agrees to resign forthwith any consulting, management or board positions in connection with any companies other than Pro-Pharmaceuticals, Inc., including, without limitation, those specified herein and to request forthwith that his name be removed from any website, corporate document, marketing or investment materials and any other document or electronic medium with respect to any such other companies. Employee shall, at its request, assign to the Company any and all rights to proceed against any such other companies which do not comply with his request for resignation and/or removal of his name. In addition, Employee hereby agrees not to accept the appointment to any employment, consultant, management or board position with any other company without the prior approval of the CEO of the Company. Employee represents and warrants, understanding such representation and warranty to be material to the Company's agreement to enter into this Amended Employment Agreement, that there are no representations on any other company's websites or literature that he is employed by or performs any work for any company but Pro-Pharmaceuticals, Inc.

Section 3. Compensation.

(a) **Salary.** In consideration of all of the services rendered by the Employee under the terms of this Agreement, the Company shall pay to the Employee a base salary at the annualized rate of One Hundred Seventy Thousand Dollars (\$170,000.00) per annum ("Base Salary"), less required withholdings, payable in equal amounts in accordance with the Company's payroll practices in effect from time to time.

(b) **Reimbursement of Expenses.** The Company shall reimburse the Employee, in accordance with the Company's policies and practices in effect from time to time, for all out-of-pocket expenses reasonably incurred by the Employee in performance of the Employee's duties under this Agreement. The Employee is responsible for proper substantiation and reporting of all such expenses. Employee shall consult a tax advisor of his own choosing to determine the taxability of any reimbursements made hereunder and the record keeping requirements therefor.

Section 4. Benefits.

The Employee will be entitled to participate in all incentive, retirement, profit-sharing, life, medical, disability and other benefit plans and programs (collectively "Benefit Plans") as are from time to time generally available to other Employees of the Company with comparable

responsibilities, subject to the provisions of those programs. Without limiting the generality of the foregoing, the Company will provide the Employee with basic health and medical benefits on the terms that such benefits are provided to other Employees of the Company with comparable responsibilities. The Employee will also be entitled to holidays, sick leave and vacation in accordance with the Company's policies as they may be in effect from time to time and which are subject to change at any time at the Company's sole discretion. This notwithstanding, during the term of this Agreement, Employee shall accrue vacation time at the rate of 1 and 2/3 of a day per month (four weeks total should the Employee remain employed for the full year). Vacation leave shall accrue on the last day of each month.

Section 5. Compliance with Company Policy.

During Employee's employment with the Company, Employee shall observe all Company rules and policies in effect from time to time, including, without limitation, such policies as are contained in the Company policy and procedures manual, as may be amended or superseded from time to time.

Section 6. Termination of Employment.

Unless terminated earlier pursuant to the provisions of this Section 6, this Agreement and the Employee's employment with the Company shall terminate at the close of business on March 31, 2012. At such time, the Employee shall be entitled to no further salary or benefits other than those earned or accrued but unpaid as of that date.

Employee's employment with the Company may be terminated prior to the close of business on March 31, 2012 for the following reasons:

(a) By The Company For Cause. The Company shall have the right, upon written notice thereof to the Employee, to terminate Employee's employment "For Cause" prior to the close of business on March 31, 2012 in the following circumstances:

(i) The Employee

- (a)** Fails or refuses in any material respect to perform any duties, consistent with his position, assigned to him by the President or CEO;
- (b)** Is grossly negligent in the performance of his duties hereunder;
- (c)** Commits any act of fraud, misappropriation of funds, embezzlement or dishonesty with respect to the Company;
- (d)** Is convicted of a felony or other criminal violation, which, in the reasonable judgment of the Company, could materially impair the Company from substantially meeting its business objectives; or

(e) Engages in any other intentional misconduct adversely affecting the business or affairs of the Company in a material manner. The term “intentional misconduct adversely affecting the business or affairs of the Company” shall mean such misconduct that is detrimental to the business or the reputation of the Company as it is perceived both by the general public and the biotechnology industry.

(ii) With respect to matters referred to in (i)(a) and (b) above, should the Employee not cure the cause within (30) days of receipt of written notice thereof (the “Cure Period”), the Employee’s employment shall terminate at the close of business on the last day of the Cure Period. During said Cure Period, the Employee’s salary and benefits shall continue. Following termination, however, the Employee shall not be entitled to any further salary or benefits other than those previously accrued but unpaid through the date of termination. With respect to matters referred to in (i) (c-e) above, the Employee may be terminated immediately and shall not be entitled to payment of any further salary or benefits other than those previously accrued but unpaid through the date of termination.

(b) By The Employee For Good Reason.

The Employee may terminate his employment with the Company for “Good Reason” (as defined herein), if the Company shall have failed to cure an event or circumstance constituting “Good Reason” within thirty (30) days after receipt of written notice thereof from the Employee (which period may be extended by the parties) or within a reasonable time thereafter should it be impossible or impractical for the Company to cure within that time. For purposes of this paragraph, “Good Reason” shall mean the occurrence of any of the following without the Employee’s consent or approval:

- (i) The assignment to the Employee of duties inconsistent with this Agreement;
- (ii) Change in Employee’s title or significant and material change in Employee’s authority;
- (iii) Material breach of the terms of this Agreement by the Company; or
- (iv) Any failure of the company to obtain the assumption of this Agreement by any successor or assign of the Company during Employee’s employment with the Company.

In the event that Employee terminates his employment for Good Reason pursuant to the terms hereof, Employee shall be entitled to all salary and benefits through the end of the term of this Agreement, i.e., through March 31, 2012, but shall not be entitled to any other sums or any damages including, without limitation, any consequential damages.

(c) By Employee Without Cause.

In the event the Employee terminates his employment without Good Reason prior to the end of his then current term of employment, then Employee will have been considered to have terminated his employment Without Cause. In such case, the Employee shall be considered to have resigned effective immediately and shall be entitled to no further salary or benefits other than those previously accrued but unpaid through the date of termination.

Section 7. Survival of Obligations.

The obligations of the Employee as set forth in Sections 8 through 16 below shall survive the term of this Agreement and the termination of Employee's employment hereunder regardless of the reason or cause therefor.

Section 8. Non-Competition and Conflicting Employment.

(a) During the term of this Agreement, the Employee shall not, directly or indirectly, either as an Employee, Employer, Employee, Consultant, Agent, Principal, Partner, Corporate Officer, Director, Shareholder, Member, Investor or in any other individual or representative capacity, engage or participate in any business or business related activity of any kind that is in competition in any manner whatever with the business of the Company or any business activity related to the business in which the Company is now involved or becomes involved during the Employee's employment. For these purposes, the current business of the Company is biotechnology drug development and related business. The Employee also agrees that, during his employment with the Company, he will not engage in any other activities that conflict with his obligations to the Company.

