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

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**FORM 8-K**

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**CURRENT REPORT**

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

**October 5, 2007**

**Date of Report (Date of earliest event reported)**

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**PRO-PHARMACEUTICALS, INC.**

(Exact Name of Registrant as Specified in Charter)

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**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)

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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))
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**Item 1.01. Entry into a Material Definitive Agreement.**

On October 8, 2007, in connection with a private placement of our securities, we entered into a Securities Purchase Agreement and a Registration Rights Agreement with David Platt, Ph.D., our Chief Executive Officer, the initial purchaser of the offered securities, who purchased 100,000 Units of offered securities for \$100,000 in a transaction exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The terms of the Purchase Agreement describe the offered securities as a unit (a "Unit"), priced at \$1.00 per Unit, comprised of (i) one share of our Series A 12% Convertible Preferred Stock (the "Preferred Stock"); (ii) a Common Stock Purchase Warrant exercisable for \$1.50 to purchase one share of our common stock (the "Common Stock"); and (iii) a Common Stock Purchase Warrant exercisable for \$2.00 to purchase one share of our common stock. The terms of the Preferred Stock are described in Item 5.02 of this report.

Each warrant is exercisable solely for cash beginning 181 days after, and until the fourth anniversary of, its issue date. The exercise price of each warrant is adjustable in the event of a stock split or stock combination, capital reorganization or similar event, or a merger, sale of substantially all our stock or assets or other business combination in which our company is not the surviving entity. Under the Registration Rights Agreement, we agreed to file a registration statement with the SEC within 6 months after the closing of the offering in order to register the resale of the shares of Common Stock issuable upon conversion of the Preferred Stock and exercise of the warrants.

The foregoing summary is qualified in its entirety by reference to, as applicable, the Securities Purchase Agreement, the Registration Rights Agreement and the Common Stock Purchase Warrants, which are attached hereto as Exhibits 10.1, 10.2, 10.3 and 10.4, respectively, to this report and incorporated herein by reference.

**Item 3.02. Unregistered Sales of Equity Securities.**

The disclosure provided in Item 1.01 of this report is hereby incorporated by reference into this Item 3.02. On October 8, 2007 we issued and sold 100,000 Units of offered securities for \$100,000 in a transaction exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The terms of conversion of the Preferred Stock and exercise rights of the warrants that comprise the Units described in Item 5.03 and Item 1.01, respectively, of this report are incorporated by reference into this Item 3.02. The offer and sale of the securities described in Item 1.01 was made to an "accredited investor," as defined in Rule 501 under the Securities Act, in reliance on the exemption from registration provided by Section 4(2) of the Securities Act.

**Item 5.03. Amendments to Articles of Incorporation; Change in Fiscal Year**

For purposes of the private placement of securities disclosed in Items 1.01 and 3.02 of this report, our Board of Directors by resolution effective as of October 5, 2007 designated 5,000,000 shares of our undesignated capital stock as "Series A 12% Convertible Preferred Stock." We filed a "Certificate of Designation of Preferences, Rights and Limitations of Series A 12% Convertible Preferred Stock" with the Nevada Secretary of State on October 5, 2007. The Certificate of Designation, among other things, provides that: (i) the Preferred Stock accrues interest at 12% per annum payable, at our option, in cash or shares of Common Stock valued per share at the higher of \$1.00 or 100% of the value weighted average price of our shares of Common Stock for the 20 consecutive trading days prior to the applicable dividend payment date; (ii) each share of Preferred Stock is entitled to one vote on matters presented to stockholders for action; (iii) each share of the Preferred Stock is convertible any time at the option of the holder to one share of Common Stock, subject to adjustment in the event of a stock dividend, stock split or combination, reclassification or similar event; and (iv) we have the right to require conversion if the closing price of the Common Stock exceeds \$3.00 for 15 consecutive trading days and a registration statement covering the resale of the shares of Common Stock issuable upon such mandatory conversion is then in effect.

The foregoing summary is qualified in its entirety by the Certificate of Designation of Preferences, Rights and Limitations of Series A 12% Convertible Preferred Stock which is filed as Exhibit 3.2 to this report and incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.**

- (a) *Financial Statements of Businesses Acquired.*  
Not applicable.
- (b) *Pro Forma Financial Information.*  
Not applicable.
- (c) *Shell Company Transactions.*  
Not applicable.
- (d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
3.1	Articles of Organization (filed as Exhibit 3.1 to Form 10-SB filed on June 6, 2001 (file no. 000-32877) and incorporated herein by reference).
3.2	Certificate of Designation of Preferences, Rights and Limitations of Series A 12% Convertible Preferred Stock.
10.1	Form of Securities Purchase Agreement
10.2	Form of Registration Rights Agreement
10.3	Form of Common Stock Purchase Warrant (\$1.50 exercise price)
10.4	Form of Common Stock Purchase Warrant (\$2.00 exercise price)

**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/ Anthony Squeglia

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Anthony Squeglia  
Chief Financial Officer

Date: October 8, 2007

## EXHIBIT INDEX

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**PRO-PHARMACEUTICALS, INC.**  
**CERTIFICATE OF DESIGNATION OF PREFERENCES,**  
**RIGHTS AND LIMITATIONS**  
**OF**  
**SERIES A 12% CONVERTIBLE PREFERRED STOCK**

PURSUANT TO SECTION 78.56 OF THE  
NEVADA GENERAL CORPORATION LAW

The undersigned, David Platt and Maureen Foley, do hereby certify that:

1. They are the President and Secretary, respectively, of Pro-Pharmaceuticals, Inc., a Nevada corporation (the "Corporation").
2. The Corporation is authorized to issue 10,000,000 shares of preferred stock, of which none have been issued prior to the date hereof.
3. The following resolutions were duly adopted by the Board of Directors:

WHEREAS, the Articles of Incorporation of the Corporation provides for a class of its authorized stock known as preferred stock, comprised of 5,000,000 shares, \$0.01 par value, issuable from time to time in one or more series;

WHEREAS, the Board of Directors of the Corporation is authorized to fix the dividend rights, dividend rate, voting rights, conversion rights, rights and terms of redemption and liquidation preferences of any wholly unissued series of preferred stock and the number of shares constituting any series and the designation thereof, of any of them; and

WHEREAS, it is the desire of the Board of Directors of the Corporation, pursuant to its authority as aforesaid, to fix the rights, preferences, restrictions and other matters relating to a series of the preferred stock, which shall consist of, except as otherwise set forth in the Purchase Agreement, up to 5,000,000 shares of the preferred stock which the corporation has the authority to issue, as follows:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby provide for the issuance of a series of preferred stock for cash or exchange of other securities, rights or property and does hereby fix and determine the rights, preferences, restrictions and other matters relating to such series of preferred stock as follows:

## TERMS OF PREFERRED STOCK

**Section 1. Definitions.** Capitalized terms used and not otherwise defined herein that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement. For the purposes hereof, the following terms shall have the following meanings:

“Commission” means the Securities and Exchange Commission.

“Common Stock” means the Corporation’s common stock, par value \$0.01 per share, and stock of any other class of securities into which such securities may hereafter have been reclassified or changed into.

“Conversion Amount” means the sum of the Stated Value at issue.

“Conversion Date” shall have the meaning set forth in Section 5(d)(iii).

“Conversion Price” shall have the meaning set forth in Section 5(b).

“Conversion Shares” means, collectively, the shares of Common Stock into which the shares of Preferred Stock are convertible in accordance with the terms hereof.

“Conversion Shares Registration Statement” means a registration statement that meets the requirements of the Registration Rights Agreement and registers the resale of all Conversion Shares by the Holder, who shall be named as a “selling stockholder” thereunder, all as provided in the Registration Rights Agreement.

“Dividend Payment Date” shall have the meaning set forth in Section 3(a).

“Effective Date” means the date that the Conversion Shares Registration Statement is declared effective by the Commission.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Holder” means a holder of Preferred Stock.

“Mandatory Conversion Date” shall have the meaning set forth in Section 5(d)(ii).

“Massachusetts Courts” shall have the meaning given such term in Section 7(c).

“Notice of Conversion” shall have the meaning given such term in Section 5(a).

“Original Issue Date” shall mean the date of the first issuance of any shares of the Preferred Stock regardless of the number of transfers of any particular shares of Preferred Stock and regardless of the number of certificates which may be issued to evidence such Preferred Stock.

“Person” means a corporation, an association, a partnership, an organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

“Preferred Stock” shall have the meaning given such term in Section 2.

“Purchase Agreement” means the Securities Purchase Agreement to which the Corporation and the original Holders are parties, as amended, modified or supplemented from time to time in accordance with its terms.

“Registration Rights Agreement” means the Registration Rights Agreement, dated as of the date of the Purchase Agreement, to which the Corporation and the original Holder are parties, as amended, modified or supplemented from time to time in accordance with its terms.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Share Delivery Date” shall have the meaning given such term in Section 5(e)(i).

“Stated Value” shall have the meaning given such term in Section 2.

“Trading Day” means a day on which the Common Stock is traded on a Trading Market.

“Trading Market” means any one of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the Nasdaq SmallCap Market, the American Stock Exchange, the New York Stock Exchange, the Nasdaq National Market or the OTC Bulletin Board.

“Voluntary Conversion Date” shall have the meaning set forth in Section 5(a).

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market (other than the OTC Bulletin Board), the daily volume weighted average price of the Common Stock for such date (or the nearest

preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg Financial L.P. (based on a Trading Day from 9:30 a.m. Eastern Time to 4:02 p.m. Eastern Time); (b) if the Common Stock is not then listed or quoted on a Trading Market (other than the OTC Bulletin Board) and if prices for the Common Stock are then quoted on the OTC Bulletin Board, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board; (c) if the Common Stock is not then listed or quoted on the OTC Bulletin Board and if prices for the Common Stock are then reported in the "Pink Sheets" published by the Pink Sheets, LLC (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers and reasonably acceptable to the Corporation.

**Section 2. Designation, Amount and Par Value.** The series of preferred stock shall be designated as its Series A 12% Convertible Preferred Stock (the "Preferred Stock") and the number of shares so designated shall be up to 5,000,000. Each share of Preferred Stock shall have a par value of \$0.01 per share and a stated value equal to \$1.00 (the "Stated Value"). Capitalized terms not otherwise defined herein shall have the meaning given such terms in Section 1 hereof.

