

TRABER PETER G
Form 4
March 09, 2011

FORM 4

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

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
TRABER PETER G

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
03/07/2011

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

C/O PRO-PHARMACEUTICALS,
INC., 7 WELLS AVENUE, SUITE
34

(Street)

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

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

NEWTON, MA 02459

(City) (State) (Zip)

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

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

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

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(9-02)

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount Number Shares
Employee Stock Option (right to buy)	\$ 1.16	03/07/2011		A	5,000,000	(1)(2) 03/07/2021	Common Stock 5,000,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TRABER PETER G C/O PRO-PHARMACEUTICALS, INC. 7 WELLS AVENUE, SUITE 34 NEWTON, MA 02459		X		

Signatures

/s/ Maureen E. Foley,
Attorney-in-Fact
03/09/2011

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- The option vests as follows: (i) 750,000 on the grant date, (ii) 625,000 on the 1st anniversary of the grant date, (iii) 625,000 on the 2nd anniversary of the grant date, (iv) 500,000 on the 3rd anniversary of the grant date, (v) 500,000 on the 4th anniversary of the grant date,
- (1) (vi) 1,000,000 on the 5th anniversary of the grant date, which vesting dates are accelerated for such number of options in the following events: (A) 250,000 as of the date the Company reports revenues of at least \$50,000,000 for a financial year, (B) 250,000 as of the date of approval by the Food and Drug Administration ("FDA") of each of up to two investigational new drug applications filed by the Company, (C) 250,000 as of the date of approval by the FDA of each of up to two new drug applications filed by the Company, and (D) 500,000 as of the date on which the non-affiliate market capitalization of the Company is at least \$1,000,000,000 on any 10 days within the
- (2) preceding 20 trading days ("Public Float Test"), (vii) 500,000 as of the date the Public Float Test demonstrates the Company's market capitalization is at least \$5,000,000,000, and (viii) 500,000 as of the date the Public Float Test demonstrates that the Company's market capitalization is at least \$10,000,000,000.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.