

PRO PHARMACEUTICALS INC
 Form 3
 March 19, 2009

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

| | | | | |
|---|---------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| 10X FUND LP | | (Month/Day/Year) | PRO PHARMACEUTICALS INC [PRWP.OB] | |
| (Last) | (First) | (Middle) | 02/12/2009 | |
| 1099 FOREST LAKE TERRACE | | | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | | (Check all applicable) | |
| NICEVILLE, FL 32578 | | | <input type="checkbox"/> Director | <input checked="" type="checkbox"/> 10% Owner |
| (City) | (State) | (Zip) | <input type="checkbox"/> Officer | <input type="checkbox"/> Other |
| | | | (give title below) | (specify below) |
| | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| | | | | <input type="checkbox"/> Form filed by One Reporting Person |
| | | | | <input checked="" type="checkbox"/> Form filed by More than One Reporting Person |

Table I - Non-Derivative Securities Beneficially Owned

| | | | |
|------------------------------------|--|---|--|
| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|--|---|--|

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| | | | | | |
|---|---|--|--|--|--|
| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |

(Instr. 5)

| | | | | | | | |
|-----------------------------------|------------|------------|--------------|-----------|--------|-------|--------------------------|
| Series B-1 Preferred Stock | Â (1) | Â (1) | Common Stock | 900,000 | \$ 0.5 | I (2) | See Footnotes (2) (3) |
| Class A-1 Warrants (right to buy) | 02/12/2009 | 02/12/2014 | Common Stock | 1,800,000 | \$ 0.5 | I (2) | See Footnotes (2) (3) |
| Class A-2 Warrants (right to buy) | 02/12/2009 | 02/12/2014 | Common Stock | 1,800,000 | \$ 0.5 | I (2) | See Footnotes (2) (3) |
| Class B Warrants (right to buy) | 02/12/2009 | 02/12/2014 | Common Stock | 7,200,000 | \$ 0.5 | I (2) | See Footnotes (2) (3) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| 10X FUND LP 1099 FOREST LAKE TERRACE NICEVILLE, FL 32578 | Â | Â X | Â | Â |
| 10X Capital Management, LLC 1099 FOREST LAKE TERRACE NICEVILLE, FL 32578 | Â | Â X | Â | Â |

Signatures

| | |
|---|------------|
| 10X Capital Management, LLC, /s/ Rod D. Martin, Managing Member | 03/16/2009 |
| **Signature of Reporting Person | Date |
| 10X Fund, LP, by 10X Capital Management, LLC, its General Partner, /s/ Rod D. Martin, Managing Member | 03/16/2009 |
| **Signature of Reporting Person | Date |

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Each share of Series B-1 Convertible Preferred Stock is convertible into four shares of Issuer's common stock at a conversion price of \$0.50 per share (subject to customary anti-dilution protection adjustments) at the option of (a) the holder, at any time and (b) Issuer, at any time after February 12, 2010 (and upon 10 days notice) if the Issuer's common stock is quoted at or above \$1.50 per share for 15 consecutive trading days and an effective registration statement regarding the underlying shares of Issuer's common stock is in effect (subject to certain monthly volume limits). The shares of Series B-1 Convertible Preferred Stock do not expire.
- (2) 10X Fund, L.P. has direct beneficial ownership of all the securities owned by 10X Fund, L.P. 10X Capital Management, LLC, a Florida limited liability company, is the general partner of 10X Fund, L.P., a Delaware limited partnership, and may be deemed to have indirect beneficial ownership of a portion of the securities owned directly by 10X Fund, L.P. equal to its 20% interest in the profits of 10X Fund, L.P. 10X Capital Management, LLC disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein.
- (3) Excludes (i) up to 2,100,000 shares of Series B-2 Preferred Stock convertible into 8,400,000 shares of Common Stock; (ii) Class A-1 Warrants exercisable to purchase up to 4,200,000 shares of Common Stock; (iii) Class A-2 Warrants exercisable to purchase up to 4,200,000 shares of Common Stock; and (iv) Class B Warrants exercisable to purchase up to 16,800,000 shares of Common Stock that 10X Fund, L.P. may purchase from Issuer within 60 days of the date hereof pursuant to a Securities Purchase Agreement dated February 12, 2009 between Issuer and 10X Fund, L.P.

^

Remarks:

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

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

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