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): January 28, 2009

# 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.) |
| 6725 Mesa Ridge Road, Suite 100, San Diego, California | | 92121 |
| (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))

Top of the Form

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

On January 28, 2009, ADVENTRX Pharmaceuticals, Inc. (the "Company") entered into a Retention and Incentive Agreement with Brian M. Culley, the Company's Chief Business Officer and Senior Vice President (the "Retention and Incentive Agreement"), the provisions of which establish severance benefits in the event of an involuntary termination of employment before September 30, 2009. In addition, the Company granted Mr. Culley an award under its 2008 Omnibus Incentive Plan of 1,200,000 restricted stock units, which units shall vest immediately prior to a strategic transaction (as defined in the notice of grant). The Retention and Incentive Agreement and the restricted stock units award are primarily intended to reinforce and encourage Mr. Culley's continued employment with and dedication to the Company without distraction from the possibility of involuntary termination or a change in control and related events and circumstances.

Pursuant to the Retention and Incentive Agreement, if Mr. Culley's employment with the Company terminates as a result of an involuntary termination and Mr. Culley delivers (and does not revoke) a general release of claims, Mr. Culley will receive a lump-sum cash severance payment, less applicable withholdings, equal to nine months of his then-current annual base salary multiplied by a fraction, the numerator of which is the number of days between his termination date (as defined in the Retention and Incentive Agreement) and September 30, 2009 and the denominator of which is 365. The Retention and Incentive Agreement is intended to be binding upon any successor to the Company or to all or substantially all of the Company's business and/or assets. For purposes of the Retention and Incentive Agreement, "involuntary termination" means, without Mr. Culley's express written consent, a significant reduction of or removal from his current duties, position or responsibilities, a material reduction of his base salary or in the kind or level of employee benefits (including cash and stock bonus plans) to which he is entitled which results in a material adverse change to his employment relationship or a relocation to a facility or location that increases his one-way commute by more than 50 miles, any termination of Mr. Culley's employment which is not for cause (as defined in the Retention and Incentive Agreement) or any material breach of the Retention and Incentive Agreement by the Company, including the failure of a successor to assume the Company's obligations under the Retention and Incentive Agreement.

Pursuant to a Notice of Grant of Restricted Stock Units and the related Restricted Stock Units Agreement, the Company issued to Mr. Culley 1,200,000 restricted stock units under its 2008 Omnibus Incentive Plan (the "RSUs"). Each RSU represents the right to receive one share of the Company's common stock upon vesting and settlement of the RSUs. Provided Mr. Culley's services to the Company have not terminated beforehand, 100% of the RSUs shall vest immediately prior to the consummation of a strategic transaction. Settlement of the vested RSUs will occur at the same time as vesting unless a sale by Mr. Culley of the shares issuable upon settlement of the RSUs would violate any insider trading policy of the Company, any federal, state or foreign law or any contractual obligation to which Mr. Culley is subject (such as a lock-up or market stand-off agreement), in which case settlement of the RSUs shall be deferred until the first to occur of (a) the next business day on which a sale of the shares by Mr. Culley would not violate such insider trading policy or contractual obligation and (b) the latest date possible that such settlement can be deferred without becoming subject to Section 409A of the Internal Revenue Code. If the Company does not consummate a strategic transaction, none of the RSUs shall vest and the Company shall automatically reacquire all of the RSUs upon termination of Mr. Culley's services to the Company without any payment therefor. For purposes of the RSUs, "strategic transaction" generally means a transaction or series of related transactions constituting a change of control of the Company or a subsidiary of the Company or a sale or other disposition of all or substantially all of its assets or the grant of an exclusive license of the Company's intellectual property related to ANX-514 to make, use or sell products in the United States for the treatment of cancer by intravenous administration of formulations consisting of emulsified products.

The descriptions of the provisions of the Retention and Incentive Agreement, the Notice of Grant of Restricted Stock Units and the Restricted Stock Units Agreement set forth above do not purport to be complete and are qualified in their entirety by reference to the Retention and Incentive Agreement, the form of Notice of Grant of Restricted Stock Units and the form of Restricted Stock Units Agreement, which are filed herewith as Exhibits 10.1, 10.2 and 10.3 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.