(b) As a material inducement to the Company to continue the employment of the Employee, and in order to protect the Company's Confidential Information and good will, the Employee agrees that:

(i) For a period of twelve (12) months following termination of the Employee's employment with the Company or its affiliates for any reason, Employee will not directly or indirectly solicit or divert or accept business relating in any manner to Competing Products or to products, processes or services of the Company, from any of the customers or accounts of the Company with which the Employee had any contact as a result of Employee's employment with the Company; and

(ii) For a period of six (6) months after termination of Employee's employment with the Company or its affiliates for any reason, Employee will not

(A) render services directly or indirectly, as an Employee, consultant or otherwise, to any Competing Organization in connection with research on or the acquisition, development, production, distribution, marketing or providing of any Competing Product, or (B) own any interest in any Competing Organization.

(c) For purposes of this Section:

(i) "Competing Product" means any product, process, or service of any person or organization other than the Company, in existence or under development (a) which is identical to, substantially the same as, or an adequate substitute for any product, process or service of the Company in existence or under development, based on any patent or patent application (provisional or otherwise) naming Employee as inventor thereunder and which Employee has assigned or licensed to the Company, or other intellectual property of the Company about which the Employee acquires Confidential Information, and (b) which is (or could reasonably be anticipated to be) marketed or distributed in such a manner and in such a geographic area as to actually compete with such product, process or service of the Company; and

(ii) "Competing Organization" means any person or organization, including the Employee, engaged in, or about to become engaged in, research on or the acquisition, development, production, distribution, marketing or providing of a Competing Product.

(d) The parties agree that the Company is entitled to protection of its interests in these areas. The parties further agree that the limitations as to time, geographical area, and scope of activity to be restrained do not impose a greater restraint upon Employee than is necessary to protect the goodwill or other business interest of the Company. The parties further agree that in the event of a violation of this Covenant Not To Compete, that the Company shall be entitled to the recovery of damages from Employee and injunctive relief against Employee for the breach or violation or continued breach or violation of this Covenant. The Employee agrees that if a court of competent jurisdiction determines that the length of time or any other restriction, or portion thereof, set forth in this Section 8 is overly restrictive and unenforceable, the court may reduce or modify such restrictions to those which it deems reasonable and enforceable under the circumstances, and as so reduced or modified, the parties hereto agree that the restrictions of this Section 8 shall remain in full force and effect. The Employee further agrees that if a court of competent jurisdiction determines that any provision of this Section 8 is invalid or against public policy, the remaining provisions of this Section 8 and the remainder of this Agreement shall not be affected thereby, and shall remain in full force and effect.

Section 9. Confidentiality.

(a) Employee recognizes and acknowledges that he will have access to certain information of members of the Company Group (as defined below) and that such information is

confidential and constitutes valuable, special and unique property of such members of the Company Group. The parties agree that the Company has a legitimate interest in protecting the Confidential Information, as defined below. The parties agree that the Company is entitled to protection of its interests in the Confidential Information. The Employee shall not at any time, either during or subsequent to his employment with the Company, disclose to others, use, copy or permit to be copied, except in pursuance of his duties for an on behalf of the Company, its successors, assigns or nominees, any Confidential Information of any member of the Company Group (regardless of whether developed by the Employee) without the prior written consent of the Company. Employee acknowledges that the use or disclosure of the Confidential Information to anyone or any third party could cause monetary loss and damages to the Company as well as irreparable harm. The parties further agree that in the event of a violation of this covenant against non-use and non-disclosure of Confidential Information, that the Company shall be entitled to a recovery of damages from Employee and/or to obtain an injunction against Employee for the breach or violation, continued breach, threatened breach or violation of this covenant.

(b) As used herein, “Company Group” means the Company, and any entity that directly or indirectly controls, is controlled by, or is under common control with, the Company, and for purposes of this definition “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by contract or otherwise.

(c) As used herein, the term “Confidential Information” with respect to any person means any secret or confidential information or know-how and shall include, but shall not be limited to, plans, financial and operating information, customers, supplier arrangements, contracts, costs, prices, uses, and applications of products and services, results of investigations, studies or experiments owned or used by such person, and all apparatus, products, processes, compositions, samples, formulas, computer programs, computer hardware designs, computer firmware designs, and servicing, marketing or manufacturing methods and techniques at any time used, developed, investigated, made or sold by such person, before or during the term of this Agreement, that are not readily available to the public or that are maintained as confidential by such person. The Employee shall maintain in confidence any Confidential Information of third parties received as a result of his employment with the Company in accordance with the Company’s obligations to such third parties and the policies established by the Company.

(d) As used herein, “Confidential Information” with respect to the Company means any Company proprietary information, technical data, trade secrets, know-how or other business information disclosed to the Employee by the Company either directly or indirectly in writing, orally or by drawings or inspection or unintended view of parts, equipment, data, documents or the like, including, without limitation:

- (i)** Medical and drug research and testing results and information, research and development techniques, processes, methods, formulas, trade secrets, patents, patent applications, computer programs, software, electronic codes, mask works, inventions, machines, improvements, data, formats, projects and research projects;

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- (ii) Information about costs, profits, markets, sales, pricing, contracts and lists of customers, distributors and/or vendors and business, marketing and/or strategic plans;
 - (iii) Forecasts, unpublished financial information, budgets, projections, and customer identities, characteristics and agreements as well as all business opportunities, conceived, designed, devised, developed, perfected or made by the Employee whether alone or in conjunction with others, and related in any manner to the actual or anticipated business of the Company or to actual or anticipated areas of research and development; and
 - (iv) Employee personnel files and compensation information.

(e) Employee further understands that Confidential Information does not include any of the foregoing items which (a) has become publicly known or made generally available to the public through no wrongful act of Employee; (b) has been disclosed to Employee by a third party having no duty to keep Company matter confidential; (c) has been developed by Employee independently of employment with the company; (d) has been disclosed by the Company to a third party without restriction on disclosure; or (e) has been disclosed with the Company's written consent.

(f) Employee hereby acknowledges and agrees that all Confidential Information shall at all times remain the property of the Company.

(g) Employee agrees that she will not improperly use or disclose any Confidential Information, proprietary information or trade secrets of any former employer or other person or entity or entity with which Employee has an agreement or duty to keep in confidence information acquired by Employee and that Employee will not bring onto Company premises any unpublished document or proprietary information belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

(h) Employee recognizes that the Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest of confidence and not to disclose it to any person, firm or entity or to use it except as necessary in carrying out Employee's work for the Company consistent with Company's agreement with such third party.