**Section 3. Dividends.** Holders shall be entitled to receive, and the Corporation shall pay, cumulative dividends at the rate per share (as a percentage of the Stated Value per share) of 12% per annum, payable in arrears semi annually on March 30 and September 30, beginning with the first such date after the Original Issue Date, (except that, if such date is not a Trading Day, the payment date shall be the next succeeding Trading Day) ("Dividend Payment Date"), which dividends shall be payable at the Corporation's option either in cash or in duly authorized, fully paid and non-assessable shares of Common Stock valued at the higher of (i) \$1.00 per share or (ii) 100% of the average of the VWAPs for the 20 consecutive Trading Days ending on the Trading Day that is immediately prior to the Dividend Payment Date. Dividends on the Preferred Stock shall be calculated on the basis of a 360-day year, shall accrue daily commencing on the Original Issue Date, and shall be deemed to accrue from such date whether or not earned or declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. Except as otherwise provided herein, if at any time the Corporation pays dividends partially in cash and partially in shares, then such payment shall be distributed ratably among the Holders based upon the number of shares of Preferred Stock held by each Holder. At any time the Corporation delivers a notice to the Holders of its election to pay the dividends in shares of Common Stock, the Corporation shall, if necessary, file a prospectus supplement pursuant to Rule 424 disclosing such election.

**Section 4. Voting Rights.** On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each Holder shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such Holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of the Certificate of Designation, Holders of Preferred Stock shall vote together with the holders of Common Stock as a single class.

**Section 5. Conversion.**

a) **Conversions at Option of Holder.** Each share of Preferred Stock shall be convertible into that number of shares of Common Stock determined by dividing the Stated Value of such share of Preferred Stock by the Conversion Price, at the option of the Holder, at any time and from time to time from and after the Original Issue Date. Holders shall effect conversions by providing the Corporation with the form of conversion notice attached hereto as Annex A (a "Notice of Conversion"). Each Notice of Conversion shall specify the number of shares of Preferred Stock to be converted, the number of shares of Preferred Stock owned prior to the conversion at issue, the number of shares of Preferred Stock owned subsequent to the conversion at issue and the date on which such conversion is to be effected, which date may not be prior to the date the Holder delivers such Notice of Conversion to the Corporation by facsimile (the "Voluntary Conversion Date"). If no Conversion Date is specified in a Notice of Conversion, the Voluntary Conversion Date shall be the date that such Notice of Conversion to the Corporation is deemed delivered hereunder. The calculations and entries set forth in the Notice of Conversion shall control in the absence of manifest or mathematical error. To effect conversions of shares of Preferred Stock, a Holder shall surrender the certificate(s) representing such shares of Preferred Stock to the Corporation promptly following the Voluntary Conversion Date at issue. Shares of Preferred Stock converted into Common Stock or redeemed in accordance with the terms hereof shall be canceled and may not be reissued. If the number of shares of Preferred Stock represented by the Preferred Stock certificate(s) submitted for conversion is greater than the number of shares of Preferred Stock being converted, then the Corporation shall, as soon as practicable and at the Corporation's expense, issue and deliver to the holder a new Preferred Stock certificate representing the number of shares of Preferred Stock not converted.

b) **Conversion Price.** The conversion price for the Preferred Stock shall equal \$1.00 (the "Conversion Price"), subject to adjustment herein.

c) Mandatory Conversion.

i. Each share of Preferred Stock outstanding on the Mandatory Conversion Date (as defined below) shall, automatically and without any action on the part of the Holder thereof, convert into a number of fully paid and nonassessable shares of Common Stock equal to the quotient of (i) the Stated Value of the shares of Preferred Stock outstanding on the Mandatory Conversion Date divided by (ii) the Conversion Price in effect on the Mandatory Conversion Date.

ii. As used herein, "Mandatory Conversion Date" shall be the first date following the Effective Date that (i) the closing price of the Common Stock on the Trading Market exceeds \$3.00 (as adjusted for stock splits, stock dividends, combinations and similar transactions) for fifteen (15) Trading Days during any period of twenty (20) consecutive Trading Days; and (ii) a Conversion Shares Registration Statement covering the resale of the shares of Common Stock issuable upon conversion of the Preferred Stock is effective on the Mandatory Conversion Date and on each trading day of such twenty Trading Day period or the shares of Common Stock into which the Preferred Stock can be converted may be offered for sale to the public pursuant to Rule 144(k) under the Securities Act. [If on the Mandatory Conversion Date, a holder is prohibited from converting all of its shares of Preferred Stock as a result of the restrictions contained in Section 5(c), such shares of Preferred Stock shall not be converted, shall remain issued and outstanding and shall not accrue any dividends thereon.] The Mandatory Conversion Date and the Voluntary Conversion Date collectively are referred to in this Certificate of Designation as the "Conversion Date."

iii. On the Mandatory Conversion Date, the outstanding shares of Preferred Stock shall be converted automatically without any further action by the Holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; provided, however, that each Holder shall surrender the certificate(s) representing such shares of Preferred Stock to the Corporation promptly following the Mandatory Conversion Date.

d) Mechanics of Conversion.

i. Delivery of Certificate Upon Conversion. Not later than five Trading Days after each Conversion Date (the "Share Delivery Date"), the Corporation shall deliver or cause to be delivered to the Holder (A) a certificate or certificates which, after the Effective Date, shall be free of restrictive legends and trading restrictions (other than those required by the Purchase Agreement) representing the number of shares of Common Stock being acquired upon the conversion of shares of Preferred Stock,

and (B) a bank check in the amount of accrued and unpaid dividends (if the Corporation has elected or is required to pay accrued dividends in cash). After the Effective Date, the Corporation shall, upon request of the Holder, deliver any certificate or certificates required to be delivered by the Corporation under this Section electronically through the Depository Trust Corporation or another established clearing corporation performing similar functions. If in the case of any Notice of Conversion such certificate or certificates are not delivered to or as directed by the applicable Holder by the fifth Trading Day after the Conversion Date, the Holder shall be entitled to elect by written notice to the Corporation at any time on or before its receipt of such certificate or certificates thereafter, to rescind such conversion, in which event the Corporation shall immediately return the certificates representing the shares of Preferred Stock tendered for conversion.

ii. Obligation Absolute; Partial Liquidated Damages. The Corporation's obligations to issue and deliver the Conversion Shares upon conversion of Preferred Stock in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Corporation or any violation or alleged violation of law by the Holder or any other person, and irrespective of any other circumstance which might otherwise limit such obligation of the Corporation to the Holder in connection with the issuance of such Conversion Shares. In the event a Holder shall elect to convert any or all of the Stated Value of its Preferred Stock, the Corporation may not refuse conversion based on any claim that such Holder or any one associated or affiliated with such Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice, restraining and or enjoining conversion of all or part of this Preferred Stock shall have been sought and obtained. In the absence of an injunction precluding the same, the Corporation shall issue Conversion Shares upon a properly noticed conversion. Nothing herein shall limit a Holder's right to pursue actual damages for the Corporation's failure to deliver certificates representing shares of Common Stock upon conversion within the period specified herein and such Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief.

iii. Reservation of Shares Issuable Upon Conversion. The Corporation covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock solely for the purpose of issuance upon conversion of the Preferred Stock and payment

of dividends on the Preferred Stock, each as herein provided, free from preemptive rights or any other actual contingent purchase rights of persons other than the Holder (and the other Holders of the Preferred Stock), not less than such number of shares of the Common Stock as shall (subject to any additional requirements of the Corporation as to reservation of such shares set forth in the Purchase Agreement) be issuable (taking into account the adjustments and restrictions of Section 6) upon the conversion of all outstanding shares of Preferred Stock. The Corporation covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly and validly authorized, issued and fully paid, nonassessable and, if the Conversion Shares Registration Statement is then effective under the Securities Act, registered for public sale in accordance with such Conversion Shares Registration Statement.

iv. Fractional Shares. Upon a conversion hereunder, the Corporation shall not be required to issue stock certificates representing fractions of shares of the Common Stock, but may, if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the VWAP at such time. If the Corporation elects not, or is unable, to make such a cash payment, the Holder shall be entitled to receive, in lieu of the final fraction of a share, one whole share of Common Stock.

v. Transfer Taxes. The issuance of certificates for shares of the Common Stock on conversion of this Preferred Stock shall be made without charge to the Holder hereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificate, provided that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the Holder of such shares of Preferred Stock so converted and the Corporation shall not be required to issue or deliver such certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

#### Section 6. Certain Adjustments.

a) Stock Dividends and Stock Splits. If the Corporation, at any time while this Preferred Stock is outstanding: (A) pays a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Corporation pursuant to this Preferred Stock), (B) subdivides outstanding shares of Common Stock into a larger number of shares, (C) combines (including by way of reverse stock split) outstanding shares of Common Stock into a

smaller number of shares, or (D) issues by reclassification of shares of the Common Stock any shares of capital stock of the Corporation, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to this Section 6(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Calculations. All calculations under this Section 6 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 6, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

c) Notice to Holders.

i. Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any of this Section 6, the Corporation shall promptly mail to each Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Conversion by Holder. If (A) the Corporation shall declare a dividend (or any other distribution) on the Common Stock; (B) the Corporation shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock; (C) the Corporation shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights; (D) the approval of any stockholders of the Corporation shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Corporation is a party, any sale or transfer of all or substantially all of the assets of the Corporation, of any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property; or (E) the Corporation shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Corporation; then, in each case, the Corporation shall cause to be filed at each office or agency maintained for the purpose of conversion of this Preferred Stock, and shall cause to be mailed to the Holder at its last address as it shall appear upon the stock books of the Corporation, at least twenty (20) calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend,

distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to convert the Conversion Amount of this Preferred Stock (or any part hereof) during the twenty (20) day period commencing the date of such notice to the effective date of the event triggering such notice.

Section 7. Miscellaneous.

a) Notices. Any and all notices or other communications or deliveries to be provided by the Holder hereunder, including, without limitation, any Notice of Conversion, shall be in writing and delivered personally, by facsimile, by e-mail or sent by a nationally recognized overnight courier service, addressed to the Corporation, at the address set forth above, facsimile number (617) 928-3450, Attn: Maureen Foley, e-mail address (Foley@pro-pharmaceuticals.com) or such other address, facsimile number or electronic mail address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section. Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally, by facsimile, by e-mail, sent by a nationally recognized overnight courier service addressed to each Holder at the facsimile telephone number, e-mail address or address of such Holder appearing on the books of the Corporation, or if no such facsimile telephone number, e-mail address or address appears, at the principal place of business of the Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission (accompanied by confirmation of such transmission), if such notice or communication is delivered via facsimile or e-mail at the facsimile telephone number or e-mail address, as applicable, specified in this Section prior to 5:30 p.m. (New York City time), (ii) the date after the date of transmission (accompanied by confirmation of such transmission), if such notice or communication is delivered via facsimile or e-mail at the facsimile telephone number or e-mail address, as applicable, specified in this Section later than 5:30 p.m. (New York City time) on any date and earlier than 11:59 p.m. (New York City time) on such date, (iii) the first Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

b) Lost or Mutilated Preferred Stock Certificate. If a Holder's Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the shares of Preferred Stock so mutilated, lost, stolen or destroyed but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership hereof, and indemnity, if requested, all reasonably satisfactory to the Corporation.

c) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Certificate of Designation shall be governed by and construed and enforced in accordance with the internal laws of the State of Nevada, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in Massachusetts. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Massachusetts Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or such Massachusetts Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Certificate of Designation and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Certificate of Designation or the transactions contemplated hereby. If either party shall commence an action or proceeding to enforce any provisions of this Certificate of Designation, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

d) Waiver. Any waiver by the Corporation or the Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach

of any other provision of this Certificate of Designation. The failure of the Corporation or the Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation. Any waiver must be in writing.

e) Severability. If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest.

f) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

g) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designation and shall not be deemed to limit or affect any of the provisions hereof.

h) Status of Converted Preferred Stock. Shares of Preferred Stock may only be issued pursuant to the Purchase Agreement. In case any shares of Preferred Stock shall be converted or reacquired by the Corporation, such shares shall resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Series A 12% Convertible Preferred Stock.