Top of the Form

**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.

*February 2, 2009*

*By: /s/ Patrick L. Keran*

*Name: Patrick L. Keran*
*Title: Vice President, Legal*

Top of the Form

Exhibit Index

| Exhibit No. | Description |
|---|---|
| 10.1 | Retention and Incentive Agreement, dated as of January 28, 2009, between Brian M. Culley and ADVENTRX Pharmaceuticals, Inc. |
| 10.2 | Form of Notice of Grant of Restricted Stock Units under the 2008 Omnibus Incentive Plan (for grants to employees in January 2009) |
| 10.3 | Form of Restricted Stock Units Agreement under the 2008 Omnibus Incentive Plan |

**RETENTION AND INCENTIVE AGREEMENT**

This Retention and Incentive Agreement (this "Agreement") is made as of January 28, 2009 (the "Effective Date") by and between Adventrx Pharmaceuticals, Inc., a Delaware corporation (the "Company"), and Brian M. Culley, an individual resident of the State of California ("Employee"). Certain capitalized terms used in this Agreement are defined in Section 12 below.

1. At-Will Employment. Employee's employment is and shall continue to be at-will, as defined under applicable law. If Employee's employment terminates for any reason, Employee shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement or required by applicable law, or as may otherwise be established under the Company's then existing employee benefit plans or policies at the time of termination.

2. Severance Benefits. If Employee's employment with the Company terminates as a result of an Involuntary Termination at any time, and Employee delivers (and does not revoke) the Release (as defined in Section 8 below), then Employee shall be entitled to an amount payable by the Company to Employee equal to the Severance Payment, less applicable withholdings, which amount shall be payable in a lump-sum on the date determined pursuant to Section 8.

3. Issuance of Restricted Stock Units. The Company shall execute a Notice of Grant of Restricted Stock Units in substantially the form of Exhibit A attached hereto pursuant to which Employee shall be granted an award of Restricted Stock Units pursuant to the Company's 2008 Omnibus Incentive Plan (the "Award"); provided, however, that the Company has received a written waiver under that certain Rights Agreement, dated July 25, 2005, as amended (the "Rights Agreement"), that allows the Company to grant the Award without complying with the participation rights (and any related rights, including rights to notice) set forth in the Rights Agreement.

4. Other Terminations. If Employee's employment with the Company is terminated, other than as a result of an Involuntary Termination, then Employee shall not be entitled to the benefits of Section 2 of this Agreement.

5. Accrued Wages and Vacation, Expenses. Without regard to the reason for, or the timing of, Employee's termination of employment: (i) the Company shall pay Employee any unpaid base salary due for periods prior to and including the Termination Date; (ii) the Company shall pay Employee all of Employee's accrued and unused vacation through the Termination Date; and (iii) following submission of proper expense reports by Employee, the Company shall reimburse Employee for all expenses reasonably and necessarily incurred by Employee in connection with the business of the Company prior to the Termination Date. These payments shall be made promptly upon termination and within the period of time mandated by law (including but limited to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")).

6. Limitation on Payments. In the event it shall be determined that any compensation by or benefit from the Company to Employee or for Employee's benefit, whether pursuant to the terms of this Agreement or otherwise (collectively, the "Payments"), (i) constitute "parachute payments" within the meaning of Section 280G of the Code, and (ii) would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then Employee's benefits under this Agreement shall be either:

(a) delivered in full, or

(b) delivered as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Employee on an after-tax basis of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code.

Unless the Company and Employee otherwise agree in writing, any determination required under this Section 6 shall be made in writing by the Company's independent public accountants (the "Accountants"), whose determination shall be conclusive and binding upon Employee and the Company for all purposes. For purposes of making the calculations required by this Section 6, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Employee shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 6. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 6.

In the event that Payments must be reduced, then the Payments will be reduced in accordance with the following order of priority: (a) first, Full Credit Payments (as defined below) will be reduced in reverse chronological order such that the payment owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first Payment to be reduced until such Payment is reduced to zero, and then the Payment owed on the next latest date following occurrence of the event triggering the Excise Tax will be the second Payment to be reduced until such payment is equal to zero, and so forth, until all such Full Credit Payments have been

reduced to zero, and (b) second, Partial Credit Payments (as defined below) will be reduced in a manner such as to obtain the best economic benefit for the employee so that after giving effect to such reduction, the employee retains the greatest economic value of such Partial Credit Payments. "Full Credit Payment" means a payment, distribution or benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, that if reduced in value by one dollar reduces the amount of the parachute payment by one dollar. "Partial Credit Payment" means a payment, distribution or benefit, whether paid or payable or distributed or distributable pursuant to the terms of this letter or otherwise, that if reduced in value by one dollar reduces the amount of the parachute payment by an amount that is less than one dollar. For clarification purposes only, a "Partial Credit Payment" would include a stock option as to which vesting is accelerated upon an event that triggers the Excise Tax, where the in the money value of the option exceeds the value of the option acceleration that is added to the parachute payment.

7. Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, license, lease, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall not later than the closing or consummation of such succession assume the Company's obligations under this Agreement and agree expressly to perform the Company's obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" shall include any successor to the Company's business and/or assets which executes and delivers the assumption agreement described in this section or which becomes bound by the terms of this Agreement by operation of law.

8. Execution of Release Agreement upon Termination. As a condition of receiving the benefits under Section 2 of this Agreement, Employee shall execute and not revoke a general release of claims, which will also confirm any post-termination obligations and/or restrictions applicable to Employee (the "Release"), such that the Release becomes effective no later than 60 days following the Termination Date (the "Release Deadline"). The benefits under Section 2 shall be paid on the date the Release is effective; provided, however, that, in the event Employee's separation occurs at a time during the calendar year where it would be possible for the Release to become effective in the calendar year following the calendar year in which Employee's separation occurs, any severance that would be considered deferred compensation (as defined in Section 409A of the Code) will be paid on the first payroll date to occur immediately following the Release Deadline.

9. Notices.

(a) General. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Employee, mailed notices shall be addressed to him or her at the home address that he or she most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its Secretary.

(b) Notice of Termination. Any termination by the Company with or without Cause or by Employee as a result of an Involuntary Termination other than an Involuntary Termination pursuant to Section 12(b)(vi) shall be communicated by a notice of termination to the other party hereto given in accordance with this Section 9. Any such notice provided by the Company under circumstances constituting a for-Cause termination, or by Employee under circumstances constituting such an Involuntary Termination, shall indicate the specific termination provision in this Agreement relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and shall specify the Termination Date (which shall be not more than 30 days after the giving of such notice). The failure by either party to include in the notice any fact or circumstance which contributes to a showing of a for-Cause termination or an Involuntary Termination shall not waive any right of such party hereunder or preclude such party from asserting such fact or circumstance in enforcing such party's rights hereunder.

10. Arbitration.

(a) Any dispute or controversy arising out of, relating to, or in connection with this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be settled by binding arbitration to be held in the County of San Diego, State of California in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association (the "Rules"). The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction.

(b) The arbitrator(s) shall apply California law to the merits of any dispute or claim, without reference to conflicts of law rules. The arbitration proceedings shall be governed by federal arbitration law and by the Rules, without reference to state arbitration law. Employee and the Company consent to the personal jurisdiction of the state and federal courts located in California for any action or proceeding arising from or relating to this Agreement or relating to any arbitration in which the parties are participants.

(c) Nothing in this Section 10 modifies Employee's at-will employment status. Either Employee or the Company can terminate the employment relationship at any time, with or without Cause.

(d) SUBMISSION OF ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF TO BINDING ARBITRATION, CONSTITUTES A WAIVER OF THE PARTY'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EMPLOYER/EMPLOYEE RELATIONSHIP, INCLUDING BUT NOT LIMITED TO, THE FOLLOWING CLAIMS:

(i) ANY AND ALL CLAIMS FOR WRONGFUL DISCHARGE OF EMPLOYMENT; BREACH OF CONTRACT, BOTH EXPRESS AND IMPLIED; BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING, BOTH EXPRESS AND IMPLIED; NEGLIGENT OR INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS; NEGLIGENT OR INTENTIONAL MISREPRESENTATION; NEGLIGENT OR INTENTIONAL INTERFERENCE WITH CONTRACT OR PROSPECTIVE ECONOMIC ADVANTAGE; AND DEFAMATION;

(ii) ANY AND ALL CLAIMS FOR VIOLATION OF ANY FEDERAL STATE OR MUNICIPAL STATUTE, INCLUDING, BUT NOT LIMITED TO, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, THE CIVIL RIGHTS ACT OF 1991, THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, THE AMERICANS WITH DISABILITIES ACT OF 1990, THE FAIR LABOR STANDARDS ACT, THE CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT, AND LABOR CODE SECTION 201, *et seq*; and

(iii) ANY AND ALL CLAIMS ARISING OUT OF ANY OTHER LAWS AND REGULATIONS RELATING TO EMPLOYMENT OR EMPLOYMENT DISCRIMINATION.

