

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

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**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act Of 1934**

September 22, 2006  
Date of Report (Date of earliest event reported)

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**ACURA PHARMACEUTICALS, INC.**

(Exact Name of Registrant as Specified in Charter)

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**State of New York**  
(State of Other Jurisdiction  
of Incorporation)

**1-10113**  
(Commission File Number)

**11-0853640**  
(I.R.S. Employer  
Identification Number)

**616 N. North Court, Suite 120  
Palatine, Illinois 60067**  
(Address of principal executive offices) (Zip Code)

**(847) 705-7709**  
(Registrant's telephone number, including area code)

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 (17CFR 240.13e-4(c))
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**Item 1.01            Entry Into a Material Definitive Agreement**

On September 22, 2006, the Registrant amended bridge loan agreements (“Bridge Loan Agreements”) with Essex Woodlands Health Venture V, L.P., Care Capital Investments II, L.P., Care Capital Offshore Investments II, L.P., Galen Partners III, L.P., Galen Partners International III, L.P. and Galen Employee Fund III, L.P. (collectively, the “VC Lenders”) and certain individual lenders dated June 22, 2005, September 16, 2005, November 9, 2005 and January 31, 2006, under which the Registrant has borrowed the principal amount of \$6.124 million (inclusive of the September 22, 2006 bridge loan described in Item 8.01 below) (collectively, the “Bridge Loans”) to extend the maturity date of such bridge loans from October 1, 2006 to November 1, 2006.

In connection with such amendment and the advancing of an additional \$489,000 in bridge loans, described in Item 8.01, the VC Lenders agreed to accept in satisfaction of the interest payment due September 30, 2006 under the Bridge Loans in the aggregate amount of approximately \$ 133,000 (the “September 30 Interest”), a number of shares of Common Stock of the Registrant equal to the quotient of the September 30, 2006 Interest divided by the average of the closing bid and ask price of the Common Stock of Registrant for the five trading days ending (and including) September 29, 2006, as reported by the Nasdaq OTCBB.

GCE Holdings, LLC, which is controlled by the VC Lenders, beneficially owns approximately 78% of the Registrant's outstanding common stock. and has the right to designate four directors (of which it has exercised the right with respect to three directors) to the Registrant’s Board of Directors.

**Item 2.03            Creation of a Direct Financial Obligation or an Obligation Under an Off Balance Sheet Arrangement**

The contents of Items 1.01 and 8.01 are hereby incorporated by reference.

**Item 8.01            Other Events**

On September 22, 2006, the Registrant borrowed \$489,000 pursuant to a certain Bridge Loan Agreement dated January 31, 2006 with various lenders. The Bridge Loan bears interest at a rate of 10% and matures on November 1, 2006. The Bridge Loan contains customary default and acceleration provisions.

**Item 9.01            Financial Statements and Exhibits****Exhibit Number   Description**

10.1	Omnibus Amendment and Consent effective as of September 22, 2006 between the Registrant and various lenders.
99.1	Press Release dated September 22, 2006 Announcing Receipt of Bridge Funding and the Extension of the Maturity Date of Outstanding Bridge Loans

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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 thereunto duly authorized.

**ACURA PHARMACEUTICALS, INC.**

By: /s/ Peter Clemens

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Peter A. Clemens  
Senior Vice President & Chief Financial Officer

Date: September 22, 2006

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## Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
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## OMNIBUS AMENDMENT AND CONSENT

OMNIBUS AMENDMENT AND CONSENT EFFECTIVE AS OF September 22, 2006 (this “**Omnibus Amendment and Consent**”) by and among Acura Pharmaceuticals, Inc. (the “**Company**”), and Acura Pharmaceutical Technologies, Inc. and the following lenders (“**Lenders**”): Galen Partners III, L.P. (as agent for the other lenders (“**Agent**”) and as a lender itself), Galen Partners International, III, L.P., Galen Employee Fund III, L.P., Care Capital Offshore Investments II, LP, Care Capital Investments II, LP, Essex Woodlands Health Ventures V, L.P., Dennis Adams, George E. Boudreau, Michael Weisbrot, Susan Weisbrot; and the following persons with respect to Sections 5, 6, 7, and 8: John E. Heppe Jr. and Peter Steiglitz (“**Additional Watson Holders**”).

