

STAGE STORES INC
Form 8-K
August 19, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

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

August 18, 2011
(Date of Report, Date of Earliest Event Reported)

Stage Stores, Inc.
(Exact Name of Registrant as Specified in Charter)

1-14035
(Commission File Number)

NEVADA
(State or Other Jurisdiction of Incorporation)

91-1826900
(I.R.S. Employer Identification No.)

10201 Main Street, Houston, Texas
(Address of Principal Executive Offices)

77025
(Zip Code)

(800) 579-2302
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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:

- 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-12(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On August 18, 2011, Stage Stores, Inc. (the "Company") issued a News Release announcing its financial results for the second quarter 2011. Additionally, the Company provided third quarter, fourth quarter and updated full year 2011 sales and earnings guidance. A copy of the News Release is attached to this Form 8-K as Exhibit 99.

This information shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference to such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99 News Release issued by Stage Stores, Inc. on August 18, 2011, announcing its financial results for the second quarter 2011 and providing third quarter, fourth quarter and updated full year 2011 sales and earnings guidance.

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.

STAGE STORES, INC.

August 19, 2011
(Date)

/s/ Oded Shein
Oded Shein
Chief Financial Officer

: Opt" align="left">Net loss for the year ended December 31, 2003	--
	--
	--
(3,155,313) (3,155,313)	
Balance, at December 31, 2003	10,867,509
\$	

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	10,868
\$	
	20,461,632
\$(10,221,448) \$	
	10,251,052
Issuance of stock for services	
	733,872
	734
	449,190
	--
	449,923
Issuance of warrants for services	
	--
	--
	495,480
	--
	495,480
Exercise of warrants	
	132,608
	133
	4,867
	--
	5,000
Employee compensation from stock options	
	--
	--
	15,612
	--
	4

	15,612
Issuance of stock pursuant to Regulation S	
	2,469,723
	2,469
	790,668
	--
	793,137
Issuance of stock pursuant to Regulation D	
	1,930,164
	1,930
	1,286,930
	--
	1,288,861
Beneficial conversion related to convertible debt	
	--
	--
	360,256
	--
	360,256
Issuance of convertible debt with warrants	
	--
	--
	105,250
	--
	105,250

Repurchase of beneficial conversion feature

	--
	--
(258,345)	--
(258,345)	--
Net loss for the year ended December 31, 2004	--

	--
	--
	--
(4,344,525) (4,344,525)	--
Balance, at December 31, 2004	--

\$	16,133,876
\$	16,134
\$	23,711,540
\$(14,565,973) \$	9,161,701

Issuance of stock for services

	226,733
	227
	152,058
	--
	152,285

Issuance of stock for interest payable

	263,721
	264
	195,767
	--
	196,031

Issuance of warrants for services

	--
	--
	1,534,405
	--
	1,534,405
Issuance of warrants for contractual obligations	
	--
	--
	985,010
	--
	985,010
Exercise of warrants and stock options	
	1,571,849
	1,572
	1,438,223
	--
	1,439,795
Employee compensation from stock options	
	--
	--
	15,752
	--
	15,752
Issuance of stock pursuant to Regulation D	
	6,221,257

	6,221
	6,506,955
	--
	6,513,176
Debt conversion to common stock	
	3,405,541
	3,405
	3,045,957
	--
	3,049,795
Issuance of warrants with convertible debt	
	--
	--
	1,574,900
	--
	1,574,900
Beneficial conversion related to convertible debt	
	--
	--
	1,633,176
	--
	1,633,176

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Beneficial conversion related to interest expense	--	--	39,259	--	39,529
Repurchase of beneficial conversion feature	--	--	(144,128)	--	(144,128)
Net loss for the year ended 2005	--	--	--	(11,763,853)	(11,763,853)
Balance, at December 31, 2005	27,822,977	\$ 27,823	\$ 40,689,144	\$ (26,329,826)	\$ 14,387,141
Issuance of stock for services	719,246	719	676,024	--	676,743
Issuance of stock for interest payable	194,327	195	183,401	--	183,596
Issuance of warrants for services	--	--	370,023	--	370,023
Exercise of warrants and stock options	1,245,809	1,246	1,188,570	--	1,189,816
Employee compensation from stock options	--	--	1,862,456	--	1,862,456
Issuance of stock pursuant to Regulation D	10,092,495	10,092	4,120,329	--	4,130,421
Debt conversion to common stock	2,377,512	2,377	1,573,959	--	1,576,336
Beneficial conversion related to interest expense	--	--	16,447	--	16,447
Net loss for the year ended 2006	--	--	--	(8,870,579)	(8,870,579)
Balance, at December 31, 2006	42,452,366	\$ 42,452	\$ 50,680,353	\$ (35,200,405)	\$ 15,522,400
Issuance of stock for services	100,000	100	188,850	--	188,950
Issuance of stock for interest payable	1,141	1	1,257	--	1,258
Issuance of warrants for services	--	--	459,460	--	459,460
Exercise of warrants and stock options	2,701,051	2,701	2,621,868	--	2,624,569
Employee compensation from stock options	--	--	1,847,397	--	1,847,397
Issuance of stock pursuant to Regulation D	2,376,817	2,377	1,845,761	--	1,848,138
Debt conversion to common stock	490,000	490	367,010	--	367,500
Net loss for the nine months ended September 30, 2007	--	--	--	(7,409,743)	(7,409,743)
Balance, at September 30, 2007	48,121,375	\$ 48,121	\$ 58,011,956	\$ (42,610,148)	\$ 15,449,929

See accompanying notes to consolidated financial statements.