11. Accrued Obligation. The Company's obligations under this Agreement, including its obligations pursuant to Section 2, shall accrue and be owing as of the Effective Date and the rights of Employee hereunder shall vest immediately but remain contingent and conditioned on the occurrence of an Involuntary Termination and Employee delivering (and not revoking) a release of claims as required under Section 8. For clarity, the Company shall treat its obligations hereunder as outstanding as of the date hereof, including for purposes of determining its insolvency, and the Company's obligations hereunder shall be due and payable regardless of any subsequent insolvency of the Company.

12. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) Cause. "Cause" shall mean (i) any act of personal dishonesty taken by Employee in connection with his or her responsibilities as an employee which is intended to result in substantial personal enrichment of Employee, (ii) Employee's conviction of a felony that the Board reasonably believes has had or will have a material detrimental effect on the Company's reputation or business, (iii) a willful act by Employee that constitutes misconduct and is injurious to the Company, or (iv) continued willful violations by Employee of Employee's obligations to the Company after there has been delivered to Employee a written demand for performance from the Company that describes the basis for the Company's belief that Employee has not substantially performed his or her duties.

(b) Involuntary Termination. "Involuntary Termination" shall mean (i) without Employee's express written consent, a significant reduction of Employee's duties, position or responsibilities relative to Employee's duties, position or responsibilities in effect immediately prior to such reduction, or the removal of Employee from such position, duties and responsibilities; (ii) without Employee's express written consent, a material reduction by the Company of Employee's base salary as in effect immediately prior to such reduction; (iii) without Employee's express written consent, a material reduction by the Company in the kind or level of employee benefits (including cash and stock bonus plans) to which Employee is entitled immediately prior to such reduction which results in a material adverse change to Employee's employment relationship; (iv) without Employee's express written consent, the relocation of Employee to a facility or a location that results in an increase in Employee's one-way commute from Employee's residence immediately prior to such relocation by more than fifty (50) miles; (v) any purported termination of Employee by the Company which is not effected for Cause; or (vi) a material breach of this Agreement by the Company, including, but not limited to the failure of the Company to obtain the assumption of this Agreement by any successors contemplated in Section 7.

(c) Severance Payment. "Severance Payment" shall mean Employee's then-current base salary multiplied by a fraction, the numerator of which is the number of calendar days between the Termination Date and September 30, 2009 (not including the Termination Date but including September 30, 2009) and the demonitator of which is 365.

(d) Termination Date. "Termination Date" shall mean the date specified in a notice of termination as contemplated under Section 9(b).

13. Miscellaneous Provisions.

(a) Amendment or Termination. The Board may in its sole discretion amend or terminate this Agreement at any time and in any manner; provided, however, that the Board may not terminate or amend this Agreement in a way that is materially adverse to Employee without the written consent of Employee; provided further that notwithstanding anything to the contrary contained in this

paragraph or in this Agreement, it is the parties' intent that no payment made or to be made hereunder shall be subject to the provisions of Section 409A(a)(1)(B) of the Internal Revenue Code, as amended, and accordingly, the parties agree that this Agreement and Employee's rights under it shall be amended to conform to their intent as set forth in this proviso.

(b) Effect of Statutory Benefits. To the extent that any severance benefits are required to be paid to Employee upon termination of employment with the Company as a result of any requirement of law or any governmental entity in any applicable jurisdiction, the aggregate amount of severance benefits payable pursuant to Section 2 shall be reduced by such amount.

(c) No Duty to Mitigate. Employee shall not be required to mitigate the amount of any payment contemplated by this Agreement, nor shall any such payment be reduced by any earnings that Employee may receive from any other source.