\*\*\*\*\*

RESOLVED, FURTHER, that the Chairman, the president or any vice-president, and the secretary or any assistant secretary, of the Corporation be and they hereby are authorized and directed to prepare and file a Certificate of Designation of Preferences, Rights and Limitations in accordance with the foregoing resolution and the provisions of Nevada law.

IN WITNESS WHEREOF, the undersigned have executed this Certificate this \_\_\_\_\_ day of October 2007.

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title:

**EXHIBIT 3.2  
ANNEX A**

**NOTICE OF CONVERSION**

(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT SHARES OF PREFERRED STOCK)

The undersigned hereby elects to convert the number of shares of Series A 12% Convertible Preferred Stock indicated below, into shares of common stock, par value \$0.01 per share (the "Common Stock"), of Pro-Pharmaceuticals, Inc., a Nevada corporation (the "Corporation"), according to the conditions hereof, as of the date written below. If shares are to be issued in the name of a person other than undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Corporation in accordance therewith. No fee will be charged to the Holder for any conversion, except for such transfer taxes, if any.

Conversion calculations:

Date to Effect Conversion: \_\_\_\_\_

Number of shares of Preferred Stock owned prior to Conversion: \_\_\_\_\_

Number of shares of Preferred Stock to be Converted: \_\_\_\_\_

Stated Value of shares of Preferred Stock to be Converted: \_\_\_\_\_

Number of shares of Common Stock to be Issued: \_\_\_\_\_

Applicable Conversion Price: \_\_\_\_\_

Number of shares of Preferred Stock subsequent to Conversion: \_\_\_\_\_

[HOLDER]

By: \_\_\_\_\_

Name:

Title:

Name: \_\_\_\_\_

Number: \_\_\_\_\_

**Securities Purchase Agreement****PRO-PHARMACEUTICALS, INC.****2007 Private Placement of Securities**

This Securities Purchase Agreement (“Agreement”) is made by and between Pro-Pharmaceuticals, Inc., a Nevada corporation (the “Company”), and the undersigned person (the “Subscriber”) who is subscribing hereby for units of securities of the Company at one dollar (\$1.00) per Unit, each unit comprised of (i) one share of the Company’s Series A Convertible Preferred Stock, par value \$.01 per share (the “Preferred Stock”), (ii) a warrant exercisable for four years at \$1.50 per share to purchase one share of the Company’s common stock, par value \$.001 per share (the “Common Stock”), and (iii) a warrant exercisable for four years at \$2.00 per share to purchase one share of Common Stock (collectively, the “Warrants”), pursuant to private placement offering documents of the Company comprised of (a) the Term Sheet containing certain terms applicable to the Units and this offering, (b) Securities Purchase Agreement, (c) Accredited Investor Questionnaire (the “Investor Questionnaire”), (d) form of designation certificate for the Preferred Stock, (e) form of Warrant, and (e) Registration Rights Agreement (collectively, the “Offering Documents”).

In consideration of the Company’s agreement to issue and sell to the Subscriber the Units upon the terms and conditions set forth herein, the Subscriber agrees and represents as follows:

**1. Purchase.**

- A. The Subscriber hereby agrees to purchase the number of Units set forth on the signature page below at a price of \$1.00 per Unit. Simultaneously with the execution of this Purchase Agreement, the Subscriber is paying to the Company the amount set forth on the signature page.
- B. The Subscriber hereby acknowledges receipt of the Offering Documents delivered in “hard copy” form.
- C. The Subscriber understands and acknowledges that:
  - (1) This subscription may be accepted or rejected in whole or in part by the Company in its sole and absolute discretion.

- (2) This subscription is and shall be irrevocable except that the Subscriber shall have no obligations hereunder in the event that this subscription is for any reason rejected or this offering is for any reason canceled.
  - (3) No federal or state agency has made any finding or determination as to the fairness of this offering for investment, nor any recommendation or endorsement of the Shares.
  - (4) In order to purchase Shares, the Subscriber must qualify as an “accredited investor” as defined in Regulation D promulgated under the Securities Act of 1933 (detailed in Exhibit A hereto), and as evidenced by a duly completed and signed Investor Questionnaire.
- D. All pronouns used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity/ies of the person(s) or entity/ies may require.

2. **Representations and Warranties.** The Subscriber hereby represents, warrants and agrees that:

- A. The Units are being acquired by the Subscriber solely for his own personal account, for investment purposes only, and not with a view to, or in connection with, any resale or distribution thereof; the Subscriber has no contract, undertaking, understanding, agreement or arrangement, formal or informal, with any person to sell, transfer or pledge to any person the Units for which he hereby subscribes, or any part, any interest therein or any rights thereto; the Subscriber has no present plans to enter into any such contract, undertaking, agreement or arrangement; and he understands the legal consequences of the following representations and warranties to mean that he must bear the economic risk of the investment for an indefinite period of time because the Shares have not been registered under the Securities Act of 1933, as amended (the “Securities Act”) and applicable state securities laws.
- B. The Subscriber understands that neither the Units offered hereby, nor the shares of Common Stock issuable as dividends upon conversion or conversion of the Preferred Stock or upon exercise of the Warrants (collectively, the “Underlying Shares”), have been registered under the Securities Act or any state securities laws and are being issued pursuant to an exemption from the registration requirements under the Securities Act or applicable state securities law.
- C. The Subscriber understands that an investment in the Units involves substantial risk, and has fully considered for purposes of this investment that:
  - (1) this investment is suitable only for an investor who is able to bear the economic consequences of losing his entire investment,

- (2) the purchase of the Units is a speculative investment which involves a high degree of risk of loss by the Subscriber of his entire investment, and
  - (3) there may be substantial restrictions on the transferability of, and there will be no public market for, the Preferred Stock, the Warrants and the Underlying Shares and, accordingly, it may not be possible for him to liquidate his investment in such securities in case of emergency.
- D. The Subscriber's overall commitment to investments which are not readily marketable is not disproportionate to his net worth and his investment in the Units will not cause such overall commitment to become excessive.
- E. The Subscriber has adequate net worth and means of providing for his current needs and personal contingencies to sustain a complete loss of his investment in the Preferred Stock, the Warrants and the Underlying Shares, and is able to hold such securities for an indefinite period of time and has no need for liquidity in this investment in such securities.
- F. The Subscriber's investment in the Units does not exceed 25% of his net worth, or joint net worth with the Subscriber's spouse (excluding principal residence and furnishings).
- G. The Subscriber has such knowledge and experience in financial and business matters the Subscriber is capable of evaluating the merits and risks of an investment in the Units and of making an informed investment decision. If other than an individual, the Subscriber also represents it has not been organized for the purpose of acquiring the Units.
- H. The Subscriber has received and carefully read the Offering Documents. The Subscriber acknowledges that the Company has afforded him, or any person such as an attorney or accountant acting on his behalf, the opportunity to ask questions and receive answers from the Company concerning the terms and conditions of the offering and to verify the accuracy of the information in the Offering Documents and the Company has provided answers to all such questions and provided such documents as requested. In evaluating the suitability of an investment in the Units, the Subscriber has not relied upon any representations or other information (whether oral or written) other than as set forth in the Offering Documents or as contained in answers to questions or documents so furnished to him by the Company.
- I. The Subscriber is acquiring the Units without being furnished any offering literature or prospectus other than the Offering Documents and without reliance on any representations or statements that may have been have

been made to the Subscriber by the Company, or any officer, employee, agent, affiliate or subsidiary of the Company, other than any documents or answers to questions described in the subparagraph H above.

- J. The Subscriber acknowledges that the Subscriber has had an opportunity to read and review the Company's organizational documents, as amended or restated, and its By-laws, as amended or restated, and does hereby adopt and agree to be bound by them.
- K. The Subscriber has discussed or has had an opportunity to discuss with his professional legal, tax and financial advisors the suitability of an investment in the Company for his particular tax and financial situation and confirms that, in making his decision to purchase the Units hereby subscribed for, he has relied as to legal and tax matters concerning his investment upon independent investigation made by him, and his own professional tax and other advisors. All information which the Subscriber has provided to the Company concerning himself and his financial position is correct and complete as of the date set forth below, and if there should be any material change in such information prior to the closing of the sale of Units, he will immediately provide such information to the Company.
- L. The Subscriber represents, warrants and agrees that he will not sell or otherwise transfer the Preferred Stock, the Warrants or the Underlying Shares without registration under the Securities Act or an exemption therefrom and fully understands and agrees that he must bear the economic risk of his purchase because, among other reasons, the Preferred Stock, the Warrants and the Underlying Shares have not been registered under the Securities Act or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned or otherwise disposed of unless the applicable security is subsequently registered under the Securities Act and under applicable securities laws of such states or an exemption from such registration is available. In particular, the Subscriber is aware that the Preferred Stock, the Warrants, and the Underlying Shares are "restricted securities," as such term is defined in Rule 144 promulgated under the Securities Act ("Rule 144"), and they may not be resold pursuant to Rule 144 unless all of the conditions of Rule 144 are met. The Subscriber also understands that, except as otherwise provided in the Registration Rights Agreement referred to in the preamble to this Purchase Agreement, the Company is under no obligation to register the Preferred Stock, the Warrants or the Underlying Shares on his behalf or to assist him in complying with any exemption from registration under the Securities Act or applicable state securities laws. The Subscriber further understands that sales or transfers of the Preferred Stock, the Warrants and the Underlying Shares are further restricted by state securities laws and the provisions of this Agreement.
- M. The Subscriber consents to the placement of a restrictive legend on the certificate(s) for the Preferred Stock, Warrants and Underlying Shares as required by applicable securities laws or otherwise.