PROVECTUS PHARMACEUTICALS, INC.
(A Development-Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOW
(Unaudited)

	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	Cumulative Amounts from January 17, 2002 (Inception) through September 30, 2007
Cash Flows From Operating Activities			
Net loss	\$ (7,409,743)	\$ (6,786,462)	\$ (42,610,148)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation	6,942	3,023	402,664
Amortization of patents	503,340	503,340	3,266,117
Amortization of original issue discount	2,797	978,780	3,845,721
Amortization of commitment fee	--	--	310,866
Amortization of prepaid consultant expense	84,019	42,010	1,295,226
Amortization of deferred loan costs	3,713	684,105	2,261,584
Accretion of United States Treasury Notes	(142,314)	(125,146)	(324,512)
Loss on extinguishment of debt	--	--	825,867
Loss on exercise of warrants	--	--	236,146
Beneficial conversion of convertible interest	--	16,447	55,976
Convertible interest	1,258	105,259	389,950
Compensation through issuance of stock options	1,847,397	1,289,061	3,775,876
Compensation through issuance of stock	--	--	932,000
Issuance of stock for services	230,617	26,100	6,225,648
Issuance of warrants for services	459,460	130,194	1,002,629
Issuance of warrants for contractual obligations	--	--	985,010
Gain on sale of equipment	--	--	(55,075)
(Increase) decrease in assets			
Officer/Director advance	--	(201,706)	--
Prepaid expenses and other current assets	71,173	25,517	(18,501)
Increase (decrease) in liabilities			
Accounts payable	(31,831)	(50,949)	29,459
Accrued expenses	301,288	63,990	834,514
Net cash used in operating activities	(4,071,884)	(3,296,437)	(16,332,983)
Cash Flows from Investing Activities			
Proceeds from sale of fixed asset	--	--	180,075
Capital expenditures	(22,127)	(8,601)	(62,049)
Proceeds from investments	14,760,644	6,500,000	25,760,644
Purchase of investments	(15,421,173)	(10,869,194)	(32,738,009)
Net cash used in investing activities	(682,656)	(4,377,795)	(6,859,339)

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Cash Flows from Financing Activities

Net proceeds from loans from stockholder	--	--	174,000
Proceeds from convertible debt	--	--	6,706,795
Net proceeds from sale of common stock	1,830,588	1,141,246	14,979,081
Proceeds from exercise of warrants and stock options	2,624,569	1,182,116	5,023,487

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Cash paid to retire convertible debt	--	--	(2,385,959)
Cash paid for deferred loan costs	--	--	(747,612)
Premium paid on extinguishments of debt	--	--	(170,519)
Purchase and retirement of common stock	--	--	(48,000)
Net cash provided by financing activities	4,455,157	2,323,362	23,531,273
Net change in cash and cash equivalents	\$ (299,383)	\$ (5,350,870)	\$ 338,951
Cash and cash equivalents, at beginning of period	\$ 638,334	\$ 6,878,990	\$ --
Cash and cash equivalents, at end of period	\$ 338,951	\$ 1,528,120	\$ 338,951

Supplemental Disclosure of Noncash Investing and Financing Activities:

September 30, 2007

1. Debt converted to common stock of \$367,500
2. Payment of accrued interest through the issuance of stock of \$1,258
3. Issuance of stock for stock issuance costs of \$17,550 incurred in 2006
4. Stock committed to be issued for services of \$41,667 accrued at September 30, 2007

September 30, 2006

1. Issuance of warrants in exchange for prepaid services of \$168,039
2. Debt converted to common stock of \$1,356,336
2. Payment of accrued interest through the issuance of stock of \$166,667
3. Issuance of stock for stock issuance costs of \$964,676 incurred in 2005
4. Stock committed to be issued for services of \$650,643 accrued at December 31, 2005 and issued in 2006

See accompanying notes to consolidated financial statements.

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PROVECTUS PHARMACEUTICALS, INC.
(A Development-Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information pursuant to Regulation S-B. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2007 are not necessarily indicative of the results that may be expected for the year ended December 31, 2007.

2. Recapitalization and Merger

Provectus Pharmaceuticals, Inc., formerly known as "Provectus Pharmaceutical, Inc." and "SPM Group, Inc.," was incorporated under Colorado law on May 1, 1978. SPM Group ceased operations in 1991, and became a development-stage company effective January 1, 1992, with the new corporate purpose of seeking out acquisitions of properties, businesses, or merger candidates, without limitation as to the nature of the business operations or geographic location of the acquisition candidate.

On April 1, 2002, SPM Group changed its name to "Provectus Pharmaceutical, Inc." and reincorporated in Nevada in preparation for a transaction with Provectus Pharmaceuticals, Inc., a privately-held Tennessee corporation ("PPI"). On April 23, 2002, an Agreement and Plan of Reorganization between Provectus Pharmaceutical and PPI was approved by the written consent of a majority of the outstanding shares of Provectus Pharmaceutical. As a result, Provectus Pharmaceuticals, Inc. issued 6,680,000 shares of common stock in exchange for all of the issued and outstanding shares of PPI. As part of the acquisition, Provectus Pharmaceutical changed its name to "Provectus Pharmaceuticals, Inc." ("Provectus" or "the Company") and PPI became a wholly owned subsidiary of Provectus. This transaction was recorded as a recapitalization of PPI.

