

IDERA PHARMACEUTICALS, INC.

Form 10-K/A

October 09, 2009

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K/A  
(Amendment No. 1)**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the Fiscal Year Ended December 31, 2008**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**Commission File Number: 001-31918  
IDERA PHARMACEUTICALS, INC.**

**(Exact name of Registrant as specified in its certificate of incorporation)**

**Delaware  
(State or other jurisdiction  
of incorporation or organization)**

**04-3072298  
(I.R.S. Employer  
Identification No.)**

**167 Sidney Street  
Cambridge, Massachusetts  
(Address of principal executive offices)**

**02139  
(Zip Code)**

**(617) 679-5500**

**(Registrant's telephone number, including area code)  
Securities registered pursuant to Section 12(b) of the Act:**

**Title of Class:**

**Name of Each Exchange on Which Registered:**

**Common Stock, \$.001 par value  
(Including Associated Preferred Stock Purchase  
Rights)**

**NASDAQ Global Market**

**Securities registered pursuant to Section 12(g) of the Act: None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller

reporting company in Rule 12b-2 of the Exchange Act. (Check one):

|   |  |  |   |
|---|--|--|---|
| Large accelerated<br>filer <input type="checkbox"/> | Accelerated filer <input type="checkbox"/> | Non-accelerated filer <input type="checkbox"/><br>(Do not check if a smaller reporting<br>company) | Smaller reporting<br>company <input type="checkbox"/> |
|---|--|--|---|

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)  
Yes  No

The approximate aggregate market value of the voting stock held by non-affiliates of the registrant was \$321,536,000 based on the last sale price of the registrant's common stock as reported on the NASDAQ Global Market on June 30, 2008. As of February 26, 2009, the registrant had 23,422,525 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Registrant's Proxy Statement with respect to the Annual Meeting of Stockholders to be held on June 16, 2009 are incorporated by reference into Items 10, 11, 12, 13 and 14 of Part III of this Form 10-K.

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**Exhibit Index**

**SIGNATURE**

**EX-10.55 Amendment dated February 12, 2009 to the License Agreement**

**EX-31.3 Section 302 Certification of CEO**

**EX-31.4 Section 302 Certification of CFO**

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**EXPLANATORY NOTE**

Idera Pharmaceuticals, Inc. ( the Company ) is filing this Amendment No. 1 to its Annual Report on Form 10-K for the year ended December 31, 2008, which was originally filed with the Securities and Exchange Commission on March 11, 2009 (the Annual Report ), for the sole purpose of revising the portions of an exhibit for which the Company requested confidential treatment. The Exhibit Index is also being amended to add new officer certifications in accordance with Rule 13a-14(a) of the Exchange Act. This Amendment No. 1 continues to speak as of the date of the original filing of the Annual Report, and the Company has not updated the disclosures contained therein to reflect any events that occurred at a later date.

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| <b>Exhibit Number</b> | <b>Description</b>   | <b>Filed with this<br/>Form 10-K/A</b> | <b>Incorporated by Reference</b> |                             | <b>SEC File<br/>Number</b> |
|-----------------------|--|--|----------------------------------|-----------------------------|----------------------------|
|                       |  |  | <b>Form or<br/>Schedule</b>      | <b>Filing Date with SEC</b> |                            |
| 3.1                   | Restated Certificate of Incorporation of Idera Pharmaceuticals, Inc., as amended.  |  | 10-Q                             | August 1, 2008              | 001-31918                  |
| 3.2                   | Amended and Restated Bylaws of Idera Pharmaceuticals, Inc.   |  | S-1                              | November 6, 1995            | 33-99024                   |
| 3.3                   | Certificate of Ownership and Merger.   |  | 8-K                              | September 15, 2005          | 001-31918                  |
| 4.1                   | Specimen Certificate for shares of Common Stock, \$.001 par value, of Idera Pharmaceuticals, Inc.                                      |  | S-1                              | December 8, 1995            | 33-99024                   |
| 4.2                   | Rights Agreement dated December 10, 2001 by and between Idera Pharmaceuticals, Inc. and Mellon Investor Services LLC, as rights agent. |  | S-2                              | October 10, 2003            | 333-109630                 |
| 4.3                   | Amendment No. 1 to Rights Agreement dated as of August 27, 2003 between the Company and Mellon Investor Services LLC, as rights agent. |  | 8-K                              | August 29, 2003             | 000-27352                  |
| 4.4                   | Amendment No. 2 to Rights Agreement dated as of March 24, 2006 between the Company and Mellon Investor                                 |  | 8-K                              | March 29, 2006              | 001-31918                  |