- N. The Subscriber has not engaged any broker, dealer, finder, commission agent or other similar person in connection with the offer, offer for sale, or sale of the Units and is under no obligation to pay any broker's fee, or commission in connection with his investment.
- O. The address set forth is the Subscriber's true and correct address, and the Subscriber has no present intention of becoming a resident of any other state of jurisdiction.
- P. If this Agreement is executed and delivered on behalf of an individual or individuals, the Agreement constitutes a valid and legally binding obligation of the Subscriber. If this Agreement is executed and delivered on behalf of a partnership, corporation, trust or other entity, the Subscriber has been duly authorized to execute and deliver this Agreement and all other instruments executed and delivered on behalf of such partnership, corporation, trust or other entity in connection with the purchase of the Units and to make the representations and warranties made herein on behalf of such entity and that this investment in the Company has been affirmatively authorized by the governing board of such entity and is not prohibited by the governing documents of such entity, the signature of the Subscriber is binding upon such partnership, trust or other entity and the Subscriber has delivered herewith, or shall deliver upon request of the Company, the underlying partnership agreement, corporate charter documents or trust agreement of such entity and such other evidence of the ability of such partnership, corporation or trust to purchase the Units.
- Q. The foregoing representations and warranties are true and accurate as of the date hereof and shall be true and accurate as of the date of acceptance hereof by the Company and the issuance of the Preferred Stock and Warrants to the Subscriber. If in any respect such representations and warranties or any information contained herein or in the Investor Questionnaire shall not be true and accurate prior thereto, the Subscriber will give written notice of such fact to the Company, specifying which representations and warranties or information are not true and accurate and the reason therefor.

**3. Indemnification.**

The Subscriber agrees to indemnify and hold harmless the Company, its officers and directors, employees and its affiliates and each other person, if any, who controls any thereof, against any loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any other document furnished by the Subscriber to any of the foregoing in connection with this transaction.

**4. Transferability.**

The Subscriber agrees that this Agreement, and any of his interest herein, is not assignable, and further agrees that any assignment or transfer of the Shares purchased by the Subscriber shall be made only in accordance with applicable federal and state securities laws.

**5. Revocation.**

The Subscriber agrees that he shall not cancel, terminate or revoke this Agreement or any agreement made hereunder and that this Agreement shall survive the death or disability of the subscriber.

**6. Miscellaneous.**

- A. Capitalized terms used in this Agreement, if not otherwise defined herein, shall have the respective meanings attributed to such terms in the Offering Documents.
- B. Notices required or permitted to be given hereunder shall be in writing and shall be deemed to be sufficiently given when personally delivered or when sent by registered or certified mail, return receipt requested, addressed to the other party at the address of such party set forth herein, or to such other address furnished by notice given in accordance with this paragraph.
- C. Failure of the Company to exercise any right or remedy under this Agreement or any other agreement between the Company and the Subscriber, or otherwise, or delay by the Company in exercising same, will not operate as a waiver thereof. No waiver by the Company will be effective unless and until it is in writing and signed by the Company.
- D. This Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the Commonwealth of Massachusetts. This Agreement and the rights, powers and duties set forth herein shall be binding upon the Subscriber, the Subscriber's heirs, estate, legal representatives, successors and assigns and shall inure to the benefit of the Company and its successors and assigns. In the event that any provision of this Agreement is unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Subscriber has executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

Number of Units subscribed for (25,000 minimum):

\_\_\_\_\_

Total purchase price (\$1.00 per Share):

\$ \_\_\_\_\_

If the Subscriber is an **individual**, please sign below:

Subscriber

Joint Subscriber, if any

\_\_\_\_\_  
Authorized Signature of Subscriber

\_\_\_\_\_  
Authorized Signature of Joint Subscriber, if any

\_\_\_\_\_  
Name of Subscriber  
(Please Print)

\_\_\_\_\_  
Name of Joint Subscriber, if any  
(Please Print)

\_\_\_\_\_  
Residence Street Address

\_\_\_\_\_  
Residence Street Address of Joint Subscriber, if any

\_\_\_\_\_  
City or Town  
State, Zip

\_\_\_\_\_  
City or Town  
State, Zip

\_\_\_\_\_  
Social Security Number of Subscriber

\_\_\_\_\_  
Social Security Number of Joint Subscriber, if any

If Joint Ownership, check one:

\_\_\_\_\_ Joint Tenants with Right of Survivorship

\_\_\_\_\_ Tenants in Common

\_\_\_\_\_ Tenants by the Entirety

If the Subscriber is a **partnership, corporation, trust or other entity**, please sign below.

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Authorized signatory

\_\_\_\_\_  
Print name of signatory

\_\_\_\_\_  
Title

\_\_\_\_\_  
Tax Identification Number

\_\_\_\_\_  
Address

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2007, on behalf of the Company.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT 10.1**

**EXHIBIT A**

**Definition of “Accredited Investor” as Set Forth in Rule 501 of Regulation D Promulgated Under the Securities Act**

1. **Director or Officer.** The Subscriber is a director or executive officer or general partner of the Company, or general partner of its general partner.
2. **Natural Person—Annual Income Test.** The Subscriber is a natural person who had individual income (i.e., not including the Subscriber’s spouse’s income) in excess of \$200,000 in each of the two most recent years and reasonably expects to have individual income in excess of \$200,000 in the current year, or had joint income, with the Subscriber’s spouse, in excess of \$300,000 in each of the two most recent years and reasonably expects to have joint income, with the Subscriber’s spouse, in excess of \$300,000 in the current year.
3. **Natural Person—Net Worth Test.** The Subscriber is a natural person whose individual net worth, or joint net worth with that of the Subscriber’s spouse, at the time of the purchase exceeds \$1,000,000.
4. **Other Entities and Persons.** The Subscriber is either: a bank as defined in section 3(a)(2) of the Securities Act or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; an insurance company as defined in section 2(13) of the Securities Act; an investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; or an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
5. **Trust.** The Subscriber is a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the offered securities, whose purchase is directed by a “sophisticated person” as defined in Rule 506(b)(2)(ii) under the Securities Act of 1993.

6. Private Business Development Company. The Subscriber is a private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940.

7. Business and Nonprofit Entities. The Subscriber is any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business or trust partnership, not formed for the specific purpose of acquiring the securities, with total assets in excess of \$5,000,000.

8. Entity Owned by Accredited Investors. The Subscriber is an entity in which all of the equity owners would qualify as Accredited Investors above.

## REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of \_\_\_\_\_, 2007, by and among Pro-Pharmaceuticals, Inc., a Nevada corporation (the "Issuer"), [the Persons (as defined below) whose names appear on the signature pages hereto] (the "Holders").

WHEREAS, pursuant to the terms of a Securities Purchase Agreement, dated on or about the date hereof, by and among the Issuer and the Holders (the "Purchase Agreement"), the Issuer has agreed to issue to the Holders an aggregate of 5,000,000 shares of unregistered Series A preferred stock, par value \$0.01 per share, of the Issuer (the "Preferred Shares"), which are convertible into a like number of shares the common stock, \$.001 par value per share (the "Common Stock"), on a one-for-one basis of the Issuer (the "Conversion Shares");

WHEREAS, pursuant to the terms of the Purchase Agreement, the Issuer, as to each Preferred Share purchased thereunder, each Holder will receive (i) a warrant to purchase one share of the Common Stock, par value \$0.01 per share, of the Issuer (the "Common Stock") at a purchase price of \$1.50 per share, and (ii) a warrant exercisable to purchase one share of Common Stock at a purchase price of \$2.00 per share (collectively, the "Warrants", and the shares of Common Stock issuable thereunder, the "Warrant Shares");

WHEREAS, it is a condition to the terms of the transaction contemplated by the Purchase Agreement and the Warrants that the Issuer and the Holders execute this Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Definitions

As used in this Agreement:

(a) "Person" shall mean an individual, partnership, corporation, limited liability company, association, trust, joint venture, unincorporated organization or other entity, and any government, governmental department or agency or political subdivision thereof.

(b) the terms "register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act (and any post-effective amendments filed or required to be filed) and the declaration or ordering of effectiveness of such registration statement;

(c) the term "Registrable Securities" means the Conversion Shares and the Warrant Shares;

(d) "Registration Expenses" shall mean all expenses incurred by the Issuer in compliance with Section 2 hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Issuer, blue sky fees and expenses and the expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Issuer, which shall be paid in any event by the Issuer);

(e) "SEC" shall mean the Securities and Exchange Commission.

(f) "Securities Act" shall mean the Securities Act of 1933, as amended.

(g) "Selling Expenses" shall mean, with respect to a given Holder, all underwriting discounts and selling commissions applicable to the sale of the Registrable Securities of such Holder and all fees and disbursements of counsel to such Holder.

#### Section 2. Form S-3

The Issuer shall file, within six (6) months after the closing of the offering contemplated by the Purchase Agreement, a registration statement on Form S-3 with the SEC to register the Registrable Securities, and use commercially reasonable efforts, including filing any amendments to such registration statement in response to comments of the staff of the SEC, to have such registration statement declared effective by the SEC as soon as reasonably possible. Each Holder desiring to register Registrable Securities must timely deliver to the Issuer a duly completed and signed Selling Securityholder Notice and Questionnaire in the form of Annex A hereto.

#### Section 3. Expenses of Registration

All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Agreement shall be borne by the Issuer, and any and all Selling Expenses of a given Holder shall be borne by such Holder.

#### Section 4. Registration Procedures

In the case of each registration effected by the Issuer pursuant to this Agreement, the Issuer will keep each Holder advised in writing as to the initiation of each registration and as to the completion thereof. At its expense, the Issuer will:

(a) if necessary to facilitate the sale of all of the Registrable Securities, keep such registration effective until all Warrant Shares may be resold under Rule 144(k) of the Securities Act; and

(b) furnish such number of prospectuses and other documents incident thereto to a Holder as such Holder from time to time may reasonably request.

#### Section 5. Indemnification

(a) The Issuer will indemnify each Holder and each of its officers and directors, as applicable, with respect to each registration which has been effected pursuant to this

Agreement, and each underwriter, if any, and each person who controls any underwriter, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular or other document (including any related registration statement, notification or the like) incident to any such registration, qualification or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Issuer of the Securities Act or any rule or regulation thereunder applicable to the Issuer and relating to action or inaction required of the Issuer in connection with any such registration, qualification or compliance, and will reimburse each Holder and its directors and officers, as applicable, for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action; provided that the Issuer will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Issuer by a Holder or underwriter.

(b) Each Holder will, if Registrable Securities held by it are included in the securities as to which such registration, qualification or compliance is being effected, indemnify the Issuer, each of its directors and officers and each underwriter, if any, of the Issuer's securities covered by such a registration statement, each person who controls the Issuer or such underwriter, each other stockholder of the Issuer participating in such registration, and each of their respective officers, directors, and partners, and each person controlling such other stockholder, in each case, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus, offering circular or other document made by such Holder, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements by such Holder therein not misleading, and will reimburse the Issuer and such other stockholders, directors, officers, members, partners, persons, underwriters or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Issuer by such Holder.

(c) Each party entitled to indemnification under this Section 5 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld) and the Indemnified Party may participate in such defense at such party's expense (unless the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in such action, in which case the fees and expenses of counsel shall be at the expense of the Indemnifying Party), and provided further that the failure of any Indemnified Party to give notice as provided herein shall

not relieve the Indemnifying Party of its obligations under this Agreement unless the Indemnifying Party is materially prejudiced thereby. No Indemnifying Party, in the defense of any such claim or litigation shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such claim and litigation resulting therefrom.