(i) Employee represents and warrants that from the time of the Employee's first contact with the Company, Employee has held in strict confidence all Confidential Information and has not disclosed any Confidential Information directly or indirectly to anyone outside the Company, or used, copied, published or summarized any Confidential Information, except to the extent otherwise permitted under the terms of this Agreement.

(j) Employee will not disclose to the Company or use on its behalf any confidential information belonging to others and Employee will not bring onto the premises of the Company any confidential information belonging to any such party unless consented to in writing by such party.

Section 10. Inventions.

(a) Attached hereto as Exhibit A is a list describing all ideas, processes, trademarks, service marks, inventions, designs, technologies, computer hardware or software, original works of authorship, formulas, discoveries, patents, copyrights, copyrightable works, products, marketing and business ideas, and all improvements, know-how, data rights, and claims related to the foregoing, whether or not patentable, registrable or copyrightable, which were conceived, developed or created by Employee prior to Employee's employment or first contact with Company (collectively referred to herein as "Prior Inventions"), (A) which belong to Employee, (B) which relate to the Company's current or contemplated business, products or research and development, and (C) which are not assigned to the Company hereunder. If there is no Exhibit A or no items thereon, the Employee represents that there are no such Prior Inventions. If in the course of Employee's employment with the Company, the Employee incorporates or embodies into a Company product, service or process a Prior Invention owned by the Employee or in which the Employee has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, service or process.

(b) Employee agrees that Employee will promptly make full, written disclosure to the Company and will hold in trust for the sole right and benefit of the Company, and the Employee hereby assigns to the Company, or its designee, all of the Employee's right, title and interest in and to any and all ideas, process, trademarks, service marks, inventions, designs, technologies, computer hardware or software, original works of authorship, formulas, discoveries, patents, copyrights, copyrightable works, products, marketing and business ideas, and all improvements, know-how, data, rights and claims related to the foregoing, whether or not patentable, registrable or copyrightable, which Employee may, on or after the Effective Date of this Agreement, solely or jointly with others conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the period of time the Employee is in the employ of the Company (collectively referred to herein as "Intellectual Property items"); and the Employee further agrees that the foregoing shall also apply to Intellectual Property Items which relate to the business of the Company or to the Company's anticipated business as of the end of the

Employee's employment and which are conceived, developed or reduced to practice during a period of one year after the end of such employment. Without limiting the foregoing, the Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of Employee's employment and which are protectable by copyright are works made for hire as that term is defined in the United States Copyright Act.

(c) Employee agrees to keep and maintain adequate and current written records of all Intellectual Property Items made by Employee (solely or jointly with others) during the term of Employee's employment with the Company. The records will be in the form of notes, sketches, drawings and any other format that may be specified by the Company. The records will be available to, and remain the sole property of, the Company at all times.

(d) Employee shall not at any time use the Company's name or any of the Company trademark(s) or trade name(s) in any advertising or publicity without the prior written consent of the Company.

Section 11. Return of Company Property.

Employee agrees that, at any time upon request of the Company, and, in any event, at the time of leaving the Company's employ, Employee will deliver to the Company (and will not keep originals or copies in Employee's possession or deliver them to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, material, equipment or other documents or property, or reproduction of any of the aforementioned items, containing Confidential Information or otherwise belonging to the Company, its successors or assigns, whether prepared by the Employee or supplied to the Employee by the Company.

Section 12. Non-Solicitation.

Employee agrees that he shall not, during his employment or other involvement with the Company and for a period of twelve (12) months immediately following the termination of the Employee's employment with the Company, for any reason, whether with or without cause, (i) either directly or indirectly solicit or take away, or attempt to solicit or take away Employees of the Company, either for the Employee's own business or for any other person or entity and/or (ii) either directly or indirectly recruit, solicit or otherwise induce or influence any investor, lessor, supplier, customer, agent, representative or any other person which has a business relationship with the Company to discontinue, reduce or modify such employment, agency or business relationship with the Company.

Section 13. Publications.

Employee agrees that he will, in advance of publication, provide the Company with copies of all writings and materials which Employee proposes to publish during the term of

Employee's employment and for two years thereafter. Employee also agrees that Employee will, at the Company's request and sole discretion, cause to be deleted from such writings and materials any information the Company believes discloses or will disclose Confidential Information. The Company's good faith judgment in these matters will be final. The Employee will also, at the Company's request and in its sole discretion, cause to be deleted any reference whatsoever to the Company from such writings and materials.

Section 14. Equitable Remedies.

Employee agrees that any damages awarded the Company for any breach of this Agreement by Employee would be inadequate. Accordingly, in addition to any damages and other rights or remedies available to the Company, the Company shall be entitled to obtain injunctive relief from a court of competent jurisdiction temporarily, preliminarily and permanently restraining and enjoining any such breach or threatened breach and to specific performance of any such provision of this Agreement, and, if it prevails in such proceeding, the Company shall be entitled to recover from the Employee all costs and expenses incurred to enforce the terms of this Agreement and/or recover from Employee for any breach(es) thereof including reasonable attorneys' fees.

Section 15. Representations and Warranties of Employee.

Employee represents and warrants as follows: (i) Employee has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with the Employee's undertaking a relationship with the Company; and (ii) that Employee has not entered into, nor will Employee enter into, any agreement (whether oral or written) in conflict with this Agreement.

Section 16. Miscellaneous.

(a) **Entire Agreement.** This Agreement and the exhibit attached hereto contain the entire understanding of the parties and supersede all previous contracts, arrangements or understandings, express or implied, between the Employee and the Company with respect to the subject matter hereof, including, without limitation, the Prior Employment Agreement. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement or in the attached exhibit.

(b) **Section Headings.** The section headings herein are for the purpose of convenience only and are not intended to define or limit the contents of any section.

(c) **Severability.** If any provision of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, the remainder of this Agreement shall be amended to provide the parties with the equivalent of the same rights and obligations as provided in the original provisions of this Agreement.

(d) No Oral Modification, Waiver Or Discharge. No provisions of this Agreement may be modified, waived or discharged orally, but only by a waiver, modification or discharge in writing signed by the Employee and such officer as may be designated by the Board of Directors of the Company to execute such a waiver, modification or discharge. No waiver by either party hereto at any time of any breach by the other party hereto of, or failure to be in compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the time or at any prior or subsequent time.

(e) Invalid Provisions. Should any portion of this Agreement be adjudged or held to be invalid, unenforceable or void, such holding shall not have the effect of invalidating or voiding the remainder of this Agreement and the parties hereby agree that the portion so held invalid, unenforceable or void shall, if possible, be deemed amended or reduced in scope, or otherwise be stricken from this Agreement to the extent required for the purposes of validity and enforcement thereof.

(f) Execution In Counterparts. The parties may sign this Agreement in counterparts, all of which shall be considered one and the same instrument.