On November 19, 2002, the Company acquired Valley Pharmaceuticals, Inc., a privately-held Tennessee corporation formerly known as Photogen, Inc., by merging PPI with and into Valley and naming the surviving corporation "Xantech Pharmaceuticals, Inc." Photogen, Inc. was separated from Photogen Technologies, Inc. in a non-pro rata split-off to some of its shareholders. The assets of Photogen, Inc. consisted primarily of the equipment and intangibles related to its therapeutic activity and were recorded at their fair value. The majority shareholders of Valley were also the majority shareholders of Provectus. Valley had no revenues prior to the transaction with the Company. By acquiring Valley, the Company acquired its intellectual property, including issued U.S. patents and patentable inventions.

3. Basic and Diluted Loss Per Common Share

Basic and diluted loss per common share is computed based on the weighted average number of common shares outstanding. Included as of September 30, 2007 were 120,000 shares committed to be issued. Loss per share excludes the impact of outstanding options, warrants, and convertible debt as they are antidilutive. Potential common shares excluded from the calculation for the three and nine months ended September 30, 2007 and 2006 are 24,392,325 and 26,678,081 warrants, and 8,959,419 and 9,021,714 options. Potential common shares also excluded from the calculation for the three and nine months ended September 30, 2006 are 783,333 shares issuable upon conversion of convertible debt and interest.

4. Equity and Debt Transactions

(a) In January 2007, the Company issued 150,000 shares committed to be issued at December 31, 2006 for shares sold in 2006. In January 2007, the Company also issued 15,000 shares committed to be issued at December 31, 2006 for common stock costs related to shares sold in 2006. The total value for these shares was \$17,550 which was based on the market value of the shares issued and was recorded as an accrued liability at December 31, 2006. In January and February 2007, the Company completed a private placement transaction with six accredited investors pursuant to which the Company sold a total of 265,000 shares of common stock at a purchase price of \$1.00 per share, for an aggregate purchase price of \$265,000. The Company paid \$29,150 and issued 26,500 shares of common stock at a fair market value of \$32,130 to Chicago Investment Group of Illinois, L.L.C. as a placement agent for this transaction. The cash costs have been off-set against the proceeds received. Also in January and February 2007, the Company completed a private placement transaction with 13 accredited investors pursuant to which the Company sold a total of 1,745,743 shares of common stock at a purchase price of \$1.05 per share, for an aggregate purchase price of \$1,833,031. The Company paid \$238,293 and issued 174,574 shares of common stock at a fair market value of \$200,760 to Network 1 Financial Securities, Inc. as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

(b) In January 2007, the Company entered into a separate debt conversion agreement with two of its March 2005 accredited investors for \$245,833 of convertible debt which was converted into 327,777 shares of common stock at \$0.75 per share. In February 2007, the Company entered into a separate debt conversion agreement with two of its March 2005 accredited investors for \$121,667 of convertible debt which was converted into 162,223 shares of common stock at \$0.75 per share.

In February 2007, the remaining total debt discount has been amortized, which is \$2,797. In February 2007, the remaining deferred loan costs have been amortized, which is \$3,713.

At September 30, 2007 the Company had no remaining principal or accrued interest owed to holders of the March 2005 convertible debentures due on March 31, 2007.

The Company chose to pay a portion of the quarterly interest due at February 28, 2007 in common stock instead of cash. The accrued interest not paid in cash that was due February 28, 2007 of \$1,109 was converted into 1,141 shares of common stock resulting in additional interest expense of \$149. 358 of these shares were issued on January 25, 2007 and the remaining shares of 783 were issued on February 28, 2007.

(c) During the three months ended March 31, 2007, \$42,010 of prepaid consulting costs relating to warrants issued in 2006 have been charged to operations. During the three months ended June 30, 2007, the remaining prepaid consulting costs of \$42,009 relating to warrants issued in 2006 have been charged to operations. During the three months ended March 31, 2007, the Company issued 85,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$75,933. During the three months ended June 30, 2007, the Company issued 85,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$98,185. In April and May 2007, 260,000 warrants were exercised for \$196,900 resulting in 260,000 shares being issued. In May 2007, 10,000 warrants were forfeited. During the three months ended September 30, 2007, the Company issued 135,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$250,342. During the three months ended September 30, 2007, 2,305,756 warrants were exercised for \$2,219,657 resulting in 2,185,756 shares being issued and 120,000 shares committed to be issued as of September 30, 2007 and then issued October 4, 2007. 350,000 of the warrants exercised had an exercise price of \$1.00 that was reduced to \$0.90. Additional consulting costs of \$35,000 were charged to operations as a result of the reduction of the exercise price of the 350,000 warrants.

(d) In May 2007, the Company issued 50,000 shares to consultants in exchange for services. Consulting costs charged to operations were \$84,000. In August 2007, the Company issued 50,000 shares to consultants in exchange for services. Consulting costs charged to operations were \$104,950. As of September 30, 2007, the Company is also committed to issue 16,667 shares to consultants in exchange for services. At September 30, 2007, these shares have a value of \$41,667 and have been included in accrued consulting expense.

