

ARCA biopharma, Inc.
Form 8-K
January 23, 2013

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 23, 2013 (January 22, 2013)

ARCA biopharma, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-22873
(Commission
File Number)

36-3855489
(I.R.S. Employer
Identification No.)

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8001 Arista Place, Suite 430,

Broomfield, CO

(Address of Principal Executive Offices)

(720) 940-2200

80021

(Zip Code)

(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 (see General Instruction A.2. below):

- .. 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))

Section 1 Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On January 22, 2013, ARCA biopharma, Inc. ("ARCA"), entered into a Subscription Agreement (the "Purchase Agreement") with various accredited investors in connection with a private placement of its common stock and warrants. Pursuant to the Purchase Agreement, ARCA agreed to sell and issue an aggregate of 2,138,580 shares of its common stock and warrants to purchase up to an additional 1,497,006 shares of its common stock at a purchase price of \$0.4676 per unit, each unit consisting of a share of common stock and a warrant to purchase 0.70 shares of common stock. ARCA Director and Chief Executive Officer Dr. Michael Bristow participated for \$500,000, along with other accredited investors.

The warrants to be issued pursuant to the Purchase Agreement (the "Warrants") will be exercisable immediately upon issuance and shall expire seven years from the date of issuance, and have an exercise price of \$0.3801 per share, equal to 100% of the closing bid price of ARCA's common stock on the NASDAQ Capital Market on January 22, 2013.

ARCA anticipates raising gross proceeds of approximately \$1,000,000 in connection with the private placement. The net proceeds, after deducting offering expenses, are expected to be approximately \$850,000. ARCA will use the net proceeds from the private placement solely for general working capital purposes. The closing of the private placement is expected to take place on or about January 24, 2013, subject to customary closing conditions.

Under the terms of a Registration Rights Agreement (the "Rights Agreement") entered into at the closing of the transaction, ARCA will grant to the investors certain registration rights related to the shares of common stock to be sold in the private placement and the shares of common stock underlying the Warrants. ARCA will be required to file a registration statement for the resale of such shares of common stock and such shares of common stock underlying the Warrants, within 15 calendar days following the closing of the private placement and use its commercially reasonable efforts to cause such registration statement to be declared effective as soon as practicable but not later than 90 calendar days following the closing date (or the 120th calendar day after the closing date in the event that such registration statement is subject to review by the SEC). ARCA has agreed to other customary obligations regarding registration, including indemnification and maintenance of the registration statement.

Dawson James Securities, Inc. ("Dawson") acted as exclusive placement agent for the Company in the transaction. Pursuant to its engagement agreement with the Company, Dawson will receive a fee for its services in the transaction equal to 6% of the gross financing proceeds received by the Company. In addition, the Company will issue to Dawson James warrants to purchase up to 10% of the total number of shares issued to investors in the transaction on the same terms as the Warrants. Dawson will also be reimbursed by the Company for its expenses in an amount up to \$10,000.

The foregoing is only a brief description of the material terms of the Purchase Agreement, Rights Agreement and the Warrants and does not purport to be a complete description of the rights and obligations of the parties thereunder. The foregoing is qualified in its entirety by reference to the form of Purchase Agreement, the form of Rights Agreement and form of Warrant, which are filed as Exhibits 10.1, 10.2 and 4.1, respectively, to this Current Report on Form 8-K, which are incorporated by reference herein.

Section 3 Securities and Trading Markets

Item 3.02 Unregistered Sales of Equity Securities.

The disclosure provided in Item 1.01 of this Form 8-K is hereby incorporated by reference into this Item 3.02. The Company believes that each of the investors under the Purchase Agreements are accredited investors, and the issuance of the shares of common stock pursuant to the Purchase Agreements and the Warrants will therefore be made pursuant to an exemption from the registration requirements under Section 4(2) of the Securities Act of 1933, as amended, and Rule 506 of Regulation D promulgated thereunder. This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

Section 9 Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
4.1	Form of Warrants to Purchase Shares of Common Stock
10.1	Form of Subscription Agreement by and among the Company and the purchasers identified therein, dated January 22, 2013
10.2	Form of Registration Rights Agreement

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.

Dated: January 23, 2013

ARCA biopharma, Inc.

(Registrant)

By: /s/ Patrick M. Wheeler
Name: Patrick M. Wheeler
Title: Chief Financial Officer

INDEX TO EXHIBITS

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