(g) Governing Law And Performance. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts without giving effect to its principles on conflicts of laws.

(h) Successor and Assigns. This Agreement shall be binding on and inure to the benefit of the successors in interest of the parties, including, in the case of the Employee, the Employee's heirs, executors and estate. The Employee may not assign Employee's obligations under this Agreement.

(i) Notices. Any notices or other communications provided for hereunder may be made by hand, fax, email, first class mail or express courier services provided that the same are addressed to the party required to be notified at its address first written above, or such other address as may hereafter be established by a party by written notice to the other party. Notice shall be considered accomplished on the date delivered, faxed, emailed, first class mailed or express couriered.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement under seal as of the date and year first above written.

Company,
Pro-Pharmaceuticals, Inc.,

Employee,

By: /s/ Peter G. Traber
Name: Peter G. Traber, M.D.
Title: President and Chief Executive Officer

/s/ Eli Zomer
Eli Zomer, Ph.D.

SEPARATION AGREEMENT

This Separation Agreement (the "Agreement"), effective as of March 31, 2011 (the "Effective Date"), is by and between Pro-Pharmaceuticals, Inc. (the "Company") and Theodore D. Zucconi, Ph.D. (the "Employee" "You" or "Your"). For purposes of this Agreement, Company includes parent, subsidiary and affiliated entities, and the stockholders, trustees, directors, officers, agents and employees of the Company or such entities. Employee, You and/or Your includes heirs, spouse, legal representatives agents, estate, successors and assigns of the Employee.

This Agreement will serve as notice and confirm the voluntary termination of Your employment with the Company and the terms of the separation package offered to You. This Agreement shall supersede Your May 21, 2009 Employment Agreement ("Employment Agreement"), except as set forth herein. The purpose of this Agreement is to establish an amicable arrangement for ending our employment relationship, to provide You with separation benefits to assist You in transitioning to new employment, and to release each other from any claims that we may have against each other. In addition, the Company is agreeing herein to provide You with additional separation benefits which you acknowledge the Company is under no obligation to provide to You and which are in consideration for your specific release of any and all claims you may have under the Age Discrimination in Employment Act of 1967 (ADEA) and the Massachusetts Wage Act (MWA). With that understanding, You and the Company hereby agree as follows:

1. Termination

We have mutually agreed that for purposes of this Agreement the Termination Date shall be the close of business on the Effective Date first written above. Employee confirms that he is resigning from all positions and offices that he held with the Company (and all of its subsidiaries) as of the Effective Date, and is resigning as a member of the Board of Directors. The Company and the Employee hereby agree and acknowledge that Employee is voluntarily resigning from the Company and that his termination is Without Cause as set forth in paragraph 7 of the Employee's Employment Agreement.

2. Payments/Benefits upon Termination

- a. On your Termination Date, You will be paid or entitled to be paid the following regardless of whether You sign this Agreement:
 - i. The sum of \$ 0, which the Employee and Company hereby agree and acknowledge constitutes all salary and wages earned through Employee's Termination Date.
 - ii. The sum of \$27,084.00, which the Employee and Company hereby agree and acknowledge constitutes payment in full for all unused, vacation time accrued through Employee's Termination Date; and, if applicable, unused, accrued Personal Time Off.

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- iii. All unpaid reasonable and appropriate out-of-pocket expenses incurred by You prior to the Termination Date. Any such claim for expenses must be submitted to the Company by the close of business within seven (7) days of the Termination Date.
 - iv. The cost of shipping Your personal items from Massachusetts to Phoenix, Arizona not to exceed the sum of \$500.00. This sum shall be reimbursed to You within seven business days of your submission of appropriate invoices/receipts therefor.
- b. Following your Termination Date, You will not be entitled to participate in any Company-provided benefit programs or practices, including, but not limited to, the following:
- i. Vacation accrual;
 - ii. If applicable, Personal Time Off;
 - iii. Any equity and/or stock plan or program. In addition, please be advised that all vesting in any such plan shall cease as of the Termination Date, including any options described in paragraph 3(b)(iii) of Your Employment Agreement. Please see the Company's stock plan and your stock agreement(s) for applicable terms and conditions. You will not be subject to the provision to exercise within 90 (ninety) days of termination. An option agreement will be provided to You for all vested options within seven (7) days of the date of this agreement;
 - iv. Any benefits described in paragraph 3(b) (iii) through (ix) of Your Employment Agreement, to the extent You are entitled to but have not received the benefits as of the Termination Date; and
 - v. Ability to make any 401(k) contributions and entitlement to any Company matches.
- c. All amounts set forth in Section 2a.i. and 2a.ii are subject to any applicable federal, state and local deductions, withholdings, payroll and other taxes. Your existing equity grants shall continue to be governed under the Plans and granting agreements in effect as of the respective granting dates.

3. **Separation Benefits**

- a. You and the Company hereby acknowledge and agree that the enhanced benefits described in this Section 3 are being provided to You by the Company specifically in consideration of Your release of any and all claims under the Age Discrimination in Employment Act of 1967 (ADEA) and the Massachusetts Wage Act (MWA). In the event You opt to revoke Your release of any or all of Your Claims under the ADEA and/or the MWA, as provided in Section 5(e) below, You agree and represent that You fully understand that You will forfeit the

benefits to be provided to You as set forth in this paragraph 3; however, You acknowledge and agree that the remaining provisions of this Agreement, including the General Release of all claims in Section 4.a. below, with the exception only of any ADEA and MWA claims, will remain in force and effect.

- b. **Consulting Agreement:** The Company agrees to retain You as a consultant, and You agree to provide such consulting services that the Company may request, to include but not be limited to, developing the program for approval, marketing and sale of Davanat in Colombia and other South American or Latin American countries, developing business plans and manufacturing and business processes as determined by the then CEO of the Company. You will also continue to find investors to help fund the Company. Your Consulting Agreement shall commence on the eighth (8th) day following Your execution of this Agreement, provided that you do not exercise Your right of rescission/revocation prior thereto and shall continue until at least November 30, 2011. If Davanat is not approved for sale in Colombia by November 30, 2011, this consulting agreement may continue on a month-to-month basis thereafter, unless and until You are notified by the Company of its intention not to continue Your Consulting Agreement as specified below. If Davanat has been approved for sale in Colombia by November 30, 2011, this consulting agreement shall continue to the close of business on March 31, 2012 at which point it shall automatically terminate.

You will be compensated for such consulting services at a rate of \$13,333.00 per month. You will report directly to the chief executive officer. You agree that You may be asked to perform such services at the Company's Massachusetts office for up to 10 days per month, with all appropriately documented and pre-approved out-of-pocket costs including, without limitation, costs of travel paid by the Company. You will have use of the Company apartment in Waltham, Massachusetts when available during any time You are performing consulting services for the Company in Massachusetts at the Company's request.