(d) If the indemnification provided for in this Section 5 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions which resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue (or alleged untrue) statement of a material fact or the omission (or alleged omission) to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing and subject to Section 5(g) hereof, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into by, *inter alia*, the Holders in connection with any underwritten public offering contemplated by this Agreement are in conflict with the foregoing provisions, the provisions in such underwriting agreement shall be controlling.

(f) The foregoing indemnity agreement of the Issuer and the Holders is subject to the condition that, insofar as they relate to any loss, claim, liability or damage made in a preliminary prospectus but eliminated or remedied in the amended prospectus on file with the SEC at the time the registration statement in question becomes effective or the amended prospectus filed with the SEC pursuant to SEC Rule 424(b) (the "Final Prospectus"), such indemnity agreement shall not inure to the benefit of any underwriter if a copy of the Final Prospectus was furnished to the underwriter and was not furnished to the person asserting the loss, liability, claim or damage at or prior to the time such action is required by the Securities Act.

(g) Notwithstanding any provision of this Agreement or in any underwriting agreement contemplated hereby, in accordance with Section 17(i) of the Investment Company Act of 1940, as amended, any provision in an underwriting agreement to be entered into in connection with the registration of Shares pursuant to this Agreement which protects or purports to protect the underwriter or underwriters against any liability to the Issuer or its security holders to which such underwriter(s) would otherwise be subject by reason of willful misfeasance, bad faith

or gross negligence in the performance of their duties or by reason of such underwriter(s) reckless disregard of their obligations and duties under the underwriting agreement shall be expressly made inapplicable to the Issuer.

Section 6. Information by the Holders

Each Holder shall furnish to the Issuer such information regarding such Holder and the distribution proposed by such Holder as the Issuer may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Agreement.

Section 7. Rule 144 Reporting

With a view to making available the benefits of certain rules and regulations of the SEC which may permit the sale of restricted securities to the public without registration, the Issuer agrees to:

(a) make and keep public information available as those terms are understood and defined in Rule 144 at all times;

(b) use its commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Issuer under the Securities Act and the Exchange Act; and

(c) so long as a Holder owns any Registrable Securities, furnish to such Holder upon request a written statement by the Issuer as to its compliance with the reporting requirements of Rule 144 and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Issuer, and such other reports and documents so filed as such Holder may reasonably request and as is necessary for such Holder to avail itself of any rule or regulation of the SEC allowing such Holder to sell any of such securities without registration.

Section 8. Market Stand-off Agreement

Each Holder agrees, if requested by the Issuer and an underwriter of the Common Stock (or other securities) of the Issuer, not to sell or otherwise transfer or dispose of any Common Stock (or other securities of the Issuer) held by the Holder during the 90-day period following the effective date of a registration statement of the Issuer filed under the Securities Act; provided, however, that the Issuer shall not make such a request unless all similarly situated selling securityholders (regardless of the number of shares owned) are to be restricted in the same manner (including duration and nature of transfer restrictions) without discrimination and the Issuer accompanies such request with an officer's certificate identifying the other securityholders to be bound by such an agreement. If requested by the underwriters, each such Holder shall execute a separate agreement to the foregoing effect. The Issuer may impose stop-transfer instructions with respect to the shares (or securities) subject to the foregoing restriction until the end of said 90-day period. The provisions of this Section 8 shall be binding upon any transferee who acquires Registrable Securities, whether or not such transferee is entitled to the registration rights provided hereunder.

Section 9. Miscellaneous

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts made and to be performed entirely within such State without regard to principles of conflicts of law.

(b) Paragraph and Section Headings. The descriptive headings of the several sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

(c) Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (i) when delivered personally to the recipient, (ii) when sent to the recipient by telecopy (receipt electronically confirmed by sender's telecopy machine) if during normal business hours of the recipient, otherwise on the next business day, (iii) one business day after the date when sent to the recipient by reputable express courier service (charges prepaid), or (iv) seven business days after the date when mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands and other communications shall be sent to the Holders and to the Issuer at the addresses indicated below:

If to a Holder:                   To the address of such Holder set forth on  
the signature pages to this agreement.

If to the Issuer:                   Pro-Pharmaceuticals, Inc.  
7 Wells Avenue  
Newton, Massachusetts 02459  
Attn: Anthony D. Squeglia, Chief Financial Officer  
Fax.: (617) 928-3450

With a copy to:                   Greenberg Traurig, LLP  
(which shall                       1 International Place  
not constitute                     Boston, MA 02110  
notice)                              Attention: Jonathan C. Guest, Esq.  
Fax.: (617) 897-0966

or to such other address as a party hereto may, from time to time, designate in writing delivered pursuant to the terms of this Section.

(d) Amendments. The terms, provisions and conditions of this Agreement may not be changed, modified or amended in any manner except by an instrument in writing duly executed by each of the parties hereto.

(e) Assignment. Neither this Agreement nor any of the rights, duties, or obligations of any party hereunder may be assigned or delegated (by operation of law or otherwise) by either party hereto except with the prior written consent of the other party hereto;

provided, however, that a Holder may assign or delegate its rights, duties and obligations hereunder to any transferee of such Holder's Registrable Securities who agrees in writing to become bound by the terms and conditions of this Agreement, so long as such assignment or delegation is not in violation of any applicable law or regulation.

(f) Counterparts. For the convenience of the parties, any number of counterparts of this Agreement may be executed by any one or more parties hereto, and each such executed counterpart shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate but one and the same instrument.

(g) Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter hereof. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the parties hereto has caused this Registration Rights Agreement to be executed on its behalf by its officers thereunto duly authorized, all as of the day and year first above mentioned.

**ISSUER:**

PRO-PHARMACEUTICALS, INC.

By: \_\_\_\_\_

Name: Anthony D. Squeglia

Title: Chief Financial Officer

**HOLDERS:**

Address for Notices:

By: \_\_\_\_\_

Name:

Title:

Registration Rights Agreement

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**EXHIBIT 10.2**  
**EXHIBIT A**

**Holder**

**Shares**

**PRO-PHARMACEUTICALS, INC.****Selling Securityholder Notice and Questionnaire**

The undersigned beneficial owner of Series A Convertible Preferred Stock, par value \$0.01 per share (the "Common Stock"), of Pro-Pharmaceuticals, Inc., a Nevada corporation (the "Company"), (the "Registrable Securities") understands that the Company has filed or intends to file with the Securities and Exchange Commission (the "Commission") a registration statement on Form [S-3 (the "Registration Statement") for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"), of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement (the "Registration Rights Agreement"), among the Company and the Holders named therein. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Registration Rights Agreement.

Certain legal consequences arise from being named as a selling securityholder in the Registration Statement and the related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Registration Statement and the related prospectus.

**NOTICE**

The undersigned beneficial owner (the "Selling Securityholder") of Registrable Securities hereby elects to include the Registrable Securities owned by it and listed below in Item 3 (unless otherwise specified under such Item 3) in the Registration Statement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

**QUESTIONNAIRE**

**1. Name.**

(a) Full Legal Name of Selling Securityholder

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(b) Full Legal Name of Registered Holder (if not the same as (a) above) through which Registrable Securities Listed in Item 3 below are held:

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(c) Full Legal Name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by the questionnaire):

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**2. Address for Notices to Selling Securityholder:**

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Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Contact Person: \_\_\_\_\_

**3. Beneficial Ownership of Registrable Securities:**

(a) Type and Principal Amount of Registrable Securities beneficially owned (not including the Registrable Securities that are issuable pursuant to the Purchase Agreement):

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**4. Broker-Dealer Status:**

(a) Are you a broker-dealer?

Yes  No

(b) If “yes” to Section 4(a), did you receive your Registrable Securities as compensation for investment banking services to the Company.

Yes  No

Note: If no, the Commission’s staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Are you an affiliate of a broker-dealer?

Yes  No

(d) If you are an affiliate of a broker-dealer, do you certify that you bought the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes  No

Note: If no, the Commission’s staff has indicated that you should be identified as an underwriter in the Registration Statement.

**5. Beneficial Ownership of Other Securities of the Company Owned by the Selling Securityholder.**

*Except as set forth below in this Item 5, the undersigned is not the beneficial or registered owner of any securities of the Company other than the Registrable Securities listed above in Item 3.*

(a) Type and Amount of Other Securities beneficially owned by the Selling Securityholder:

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**6. Relationships with the Company:**

*Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% or more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.*

State any exceptions here:

\_\_\_\_\_  
\_\_\_\_\_

The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items 1 through 6 and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: \_\_\_\_\_

Beneficial Owner: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

**PLEASE FAX A COPY OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE, AND RETURN THE ORIGINAL BY OVERNIGHT MAIL, TO:**

Anthony Squeglia  
Chief Financial Officer  
Pro-Pharmaceuticals, Inc.  
7 Wells Avenue  
Newton, MA 02459  
Fax: 617-928-3450

NEITHER THIS WARRANT CERTIFICATE NOR THE WARRANTS REPRESENTED HEREBY NOR ANY SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF SUCH WARRANTS, NOR ANY INTEREST IN OR RIGHTS UNDER SAME, HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE LAWS OF ANY STATE, AND NEITHER THIS WARRANT CERTIFICATE NOR THE WARRANTS REPRESENTED HEREBY NOR ANY SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF SUCH WARRANTS, NOR ANY INTEREST IN OR RIGHTS UNDER SAME, MAY BE SOLD OR OTHERWISE TRANSFERRED UNLESS REGISTERED UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

W-2007-A- ·

**PRO-PHARMACEUTICALS, INC.**

## COMMON STOCK PURCHASE WARRANT

Pro-Pharmaceuticals, Inc., a Nevada corporation (the “Company”), for value received and subject to the terms set forth below hereby grants to **[insert name of holder]**, or registered successors and assigns (the “Holder”), the right to purchase from the Company at any time or from time to time until the date and time permitted under Section 2.1 below, **[number of warrants] (•)** fully paid and nonassessable shares of the Common Stock, par value \$.001 per share, at the purchase price of one dollar and fifty cents (\$1.50) per share (the “Exercise Price”). The Exercise Price and the number and character of such shares of Common Stock purchasable pursuant to the rights granted under this Warrant are subject to adjustment as provided herein.

**1. Definitions.** As used herein the following terms, unless the context otherwise requires, have the following respective meanings:

(a) “*Common Stock*” means all stock of any class or classes (however designated) of the Company, authorized upon the Issue Date or thereafter, the holders of which shall have the right, without limitation as to amount, either to all or to a share of the balance of current dividends and liquidating dividends after the payment of dividends and distributions on any shares entitled to preference, and the holders of which shall ordinarily, in the absence of contingencies, be entitled to vote for the election of a majority of directors of the Company (even though the right so to vote has been suspended by the happening of such a contingency).