5. Stock-Based Compensation

One employee of the Company exercised a total of 120,920 options during the three months ended March 31, 2007 at an exercise price of \$1.10 per share of common stock for \$133,012. Another employee of the Company exercised a total of 9,375 options during the three months ended March 31, 2007 at an exercise price of \$0.32 per share of common stock for \$3,000. One employee of the Company exercised a total of 100,000 options during the three months ended September 30, 2007 at an exercise price of \$0.64 per share of common stock for \$64,000. Another employee of the Company exercised a total of 25,000 options during the three months ended September 30, 2007 at an exercise price of \$0.32 per share of common stock for \$8,000. On June 21, 2007, the Company issued 200,000 stock options to its Members of the Board. The options vested on the date of grant. The exercise price is the fair market price on the date of issuance, and all options were outstanding at September 30, 2007.

Effective January 1, 2006, the Company adopted FASB 123R. This change in accounting replaced existing requirements under FASB 123 and eliminated the ability to account for share-based compensation transaction using APB 25. The compensation cost relating to share-based payment transactions are measured based on the fair value of the equity or liability instruments issued. For purposes of estimating the fair value of each stock option on the date of grant, the Company utilized the Black-Scholes option-pricing model. The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options, which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected volatility factor of the market price of the company's common stock (as determined by reviewing its historical public market closing prices). Because the Company's employee stock options have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options or restricted stock units. Included in the results for the three and nine months ended September 30, 2007, is \$421,207 and \$1,847,397, respectively, of stock-based compensation expense which relates to the fair value of stock options. Included in the results for the three and nine months ended September 30, 2006, is \$573,395 and \$1,289,061, respectively, of stock-based compensation expense which relates to the fair value of stock options.

6. Cash Balance Defined Benefit Plan and Trust

In January 2007, the Company established the Provectus Pharmaceuticals, Inc. Cash Balance Defined Benefit Plan and Trust (the "Plan"), effective January 1, 2007, for the exclusive benefit of its four employees and their beneficiaries. The Plan was fully funded for 2007 in January totaling \$324,000 or \$81,000 per employee. The Plan contributions vest immediately after three years of service, which is the case for the four employees, and the Plan will be funded at approximately the same level each year in accordance with the provisions of the Plan.

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 24. Indemnification of Officers and Directors.

Nevada law provides that a Nevada corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation (i.e., a “non-derivative proceeding”), by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys’ fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he or she:

- Is not liable under Section 78.138 of the Nevada Revised Statutes for breach of his or her fiduciary duties to the corporation; or
- Acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

In addition, a Nevada corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor (i.e., a “derivative proceeding”), by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys’ fees actually and reasonably incurred by him or her in connection with the defense or settlement of the action or suit if he:

- Is not liable under Section 78.138 of the Nevada Revised Statute for breach of his or her fiduciary duties to the corporation; or
- Acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation.

Under Nevada law, indemnification may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the corporation or for amounts paid in settlement to the corporation, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

To the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any non-derivative proceeding or any derivative proceeding, or in defense of any claim, issue or matter therein, the corporation is obligated to indemnify him or her against expenses, including attorneys’ fees, actually and reasonably incurred in connection with the defense.

Further, Nevada law permits a Nevada corporation to purchase and maintain insurance or to make other financial arrangements on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or

was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise for any liability asserted against him or her and liability and expenses incurred by him or her in his or her capacity as a director, officer, employee or agent, or arising out of his or her status as such, whether or not the corporation has the authority to indemnify him or her against such liability and expenses.

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Under our Restated Articles of Incorporation, we are obligated to indemnify, to the fullest extent permitted by Nevada law, any director or officer who was or is a party or is threatened to be made a party to, or is involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a “proceeding”), by reason of the fact that the director or officer, or a person of whom he or she is the legal representative, is or was a director or officer of Provectus, or a member of any committee of our board of directors, or is or was serving at our request as a director, officer, partner, trustee, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of the proceeding is alleged action in an official capacity as a director, officer, partner, trustee, employee or agent or in any other capacity while serving as a director officer, partner, trustee, employee or agent; against all expense, liability and loss (including attorneys’ fees, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by the director or officer in connection with the proceeding. In addition, indemnification is required to continue as to a person who has ceased to be a director, officer, partner, trustee, employee or agent and inures to the benefit of his or her heirs, executors and administrators. However, subject to the exceptions detailed below, we may indemnify a person seeking indemnification in connection with a proceeding (or part thereof) initiated by the person seeking indemnification only if the proceeding (or part thereof) was authorized by our board of directors. We may indemnify any employee or agent of Provectus to an extent greater than required by law only if and to the extent that our directors, in their discretion, may determine.

If we do not pay a claim for indemnification under our Restated Articles of Incorporation in full within 30 days after a written claim has been received by us, the claimant may at any time thereafter bring suit against us to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant also will be entitled to be paid the expense of prosecuting such claim. With some exceptions, we may defend against an action brought for this purpose that the claimant has not met the standards of conduct which make it permissible under Chapter 78 of the Nevada Revised Statutes for us to indemnify the claimant for the amount claimed, but the burden of proving such defense is on us. Neither our failure (including the failure of our board of directors, independent legal counsel or our stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Chapter 78 of the Nevada Revised Statutes, nor an actual determination by us (including our board of directors, independent legal counsel or our stockholders) that the claimant has not met such applicable standard of conduct is a defense to the action or creates a presumption that the claimant has not met the applicable standard of conduct.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of Provectus pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 25. Other Expenses of Issuance and Distribution.