You will have the title of Consultant/Director of Business Development and will take direction directly from the then CEO of the Company.

The Company will provide you with appropriate support and resources to accomplish registration in Columbia if the Company continues such registration.

If, on or before October 16, 2011, the Company notifies You in writing of its intention not to continue Your consulting agreement past November 30, 2011 should Davanat not be approved for sale in Colombia by November 30, 2011 and Davanat is not approved for sale in Colombia by November 30, 2011, then in that event, Your consulting agreement shall end at the close of business on November 30, 2011. Should the Company fail to so notify You, Your Consulting Agreement will continue for consecutive monthly periods unless, at least fifteen (15) calendar days prior to the commencement of any month, the Company notifies You in writing of its intention not to continue Your Consulting Agreement. In that event, Your Consulting Agreement shall end at the end of the

month following the month in which notification is received by You. In any event, if approval to market Davanat in Colombia is not obtained by December 31, 2011 and Your consulting agreement has not been terminated by that date, Your Consulting Agreement shall end on that date automatically without notice.

To the extent that the Company continues to maintain insurance with respect to (i) officers' and directors' liability, (ii) errors and omission and/or (iii) general liability insurance, and to the extent permitted by any of such policies, You shall be covered by such insurance to the same extent as senior executives of the company as if you were employed by the Company during the term of Your Consulting Agreement. During the term of Your Consulting Agreement, you will also be covered by any indemnification rights set forth in the Articles of Organization and By-Laws of the Company to the same extent as officers of the Company are.

- c. **Bonus Payment Agreement.** The Company will pay you a bonus based on the actual receipts of the Company's portion of gross revenues from sales of Davanat in Colombia or other Latin and South American countries and for licensing fees obtained from Pro-Caps or other third parties, for agreement to market Davanat in Latin and South American countries other than Colombia. The total amount of actual gross revenue from licensing fees and sales will be determined as of June 30, 2012, and You will be paid a bonus equal to 1% of the total gross sales and fees actually received by the Company on or before June 30, 2012. This bonus will be paid by July 31, 2012. You will not be entitled to any further bonus(es) on the sales of Davanat subsequent to June 30, 2012.
- d. In addition to any vested options or warrants currently held by You, on the eighth (8th) day following Your execution of this Agreement, provided that you do not exercise Your right of rescission/revocation prior thereto, the Company will issue You 300,000 options to purchase common stock, which options are not exercisable by You unless the options vest while You are still employed as a consultant for the Company under the Consulting Agreement described in Paragraph 3.b herein. The options will be issued under the Company's 2009 Incentive Compensation Plan (or any successor option plan that may be approved by the board to replace the 2009 Incentive Compensation Plan) (the "Plan"), will have an exercise price that is the lowest permissible exercise price under the Plan for a person of your status determined as of the date the options are issued, shall have a term of 7 years from the date of grant, and shall be exercisable on a cash-basis only. The options will be subject to the following vesting schedule:
 - i. 100,000 options will vest upon clinical and technical approval of Davanat in Columbia and a signed contract with Pro-Caps to market and sell Davanat in Columbia.
 - ii. 100,000 options will vest upon clinical and technical approval of Davanat in each of a maximum of two other Latin or South American countries and a signed contract with Pro-Caps or other third party to market and sell Davanat in that country.

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- e. Health Benefits: Following (and subject to the occurrence of) the Termination Date, the Company shall, at its expense not to exceed \$1,000 per month, continue to reimburse you for health and dental insurance group benefits that are comparable to those provided to You and Your family as of the Termination Date until the first to occur of (i) the twenty-four (24) month anniversary of the Termination Date or (ii) the date You and Your family become eligible to receive health and dental insurance benefits under the plans of Your subsequent employer. This period will be reduced to twelve (12) months in the event You opt to revoke the Agreement under Section 5(e). You agree to immediately notify the Company upon the commencement of Your employment with a subsequent employer whereby You are eligible to receive medical/dental benefits and to provide the Company with a complete copy of the health and dental benefit coverages offered to You by Your new employer.
- f. The Company shall pay reasonable legal fees not to exceed \$3,500 in the aggregate, incurred in negotiating and preparing this Agreement.
- g. Except as set forth above, all other benefits, including but not limited to Company paid disability and life insurance, shall cease as of the Termination Date. All stock options or restricted stock grants shall continue to be governed exclusively under the terms of the Plans and granting agreements under which such grants were originally made to you.
- h. Section 409A: You and the Company agree that the payment schedule for any payments described in this Section 3 may be adjusted as necessary to avoid the application of the provisions of Section 409A of the Internal Revenue Code of 1986, as amended, ("Section 409A"), provided that no such adjustment shall result in either a decrease of any benefit or payment contemplated herein, nor an increase in the cost of providing such payment or benefit. For example, if at the time of Your separation from service, You are a "specified employee," as hereinafter defined, any and all amounts payable under this Section 3 in connection with such separation from service that constitute deferred compensation subject to Section 409A, as determined by the Company in its sole discretion, and that would (but for this sentence) be payable within six months following such separation from service, shall instead be paid on the date that follows the date of such separation from service by six (6) months. For purposes of the preceding sentence, "separation from service" shall be determined in a manner consistent with subsection (a)(2)(A)(i) of Section 409A and the term "specified employee" shall mean an individual determined by the Company to be a specified employee as defined in subsection (a)(2)(B)(i) of Section 409A. This Agreement will be interpreted and administered in accordance with the applicable requirements of, and exemptions from, Section 409A in a manner consistent with Treas. Reg. § 1.409A-1(c). To the extent payments and benefits are subject to Section 409A, this Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of (i) Section 409A(a)(2), (3) and (4), (ii) Treas. Reg. § 1.409A-1, *et seq.*, and (iii) transitional relief under IRS Notice 2007-86, and (iv) other applicable authority issued by the Internal Revenue Service and the U.S. Department of the Treasury.

All payments set forth in this Section 3 shall be subject to any applicable federal, state and/or local deductions, withholdings, payroll and other taxes.

You will only be entitled to the payments and benefits described above and to no other payments or benefits. You acknowledge that the payments and benefits described in Section 3(a), (b) and (e) above represent valuable consideration in excess of that to which you might otherwise be entitled by reason of Your employment by and termination from employment with the Company.

