
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported):

July 6, 2011

ADVENTRX Pharmaceuticals, Inc.

(Exact name of registrant as specified in its charter)

Delaware

001-32157

84-1318182

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

12390 El Camino Real, Suite 150, San Diego,
California

92130

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

858-552-0866

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-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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 6, 2011, the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of ADVENTRX Pharmaceuticals, Inc. (the "Company") adopted a 2011 Mid-Year Executive Incentive Plan (the "2011 Incentive Plan") for the Company's officers, including its named executive officers (as identified in the Company's proxy statement relating to the Company's 2011 annual meeting of stockholders) (the "NEOs") for the period beginning July 1, 2011 and ending December 31, 2011 (including target awards for the NEOs and corporate performance objectives). The 2011 Incentive Plan will be governed and administered by the Committee.

Pursuant to the 2011 Incentive Plan, participants are eligible for incentive awards based on the achievement of near-term corporate objectives by the Company. Awards under the 2011 Incentive Plan generally will be paid in cash; however, the Committee has discretion to determine the composition of each award payment. The potential award for each of the NEOs will be based 100% on the Company's achievement of corporate objectives and the target award amount for each NEO is \$187,500. The target amount reflects the Committee's determination of appropriate near-term incentive compensation where performance met objectives or was acceptable in view of prevailing conditions. The actual payout amount of an incentive award may exceed the target amount if performance exceeded objectives or was excellent in view of prevailing conditions or may be less than the target amount if performance partially met objectives or was less than acceptable. In evaluating performance, the Committee will consider the achievement of objectives, the degree to which performance exceeded the objective or an objective is partially achieved, the quality of achievement, the difficulty in achieving the objective, conditions that affected the ability to achieve objectives and such other factors as the Committee determines are appropriate to consider.

Payment of any awards under the 2011 Incentive Plan will be made in a single sum on or after January 1, 2012 and on or before March 14, 2012. An NEO has not earned and does not have any right or entitlement to any award under the 2011 Incentive Plan until the time the award is actually paid to such NEO. However, subject to any contractual obligations the Company may owe an NEO, if an NEO's employment with the Company terminates prior to the payment of an award, it will be at the sole discretion of the Committee whether or not any award payment is made to that NEO.

The corporate performance goals under the 2011 Incentive Plan were set by the Committee based on recommendations from the NEOs and reflect the Committee's assessment, as of July 6, 2011, of near-term corporate objectives the achievement of which will enhance stockholder value. The corporate objectives involve progress with the clinical development of one or more of the Company's product candidates, including progress with regulatory and/or manufacturing activities, favorable responses from the U.S. Food and Drug Administration regarding one or more of the Company's product candidates, progress with evaluating and/or the acquisition of additional technologies, product candidates, products and/or companies and maintaining specified levels of capital.

Under the 2011 Incentive Plan, if a corporate objective becomes irrelevant or undesirable during the plan period or if a strategic change affects (one or more) objectives then, for each such affected objective, the Committee, after considering the recommendations of the NEOs, may (i) if corporate objectives are weighted, adjust the weightings of one or more existing objectives, (ii) substitute one or more new objectives, if corporate objectives are weighted, with appropriate weightings for new and existing objectives, (iii) eliminate one or more existing objectives and, if corporate objectives are weighted, re-weight objectives or (iv) take no action. In addition, subject to any contractual obligations the Company may owe a participant, the Committee has absolute discretion to abolish the 2011 Incentive Plan at any time or to alter any terms and conditions under which incentive awards will be paid, with or without any reason and with or without prior notice.

The descriptions of the provisions of the terms and conditions of the 2011 Incentive Plan set forth above do not purport to be complete and are qualified in their entirety by reference to the 2011 Incentive Plan, which is filed herewith as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The list of exhibits called for by this Item is incorporated by reference to the Exhibit Index filed with this report.

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.

ADVENTRX Pharmaceuticals, Inc.

July 8, 2011

By: */s/ Patrick L. Keran*

Name: Patrick L. Keran

Title: President and Chief Operating Officer

Exhibit Index

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 10.1 | 2011 Mid-Year Executive Incentive Plan |

2011 MID-YEAR EXECUTIVE INCENTIVE PLAN

This 2011 Mid-Year Executive Incentive Plan (this “Plan”) of Adventrx Pharmaceuticals, Inc. (“Adventrx” or the “Company”) is designed to offer incentive compensation to certain employees of the Company (as described under the “Eligibility” section below (“Participants”)), by rewarding the achievement of near-term corporate and individual objectives. This Plan is intended to create an environment that will focus Participants on the achievement of these objectives. Since cooperation between departments and Participants will be required to achieve corporate objectives that represent a significant portion of the incentive awards available under this Plan, this Plan should foster improved teamwork and a more cohesive management team.