The estimated expenses in connection with this offering are as set forth in the following table. All amounts except the Securities and Exchange Commission (“SEC”) registration fee are estimated.

SEC Registration Fee	\$	1,712
Printing and Engraving Expenses		2,500.00
Accounting Fees and Expenses		10,000.00
Legal Fees and Expenses		50,000.00
Miscellaneous		1,500.00
Total	\$	65,712.00

Item 26. Recent Sales of Unregistered Securities.

In January 2005, the Company issued 16,000 warrants to consultants in exchange for services rendered. Consulting costs charged to operations were \$6,944. In February 2005, the Company issued 13,000 warrants to consultants in exchange for services rendered. Consulting costs charged to operations were \$13,130. In March 2005, the Company issued 100,000 warrants to consultants in exchange for services rendered. Consulting costs charged to operations were \$68,910. In April 2005, the Company issued 410,000 warrants to consultants in exchange for services rendered. Consulting costs charged to operations were \$195,900. In May 2005, the Company issued 25,000 warrants to consultants in exchange for services rendered. Consulting costs charged to operations were \$9,250. In December 2005, the Company issued 33,583 warrants to consultants in exchange for services. Consulting costs charged to operations were \$24,571. The fair market value for the warrants issued in 2005 ranged from \$0.37 to \$1.01.

In January 2005, the Company issued 7,500 shares to consultants in exchange for services rendered. Consulting costs charged to operations were \$4,950. In February 2005, the Company issued 7,500 shares to consultants in exchange for services. Consulting costs charged to operations were \$7,574. In April 2005, the Company issued 190,733 shares to consultants in exchange for services. Consulting costs charged to operations were \$127,791. In May 2005, the Company issued 21,000 shares to consultants in exchange for services. Consulting costs charged to operations were \$11,970. At December 31, 2005 the Company committed to issue 332,911 shares to consultants in exchange for services rendered in December, 2005. Consulting costs charged to operations were \$305,606.

During the three months ended March 31, 2005, the Company completed a private placement transaction with 8 accredited investors, which were registered effective June 20, 2005, pursuant to which the Company sold 214,666 shares of common stock at a purchase price of \$0.75 per share, for an aggregate purchase price of \$161,000. In connection with the sale of common stock, the Company also issued warrants to the investors to purchase up to 322,000 shares of common stock at an exercise price of \$1.00 per share. The Company paid \$16,100 and issued 80,500 warrants to Venture Catalyst, LLC as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

During the three months ended June 30, 2005, the Company completed a private placement transaction with 4 accredited investors, which were registered effective June 20, 2005, pursuant to which the Company sold 230,333 shares of common stock at a purchase price of \$0.75 per share, for an aggregate purchase price of \$172,750. In connection with the sale of common stock, the Company also issued warrants to the investors to purchase up to 325,500 shares of common stock at an exercise price of \$1.00 per share. The Company paid \$16,275 and issued 81,375 warrants to Venture Catalyst, LLC as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

During the three months ended September 30, 2005, the Company completed a private placement transaction with 12 accredited investors pursuant to which the Company sold 899,338 shares of common stock at a purchase price of \$0.75 per share of which 109,333 are committed to be issued at December 31, 2005, for an aggregate purchase price of \$674,500. In connection with the sale of common stock, the Company also issued warrants to the investors to purchase up to 1,124,167 shares of common stock at an exercise price of \$0.935 per share. The Company paid \$87,685 and committed to issue 79,000 shares of common stock at a fair market value of \$70,083 to Network 1 Financial Securities, Inc. as placement agent for this transaction which is accrued at December 31, 2005. The cash and common stock costs have been off-set against the proceeds received.

During the three months ended December 31, 2005, the Company completed a private placement transaction with 62 accredited investors pursuant to which the Company sold 10,065,605 shares of common stock at a purchase price of \$0.75 per share of which 5,126,019 are committed to be issued at December 31, 2005, for an aggregate purchase price of \$7,549,202. In connection with the sale of common stock, the Company also issued warrants to the investors to purchase up to 12,582,009 shares of common stock at an exercise price of \$0.935 per share. The Company paid \$959,540, issued 46,667 shares of common stock at a fair market value of \$46,467, issued 30,550 warrants, and

committed to issue 950,461 shares of common stock at a fair market value of \$894,593 to a syndicate led by Network 1 Financial Securities, Inc. as placement agent for this transaction which is accrued at December 31, 2005. The cash and common stock costs have been off-set against the proceeds received.

The Company issued 175,000 warrants each month from March 2005 to November 2005 resulting in total warrants of 1,575,000 to Gryffindor Capital Partners I, L.L.C. pursuant to the terms of the Second Amended and Restated Note dated November 26, 2004. Total interest costs charged to operations were \$985,010.

In December 2005, the Company committed to issue 689,246 shares to consultants in exchange for services rendered. 655,663 of these shares were issued in February 2006 and 33,583 shares were issued in May 2006. The total value for these shares was \$650,643 which was based on the market value of the shares issued and was recorded as an accrued liability at December 31, 2005.