(b) “*Issue Date*” means · 2007.

(c) “*This Warrant*” means, collectively, this Warrant and all other stock purchase warrants issued in exchange therefor or replacement thereof.

(d) “*Other Securities*” means any stock (other than Common Stock) and other securities of the Company or any other person (corporate or other) which the Holder of this Warrant at any time shall be entitled to receive, or shall have received, upon the exercise of this Warrant, in lieu of or in addition to Common Stock, or which at any time shall be issuable or shall have been issued in exchange for or in replacement of Common Stock or Other Securities pursuant to Section 3.2 hereof or otherwise.

## **2. Exercise.**

2.1 Exercise Period. The Holder may exercise this Warrant at any time on or after the 181<sup>st</sup> day after the Issue Date and before the close of business in Boston, Massachusetts on the fourth anniversary of the Issue Date (the “Exercise Period”).

### 2.2 Exercise Procedure.

(a) This Warrant will be deemed to have been exercised at such time as the Company has received all of the following items (the “Exercise Date”):

(i) a completed Subscription Agreement as described in Section 2.4 hereof, executed by the Person exercising all or part of the purchase rights represented by this Warrant (the “Purchaser”);

(ii) this Warrant;

(iii) if this Warrant is not registered in the name of the Purchaser, an Assignment or Assignments in the form set forth in Exhibit B hereto, evidencing the assignment of this Warrant to the Purchaser together with any documentation required pursuant to Section 8(a) hereof; and

(iv) a check payable to the order of the Company in an amount equal to the product of the Exercise Price multiplied by the number of shares of Common Stock being purchased upon such exercise.

(b) As soon as practicable after the exercise of this Warrant in full or in part, and in any event within ten (10) days after the Exercise Date, the Company at its expense will cause to be issued in the name of and delivered to the Purchaser, or as the Purchaser (upon payment by the Purchaser of any

applicable transfer taxes) may direct, a certificate or certificates for the number of fully paid and non-assessable shares of Common Stock (or Other Securities) to which the Purchaser shall be entitled upon such exercise, together with any other stock or other securities and property (including cash, where applicable) to which the Purchaser is entitled upon exercise.

(c) Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Company at its expense will, within ten (10) days after the Exercise Date, issue and deliver to or upon the order of the Purchaser a new Warrant or Warrants of like tenor, in the name of the Purchaser or as the Purchaser (upon payment by the Purchaser of any applicable transfer taxes) may request, calling in the aggregate on the face or faces thereof for the number of shares of Common Stock remaining issuable under this Warrant.

(d) The Common Stock (or Other Securities) issuable upon the exercise of this Warrant will be deemed to have been issued to the Purchaser on the Exercise Date, and the Purchaser will be deemed for all purposes to have become the record holder of such Common Stock (or Other Securities) on the Exercise Date.

(e) The issuance of certificates for shares of Common Stock (or Other Securities) upon exercise of this Warrant will be made without charge to the Holder or the Purchaser for any issuance tax in respect thereof or any other cost incurred by the Company in connection with such exercise and the related issuance of shares of Common Stock (or Other Securities).

(f) The holder represents and warrants that at the time of any exercise of this warrant the holder is an “accredited investor,” as such term is defined in Rule 501 promulgated under the Securities Act of 1933 (the “Securities Act”) and acknowledges and agrees that the Company may, in its sole discretion, (i) require, as a condition to the exercise of this Warrant, that the holder provide such written evidence that such holder is an accredited investor as the time of exercise, and (ii) decline to issue the shares of Common Stock issuable upon such exercise if the Company is not satisfied that this warrant may be exercised the holder pursuant to a valid registration exemption from the Securities Act and any applicable state securities law.

2.3 Acknowledgement of Continuing Obligations. The Company will, at the time of the exercise of this Warrant, upon the request of the Purchaser, acknowledge in writing its continuing obligation to afford to the Purchaser any rights to which the Purchaser shall continue to be entitled after such exercise in accordance with the provisions of this Warrant, provided that if the Purchaser shall fail to make any such request, such failure shall not affect the continuing obligation of the Company to afford to the Purchaser any such rights.

2.4 Subscription Agreement. The Subscription Agreement will be substantially in the form set forth in Exhibit A hereto, except that if the shares of Common Stock (or Other Securities) issuable upon exercise of this Warrant are not to be issued in the name of the Purchaser, the Subscription Agreement will also state the name of the Person to whom the certificates for the shares of Common Stock (or Other Securities) are to be issued, and if the number of shares of Common Stock (or Other Securities) to be issued does not include all the shares of Common Stock (or Other Securities) issuable hereunder, it will also state the name of the Person to whom a new Warrant for the unexercised portion of the rights hereunder is to be delivered.

2.5 Fractional Shares. If a fractional share of Common Stock would, but for the provisions of Section 2.1 hereof, be issuable upon exercise of the rights represented by this Warrant, the Company will, within ten (10) days after the Exercise Date, deliver to the Purchaser a check payable to the Purchaser in lieu of such fractional share, in an amount equal to the Market Price of such fractional share as of the close of business on the Exercise Date.

### **3. Adjustments.**

3.1 Adjustments for Stock Splits, Etc. If the Company shall at any time after the Issue Date subdivide its outstanding Common Stock, by split-up or otherwise, or combine its outstanding Common Stock, or issue additional shares of its capital stock in payment of a stock dividend in respect of its Common Stock or Other Securities, the number of shares issuable on the exercise of the unexercised portion of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of combination, and the Exercise Price then applicable to shares covered by the unexercised portion of this Warrant shall forthwith be proportionately decreased in the case of a subdivision or stock dividend, or proportionately increased in the case of combination.

3.2 Adjustment for Reclassification, Reorganization, Etc. In case of any reclassification, capital reorganization, or change of the outstanding Common Stock (other than as a result of a subdivision, combination or stock dividend), or in the case of any consolidation of the Company with, or merger of the Company into, another Person (other than a consolidation or merger in which the Company is the continuing corporation and which does not result in any reclassification or change of the outstanding Common Stock or Other Securities of the Company), or in case of any sale or conveyance to one or more Persons of the property of the Company as an entirety or substantially as an entirety at any time prior to the expiration of this Warrant, then, as a condition of such reclassification, reorganization, change, consolidation, merger, sale or conveyance, lawful provision shall be made, and duly executed documents evidencing the same from the Company or its successor shall be delivered to the Holder of this Warrant, so that the Holder of this Warrant shall have the right at

any time prior to the expiration of this Warrant to purchase, at a total price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, the kind and amount of shares of stock and other securities and property receivable upon such reclassification, reorganization, change, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock or Other Securities of the Company as to which this Warrant was exercisable immediately prior to such reclassification, reorganization, change, consolidation, merger, sale or conveyance, and in any such case appropriate provision shall be made with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for the adjustment of the Exercise Price and of the number of shares purchasable upon exercise of this Warrant) shall thereafter be applicable in relation to any shares of stock, and other securities and property, thereafter deliverable upon exercise hereof. If, as a consequence of any such transaction, solely cash, and no securities or other property of any kind, is deliverable upon exercise of this Warrant, then, in such event, the Company may terminate this Warrant by giving the Holder hereof written notice thereof. Such notice shall specify the date (at least thirty (30) days subsequent to the date on which notice is given) on which, at 3:00 P.M., Boston, Massachusetts time, this Warrant shall terminate. Notwithstanding any such notice, this Warrant shall remain exercisable, and otherwise in full force and effect, until such time of termination.

3.3 **Certificate of Adjustment.** Whenever the Exercise Price or the number of shares issuable hereunder is adjusted, as herein provided, the Company shall promptly deliver to the registered Holder of this Warrant a certificate of the Treasurer of the Company, which certificate shall state (i) the Exercise Price and the number of shares of Common Stock (or Other Securities) issuable hereunder after such adjustment, (ii) the facts requiring such adjustment, and (iii) the method of calculation for such adjustment and increase or decrease.

3.4 **Small Adjustments.** No adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease in the Exercise Price of at least one percent; provided, however, that any adjustments which by reason of this Section 3.5 are not required to be made immediately shall be carried forward and taken into account at the time of exercise of this Warrant or any subsequent adjustment in the Exercise Price which, singly or in combination with any adjustment carried forward, is required to be made under Sections 3.1 or 3.2.

**4. Reservation of Stock, etc., Issuable on Exercise of Warrant.** The Company will at all times reserve and keep available, solely for issuance and delivery upon the exercise of this Warrant, all shares of Common Stock (or Other Securities) from time to time issuable upon the exercise of this Warrant.

## 5. Disposition of This Warrant, Common Stock, Etc.

(a) The Holder of this Warrant and any transferee hereof or of the Common Stock (or Other Securities) with respect to which this Warrant may be exercisable, by their acceptance hereof, hereby understand and agree that this Warrant and the Common Stock (or Other Securities) with respect to which this Warrant may be exercisable have not been registered under the Securities Act, and may not be sold, pledged, hypothecated, donated, or otherwise transferred (whether or not for consideration) without an effective registration statement under the Act or an opinion of counsel satisfactory to the Company and/or submission to the Company of such other evidence as may be satisfactory to counsel to the Company, in each such case, to the effect that any such transfer shall not be in violation of the Act. It shall be a condition to the transfer of this Warrant that any transferee thereof deliver to the Company its written agreement to accept and be bound by all of the terms and conditions of this Warrant. The foregoing notwithstanding, the Company acknowledges its obligations as set forth in that certain Registration Rights Agreement of approximate even date to which it and the initial holder of this Warrant are parties (the "Registration Rights Agreement"), to register the shares of Common Stock issuable upon exercise hereof.

(b) Except to the extent registered the resale of the shares of Common Stock issuable upon exercise hereof are "registrable securities" (as defined in the Registration Rights Agreement) and a resale transaction of which has been registered pursuant thereto, the stock certificates of the Company that will evidence the shares of Common Stock (or Other Securities) with respect to which this Warrant may be exercisable will be imprinted with a conspicuous legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED (WHETHER OR NOT FOR CONSIDERATION) BY THE HOLDER WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND/OR SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO COUNSEL TO THE COMPANY, IN EACH SUCH CASE, TO THE EFFECT THAT ANY SUCH TRANSFER SHALL NOT BE IN VIOLATION OF THE ACT."

Except as set forth in the Registration Rights Agreement, the Company has not agreed to register any of the Holder's shares of Common Stock (or Other Securities) of the Company with respect to which this Warrant may be exercisable for distribution in accordance with the provisions of the Securities Act, and the Company has not agreed to comply with any exemption from

registration under the Act for the resale of the Holder's shares of Common Stock (or Other Securities) with respect to which this Warrant may be exercised. Hence, it is the understanding of the Holder of this Warrant that by virtue of the provisions of certain rules respecting "restricted securities" promulgated by the SEC, the shares of Common Stock (or Other Securities) of the Company with respect to which this Warrant may be exercisable may be required to be held indefinitely, unless and until registered under the Securities Act (as contemplated by the Registration Rights Agreement), unless an exemption from such registration is available, in which case the Holder may still be limited as to the number of shares of Common Stock (or Other Securities) of the Company with respect to which this Warrant may be exercised that may be sold from time to time.