Purpose of this Plan

This Plan is designed to:

- provide an incentive program to achieve near-term corporate objectives and thereby enhance stockholder value;
- reward key employees who significantly impact corporate results;
- encourage increased teamwork among all departments within the Company;
- incorporate an incentive program in Adventrx’s overall compensation strategy to help attract and retain key employees; and
- incentivize Participants to remain employed by Adventrx throughout the plan period and until the time incentive awards are paid.

Plan Period

The plan period under this Plan is the period beginning July 1, 2011 and ending December 31, 2011.

Plan Governance

This Plan will be governed and administered by the compensation committee (the “Committee”) of the Company’s Board of Directors. The Committee will be responsible for determining and approving all awards to Participants and for all other determinations under the Plan. All Committee actions shall receive the maximum deference provided by applicable law.

Eligibility

All full time (40 hours/week) exempt employees who are subject to reporting obligations under Section 16 of the Securities Exchange Act of 1934, as amended, are eligible to participate in this Plan. To be eligible to earn and receive an award under this Plan, such employee: (a) must have been in an eligible position (i.e., a Section 16 officer) prior to October 1, 2011 and remain employed in such capacity through the date any incentive awards are paid; and (b) must not be on probation or under review or evaluation (or similar disciplinary action) at the time incentive award determinations are made or paid.

Form of Incentive Award Payments

Incentive award payments generally will be made in cash, though the Committee has sole and absolute discretion to determine the composition of individual incentive award payments.

Corporate and Individual Objectives

This Plan calls for incentive awards based on the achievement of near-term corporate objectives by the Company and, for Participants other than the Company’s Chief Executive Officer and the Company’s President (together, the “Senior Executives”), individual objectives by Participants.

Shortly after or in connection with adoption of this Plan, the Senior Executives will present to the Committee (a) a list of proposed near-term corporate objectives for the plan period, which objectives are subject to review and approval by the Committee and (b) a list of individual objectives applicable to each Participant other than the Senior Executives, which objectives are subject to review and approval by the Committee. Corporate objectives may be individually weighted with respect to all corporate objectives.

The relative weight between corporate and individual objectives of an incentive award will vary based on each Participant’s level within the Company as follows:

| | Corporate | Individual |
|---|-----------|------------|
| Senior Executives | 100% | 0% |
| Participants other than Senior Executives | 75% | 25% |

If an approved corporate or individual objective becomes irrelevant or undesirable during the plan period or if a strategic change affects (one or more) objectives then, for each such affected objective:

(a) with respect to corporate objectives, the Committee, after considering the recommendations of the Senior Executives, may (i) if corporate objectives are weighted, adjust the weightings of one or more existing objectives, (ii) substitute one or more new objectives, if corporate objectives are weighted, with appropriate weightings for new and existing objectives, (iii) eliminate one or more existing objectives and, if corporate objectives are weighted, re-weight objectives or (iv) take no action;

(b) with respect to individual objectives, the Committee, after considering the recommendations of the Senior Executives, may take one of the actions described in subsections (a)(i)-(iv) above.

Incentive Award Targets

The target amount of a typical incentive award will be a specific dollar amount or determined by applying a “target percentage” to the base salary earned by a Participant during the plan period as a Participant in this Plan. In general, the following amounts or target percentages of salary will be used to determine target award amounts:

| <u>Level</u> | <u>Target Award Amount (\$) or Target Percentage (%)</u> |
|--|--|
| <u>Senior Executives</u> | <u>\$187,500</u> |
| <u>Participants other than Senior Executives</u> | <u>25%</u> |

Note: Notwithstanding the foregoing, actual target amounts may be greater or less for a particular Participant based on the terms of employment with such Participant.

The target amount reflects the Committee’s determination of appropriate near-term incentive compensation where performance met objectives or was acceptable in view of prevailing conditions. The actual payout amount of an incentive award may exceed the target amount if performance exceeded objectives or was excellent in view of prevailing conditions or may be less than the target amount if performance partially met objectives or was less than acceptable.

In evaluating performance, the Committee will consider the achievement of objectives, the degree to which performance exceeded the objective or an objective is partially achieved, the quality of achievement, the difficulty in achieving the objective, conditions that affected the ability to achieve objectives and such other factors as the Committee determines are appropriate to consider.

Payment of Incentive Awards

The actual payout amount of each Participant’s incentive award will be determined by the Committee after considering the recommendations of the Senior Executives.