In January 2006, the Company issued 5,235,352 shares committed to be issued at December 31, 2005 for shares sold in 2005. In February 2006, the Company issued 1,029,460 shares committed to be issued at December 31, 2005 for stock issuance costs related to shares sold in 2005. The total value for these shares was \$964,676 which was based on the market value of the shares issued and was recorded as an accrued liability at December 31, 2005.

In February 2006, the Company issued 30,000 shares to consultants in exchange for services. Consulting costs charged to operations were \$26,100.

In May 2006, 350,000 warrants were exercised for \$334,000 resulting in 350,000 shares issued. During April, May and June, the Company issued 60,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$58,400. In August and September 2006, 732,534 warrants were exercised for \$693,357 resulting in 732,534 shares issued. During the three months ended September 30, 2006, the Company issued 335,000 warrants to consultants in exchange for services. At December 31, 2006, \$155,814 of these costs have been charged to operations with the remaining \$84,019 recorded as prepaid consulting expense as it represents payments for future services and the warrants are fully vested and non-forfeitable. In November 2006, 100,000 warrants were forfeited. During the three months ended December 31, 2006, the Company issued 85,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$71,790. The fair market value for the warrants issued in 2006 ranged from \$0.67 to \$1.11.

During the three months ended March 31, 2006, the Company completed a private placement transaction with 5 accredited investors pursuant to which the Company sold 466,833 shares of common stock at a purchase price of \$0.75 per share for an aggregate purchase price of \$350,125. In connection with the sale of common stock, the Company also issued warrants to the investors to purchase up to 466,833 shares of common stock at an exercise price of \$0.935 per share. The Company paid \$35,013 and issued 46,683 shares of common stock at a fair market value of \$41,815 to Chicago Investment Group, L.L.C. as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

In May 2006, the Company completed a private placement transaction with 2 accredited investors pursuant to which the Company sold a total of 153,647 shares of common stock at an average purchase price of \$1.37 per share, for an aggregate purchase price of \$210,000. In connection with the sale of common stock, the Company also issued warrants to the 2 investors to purchase up to 76,824 shares of common stock at an average exercise price of \$2.13 per share.

In September 2006, the Company completed a private placement transaction with 7 accredited investors pursuant to which the Company sold a total of 708,200 shares of common stock at a purchase price of \$1.00 per share, for an aggregate purchase price of \$708,200. The Company paid \$92,067 and issued 70,820 shares of common stock at a fair market value of \$84,984 to Network 1 Financial Securities, Inc. as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

In October 2006 the Company completed a private placement transaction with 15 accredited investors pursuant to which the Company sold a total of 915,000 shares of common stock at a purchase price of \$1.00 per share, for an aggregate purchase price of \$915,000. The Company paid \$118,950 and issued 91,500 shares of common stock at a fair market value of \$118,500 to Network 1 Financial Securities, Inc. as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

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During the three months ended December 31, 2006, the Company completed a private placement transaction with 10 accredited investors pursuant to which the Company sold 1,400,000 shares of common stock at a purchase price of \$1.00 per share of which 150,000 are committed to be issued at December 31, 2006, for an aggregate purchase price of \$1,400,000. The Company paid \$137,500, issued 125,000 shares of common stock at a fair market value of \$148,750, and committed to pay \$16,500 and to issue 15,000 shares of common stock at a fair market value of \$17,550 to Chicago Investment Group of Illinois, L.L.C. as a placement agent for this transaction which is accrued at December 31, 2006. The cash and accrued stock costs have been off-set against the proceeds received.

In January 2007, the Company issued 150,000 shares committed to be issued at December 31, 2006 for shares sold in 2006. In January 2007, the Company also issued 15,000 shares committed to be issued at December 31, 2006 for common stock costs related to shares sold in 2006. The total value for these shares was \$17,550 which was based on the market value of the shares issued and was recorded as an accrued liability at December 31, 2006.

In January and February 2007, the Company completed a private placement transaction with six accredited investors pursuant to which the Company sold a total of 265,000 shares of common stock at a purchase price of \$1.00 per share, for an aggregate purchase price of \$265,000. The Company paid \$29,150 and issued 26,500 shares of common stock at a fair market value of \$32,130 to Chicago Investment Group of Illinois, L.L.C. as a placement agent for this transaction. The cash costs have been off-set against the proceeds received. Also in January and February 2007, the Company completed a private placement transaction with 13 accredited investors pursuant to which the Company sold a total of 1,745,743 shares of common stock at a purchase price of \$1.05 per share, for an aggregate purchase price of \$1,833,031. The Company paid \$238,293 and issued 174,574 shares of common stock at a fair market value of \$200,760 to Network 1 Financial Securities, Inc. as placement agent for this transaction. The cash costs have been off-set against the proceeds received.

In January 2007, the Company entered into a separate debt conversion agreement with two of its March 2005 accredited investors for \$245,833 of convertible debt which was converted into 327,777 shares of common stock at \$0.75 per share. In February 2007, the Company entered into a separate debt conversion agreement with two of its March 2005 accredited investors for \$121,667 of convertible debt which was converted into 162,223 shares of common stock at \$0.75 per share. In February 2007, the remaining total debt discount has been amortized, which is \$2,797. In February 2007, the remaining deferred loan costs have been amortized, which is \$3,713. At September 30, 2007 the Company had no remaining principal or accrued interest owed to holders of the March 2005 convertible debentures due on March 31, 2007. The Company chose to pay a portion of the quarterly interest due at February 28, 2007 in common stock instead of cash. The accrued interest not paid in cash that was due February 28, 2007 of \$1,109 was converted into 1,141 shares of common stock resulting in additional interest expense of \$149. 358 of these shares were issued on January 25, 2007 and the remaining shares of 783 were issued on February 28, 2007.