4. **General Release of All Claims, Covenant Not to Sue, Indemnification, Representations and Warranties**

a. **Employee's General Release of All Claims, Covenant Not to Sue and Indemnification**

In exchange for the Separation Benefits described in Section 3 above, which You agree You are not entitled to otherwise receive, You and Your representatives, agents, estate, heirs, successors and assigns (collectively "You") voluntarily agree to release and discharge the Company and its parents, affiliates, subsidiaries, successors, assigns, plan sponsors and plan fiduciaries (and the current and former trustees, officers, directors, shareholders, employees, and agents of each of the foregoing, individually, in their capacity acting on the Company's behalf, and in their official capacities) (collectively "Releasees") generally from all claims, demands, actions, suits, damages, debts, judgments and liabilities of every name and nature, whether existing or contingent, known or unknown, suspected or unsuspected, in law or in equity in connection with Your employment by and/or termination from the Company, arising on or before the Effective Date. This General Release is intended by You to be all encompassing and to act as a full and total release of any claims You may have or have had against the Releasees from the beginning of Your employment with the Company to the Effective Date of this Agreement, including but not limited to all claims in contract (whether written or oral, express or implied), tort, equity and common law; any claims for wrongful discharge, breach of contract, or breach of the obligation of good faith and fair dealing; and/or any claims under any local, state or federal constitution, statute, law, ordinance, bylaw, or regulation dealing with either employment, employment discrimination, retaliation, mass layoffs, plant closings, and/or employment benefits and/or those laws, statutes or regulations concerning discrimination on the basis of race, color, creed, religion, age, sex, sexual harassment, sexual orientation, national origin, ancestry, handicap or disability, veteran status or any military service or application for military service or any other category protected by law, including (1) any and all claims alleging violations of the M.G.L. c. 149 (the Massachusetts Wage Act) and M.G.L. c. 151B (the Massachusetts

Anti-Discrimination Law) including without limitation all claims for past wages, overtime, bonuses, commissions, vacation and/or other benefits claimed to be due and owing Executive and any claim for retaliation; (2) any and all claims alleging violations of the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq.; (3) any and all claims alleging violations of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq.; (4) any and all claims alleging violations of The Family and Medical Leave Act, 29 U.S.C. § 2601, et seq.; (5) any and all claims alleging violations of the Age Discrimination in Employment Act, 29 U.S.C. § 621, et seq.; (6) any and all claims alleging violations of the Fair Labor Standards Act, 29 U.S.C. § 29 U.S.C. 201, et seq.; (7) any and all claims alleging violations of the Executive Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001, et seq., for entitlement to unvested benefits; (8) the Rehabilitation Act, 29 U.S.C. § 701 et seq.; (9) the Equal Pay Act; the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.; (10) the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 et seq.; and (11) any and all claims alleging violations of any other local, state or federal law, regulation or ordinance or pursuant to any common law theory of tort or contract, all as may have been amended; and any federal, state or local law or regulation concerning securities, stock or stock options, including without limitation any claims that might be brought under the Sarbanes-Oxley Act or other federal or state whistleblower protection statutes.

- (i) You expressly agree and understand that this is a General Release, and that any reference to specific Claims arising out of or in connection with Your employment and/or its termination is not intended to limit the release of Claims. You expressly agree and understand this General Release means that You are releasing, remising and discharging the Releasees from and with respect to all Claims, whether known or unknown, asserted or unasserted, and whether or not the Claims arise out of or in connection with Your employment and/or its termination, or otherwise.
- (ii) You not only release and discharge the Releasees from any and all claims as stated above that You could make on Your own behalf or on the behalf of others, but also those claims that might be made by any other person or organization on Your behalf and You specifically waive any right to recover any damage awards as a member of any class in a case in which any claims against the Releasees are made involving any matters arising out of Your employment with and/or termination of employment with the Company.
- (iii) You agree that the payments and benefits set forth in Section 3 of this Agreement, together with payments and benefits the Company previously provided to You, are complete payment, settlement, accord and satisfaction with respect to all obligations and liabilities of the Releasees to You, and with respect to all claims, causes of action and damages that

could be asserted by You against the Releasees regarding Your employment or separation from employment with the Company, including, without limitation, all claims for wages, salary, commissions, draws, car allowances, incentive pay, bonuses, business expenses, vacation, stock, stock options, severance pay, attorneys' fees, compensatory damages, exemplary damages, or other compensation, benefits, costs or sums.

- (iv) Any of the above to the contrary notwithstanding, this General Release is not intended to release any rights or obligations You have pursuant to the terms of this Separation Agreement or Your rights to enforce any provisions hereof.

b. Employee Representations and Warranties

- (i) You represent and warrant that You have not filed or raised any external complaint, claim, charge, action, or proceeding against any of the Releasees in any jurisdiction or forum related to any claims or matters released in this Section 4, including without limitation, any complaint that might fall under the Sarbanes-Oxley Act or any other federal or state whistleblower protection act, and that You will not file any complaint or institute any legal proceedings against the Company or any of the other Releasees relating to or arising from any act or omission occurring at any time up through the date of the execution of this Agreement. You further agree that You will not directly or indirectly solicit or encourage any other individual to assert any claims against the Company or any of the other Company Releasees. You further represent and warrant that, to the best of Your knowledge, You have shared all facts or information in your possession with the Board of Directors and/or its committees relating to the Company's preparation of its quarterly and annual financial statements and its internal controls and procedures, and that you will cooperate with any reasonable request by the Board and/or its committees and any outside advisors relating to any review of the same.
- (ii) You represent that, in connection with this Agreement, you are releasing your claims against the Company and its officers, directors, and agents arising out of the events leading to Your voluntary termination from employment.
- (iii) You also represent and warrant that You (1) have no personal knowledge of any facts or circumstances that would give you reason to believe that any of the Company's previously filed financial or disclosure statements or certifications are incorrect or inaccurate; and (2) have no personal knowledge of any facts or circumstances not previously communicated to the Company's Board of Directors or its Audit Committee that you believe should be investigated by the Company, the Board of Directors or the Audit Committee of the Board.

