

Advaxis, Inc.
Form 8-K
May 04, 2011

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): April 28, 2011

ADVAXIS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

00028489
(Commission File Number)

02-0563870
(IRS Employer Identification Number)

305 College Road East
Princeton, New Jersey 08540
(Address of principal executive offices)

Registrant's telephone number, including area code: (609) 452-9813

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))

Item 2.03. Creation of a Direct Financial Obligation for an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On April 28, 2011, Advaxis, Inc. (the “Company”) issued and sold to an accredited investor (the “Investor”) a convertible promissory note of the Company in the aggregate principal amount of \$500,000 (together with the related ancillary documents, the “A-Note”) in return for the payment in cash from the Investor of \$500,000. The A-Note bears interest in the form of a one time interest charge of 8% of the principal amount of the A-Note, payable with the A-Note’s aggregate principal amount outstanding on the maturity date, April 28, 2014. The A-Note is convertible, in whole or in part, into shares of the Company’s common stock, \$0.001 par value (the “Common Stock”) at a per share conversion price equal to 80% of the average of the two lowest trade prices for the Common Stock in the 20 trading days previous to the effective date of each such conversion, subject to a conversion floor of \$0.15, all as more particularly described below and in the form of A-Note attached hereto as Exhibit 4.1. The A-Note may be prepaid by the Company without penalty beginning twelve months after issue date of the A-Note. To the extent the Investor does not elect to convert the A-Note as described above, the principal amount of the A-Note not so converted shall be payable in cash on the maturity date.

On April 28, 2011, the Company also issued and sold to the Investor a convertible promissory note of the Company in the aggregate principal amount of \$800,000 (together with the related ancillary documents, the “B-Note” and together with the A-Note, the “Company Notes”). The B-Note bears interest in the form of a one time interest charge of 8% of the principal amount of the B-Note, payable with the B-Note’s aggregate principal amount outstanding on the maturity date, April 28, 2014. All or any portion of the aggregate principal and interest outstanding under the B-Note is convertible, at the option of the Investor from time to time (subject to the prior pre-payment of the such principal amount of the C-Note (as defined below) equal to the such principal amount of the B-Note subject to such conversion), into shares of Common Stock, at a per share conversion price equal to 80% of the average of the two lowest trade prices for the Common Stock in the 20 trading days previous to the effective date of each such conversion, subject to a conversion floor of \$0.15, all as more particularly described below and in the form of B-Note attached hereto as Exhibit 4.2.

Concurrently with the issuance of the B-Note, the Investor issued and delivered to the Company a secured and collateralized promissory note (together with the related ancillary documents, the “C-Note”), which served as the sole consideration paid to the Company for the Company’s issuance of the B-Note to the Investor. The C-Note was issued in the aggregate principal amount of \$800,000, bears interest in the form of a one time interest charge of 8% of the principal amount of the C-Note, payable with the C-Note’s aggregate principal amount outstanding on the maturity date, April 28, 2014. The C-Note is to be secured by \$800,000 of an unspecified money market fund, or other assets, having a value of at least \$800,000.

Immediately after the purchase by the Investor of the B-Note for the C-Note, the Investor delivered to the Company the sum of \$80,000 in cash as a pre payment on the principal amount outstanding under the C-Note. While no further mandatory principal or interest payments are due on the C-Note until its maturity date, the C-Note contemplates (but does not require) further voluntary pre payments by the Investor on the C-Note to the Company at the approximate rate of \$250,000 per month, beginning seven months after the issuance of the C-Note, or commencing on or about November 28, 2011, but only provided: (i) all requests by the Investor for conversion of principal and interest on the B-Note are honored and (ii) the Common Stock issued upon such conversions of portions of the principal and interest on the B-Note may be freely resold by the Investor without the requirement of any restrictive legend pursuant to applicable securities laws, rules and regulations.

Additionally, the Investor may purchase up to an additional \$2.4 million in aggregate principal amount of notes in the form of the B-Note from the Company (each, an “Additional B-Notes”). The purchase price for each such Additional B-Note issued to the Investor will be paid by the issuance by the Investor to the Company of an additional note in the form of the C-Note (each, an “Additional C-Note”), with such Additional B-Notes and Additional C-Notes containing the same terms and provisions described above and in the form of B-Note and the form of C-Note attached hereto as Exhibit 4.2 and Exhibit 4.3, respectively.

The Company intends to use the proceeds from the sale of the Company Notes and, if applicable, the sale of Additional B-Notes, for among other things, (i) costs and expenses relating to the Company’s clinical trials, (ii) costs and expenses relating to the sale of the Company Notes, (iii) costs and expenses relating to obtaining one or more follow-on financings and (iv) general working capital purposes.

The Company Notes were offered and sold to an “accredited investor” (as defined in section 501(a) of Regulation D) pursuant to an exemption from the registration requirements under Section 4(2) of the Securities Act of 1933, as amended (the “Securities Act”) and Rule 506 of Regulation D promulgated thereunder. The shares to be issued upon conversion of the Company Notes and, if applicable, the Additional B-Notes, have not been registered under the Securities Act and may not be offered or sold in the United States in the absence of an effective registration statement or exemption from the registration requirements. The Company Notes include, and any Additional B-Notes will include, a limitation on conversion, which provides that at no time will the Investor be entitled to convert any portion of the Company Notes, that would result in the beneficial ownership by the Investor of more than 4.99% of the outstanding shares of Common Stock on such date.

The foregoing descriptions of the forms of the A-Note, B-Note and C-Note do not purport to be complete and are qualified in their entirety by reference to such documents, which are attached hereto as Exhibits 4.1, 4.2 and 4.3 respectively, and incorporated herein by this reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 4.1 Form of \$500,000 Convertible Promissory Note (A-Note), issued by Advaxis, Inc. to JMJ Financial and related ancillary documents.
 - 4.2 Form of \$800,000 Convertible Promissory Note (B-Note), issued by Advaxis, Inc. to JMJ Financial and related ancillary documents.
 - 4.3 Form of \$800,000 Secured and Collateralized Promissory Note (C-Note), issued by JMJ Financial to Advaxis, Inc. and related ancillary documents.
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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: May 4, 2011

Advaxis, Inc.

By:

/S/ Mark J. Rosenblum
Mark J. Rosenblum
Chief Financial Officer and Secretary

EXHIBIT INDEX

| Exhibit No. | Document Description |
|-------------|--|
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