Notwithstanding any other provision of this Plan, each Participant’s award, if any, will be paid in a single sum on or after January 1, 2012 and on or before March 14, 2012. Incentive award calculations for each Participant that are based on a percentage of salary will be based on such Participant’s base salary earned during the plan period as a Participant in this Plan. A Participant has not earned and does not have any right or entitlement to any award under this Plan until the time the award is actually paid to such Participant.

Termination of Employment

Subject to any contractual obligations that the Company may owe to a Participant, any award payment provided for under this Plan is completely discretionary and is not considered earned by a Participant until it is actually paid. Continued employment until payment of the incentive award is required and if the employment of a Participant is terminated (whether voluntarily or involuntarily) during the plan period, or prior to payment of incentive awards, whether or not an award payment is made will be at the absolute discretion of the Committee.

Absolute Right to Alter or Abolish this Plan; Disputes

Subject to any contractual obligations that the Company may owe to a Participant, the Committee reserves the right in its absolute discretion to abolish this Plan at any time or to alter the terms and conditions under which incentive awards will be paid, with or without any reason and with or without prior notice. Such discretion may be exercised any time before, during, and after the plan period has commenced or is completed. No Participant shall earn or vest in any right to receive any award hereunder until actual payment of such award.

Any dispute or controversy arising under this Plan will be settled by the Committee in its sole and absolute discretion.

Employment Duration/Employment Relationship

This Plan does not, and Adventrx’s policies and practices in administering this Plan do not, constitute an express or implied contract or other agreement concerning the duration of any Participant’s employment with the Company. The employment relationship of each Participant is “at will” and may be terminated at any time by Adventrx or by the Participant, with or without cause, subject to the terms of any applicable agreement.

Other Terms and Conditions of this Plan

The Company is not responsible for any tax liability incurred by Participants that receive an award under this Plan, but reserves the right to deduct from any award payment an amount equal to all or any part of the deductions or taxes required by applicable law to be withheld by the Company. Each Participant further understands and agrees that such Participant will be entirely responsible for any and all taxes on any benefits payable to the Participant as a result of this Plan.

The Company intends that the awards and payments pursuant to this Plan will not be subject to taxation under Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”). Accordingly, the provisions of this Plan shall be interpreted and construed in favor of satisfying any applicable requirements of, or exemptions from, Section 409A of the Code. In the event this Plan or any benefit paid to a Participant hereunder is deemed to be subject to Section 409A of the Code, each Participant consents to the Company adopting such conforming amendments as the Company deems necessary, in good faith and in its reasonable discretion, to comply with Section 409A of the Code and avoid the imposition of taxes under Section 409A of the Code. Each payment made pursuant to any provision of this Plan shall be considered a separate payment and not one of a series of payments for purposes of Section 409A of the Code. While it is intended that all

payments and benefits provided under this Plan to each Participant will be exempt from or comply with Section 409A of the Code, the Company makes no representation or covenant to ensure that the payments under this Plan are exempt from or compliant with Section 409A of the Code. The Company will have no liability to any Participant or any other party if a payment or benefit under this Plan is challenged by any taxing authority or is ultimately determined not to be exempt or compliant. In addition, if upon a Participant's "separation from service" within the meaning of Section 409A of the Code, such Participant is then a "specified employee" (as defined in Section 409A of the Code), then solely to the extent necessary to comply with Section 409A of the Code and avoid the imposition of taxes under Section 409A of the Code, the Company shall defer payment of "nonqualified deferred compensation" subject to Section 409A of the Code payable as a result of and within six (6) months following such "separation from service" under this Plan until the earlier of (i) the first business day of the seventh month following such Participant's "separation from service," or (ii) ten (10) days after the Company receives written notification of such Participant's death. Any such delayed payments shall be made without interest.

This Plan is unfunded and no provision of this Plan shall require the Company, for the purpose of satisfying any Plan obligations, to purchase assets or place any assets in a trust or other entity or otherwise to segregate any assets for such purposes. Nothing contained in this Plan nor any action taken pursuant to its provisions shall create or be construed to create a fiduciary relationship between the Company and any Participant or other person. Any right to receive an award payment under this Plan shall be no greater than the right of any unsecured creditor of the Company.

This Plan represents the entire plan as to the matters described herein. Except as may be expressly provided in a Participant's employment or similar agreement with the Company, this Plan shall supersede all prior or contemporaneous plans or arrangements or understandings between the Company and any Participant, whether written or oral, express or implied, with respect to any subject covered by this Plan.

This Plan shall be governed by, and interpreted, construed, and enforced in accordance with, the laws of the State of California without regard to its or any other jurisdiction's conflicts of laws provisions.