(d) Waiver. No provision of this Agreement may be waived or discharged unless the waiver or discharge is agreed to in writing and signed by Employee and by an authorized officer of the Company (other than Employee). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(e) Integration. This Agreement supersedes all prior or contemporaneous agreements, whether written or oral, with respect to this Agreement; provided, however, that, for clarification purposes, this Agreement shall not affect any agreements between the Company and Employee regarding intellectual property matters, non-solicitation restrictions or confidential information of the Company. In addition, except as set forth in Sections 3 and 6, nothing in this Agreement shall be construed as impacting any equity award granted to an employee.

(f) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the internal substantive laws, but not the conflicts of law rules, of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

(g) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(h) Employment Taxes. Employee is responsible for any applicable taxes of any nature (including any penalties or interest that may apply to such taxes) that the Company reasonably determines apply to any payment made hereunder. Employee's receipt of any benefit hereunder is conditioned on his or her satisfaction of any applicable withholding or similar obligations that apply to such benefit, and any cash payment owed hereunder will be reduced to satisfy any such withholding or similar obligations that may apply.

(i) Section 409A of the Code.

(i) This Agreement is intended to comply with, or otherwise be exempt from, Section 409A of the Code and any regulations and Treasury guidance promulgated thereunder. The Company shall undertake to administer, interpret, and construe this Agreement in a manner that does not result in the imposition on an employee of any additional tax, penalty, or interest under Section 409A of the Code. If the Company determines in good faith that any provision of this Agreement would cause employees to incur an additional tax, penalty, or interest under Section 409A of the Code, the Board may, without the consent of any employee, amend this Agreement as may be necessary to ensure compliance with the distribution provisions of Section 409A of the Code or as otherwise needed to ensure that this Agreement complies with Section 409A of the Code. The preceding provisions, however, shall not be construed as a guarantee by the Company of any particular tax effect to an employee under this Agreement. The Company shall not be liable to any employee for any payment made under this Agreement that is determined to result in an additional tax, penalty, or interest under Section 409A of the Code, nor for reporting in good faith any payment made under this Agreement as an amount includible in gross income under Section 409A of the Code.

(ii) "Termination of employment," "resignation," or words of similar import, as used in this Agreement, mean, for purposes of any payments under this Agreement that are payments of deferred compensation subject to Section 409A of the Code, the employee's "separation from service" as defined in Section 409A of the Code.

(iii) If a payment obligation under this Agreement arises on account of the employee's separation from service while the employee is a "specified employee" (as defined under Section 409A of the Code and determined in good faith by the Company), any payment of "deferred compensation" (as defined under Treasury Regulation Section 1.409A-1(b)(1), after giving effect to the exemptions in Treasury Regulation Sections 1.409A-1(b)(3) through (b)(12)) that is scheduled to be paid within six (6) months after such separation from service shall accrue without interest and shall be paid within 15 days after the end of the six-month period beginning on the date of such separation from service or, if earlier, within 15 days after his or her death.

The parties have executed this Retention and Incentive Agreement as of the Effective Date.

COMPANY: ADVENTRX PHARMACEUTICALS, INC.
By: /s/ Patrick Keran
Name: Patrick Keran

Title: Vice President, Legal

EMPLOYEE: /s/ Brian M. Culley
Brian M. Culley

Exhibit A

NOTICE OF GRANT OF RESTRICTED STOCK UNITS
(including Restricted Stock Units Agreement)

**ADVENTRX PHARMACEUTICALS, INC.**

**NOTICE OF GRANT OF RESTRICTED STOCK UNITS**

The Participant has been granted an award of Restricted Stock Units (the *"**Award**"*) pursuant to the ADVENTRX Pharmaceuticals, Inc. 2008 Omnibus Incentive Plan (the *"**Plan**"*), each of which represents the right to receive on the Settlement Date (described below) one (1) share of common stock of ADVENTRX Pharmaceuticals, Inc., par value $0.001 per share, as follows:

| | |
|---|---|
| **Participant:** | |
| **Grant Date:** | |
| **Number of Restricted Stock Units:** | , subject to adjustment as provided by the Restricted Stock Units Agreement. |
| **Settlement Date:** | For each Restricted Stock Unit, except as otherwise provided by the Restricted Stock Units Agreement, the date on which the units become Vested Units in accordance with the vesting schedule set forth below. |
| **Vested Units:** | Except as provided by the Restricted Stock Units Agreement and provided that the Participant's Services have not terminated prior to the consummation of a Strategic Transaction (as defined below), one hundred percent (100%) of the Restricted Stock Units shall vest immediately prior to the consummation of a Strategic Transaction. |