|      |  |        |                   |           |
|------|--|--------|-------------------|-----------|
|      | Services LLC, as rights agent.   |        |                   |           |
| 4.5  | Amendment No. 3 to Rights Agreement dated January 16, 2007 between the Company and Mellon Investor Services, LLC, as rights agent.                       | 8-K    | January 17, 2007  | 001-31918 |
| 10.1 | 2008 Stock Incentive Plan.   | 8-K    | June 10, 2008     | 001-31918 |
| 10.2 | 2005 Stock Incentive Plan, as amended  | 10-Q   | August 14, 2006   | 001-31918 |
| 10.3 | 1995 Stock Option Plan.  | S-1    | November 6, 1995  | 33-99024  |
| 10.4 | 1995 Director Stock Option Plan.   | 8-K    | June 10, 2008     | 001-31918 |
| 10.5 | 1995 Employee Stock Purchase Plan, as amended.   | 8-K    | June 10, 2008     | 001-31918 |
| 10.6 | Employment Agreement dated October 19, 2005 between Idera Pharmaceuticals, Inc. and Dr. Sudhir Agrawal.  | 10-Q   | November 9, 2005  | 001-31918 |
| 10.7 | Amendment, dated December 17, 2008 to Employment Agreement by and between the Idera Pharmaceuticals, Inc. and Dr. Sudhir Agrawal dated October 19, 2005. | 8-K    | December 18, 2008 | 001-31918 |
| 10.8 | Employment Offer Letter dated November 8, 2007 by and between Idera Pharmaceuticals, Inc. and Louis J. Arcudi, III.                                      | 10-K/A | December 24, 2008 | 001-31918 |
| 10.9 | Amendment dated December 17, 2008 to Employment Offer  | 8-K    | December 18, 2008 | 001-31918 |

Letter by and  
between Idera  
Pharmaceuticals, Inc.  
and Louis J. Arcudi,  
III, Dated  
November 8, 2007.

|       |   |      |                |           |
|-------|---|------|----------------|-----------|
| 10.10 | Non-Employee<br>Director<br>Compensation<br>Program Effective<br>January 1, 2008.                                 | 10-K | March 11, 2008 | 001-31918 |
| 10.11 | Amended and<br>Restated 1997 Stock<br>Incentive Plan.   | 10-Q | May 15, 2001   | 000-27352 |
| 10.12 | Non-Employee<br>Director<br>Nonstatutory Stock<br>Option Agreement<br>Granted under 1997<br>Stock Incentive Plan. | 10-K | March 25, 2005 | 001-31918 |

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| <b>Exhibit Number</b> | <b>Description</b>  | <b>Filed with this<br/>Form 10-K/A</b> | <b>Incorporated by Reference</b> |                             | <b>SEC File<br/>Number</b> |
|-----------------------|---|--|----------------------------------|-----------------------------|----------------------------|
|                       |   |  | <b>Form or<br/>Schedule</b>      | <b>Filing Date with SEC</b> |                            |
| 10.13                 | Form of Incentive Stock Option Agreement Granted Under the 2005 Stock Incentive Plan.                             |  | 8-K                              | June 21, 2005               | 001-31918                  |
| 10.14                 | Form of Nonstatutory Stock Option Agreement Granted Under the 2005 Stock Incentive Plan.                          |  | 8-K                              | June 21, 2005               | 001-31918                  |
| 10.15                 | Form of Restricted Stock Agreement Under the 2005 Stock Incentive Plan.   |  | 10-Q                             | August 1, 2007              | 001-31918                  |
| 10.16                 | Form of Incentive Stock Option Agreement Granted Under the 2008 Stock Incentive Plan.                             |  | 8-K                              | June 10, 2008               | 001-31918                  |
| 10.17                 | Form of Nonstatutory Stock Option Agreement Granted Under the 2008 Stock Incentive Plan.                          |  | 8-K                              | June 10, 2008               | 001-31918                  |
| 10.18                 | Form of Nonstatutory Stock Option Agreement (Non-Employee Directors) Granted Under the 2008 Stock Incentive Plan. |  | 8-K                              | June 10, 2008               | 001-31918                  |
| 10.19                 | Form of Restricted Stock Agreement Under the 2008 Stock Incentive Plan.   |  | 8-K                              | June 10, 2008               | 001-31918                  |
| 10.20                 | Executive Stock Option Agreement for 1,260,000 Options effective as of July 25, 2001 between Idera                |  | 10-Q                             | October 24, 2002            | 000-27352                  |