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- (iv) You also represent and warrant that You have received any family and/or medical leaves to which You were entitled during Your employment, have not been retaliated or discriminated against because You took a family or medical leave or any leave protected by law or for any other reason, and have not suffered any on-the-job injury for which You have not already filed a claim.
 - (v) You represent to the Company that You are not in breach of the confidentiality or non-competition provisions of the Employment Agreement.
 - (vi) Nothing herein is intended to affect or limit in any fashion Your right to indemnification of and from any cost, expense or damages, including advancement of defense costs, arising from any third-party claims arising out of your service as an officer of the Company, it being the intention of the Company that You receive the same protections afforded to other officers, directors and former officers and directors of the Company under the By-Laws of the Company. The Company agrees not to amend or revise the By-Laws in the future so as to limit the scope of, or deny, the indemnification protections afforded to You under the current By-Laws.

c. Effect of Employee Breach of General Release, Covenant Not to Sue and Indemnification and/or Representations and Warranties Provisions

Should You violate any of the provisions of the Employee's General Release of All Claims, Covenant Not to Sue and Indemnification set forth in paragraph 4.a. above or should you have misrepresented any of the representations or breached any of the warranties contained in the Employee's Representations and Warranties set forth in paragraph 4.b. above, the provisions of 4.d. below shall immediately become null and void and of no force and effect for any period of time as if said paragraph 4.d. never existed and You shall be subject to any and all actions, causes of action, suits of every kind as to any and all claims of whatever kind or nature, from the beginning of the world to the date hereof, whether known or unknown, suspected or unsuspected, in law or in equity, ripened or unripened, which the Company now owns or holds or has at any time previously owned or held or had against You along with all claims for anything which occurs following the execution of this Agreement. In addition, You hereby agree to indemnify and hold harmless the Company and all other Releasees of and from any damages, judgments, fines, attorneys' fees and costs incurred by the Company and/or any other Releasee as a result of any violation, misrepresentation or breach of warranty by You.

d. Company's General Release of All Claims, Covenant Not to Sue and Indemnification

- i. In consideration of Your General Release of All Claims and Covenant Not to Sue, the Company hereby agrees for itself and its past and present executives, officers, directors, agents, representatives, insurers, subsidiaries, parents, affiliates, successors and assigns (jointly the "Company Releasers"), to release and forever discharge You and Your attorneys, agents, heirs, executors, administrators, successors and assigns (jointly the "Employee Releasees") from any and all actions, causes of action, suits of every kind as to any and all claims of whatever kind or nature, from the beginning of the world to the date hereof, whether known or unknown, suspected or unsuspected, in law or in equity, ripened or unripened, which the Company Releasers now own or hold or have at any time previously owned or held or had against the Employee Releasees, including specifically, but not limited to (1) for, upon, or by reason of any cause, matter, or thing arising out of, in connection with, or in any way related to Your employment relationship with the Company; (2) any matters arising between the Employee Releasees and the Company Releasers; (3) any and all claims arising out of, relating to, or concerning, directly or indirectly, the preparation, signing or filing of incorrect, inaccurate or false reports, including without limitation SEC Forms 8-K, 10-K or 10-Q; (4) any and all rights or claims arising out of, relating to or concerning, violations of any policy of the Company or local, state or federal statute, regulation or ordinance or pursuant to any common law theory of tort or contract; and (5) any right or claim the Company Releasers may have to void, or contest the Company's obligation to indemnify and defend You for any matter arising out of, relating to, or concerning, directly or indirectly, any act or omission by You.
- ii. The Company hereby represents that the Company Releasers, individually or jointly, have not filed any complaint or instituted any legal proceedings against You or any of the Employee Releasees in any court or local, state, federal or regulatory agency and that the Company Releasers, individually or jointly, will not file any complaint or institute any legal proceedings against You or any of the Employee Releasees concerning, relating to or arising from any claims released by the Company Releasers pursuant to this Agreement, including without limitation any act or omission occurring at any time up through the date of the execution of this Agreement. The Company further agrees that it will not directly or indirectly solicit or encourage any other individual to assert any claims against You or any other of Employee Releasees. The Company further represents, warrants and agrees that it will not act in any way or take any steps to avoid or be relieved from its obligation to indemnify and/or defend You or any of the Employee Releasees for any matter arising out of, relating to, or concerning any act or omission of Executive occurring at any time up through the date of the execution of this Agreement.

e. Effect of Company Breach of General Release, Covenant Not to Sue and Indemnification and/or Representations and Warranties Provisions

Should the Company violate any of the provisions of the Company's Employee's General Release of All Claims, Covenant Not to Sue and Indemnification set forth in paragraph 4.d. above, the provisions of 4.a. above shall immediately become null and void and of no force and effect for any period of time as if said paragraph 4.a. never existed and the Company shall be subject to any and all actions, causes of action, suits of every kind as to any and all claims of whatever kind or nature, from the beginning of the world to the date hereof, whether known or unknown, suspected or unsuspected, in law or in equity, ripened or unripened, which You now own or hold or have at any time previously owned or held or had against the Company along with all claims for anything which occurs following the execution of this Agreement. In addition, the Company hereby agrees to indemnify and hold You harmless of and from any damages, judgments, fines, attorneys' fees and costs incurred by You as a result of any violation by the Company of any of the provisions of the Company's Employee's General Release of All Claims, Covenant Not to Sue and Indemnification set forth in paragraph 4.d. above.

5. Waiver of Rights and Claims under the Age Discrimination In Employment Act of 1967 and the Massachusetts Wage Act

Since You are 40 years of age or older and employed in the Commonwealth of Massachusetts, you are being informed that You have or may have specific rights and/or claims under the Age Discrimination in Employment Act of 1967 (ADEA) and, if paid less in wages than the contract rate under Your Employment Agreement, You may have claims under the Massachusetts Wage Act (MWA). Accordingly, you agree that:

- a. in consideration for the amounts described in Section 3 of this Agreement allocated to Your release of any age-related claims and Wage Act claims, which You are not otherwise entitled to receive, You specifically and voluntarily waive such rights and/or claims under the ADEA and MWA you might have against the Company and all other Company Releasees to the extent such rights and/or claims arose prior to the Effective Date;
- b. You understand that rights or claims under the ADEA MWA which may arise after the Effective Date are not waived by You;
- c. You are advised to consult with or seek advice from an attorney of Your choice or any other person of Your choosing before executing this Agreement; You also are advised that you have 21 days to review this Agreement and consider its terms before signing it and that such 21-day review period will not be affected or extended by any revisions, whether material or immaterial, that might be made to this Agreement;
- d. in entering into this Agreement You are not relying on any representation, promise or inducement made by the Company or its attorneys with the exception of those promises described in this document; and

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- e. You may revoke your release of any and all age related claims under the ADEA and/or wage claims under the MWA as set forth in this Agreement for a period of seven (7) days following Your execution hereof. All rights and obligations of both parties under this Agreement, that do not relate to age related claims under the ADEA or wage claims under the MWA, shall become effective and enforceable upon execution of the Agreement. In the event you opt to revoke the Agreement with respect to Your release of any and all age related claims under the ADEA and/or wage claims under the MWA during the 7 day period, the revocation will apply only to age related claims and wage claims. In such event, You will not receive any of the enhanced separation benefits specified in Section 3 above, and the Company will not be prohibited from bringing any and all actions against You for indemnification and/or contribution in connection with any claims made against the Company for acts or omissions occurring during your tenure as CEO or acting CEO of the Company or from bringing any or all counterclaims of any kind or nature against You should You bring any ADEA or MWA claims against the Company. The remaining provisions of this Agreement, however, shall remain in full force and effect, including, without limitation, Your release of all other claims against the Company and other Company Releasees as defined in paragraph 4 above. For such a revocation to be effective, it must be delivered so that the Company receives it at or before the expiration of the seven (7) day revocation period. Otherwise, the Agreement will become fully enforceable, including, without limitation, Your release of all age related and wage claims, on the 8th day following your signature.