A "Strategic Transaction" shall mean: (a) any transaction or series of related transactions or any plan (including, without limitation, any reorganization, merger, consolidation, exchange or sale of stock or other securities) in which the stockholders of the Company as constituted immediately prior to the consummation of such transaction, transactions or plan will, immediately after the consummation of such transaction, transactions or plan and as a result of securities issued as consideration for such transaction, transactions or plan, fail to hold at least 50% of the outstanding voting capital stock of the resulting or surviving entity (or its parent if the surviving entity is wholly owned by such parent entity); (b) any transaction or series of related transactions or any plan (including, without limitation, any reorganization, merger, consolidation, exchange or sale of stock or other securities) in which the stockholders of a subsidiary of the Company as constituted immediately prior to the consummation of such transaction, transactions or plan (including a wholly-owned subsidiary) will, immediately after the consummation of such transaction, transactions or plan and as a result of securities issued as consideration for such transaction, transactions or plan, fail to hold at least 50% of the outstanding voting capital stock of the resulting or surviving entity (or its parent if the surviving entity is wholly owned by such parent entity); (c) a sale, transfer, lease or other disposition by means of any transaction or series of related transactions or any plan of all or substantially all of the assets of the Company; (d) the assignment, transfer, lease, sale or other disposition by means of any transaction or series of related transactions or any plan of all or substantially all of the assets of one or more subsidiaries of the Company, the assets of which constitute all or substantially all of the assets of the Company and its subsidiaries taken as a whole; (e) the grant of, among other things, an exclusive license under the Company's patents and patent applications related to ANX-514 to make, use or sell products covered by such patents and patent applications in the United States for the treatment of cancer by intravenous administration of formulations consisting of emulsified products; and (f) any transaction that the Board or the Committee determines constitutes a "Strategic Transaction."

By their signatures below or by electronic acceptance or authentication in a form authorized by the Company, the Company and the Participant agree that the Award is governed by this Notice and by the provisions of the Plan and the Restricted Stock Units Agreement, both of which are made a part of this document. The Participant represents that the Participant has read and is familiar with the provisions of the Plan and Restricted Stock Units Agreement, and hereby accepts the Award subject to all of their respective terms and conditions.

| | |
|---|---|
| ADVENTRX PHARMACEUTICALS, INC. | PARTICIPANT |
| By: | |
| | Signature |

Its:

Date

Address: 6725 Mesa Ridge Rd., Suite 100

San Diego, CA 92121

ATTACHMENTS: 2008 Omnibus Incentive Plan, as amended to the Grant Date
Restricted Stock Units Agreement
Plan Prospectus

**ADVENTRX PHARMACEUTICALS, INC.**

**RESTRICTED STOCK UNITS AGREEMENT**

ADVENTRX Pharmaceuticals, Inc. has granted to the Participant named in the *Notice of Grant of Restricted Stock Units* (the *"**Grant Notice**"*) to which this Restricted Stock Units Agreement (this *"**Agreement**"*) is attached an Award consisting of Restricted Stock Units (the *"**Units**"*) subject to the terms and conditions set forth in the Grant Notice and this Agreement. The Award has been granted pursuant to and shall in all respects be subject to the terms conditions of the ADVENTRX Pharmaceuticals, Inc. 2008 Omnibus Incentive Plan (the *"**Plan**"*), as amended to the Grant Date, the provisions of which are incorporated herein by reference. By signing the Grant Notice, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Grant Notice, this Agreement, the Plan and a prospectus for the Plan prepared in connection with the registration with the Securities and Exchange Commission of the shares issuable pursuant to the Award (the *"**Plan Prospectus**"*), (b) accepts the Award subject to all of the terms and conditions of the Grant Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Grant Notice, this Agreement or the Plan.

**1. Definitions and Construction.**

**1.1 Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned in the Grant Notice or the Plan. The term "***Company***" shall mean ADVENTRX Pharmaceuticals, Inc., a Delaware corporation, and any successor company (or a subsidiary or parent thereof), including any Acquiror (as defined in Section 8).

**1.2 Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

**2. Administration.**

All questions of interpretation concerning the Grant Notice, this Agreement and the Plan shall be determined by the Committee. All determinations by the Committee shall be final and binding upon all persons having an interest in the Award as provided by the Plan. Any officer of the Company shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, or election which is the responsibility of or which is allocated to the Company herein, provided such officer has apparent authority with respect to such matter, right, obligation, or election.