|       |  |      |                  |           |
|-------|--|------|------------------|-----------|
|       | Pharmaceuticals, Inc.<br>and Dr. Sudhir<br>Agrawal.  |      |                  |           |
| 10.21 | Executive Stock<br>Option Agreement for<br>550,000 Options<br>effective as of<br>July 25, 2001<br>between Idera<br>Pharmaceuticals, Inc.<br>and Dr. Sudhir<br>Agrawal.   | 10-Q | October 24, 2002 | 000-27352 |
| 10.22 | Executive Stock<br>Option Agreement for<br>500,000 Options<br>effective as of<br>July 25, 2001<br>between Idera<br>Pharmaceuticals, Inc.<br>and Dr. Sudhir<br>Agrawal.   | 10-Q | October 24, 2002 | 000-27352 |
| 10.23 | License Agreement<br>dated February 21,<br>1990 and restated as<br>of September 8, 1993<br>between Idera<br>Pharmaceuticals, Inc.<br>and University of<br>Massachusetts<br>Medical Center.   | S-1  | November 6, 1995 | 33-99024  |
| 10.24 | Amendment No. 1 to<br>License Agreement,<br>dated as of<br>February 21, 1990<br>and restated as of<br>September 8, 1993,<br>by and between<br>University of<br>Massachusetts<br>Medical Center and<br>Idera<br>Pharmaceuticals, Inc.,<br>dated as of<br>November 26, 1996. | 10-Q | August 14, 1997  | 000-27352 |
| 10.25 | Collaboration and<br>License Agreement<br>by and between Isis<br>Pharmaceuticals, Inc.,<br>and Idera   | 10-Q | August 20, 2001  | 000-27352 |

|       |   |      |                 |           |
|-------|---|------|-----------------|-----------|
|       | Pharmaceuticals, Inc.,<br>dated May 24, 2001.   |      |                 |           |
| 10.26 | Amendment No. 1 to<br>the Collaboration and<br>License Agreement,<br>dated as of May 24,<br>2001 by and between<br>Isis Pharmaceuticals,<br>Inc. and Idera<br>Pharmaceuticals, Inc.,<br>dated as of August 14,<br>2002.     | 10-K | March 31, 2003  | 000-27352 |
| 10.27 | Master Agreement<br>relating to the Cross<br>License of Certain<br>Intellectual Property<br>and Collaboration by<br>and between Isis<br>Pharmaceuticals, Inc.<br>and Idera<br>Pharmaceuticals, Inc.,<br>dated May 24, 2001. | 10-Q | August 20, 2001 | 000-27352 |
| 10.28 | Unit Purchase<br>Agreement by and<br>among Idera<br>Pharmaceuticals, Inc.<br>and certain persons<br>and entities listed<br>therein, dated April 1,<br>1998.   | 10-K | April 1, 2002   | 000-27352 |

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|-----------------------|--|--|----------------------------------|-----------------------------|----------------------------|
|                       |  |  | <b>Form or<br/>Schedule</b>      | <b>Filing Date with SEC</b> |                            |
| 10.29                 | Registration Rights Agreement, dated as of August 28, 2003 by and among Idera Pharmaceuticals, Inc., the Purchasers and the Agents.              |  | S-2                              | October 10, 2003            | 333-109630                 |
| 10.30                 | Form of Common Stock Purchase Warrant issued to purchasers of units in a private placement on August 28, 2003 and August 29, 2003.               |  | S-2                              | October 10, 2003            | 333-109630                 |
| 10.31                 | Form of Common Stock Purchase Warrant issued to selected dealers and placement agents on August 28, 2003 in connection with a private placement. |  | S-2                              | October 10, 2003            | 333-109630                 |
| 10.32                 | Registration Rights Agreement, dated August 27, 2004 by and among Idera Pharmaceuticals, Inc., Pillar Investment Limited and Purchasers.         |  | 10-Q                             | November 12, 2004           | 001-31918                  |
| 10.33                 | Form of Warrants issued to investors and the placement agent in connection with Idera Pharmaceuticals, Inc. August 27, 2004 financing.           |  | 10-Q                             | November 12, 2004           | 001-31918                  |
| 10.34                 | Research Collaboration and   |  | 10-Q                             | August 9, 2005              | 001-31918                  |