During the three months ended March 31, 2007, the Company issued 85,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$75,933. During the three months ended June 30, 2007, the Company issued 85,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$98,185. In April and May 2007, 260,000 warrants were exercised for \$196,900 resulting in 260,000 shares being issued. In May 2007, 10,000 warrants were forfeited. During the three months ended September 30, 2007, the Company issued 135,000 warrants to consultants in exchange for services. Consulting costs charged to operations were \$250,342. During the three months ended September 30, 2007, 2,305,756 warrants were exercised for \$2,219,657 resulting in 2,185,756 shares being issued and 120,000 shares committed to be issued as of September 30, 2007 and then issued October 4, 2007. 350,000 of the warrants exercised had an exercise price of \$1.00 that was reduced to \$0.90. Additional consulting costs of \$35,000 were charged to operations as a result of the reduction of the exercise price of the 350,000 warrants.

In May 2007, the Company issued 50,000 shares to consultants in exchange for services. Consulting costs charged to operations were \$84,000. In August 2007, the Company issued 50,000 shares to consultants in exchange for services. Consulting costs charged to operations were \$104,950. As of September 30, 2007, the Company is also

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committed to issue 16,667 shares to consultants in exchange for services. At September 30, 2007, these shares have a value of \$41,667 and have been included in accrued consulting expense.

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Item 27. Exhibits.

The following exhibits are filed as a part of this Registration Statement.

Exhibit No.	Description
2.1	Agreement and Plan of Reorganization dated April 23, 2002, among Provectus Pharmaceutical, Inc., a Nevada corporation (“Provectus”), Provectus Pharmaceuticals, Inc., a Tennessee corporation (“PPI”), and the stockholders of PPI identified therein, incorporated herein by reference to Exhibit 99 to the Company’s Current Report on Form 8-K dated April 23, 2002, as filed with the SEC on April 24, 2002.
2.2	Agreement and Plan of Reorganization dated as of November 15, 2002 among the Company, PPI, Valley Pharmaceuticals, Inc., a Tennessee corporation formerly known as Photogen, Inc., H. Craig Dees, Ph.D., Dees Family Foundation, Walter Fisher, Ph.D., Fisher Family Investment Limited Partnership, Walt Fisher 1998 Charitable Remainder Unitrust, Timothy C. Scott, Ph.D., Scott Family Investment Limited Partnership, John T. Smolik, Smolik Family LLP, Eric A. Wachter, Ph.D., and Eric A. Wachter 1998 Charitable Remainder Unitrust, incorporated herein by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K dated November 19, 2002, as filed with the SEC on November 27, 2002.
2.3	Asset Purchase Agreement dated as of December 5, 2002 among Pure-ific Corporation, a Nevada corporation (“Pure-ific”), Pure-ific, L.L.C., a Utah limited liability company, and Avid Amiri and Daniel Urmann, incorporated herein by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K dated December 5, 2002, as filed with the SEC on December 20, 2002.
2.4	Stock Purchase Agreement dated as of December 5, 2002 among the Company, Pure-ific, and Avid Amiri and Daniel Urmann, incorporated herein by reference to Exhibit 2.2 to the Company’s Current Report on Form 8-K dated December 5, 2002, as filed with the SEC on December 20, 2002.
3.1	Restated Articles of Incorporation of Provectus, incorporated herein by reference to Exhibit 3.1 to the Company’s Quarterly Report on Form 10-QSB for the fiscal quarter ended June 30, 2003, as filed with the SEC on August 14, 2003.
3.2	Bylaws of Provectus, incorporated herein by reference to Exhibit 3.2 to the Company’s Quarterly Report on Form 10-QSB for the fiscal quarter ended March 31, 2003, as filed with the SEC on May 9, 2003.
4.1	Form of Warrant issued to selling stockholders, incorporated herein by reference to Exhibit 4.2 to the Company’s Current Report on Form 8-K, dated August 25, 2005, as filed with the SEC on August 30, 2005.
*4.2	Form of Securities Purchase Agreement entered into between Provectus and the Selling Stockholders.
*4.3	Form of Registration Rights Agreement related to the Form of Securities Purchase Agreement.
*5.1	Opinion of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC.
10.1	Provectus Pharmaceuticals, Inc. Amended and Restated 2002 Stock Plan, incorporated herein by reference to Exhibit 10.2 to the Company’s Quarterly Report on Form 10QSB for the fiscal quarter ended June 30, 2003, as filed with the SEC on August 14, 2003.
10.2	Confidentiality, Inventions and Non-competition Agreement between the Company and H. Craig Dees, incorporated herein by reference to Exhibit 10.8 to

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the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2002, as filed with the SEC on April 15, 2003.