**6. Rights and Obligations of Warrant Holder.** The Holder of this Warrant shall not, by virtue hereof, be entitled to any voting rights or other rights as a stockholder of the Company. No provision of this Warrant, in the absence of affirmative actions by the Holder to purchase Common Stock (or Other Securities) of the Company by exercising this Warrant, and no enumeration in this Warrant of the rights or privileges of the Holder, will give rise to any liability of such Holder for the Exercise Price of Common Stock (or Other Securities) acquirable by exercise hereof or as a stockholder of the Company.

**7. Transfer of Warrants.** Subject to compliance with the restrictions on transfer applicable to this Warrant referred to in Section 5 hereof, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the registered Holder, upon surrender of this Warrant with a properly executed Assignment (in substantially the form attached hereto as Exhibit B), to the Company, and the Company at its expense will issue and deliver to or upon the order of the Holder hereof a new Warrant or Warrants in such denomination or denominations as may be requested, but otherwise of like tenor, in the name of the Holder or as the Holder (upon payment of any applicable transfer taxes) may direct.

**8. Replacement of Warrants.** Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of any Warrant and, in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, upon surrender and cancellation of such Warrant, the Company at its expense will execute and deliver, in lieu thereof, a new Warrant of like tenor.

**9. Company Records.** Until this Warrant is transferred on the books of the Company, the Company may treat the registered Holder hereof as the absolute owner hereof for all purposes, notwithstanding any notice to the contrary.

**10. Miscellaneous.**

10.1 Notices. All notices and other communications from the Company to the Holder of this Warrant shall be mailed by first class mail, postage prepaid, to such address as may have been furnished to the Company in writing by such Holder, or, until an address is so furnished, to and at the address of the last Holder of this Warrant who has so furnished an address to the Company. All communications from the Holder of this Warrant to the Company shall be mailed by first class mail, postage prepaid, to Pro-Pharmaceuticals, Inc., 7 Wells Avenue, Newton, MA 02459 Attn: Chief Financial Officer, or such other address as may have been furnished to the Holder in writing by the Company.

10.2 Amendment and Waiver. Except as otherwise provided herein, this Warrant and any term hereof may be amended, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, waiver, discharge or termination is sought.

10.3 Governing Law; Descriptive Headings. This Warrant shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Massachusetts. The headings in this Warrant are for purposes of reference only, and shall not limit or otherwise affect any of the terms hereof.

Dated: \_\_\_\_\_, 2007

PRO-PHARMACEUTICALS, INC.

By: \_\_\_\_\_  
Name: Anthony Squeglia  
Title: Chief Financial Officer

**EXHIBIT 10.3**

**EXHIBIT A**

**SUBSCRIPTION AGREEMENT**

[To be signed only upon exercise of Warrant]

To:

Date:

The undersigned, the Holder of the within Warrant, pursuant to the provisions set forth in the within Warrant, hereby irrevocably elects to exercise the purchase rights represented by such Warrant for, and agrees to subscribe for and purchase thereunder, \_\_\_\_\_ shares of the Common Stock (or Other Securities) covered by such Warrant and herewith makes payment of \$\_\_\_\_\_ therefor, and requests that the certificates for such shares be issued in the name of, and delivered to, \_\_\_\_\_, whose address is: \_\_\_\_\_. If said number of shares is less than all the shares covered by such Warrant, a new Warrant shall be registered in the name of the undersigned and delivered to the address stated below.

Signature \_\_\_\_\_

(Signature must conform in all respects to name of Holder as specified on the face of the Warrant or on the form of Assignment attached as Exhibit B thereto.)

Address \_\_\_\_\_

\_\_\_\_\_  
[Signature Guarantee]

**EXHIBIT 10.3**

**EXHIBIT B**

**ASSIGNMENT**

[To be signed only upon transfer of Warrant]

For value received, the undersigned hereby sells, assigns and transfers all of the rights of the undersigned under the within Warrant with respect to the number of shares of the Common Stock (or Other Securities) covered thereby set forth below, unto:

<i>Name of Assignee</i>	<i>Address</i>	<i>No. of Shares</i>
Dated:	Signature _____ (Signature must conform in all respects to name of Holder as specified on the face of the Warrant.)	
	Address _____ _____	
	[Signature Guarantee]	

NEITHER THIS WARRANT CERTIFICATE NOR THE WARRANTS REPRESENTED HEREBY NOR ANY SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF SUCH WARRANTS, NOR ANY INTEREST IN OR RIGHTS UNDER SAME, HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE LAWS OF ANY STATE, AND NEITHER THIS WARRANT CERTIFICATE NOR THE WARRANTS REPRESENTED HEREBY NOR ANY SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF SUCH WARRANTS, NOR ANY INTEREST IN OR RIGHTS UNDER SAME, MAY BE SOLD OR OTHERWISE TRANSFERRED UNLESS REGISTERED UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

W-2007-B ·

**PRO-PHARMACEUTICALS, INC.**

## COMMON STOCK PURCHASE WARRANT

Pro-Pharmaceuticals, Inc., a Nevada corporation (the “Company”), for value received and subject to the terms set forth below hereby grants to **[insert name of holder]**, or registered successors and assigns (the “Holder”), the right to purchase from the Company at any time or from time to time until the date and time permitted under Section 2.1 below, **[number of warrants] (\*)** fully paid and nonassessable shares of the Common Stock, par value \$.001 per share, at the purchase price of two dollars (\$2.00) per share (the “Exercise Price”). The Exercise Price and the number and character of such shares of Common Stock purchasable pursuant to the rights granted under this Warrant are subject to adjustment as provided herein.

**1. Definitions.** As used herein the following terms, unless the context otherwise requires, have the following respective meanings:

(a) “*Common Stock*” means all stock of any class or classes (however designated) of the Company, authorized upon the Issue Date or thereafter, the holders of which shall have the right, without limitation as to amount, either to all or to a share of the balance of current dividends and liquidating dividends after the payment of dividends and distributions on any shares entitled to preference, and the holders of which shall ordinarily, in the absence of contingencies, be

entitled to vote for the election of a majority of directors of the Company (even though the right so to vote has been suspended by the happening of such a contingency).

(b) “*Issue Date*” means , 2007.

(c) “*This Warrant*” means, collectively, this Warrant and all other stock purchase warrants issued in exchange therefor or replacement thereof.

(d) “*Other Securities*” means any stock (other than Common Stock) and other securities of the Company or any other Person (corporate or other) which the Holder of this Warrant at any time shall be entitled to receive, or shall have received, upon the exercise of this Warrant, in lieu of or in addition to Common Stock, or which at any time shall be issuable or shall have been issued in exchange for or in replacement of Common Stock or Other Securities pursuant to Section 3.2 hereof or otherwise.

## 2. Exercise.

2.1 Exercise Period. The Holder may exercise this Warrant at any time on or after the 181<sup>st</sup> day after the Issue Date and before the close of business in Boston, Massachusetts on the fourth anniversary of the Issue Date (the “Exercise Period”).

### 2.2 Exercise Procedure.

(a) This Warrant will be deemed to have been exercised at such time as the Company has received all of the following items (the “Exercise Date”):

(i) a completed Subscription Agreement as described in Section 2.4 hereof, executed by the Person exercising all or part of the purchase rights represented by this Warrant (the “Purchaser”);

(ii) this Warrant;

(iii) if this Warrant is not registered in the name of the Purchaser, an Assignment or Assignments in the form set forth in Exhibit B hereto, evidencing the assignment of this Warrant to the Purchaser together with any documentation required pursuant to Section 8(a) hereof; and

(iv) a check payable to the order of the Company in an amount equal to the product of the Exercise Price multiplied by the number of shares of Common Stock being purchased upon such exercise.

(b) As soon as practicable after the exercise of this Warrant in full or in part, and in any event within ten (10) days after the Exercise Date, the Company

at its expense will cause to be issued in the name of and delivered to the Purchaser, or as the Purchaser (upon payment by the Purchaser of any applicable transfer taxes) may direct, a certificate or certificates for the number of fully paid and non-assessable shares of Common Stock (or Other Securities) to which the Purchaser shall be entitled upon such exercise, together with any other stock or other securities and property (including cash, where applicable) to which the Purchaser is entitled upon exercise.

(c) Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Company at its expense will, within ten (10) days after the Exercise Date, issue and deliver to or upon the order of the Purchaser a new Warrant or Warrants of like tenor, in the name of the Purchaser or as the Purchaser (upon payment by the Purchaser of any applicable transfer taxes) may request, calling in the aggregate on the face or faces thereof for the number of shares of Common Stock remaining issuable under this Warrant.

(d) The Common Stock (or Other Securities) issuable upon the exercise of this Warrant will be deemed to have been issued to the Purchaser on the Exercise Date, and the Purchaser will be deemed for all purposes to have become the record holder of such Common Stock (or Other Securities) on the Exercise Date.

(e) The issuance of certificates for shares of Common Stock (or Other Securities) upon exercise of this Warrant will be made without charge to the Holder or the Purchaser for any issuance tax in respect thereof or any other cost incurred by the Company in connection with such exercise and the related issuance of shares of Common Stock (or Other Securities).

(f) The holder represents and warrants that at the time of any exercise of this warrant the holder is an “accredited investor,” as such term is defined in Rule 501 promulgated under the Securities Act of 1933 (the “Securities Act”) and acknowledges and agrees that the Company may, in its sole discretion, (i) require, as a condition to the exercise of this Warrant, that the holder provide such written evidence that such holder is an accredited investor as the time of exercise, and (ii) decline to issue the shares of Common Stock issuable upon such exercise if the Company is not satisfied that this warrant may be exercised the holder pursuant to a valid registration exemption from the Securities Act and any applicable state securities law.

2.3 Acknowledgement of Continuing Obligations. The Company will, at the time of the exercise of this Warrant, upon the request of the Purchaser, acknowledge in writing its continuing obligation to afford to the Purchaser any rights to which the Purchaser shall continue to be entitled after such exercise in accordance with the provisions of this Warrant, provided that if the Purchaser shall fail to make any such request, such failure shall not affect the continuing obligation of the Company to afford to the Purchaser any such rights.

2.4 Subscription Agreement. The Subscription Agreement will be substantially in the form set forth in Exhibit A hereto, except that if the shares of Common Stock (or Other Securities) issuable upon exercise of this Warrant are not to be issued in the name of the Purchaser, the Subscription Agreement will also state the name of the Person to whom the certificates for the shares of Common Stock (or Other Securities) are to be issued, and if the number of shares of Common Stock (or Other Securities) to be issued does not include all the shares of Common Stock (or Other Securities) issuable hereunder, it will also state the name of the Person to whom a new Warrant for the unexercised portion of the rights hereunder is to be delivered.