|       |  |      |                |           |
|-------|--|------|----------------|-----------|
|       | Option Agreement by<br>and between Idera<br>Pharmaceuticals, Inc.<br>and Novartis<br>International<br>Pharmaceutical Ltd.  |      |                |           |
| 10.35 | License,<br>Development and<br>Commercialization<br>Agreement by and<br>between Idera<br>Pharmaceuticals, Inc<br>and Novartis<br>International<br>Pharmaceutical Ltd.              | 10-Q | August 9, 2005 | 001-31918 |
| 10.36 | Engagement letter,<br>dated May 20, 2005,<br>by and among Idera<br>Pharmaceuticals, Inc.<br>and Pillar Investment<br>Limited.  | 10-Q | August 9, 2005 | 001-31918 |
| 10.37 | Consulting<br>Agreement dated as<br>of January 1, 2008<br>between Idera<br>Pharmaceuticals, Inc.<br>and Karr Pharma<br>Consulting, LLC.  | 10-K | March 11, 2008 | 001-31918 |
| 10.38 | Amendment dated<br>December 16, 2008 to<br>Consulting<br>Agreement dated as<br>of January 1, 2008<br>between Idera<br>Pharmaceuticals, Inc.<br>and Karr Pharma<br>Consulting, LLC. | 10-K | March 11, 2009 | 001-31918 |
| 10.39 | Registration Rights<br>Agreement dated as<br>of May 20, 2005 by<br>and among Idera<br>Pharmaceuticals, Inc.,<br>Purchasers and Pillar<br>Investment Limited.                       | 10-Q | August 9, 2005 | 001-31918 |
| 10.40 | Common Stock<br>Purchase Warrant<br>issued to Pillar<br>Investment Limited in  | 10-Q | August 9, 2005 | 001-31918 |

|       |  |      |                 |           |
|-------|--|------|-----------------|-----------|
|       | connection with the<br>May 20, 2005<br>Financing.  |      |                 |           |
| 10.41 | Common Stock<br>Purchase Agreement,<br>dated March 24,<br>2006, by and among<br>the Company and the<br>Investors named<br>therein.                           | 8-K  | March 29, 2006  | 001-31918 |
| 10.42 | Registration Rights<br>Agreement, dated<br>March 24, 2006, by<br>and among the<br>Company and the<br>Investors named<br>therein.                             | 8-K  | March 29, 2006  | 001-31918 |
| 10.43 | Amendment No. 1 to<br>the Common Stock<br>Purchase Agreement,<br>dated March 24,<br>2006, by and among<br>the Company and the<br>Investors named<br>therein. | 10-Q | August 14, 2006 | 001-31918 |
| 10.44 | Form of Warrant<br>issued to Investors in<br>the Company's<br>March 24, 2006<br>Private Financing.   | 8-K  | March 29, 2006  | 001-31918 |
| 10.45 | Common Stock<br>Purchase Agreement,<br>dated March 24,<br>2006, by and between<br>the Company and<br>Biotech Shares Ltd.                                     | 8-K  | March 29, 2006  | 001-31918 |

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|-----------------------|--|--|----------------------------------|-----------------------------|----------------------------|
|                       |  |  | <b>Form or<br/>Schedule</b>      | <b>Filing Date with SEC</b> |                            |
| 10.46                 | Amendment No. 1 to the Common Stock Purchase Agreement, dated March 24, 2006, by and among the Company and Biotech Shares Ltd.                   |  | 10-Q                             | November 13, 2006           | 001-31918                  |
| 10.47                 | Engagement Letter, dated March 24, 2006, between the Company and Youssef El Zein.  |  | 8-K                              | March 29, 2006              | 001-31918                  |
| 10.48                 | Registration Rights Agreement, dated March 24, 2006, by and among the Company, Biotech Shares Ltd. and Youssef El Zein.                          |  | 8-K                              | March 29, 2006              | 001-31918                  |
| 10.49                 | Warrant issued to Biotech Shares Ltd. on March 24, 2006.   |  | 8-K                              | March 29, 2006              | 001-31918                  |
| 10.50                 | Exclusive License and Research Collaboration Agreement by and between Merck & Co., Inc. and Idera Pharmaceuticals, Inc., dated December 8, 2006. |  | 8-K                              | March 6, 2007               | 001-31918                  |
| 10.51                 | Amendment No. 1 to the Registration Rights Agreement dated March 24, 2006, by and among the Company and Biotech Shares Ltd.                      |  | 10-Q                             | August 14, 2006             | 001-31918                  |
| 10.52                 | Promissory Note dated June 12, 2007  |  | 10-Q                             | August 1, 2007              | 001-31918                  |