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- 10.3 Confidentiality, Inventions and Non-competition Agreement between the Company and Timothy C. Scott, incorporated herein by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2002, as filed with the SEC on April 15, 2003.
- 10.4 Confidentiality, Inventions and Non-competition Agreement between the Company and Eric A. Wachter, incorporated herein by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2002, as filed with the SEC on April 15, 2003.
- 10.5 Material Transfer Agreement dated as of July 31, 2003 between Schering-Plough Animal Health Corporation and Provectus, incorporated herein by reference to Exhibit 10.15 to the Company's Quarterly Report on Form 10-QSB for the fiscal quarter ended June 30, 2003, as filed with the SEC on August 14, 2003.
- 10.6 Executive Employment Agreement by and between the Company and H. Craig Dees, Ph.D., dated January 4, 2005, incorporated herein by reference to Exhibit 10.22 of the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2005, as filed with the SEC on March 30, 2006.
- 10.7 Executive Employment Agreement by and between the Company and Eric Wachter, Ph.D., dated January 4, 2005, incorporated herein by reference to Exhibit 10.23 of the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2005, as filed with the SEC on March 30, 2006.
- 10.8 Executive Employment Agreement by and between the Company and Timothy C. Scott, Ph.D., dated January 4, 2005, incorporated herein by reference to Exhibit 10.21 of the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2005, as filed with the SEC on March 30, 2006.
- 10.9 Executive Employment Agreement by and between the Company and Peter Culpepper dated January 4, 2005, incorporated herein by reference to Exhibit 10.24 of the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2005, as filed with the SEC on March 30, 2006.
- 10.10 Form of Class A Warrant related to the Securities Purchase Agreement incorporated herein by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-2, as filed with the SEC on May 16, 2005.
- 10.11 Form of Class B Warrant related to the Securities Purchase Agreement incorporated herein by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-2, as filed with the SEC on May 16, 2005.
- 10.12 Common Stock Purchase Warrant dated November 26, 2004 issued to Gryffindor Capital Partners I, L.L.C., incorporated herein by reference to Exhibit 4.6 to the Company's Registration Statement on Form S-2, as filed with the SEC on May 16, 2005.
- 10.13 Form of Warrant issued to Duncan Capital Group, LLC designees, incorporated herein by reference to Exhibit 4.9 to the Company's Registration Statement on Form S-2, as filed with the SEC on May 16, 2005.
- 10.14 Form of Warrant issued to Centre Capital Advisors, LLC incorporated herein by reference by Exhibit 4.13 to the Company's 10-QSB for the quarter ended March 31, 2005, as filed with the SEC on May 16, 2005.

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- 10.15 Form of Warrant issued to Kevin Richardson, incorporated herein by reference to Exhibit 4.17 to the Company's Registration Statement on Form S-2/A, as filed with the SEC on June 14, 2005.
- 10.16 Advisory Agreement with Hunter Wise Securities, LLC dated January 19, 2005, incorporated herein by reference to Exhibit 4.14 of the Company's 10-QSB for the quarter ended March 31, 2005, as filed with the SEC on May 16, 2005.
- 10.17 Form of Warrant issued to Hunter Wise Securities, LLC and Daniel J. McClory, incorporated herein by reference to Exhibit 4.15 of the Company's 10-QSB for the quarter ended March 31, 2005, as filed with the SEC on May 16, 2005.
- 10.18 Form of Securities Purchase Agreement with Selling Stockholders, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated August 30, 2005, as filed with the SEC on August 30, 2005.
- 10.19 Form of Warrant related to the Securities Purchase Agreement incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated August 30, 2005, as filed with the SEC on August 30, 2005.
- *21 List of Subsidiaries.
- **23 Consent of BDO Seidman, LLP.
- *24 Power of Attorney. (Included on Signature Page)

*Previously filed as an exhibit to the Company's Registration Statement on Form SB-2 filed on November 30, 2007.

**Filed herewith.

Item 28. Undertakings.

(a) The undersigned small business issuer hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement to:

(i) Include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) Reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) Include any additional or changed material information on the plan of distribution.

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(2) For determining liability under the Securities Act, treat each post-effective amendment as a new registration statement relating to the securities offered, and the offering of the securities at that time shall be the initial bona fide offering.

(3) File a post-effective amendment to remove from registration any of the securities that remain unsold at the end of the offering.

(4) For determining liability of the undersigned small business issuer under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned undertakes that in a primary offering of securities of the undersigned small business issuer pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned small business issuer will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned small business issuer relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned small business issuer or used or referred to by the undersigned small business issuer;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned small business issuer or its securities provided by or on behalf of the undersigned small business issuer; and

(iv) Any other communication that is an offer in the offering made by the undersigned small business issuer to the purchaser.

(5) For determining liability of the undersigned small business issuer under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the foregoing provision, or otherwise, the small business issuer has been advised that in the option of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

SIGNATURES

In accordance with the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all requirements for filing on Form SB-2 and authorized this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Knoxville, State of Tennessee, on January 7, 2008.

By: /s/ Timothy C. Scott
Name: Timothy C. Scott, Ph.D.
Title : President

By: /s/ Peter R. Culpepper
Name: Peter R. Culpepper
Title: Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on January 7, 2008:

Signatures	Title
/s/ H. Craig Dees H. Craig Dees, Ph.D.	Chief Executive Officer and a Director (principal executive officer)
/s/ Peter R. Culpepper Peter R. Culpepper, C.P.A.	Chief Financial Officer (principal accounting officer)
* Timothy C. Scott, Ph.D.	President and Director
* Eric A. Wachter, Ph.D.	Director
* Stuart Fuchs	Director

* by /s/H. Craig Dees as Attorney-in-Fact