2.5 Fractional Shares. If a fractional share of Common Stock would, but for the provisions of Section 2.1 hereof, be issuable upon exercise of the rights represented by this Warrant, the Company will, within ten (10) days after the Exercise Date, deliver to the Purchaser a check payable to the Purchaser in lieu of such fractional share, in an amount equal to the Market Price of such fractional share as of the close of business on the Exercise Date.

### **3. Adjustments.**

3.1 Adjustments for Stock Splits, Etc. If the Company shall at any time after the Issue Date subdivide its outstanding Common Stock, by split-up or otherwise, or combine its outstanding Common Stock, or issue additional shares of its capital stock in payment of a stock dividend in respect of its Common Stock or Other Securities, the number of shares issuable on the exercise of the unexercised portion of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of combination, and the Exercise Price then applicable to shares covered by the unexercised portion of this Warrant shall forthwith be proportionately decreased in the case of a subdivision or stock dividend, or proportionately increased in the case of combination.

3.2 Adjustment for Reclassification, Reorganization, Etc. In case of any reclassification, capital reorganization, or change of the outstanding Common Stock (other than as a result of a subdivision, combination or stock dividend), or in the case of any consolidation of the Company with, or merger of the Company into, another Person (other than a consolidation or merger in which the Company is the continuing corporation and which does not result in any reclassification or change of the outstanding Common Stock or Other Securities of the Company), or in case of any sale or conveyance to one or more Persons of the property of the Company as an entirety or substantially as an entirety at any time prior to the expiration of this Warrant, then, as a condition of such reclassification, reorganization, change, consolidation, merger, sale or

conveyance, lawful provision shall be made, and duly executed documents evidencing the same from the Company or its successor shall be delivered to the Holder of this Warrant, so that the Holder of this Warrant shall have the right at any time prior to the expiration of this Warrant to purchase, at a total price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, the kind and amount of shares of stock and other securities and property receivable upon such reclassification, reorganization, change, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock or Other Securities of the Company as to which this Warrant was exercisable immediately prior to such reclassification, reorganization, change, consolidation, merger, sale or conveyance, and in any such case appropriate provision shall be made with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for the adjustment of the Exercise Price and of the number of shares purchasable upon exercise of this Warrant) shall thereafter be applicable in relation to any shares of stock, and other securities and property, thereafter deliverable upon exercise hereof. If, as a consequence of any such transaction, solely cash, and no securities or other property of any kind, is deliverable upon exercise of this Warrant, then, in such event, the Company may terminate this Warrant by giving the Holder hereof written notice thereof. Such notice shall specify the date (at least thirty (30) days subsequent to the date on which notice is given) on which, at 3:00 P.M., Boston, Massachusetts time, this Warrant shall terminate. Notwithstanding any such notice, this Warrant shall remain exercisable, and otherwise in full force and effect, until such time of termination.

3.3 Certificate of Adjustment. Whenever the Exercise Price or the number of shares issuable hereunder is adjusted, as herein provided, the Company shall promptly deliver to the registered Holder of this Warrant a certificate of the Treasurer of the Company, which certificate shall state (i) the Exercise Price and the number of shares of Common Stock (or Other Securities) issuable hereunder after such adjustment, (ii) the facts requiring such adjustment, and (iii) the method of calculation for such adjustment and increase or decrease.

3.4 Small Adjustments. No adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease in the Exercise Price of at least one percent; provided, however, that any adjustments which by reason of this Section 3.5 are not required to be made immediately shall be carried forward and taken into account at the time of exercise of this Warrant or any subsequent adjustment in the Exercise Price which, singly or in combination with any adjustment carried forward, is required to be made under Sections 3.1 or 3.2.

**4. Reservation of Stock, etc., Issuable on Exercise of Warrant.** The Company will at all times reserve and keep available, solely for issuance and delivery upon the exercise of this Warrant, all shares of Common Stock (or Other Securities) from time to time issuable upon the exercise of this Warrant.

## 5. Disposition of This Warrant, Common Stock, Etc.

(a) The Holder of this Warrant and any transferee hereof or of the Common Stock (or Other Securities) with respect to which this Warrant may be exercisable, by their acceptance hereof, hereby understand and agree that this Warrant and the Common Stock (or Other Securities) with respect to which this Warrant may be exercisable have not been registered under the Securities Act, and may not be sold, pledged, hypothecated, donated, or otherwise transferred (whether or not for consideration) without an effective registration statement under the Act or an opinion of counsel satisfactory to the Company and/or submission to the Company of such other evidence as may be satisfactory to counsel to the Company, in each such case, to the effect that any such transfer shall not be in violation of the Act. It shall be a condition to the transfer of this Warrant that any transferee thereof deliver to the Company its written agreement to accept and be bound by all of the terms and conditions of this Warrant. The foregoing notwithstanding, the Company acknowledges its obligations as set forth in that certain Registration Rights Agreement of approximate even date to which it and the initial holder of this Warrant are parties (the "Registration Rights Agreement"), to register the shares of Common Stock issuable upon exercise hereof.

(b) Except to the extent registered the resale of the shares of Common Stock issuable upon exercise hereof are "registrable securities" (as defined in the Registration Rights Agreement) and a resale transaction of which has been registered pursuant thereto, the stock certificates of the Company that will evidence the shares of Common Stock (or Other Securities) with respect to which this Warrant may be exercisable will be imprinted with a conspicuous legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED (WHETHER OR NOT FOR CONSIDERATION) BY THE HOLDER WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND/OR SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO COUNSEL TO THE COMPANY, IN EACH SUCH CASE, TO THE EFFECT THAT ANY SUCH TRANSFER SHALL NOT BE IN VIOLATION OF THE ACT."

Except as set forth in the Registration Rights Agreement, the Company has not agreed to register any of the Holder's shares of Common Stock (or Other Securities) of the Company with respect to which this Warrant may be exercisable for distribution in accordance with the provisions of the Securities Act, and the Company has not agreed to comply with any exemption from registration under the Act for the resale of the Holder's shares of Common Stock (or Other Securities) with respect to which this Warrant may be exercised. Hence, it is the understanding of the Holder of this Warrant that by virtue of the provisions of certain rules respecting "restricted securities" promulgated by the SEC, the shares of Common Stock (or Other Securities) of the Company with respect to which this Warrant may be exercisable may be required to be held indefinitely, unless and until registered under the Securities Act (as contemplated by the Registration Rights Agreement), unless an exemption from such registration is available, in which case the Holder may still be limited as to the number of shares of Common Stock (or Other Securities) of the Company with respect to which this Warrant may be exercised that may be sold from time to time.

**6. Rights and Obligations of Warrant Holder.** The Holder of this Warrant shall not, by virtue hereof, be entitled to any voting rights or other rights as a stockholder of the Company. No provision of this Warrant, in the absence of affirmative actions by the Holder to purchase Common Stock (or Other Securities) of the Company by exercising this Warrant, and no enumeration in this Warrant of the rights or privileges of the Holder, will give rise to any liability of such Holder for the Exercise Price of Common Stock (or Other Securities) acquirable by exercise hereof or as a stockholder of the Company.

**7. Transfer of Warrants.** Subject to compliance with the restrictions on transfer applicable to this Warrant referred to in Section 5 hereof, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the registered Holder, upon surrender of this Warrant with a properly executed Assignment (in substantially the form attached hereto as Exhibit B), to the Company, and the Company at its expense will issue and deliver to or upon the order of the Holder hereof a new Warrant or Warrants in such denomination or denominations as may be requested, but otherwise of like tenor, in the name of the Holder or as the Holder (upon payment of any applicable transfer taxes) may direct.

**8. Replacement of Warrants.** Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of any Warrant and, in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, upon surrender and cancellation of such Warrant, the Company at its expense will execute and deliver, in lieu thereof, a new Warrant of like tenor.

**9. Company Records.** Until this Warrant is transferred on the books of the Company, the Company may treat the registered Holder hereof as the absolute owner hereof for all purposes, notwithstanding any notice to the contrary.

**10. Miscellaneous.**

10.1 Notices. All notices and other communications from the Company to the Holder of this Warrant shall be mailed by first class mail, postage prepaid, to such address as may have been furnished to the Company in writing by such Holder, or, until an address is so furnished, to and at the address of the last Holder of this Warrant who has so furnished an address to the Company. All communications from the Holder of this Warrant to the Company shall be mailed by first class mail, postage prepaid, to Pro-Pharmaceuticals, Inc., 7 Wells Avenue, Newton, MA 02459 Attn: Chief Financial Officer, or such other address as may have been furnished to the Holder in writing by the Company.

10.2 Amendment and Waiver. Except as otherwise provided herein, this Warrant and any term hereof may be amended, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, waiver, discharge or termination is sought.

10.3 Governing Law; Descriptive Headings. This Warrant shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Massachusetts. The headings in this Warrant are for purposes of reference only, and shall not limit or otherwise affect any of the terms hereof.

Dated: \_\_\_\_\_, 2007

PRO-PHARMACEUTICALS, INC.

By: \_\_\_\_\_  
Name: Anthony Squeglia  
Title: Chief Financial Officer

**EXHIBIT 10.4**  
**EXHIBIT A**

**SUBSCRIPTION AGREEMENT**

[To be signed only upon exercise of Warrant]

To:

Date:

The undersigned, the Holder of the within Warrant, pursuant to the provisions set forth in the within Warrant, hereby irrevocably elects to exercise the purchase rights represented by such Warrant for, and agrees to subscribe for and purchase thereunder, \_\_\_\_\_ shares of the Common Stock (or Other Securities) covered by such Warrant and herewith makes payment of \$\_\_\_\_\_ therefor, and requests that the certificates for such shares be issued in the name of, and delivered to, \_\_\_\_\_, whose address is: \_\_\_\_\_. If said number of shares is less than all the shares covered by such Warrant, a new Warrant shall be registered in the name of the undersigned and delivered to the address stated below.

Signature \_\_\_\_\_

(Signature must conform in all respects to name of Holder as specified on the face of the Warrant or on the form of Assignment attached as Exhibit B thereto.)

Address \_\_\_\_\_

\_\_\_\_\_  
[Signature Guarantee]

**EXHIBIT 10.4**

**EXHIBIT B**

**ASSIGNMENT**

[To be signed only upon transfer of Warrant]

For value received, the undersigned hereby sells, assigns and transfers all of the rights of the undersigned under the within Warrant with respect to the number of shares of the Common Stock (or Other Securities) covered thereby set forth below, unto:

*Name of Assignee*

*Address*

*No. of Shares*

Dated:

Signature \_\_\_\_\_

(Signature must conform in all respects to name of Holder as specified on the face of the Warrant.)

Address \_\_\_\_\_  
\_\_\_\_\_

[Signature Guarantee]