6. **Confidentiality**

You acknowledge and agree that You remain bound by the confidentiality provisions of the Employment Agreement and in the the Confidentiality Agreement executed by Zucconi and Pro-Pharmaceuticals, July 11, 2007 and referenced in said Employment Agreement. These provisions are expressly incorporated herein by reference, except to the extent disclosure of confidential information (as defined in the Employment Agreement) is expressly permitted by this Agreement.

7. **Employment Covenants**

You acknowledge and agree that the provisions of Paragraphs 10,12, 13, 14, 15, 16, 17 and 18 of the Employment Agreement are expressly incorporated herein by reference and shall survive the execution of this Agreement and the termination of Your Employment Agreement, and that you will remain bound by such provisions following the execution of this Agreement.

8. **Non-disparagement**

You agree that you will not make statements or representations, or otherwise communicate, directly or indirectly, in writing, orally, or otherwise, or take any action which may, directly or indirectly, disparage the Company or any Company Releasee. The Company agrees that it will not make statements or representations, or otherwise communicate, directly or indirectly, in writing, orally, or otherwise, or take any action which may directly or indirectly, disparage You or Your reputation. Notwithstanding the foregoing, nothing in this Agreement shall preclude either You or the Company from making truthful statements or disclosures that are required by applicable law, regulation, or legal process.

9. **No Other Agreements**

This Agreement constitutes the entire agreement regarding the subject matters herein, including, without limitation, the termination of Your employment with the Company, the mutual general release of all claims and covenants not to sue, Your continuing work for the Company as a paid consultant and the provision of separation benefits. This Agreement supersedes all prior agreements between the Company and You, except to the extent any provision of the Employment Agreement is expressly incorporated herein.

10. **Sale of Shares**

You agree that You will not sell any securities in the Company until after the date that You are no longer required to report the sale of the shares in a filing with the Securities and Exchange Commission ("Reporting Termination Date"), including without limitation under Sections 13 or 16 of the Securities Exchange Act of 1934.

You further agree that, until the Reporting Termination Date, You will not loan or pledge any securities of the Company owned by You as collateral for any indebtedness, including margin indebtedness. In addition, You agree that, currently and for a period of one year from the date of termination of Your Consulting Agreement, You will not short the company's shares nor loan any securities of the Company owned by You to a short seller, or permit any custodian of such securities to loan them to a short seller.

You hereby confirm and acknowledge that the Company is not encouraging You to transfer any of Your shares of stock in the Company or expressing any opinion with respect to the legality of any transfer of shares by You. You further confirm and acknowledge that the Company is not providing You with any advice with respect to the legality of any transfer of shares by You or any of the taxation ramifications thereof and that You alone are responsible for obtaining independent professional advice with respect thereto by professionals of Your own choosing. You further hereby acknowledge that You will be solely responsible for any taxes due and owing from Your actions and for the defense of any actions taken against you with respect to any such transfer(s).

11. **Future Cooperation**

You agree to cooperate with any reasonable request by the Company in connection with any matter with which you were involved or any existing or potential claim, investigation, administrative proceeding, lawsuit or other legal or business matter that arose during Your employment by the Company; provided, however, that such future cooperation shall not unreasonably interfere with Your subsequent employment. The Company shall pay, or reimburse You for, all reasonable out-of-pocket expenses, including but not limited to travel expenses, incurred by You in connection with any requests by the Company for your cooperation under this paragraph 11, provided that such expenses are directly related to such requests for cooperation.

12. **Other Provisions**

- a. This Agreement shall not in any way be construed as an admission by either party of any liability or any act of wrongdoing.
- b. This Agreement is a legally binding document and Your signature will commit You to its terms. You represent that You have obtained legal advice in connection with this Agreement. You acknowledge that You have had an opportunity to thoroughly discuss all aspects of this Agreement with Your attorney, that You have carefully read and fully understand all of the provisions of this Agreement and that You voluntarily enter into this Agreement.
- c. This Agreement shall be binding upon the Company and You and upon its/Your respective heirs, administrators, representatives, executors, successors and assigns.
- d. You agree that each provision of this Agreement is severable and should any such provision be determined by a court of competent jurisdiction or administrative agency to be illegal or invalid, the validity of the remaining provisions shall not be affected and the illegal or invalid provisions shall be deemed not to be a part of this Agreement. However, should the any of the Release provisions in paragraph 4 of this Agreement be declared or determined by a court of competent jurisdiction or administrative agency to be illegal or invalid, the Company shall be entitled to demand immediate repayment, and you will immediately return the enhanced severance benefits, i.e., those which would not be due You but for the execution of this Agreement, paid under this Agreement. In addition, the Company's release, covenant not to sue and indemnification of You shall be amended to void reciprocal terms.
- e. This Agreement may not be amended, revoked, changed, or modified except upon a written agreement executed by both parties.
- f. This Agreement will be interpreted and enforced under the laws of Massachusetts without giving effect to its principles on conflict of laws. In the event of a dispute arising under this Agreement, You agree that all such matters shall be submitted to binding arbitration. The binding arbitration shall be administered by the American Arbitration Association under its Commercial Arbitration Rules. The arbitration shall take place in Boston, Massachusetts. A single Arbitrator shall be selected, and the Arbitrator shall have no authority to add to, alter, amend or refuse to enforce any portion of the Agreement. You and the Company hereby waive any and all rights to a jury trial. The Company will bear 70% of the cost of AAA fees and fees for the Arbitrator and you will bear 30% of such costs. The parties will be responsible for their own legal costs.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement under seal as of the date and year first above written.

Company,
Pro-Pharmaceuticals, Inc.,

Employee,

By: /s/ Peter Traber
Name: Peter Traber, M.D.
Title: President & CEO

Theodore D. Zucconi
Theodore D. Zucconi, Ph.D.

IF YOU DO NOT WISH TO USE THE 21-DAY PERIOD,
PLEASE CAREFULLY REVIEW AND SIGN THIS DOCUMENT

I, Theodore D. Zucconi, Ph.D., acknowledge that I was informed and understand that I have 21 days within which to consider the attached Agreement, have been advised of my right to consult with an attorney regarding such Agreement and have considered carefully every provision of the Agreement, and that after having engaged in those actions, I prefer to and have requested that I enter into the Agreement prior to the expiration of the 21 day period.

Dated: March 31, 2011

/s/ Theodore D. Zucconi
Theodore D. Zucconi, Ph.D.