**3. The Award.**

**3.1 Grant of Units.** On the Grant Date, the Participant shall acquire, subject to the provisions of this Agreement, the Number of Restricted Stock Units set forth in the Grant Notice, subject to adjustment as provided in Section 9. Each Unit represents a right to receive on a date determined in accordance with the Grant Notice and this Agreement one (1) Share.

**3.2 No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the Units or Shares issued upon settlement of the Units, the consideration for which shall be past services actually rendered and/or future services to be rendered to the Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to the Company or for its benefit having a value not less than the par value of the Shares issued upon settlement of the Units.

**4. Vesting of Units; Timing of Settlement**.

The Units shall vest and become "Vested Units" as provided in the Grant Notice. In the event that the Vesting Date as provided by the Grant Notice (the *"**Original Settlement Date**"*) would occur on a date on which a sale by the Participant of the Shares to be issued in settlement of the Units becoming Vested Units on the Original Settlement Date would violate any insider trading or similar policy or program of the Company (collectively, the "Insider Trading Policies") or any federal, state or foreign law or any contractual obligation to which the Participant is subject (such as a "lock-up" or "market stand-off" agreement) (each, a "Contractual Obligation"), the settlement of such Vested Units shall be deferred until the first to occur of (a) the next business day on which a sale by the Participant of such Shares would not violate the Insider Trading Policies or any Contractual Obligation and (b) the 15th day of the third month following the later of (i) the last day of the calendar year in which the Original Settlement Date occurred and (ii) the last day of the Company's taxable year in which the Original Settlement Date occurred.

**5. Company Reacquisition Right.**

Except to the extent otherwise provided in an agreement between the Company and the Participant, in the event that the Participant's Services terminate for any reason or no reason, with or without cause, the Participant shall forfeit and the Company shall automatically reacquire all Units which are not, as of the time of such termination, Vested Units (***"Unvested Units")***, and the Participant shall not be entitled to any payment therefor (the ***"Company Reacquisition Right"***).

**6. Settlement of the Award.**

**6.1 Issuance of Shares.** Subject to the provisions of Section 4 and 6.3 below, the Company shall issue to the Participant on the Settlement Date (as described in the Grant Notice) with respect to each Vested Unit to be settled on such date one (1) Share. Shares issued in settlement of the Units shall not be subject to any restriction on transfer other than any such restriction as may be required pursuant to Section 6.3, Section 7, the Insider Trading Policies and any Contractual Restrictions.

**6.2 Beneficial Ownership of Shares; Registration of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice any or all Shares acquired by the Participant pursuant to the settlement of the Units. Except as provided by the preceding sentence and subject to Section 11, the Shares issued upon settlement of the Units shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

**6.3 Restrictions on Grant of the Award and Issuance of Shares.** The grant of the Award and issuance of Shares upon settlement of the Units shall be subject to compliance with all applicable requirements of federal, state or foreign law with respect to such securities. No Shares may be issued hereunder if the issuance of such Shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary for the lawful issuance of any Shares subject to the Award shall relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the Award, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

**6.4 Fractional Shares.** The Company shall not be required to issue fractional Shares upon the settlement of the Units.

**7. Tax Withholding.**

**7.1 In General.** At the time the Grant Notice is executed, or at any time thereafter as requested by the Company, the Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company, if any, which arise in connection with the Award, the vesting of Units or the issuance of Shares in settlement thereof. The Company shall have no obligation to deliver Shares until the tax withholding obligations of the Company have been satisfied by the Participant.