|       |  |      |                |           |
|-------|--|------|----------------|-----------|
|       | made by Idera<br>Pharmaceuticals, Inc.<br>in favor of General<br>Electric Capital<br>Corporation.  |      |                |           |
| 10.53 | Master Security<br>Agreement dated<br>June 12, 2007 by and<br>between Idera<br>Pharmaceuticals, Inc.<br>and General Electric<br>Capital Corporation.                                 | 10-Q | August 1, 2007 | 001-31918 |
| 10.54 | License Agreement<br>by and between<br>Merck KGaA and<br>Idera<br>Pharmaceuticals, Inc.,<br>dated December 18,<br>2007.  | 10-K | March 11, 2008 | 001-31918 |
| 10.55 | Amendment dated<br>February 12, 2009 to<br>the License<br>Agreement by and<br>between Merck<br>KGaA and Idera<br>Pharmaceuticals, Inc.,<br>dated December 18,<br>2007.               |      |                |           |
|       |  | X    |                |           |
| 23.1  | Consent of<br>Independent<br>Registered Public<br>Accounting Firm.   | 10-K | March 11, 2009 | 001-31918 |
| 31.1  | Certification of Chief<br>Executive Officer<br>pursuant to Exchange<br>Act Rules 13a-14 and<br>15d-14, as adopted<br>pursuant to<br>Section 302 of<br>Sarbanes-Oxley Act<br>of 2002. | 10-K | March 11, 2009 | 001-31918 |
| 31.2  | Certification of Chief<br>Financial Officer<br>pursuant to Exchange<br>Act Rules 13a-14 and<br>15d-14, as adopted<br>pursuant to<br>Section 302 of                                   | 10-K | March 11, 2009 | 001-31918 |



|      |  |   |      |                |
|------|--|---|------|----------------|
|      | Sarbanes-Oxley Act<br>of 2002.   |   |      |                |
| 31.3 | Certification of Chief<br>Executive Officer<br>pursuant to Exchange<br>Act Rules 13a-14 and<br>15d-14, as adopted<br>pursuant to<br>Section 302 of<br>Sarbanes-Oxley Act<br>of 2002. | X |      |                |
| 31.4 | Certification of Chief<br>Financial Officer<br>pursuant to Exchange<br>Act Rules 13a-14 and<br>15d-14, as adopted<br>pursuant to<br>Section 302 of<br>Sarbanes-Oxley Act<br>of 2002. | X |      |                |
| 32.1 | Certification of Chief<br>Executive Officer<br>pursuant to 18 U.S.C.<br>Section 1350, as<br>adopted pursuant to<br>Section 906 of the<br>Sarbanes-Oxley Act<br>of 2002.              |   | 10-K | March 11, 2009 |
|      |  |   |      | 001-31918      |

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|-----------------------|--|--|-----------------------------|----------------------------------|----------------------------|
|                       |  |  |                             | <b>Filing Date with SEC</b>      | <b>SEC File<br/>Number</b> |
| 32.2                  | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |  | 10-K                        | March 11, 2009                   | 001-31918                  |
|                       | Confidential treatment granted as to certain portions, which portions are omitted and filed separately with the Commission.                        |  |                             |                                  |                            |
|                       | Management contract or compensatory plan or arrangement required to be filed as an Exhibit to the Annual Report on Form 10-K.                      |  |                             |                                  |                            |

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**SIGNATURE**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on this 9<sup>th</sup> day of October 2009.

**IDERA PHARMACEUTICALS, INC.**

By: /s/ Sudhir Agrawal  
Sudhir Agrawal  
*President, Chief Executive Officer  
and Chief Scientific Officer*