**7.2 Assignment of Sale Proceeds; Payment of Tax Withholding by Check.** Subject to compliance with applicable law and the Insider Trading Policies, the Company may permit the Participant to satisfy the Company's tax withholding obligations in accordance with procedures established by the Company providing for either (i) delivery by the Participant to the Company or a broker approved by the Company of properly executed instructions, in a form approved by the Company, providing for the assignment to the Company of the proceeds of a sale with respect to some or all of the Shares being acquired upon settlement of Units, (ii) payment by check or such other procedure established by the Committee pursuant to Section 13.2 of the Plan. The Participant shall deliver written notice of any such permitted election to the Company on a form specified by the Company for this purpose at least thirty (30) days (or such other period established by the Company) prior to a Settlement Date. If the Participant elects payment by check, the Participant agrees to deliver a check for the full amount of the required tax withholding to the Company on or before the third business day following the Settlement Date. If the Participant elects payment by check but fails to make such payment as required by the preceding sentence, the Company is hereby authorized, at its discretion, to satisfy the tax withholding obligations through any means authorized by this Section 7, including by directing a sale for the account of the Participant of some or all of the Shares being acquired upon settlement of Units from which the required taxes shall be withheld, by withholding from payroll and any other amounts payable to the Participant or by withholding Shares in accordance with Section 7.3.

**7.3 Withholding in Shares.** The Company may require the Participant to satisfy all or any portion of the Company's tax withholding obligations by deducting from the Shares otherwise deliverable to the Participant in settlement of the Units a number of whole Shares having a fair market value, as determined by the Company as of the date on which the tax withholding obligations arise, not in excess of the amount of such tax withholding obligations determined by the applicable minimum statutory withholding rates.

**8. Effect of Change in Control on Award.**

In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or subsidiary or parent thereof, as the case may be (the "***Acquiror***"), may, without the consent of the Participant, assume or continue the Company's rights and obligations with respect to all or any portion of the outstanding Units or substitute for all or any portion of the outstanding Units substantially equivalent rights with respect to the Acquiror's stock.

**9. Adjustments for Changes in Capital Structure.**

Subject to any required action by the stockholders of the Company and the requirements of Section 409A of the Code to the extent applicable, in the event of any change in the Shares effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of Shares, exchange of Shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Shares (excepting normal cash dividends) that has a material effect on the Fair Market Value of Shares, appropriate and proportionate adjustments shall be made in the number of Units subject to the Award and/or the number and kind of shares to be issued in settlement of the Units, in order to prevent dilution or enlargement of the Participant's rights under the Award. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." Any fractional share resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number. Such adjustments shall be determined by the Committee as contemplated in Section 12.2 of the Plan, and its determination shall be final, binding and conclusive.

**10. Rights as a Stockholder or Employee.**

The Participant shall have no rights as a stockholder with respect to any Shares which may be issued in settlement of the Units until the date of the issuance of such Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such certificate is issued, except as provided in Section 9. If the Participant is an Employee, the Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between the Company and the Participant, the Participant's employment is "at will" and is for no specified term. Nothing in this Agreement shall confer upon the Participant any right to continue providing Services or interfere in any way with any right of the Company to terminate the Participant's Services at any time.

**11. Legends.**

The Company may at any time determine to issue certificates representing the Shares issued pursuant to this Agreement rather than issue uncertificated Shares and the Company may at any time place legends referencing any applicable federal, state or foreign securities law or Contractual Obligation restrictions on all certificates representing Shares issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates representing Shares acquired pursuant to settlement of the Units in the possession of the Participant in order to carry out the provisions of this Section.

**12. Miscellaneous Provisions.**

**12.1 Termination or Amendment.** The Committee may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation, including, but not limited to, Section 409A. No amendment or addition to this Agreement shall be effective unless in writing.

**12.2 Nontransferability of the Award.** Prior to the issuance of Shares on the applicable Settlement Date, neither the Award nor any Units subject to the Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

**12.3 Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

**12.4 Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

**12.5 Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or

permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided by the Participant to the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to the Grant Notice or at such other address as such party may designate in writing from time to time to the other party.

**(a) Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Agreement, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Grant Notice to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

**(b) Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read Section 12.5(a) of this Agreement and consents to the electronic delivery of the Plan documents and Grant Notice, as described in Section 12.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 12.5(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company in writing of such revoked consent or revised e-mail address. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 12.5(a).

**12.6 Integrated Agreement.** The Grant Notice, this Agreement and the Plan, together with any employment, service or other agreement between the Participant and the Company referring to the Award, shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersede any prior agreements, understandings, restrictions, representations, or warranties among the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Grant Notice, this Agreement and the Plan shall survive any settlement of the Award and shall remain in full force and effect.

**12.7 Applicable Law.** This Agreement shall be governed by the laws of the State of California as such laws are applied to agreements between California residents entered into and to be performed entirely within the State of California.

**12.8 Counterparts.** The Grant Notice may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.