Capitalized terms used herein and not defined herein have the meanings set forth in the Subordination Agreement dated as of January 31, 2006 among the Lenders, the Company and others (the “**Subordination Agreement**”).

### RECITALS

**WHEREAS** the Company and one or more Lenders have entered into the June 2005 Loan Agreement, the September 2005 Loan Agreement, the November 2005 Loan Agreement and the January 2006 Loan Agreement (collectively, the “**Loan Agreements**”) and such other agreements, notes and instruments executed in connection with such loan agreements (collectively, the “**Loan Documents**”); and

**WHEREAS**, the Company and certain Lenders and the Additional Watson Holders are parties to the Watson Note (as defined in the Subordination Agreement); and

**WHEREAS**, the loans extended pursuant to the Loan Agreements are due to mature on October 1, 2006 (the “**Original Maturity Date**”); and

**WHEREAS**, the Company and the Lenders wish to extend the Original Maturity Date.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties mutually agree as follows:

### AMENDMENT AND CONSENT

**1.     Amendments:**

- (a) Each of the June 2005 Loan Agreement, the September 2005 Loan Agreement, the November 2005 Loan Agreement and the January 2006 Loan Agreement is amended by replacing “October 1, 2006” in Section 2.1 thereof with “November 1, 2006”.
- (b) Each of the June 2005 Notes, the September 2005 Notes, the November 2005 Notes and the January 2006 Notes (and each of the forms of such Notes attached to the June 2005 Loan Agreement, the September 2005 Loan Agreement, the November 2005 Loan Agreement and the January 2006 Loan Agreement) is amended by:

- (i) replacing the words October 1, 2006, wherever they appear therein with “November 1, 2006”; and
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(ii) appending the following additional section to such note:

*References to Loan Agreement. References to the Loan Agreement in this Note shall mean references to the Loan Agreement, as amended, and as the same may be further amended, supplemented or modified from time to time.*

- (c) In the event a Replacement Note (as hereinafter defined) is issued pursuant to Section 4 hereof, then in such Replacement Note the words "Secured Promissory Note" shall be replaced with "Amended and Restated Promissory Secured Note" and the following section shall be appended thereto:

*Amended and Restated Secured Promissory Note. This Amended and Restated Secured Promissory Note issued by the Company in favor of the Payee amends and restates in its entirety, and is issued by the Company in replacement of and substitution for a Secured Promissory Note of identical principal amount issued to Payee pursuant to the Loan Agreement (the "Original Note"). The Company and the Payee acknowledge and agree that upon the execution delivery of this Amended and Restated Secured Promissory Note, the Original Note shall be null and void and of no further legal force or effect.*

The form of such Replacement Note shall be also be attached to the applicable Loan Agreement as an acceptable form of note to be issued pursuant thereto.

2. **References to Loan Documents:** Any reference to any Loan Document in any other Loan Document shall mean the Loan Document, as amended hereby.

3. **Attachment to All Notes:** The Lenders covenant to give a copy of this Omnibus Amendment and Consent to any purchaser of the June 2005 Notes, the September 2005 Notes, the November 2005 Notes or the January 2006 Notes prior to the actual purchase and to attach a copy of this Omnibus Amendment and Consent to any of such notes where the undersigned is the named payee or holder.

4. **Amended and Restated Notes.** Upon request of the Company, each Lender agrees to deliver to the Company any of the June 2005 Notes, the September 2005 Notes, the November 2005 Notes or the January 2006 Notes issued to them, in exchange for an amended and restated Note (the "**Replacement Note**") incorporating the amendments set forth in this Omnibus Amendment and Consent.

5. **Subordination Agreement.** Each Lender and Additional Watson Holder agrees to the provisions of this Omnibus Amendment and Consent, including without limitation, to the amendments to the June 2005, September 2005 Notes, the November 2005 Notes and the January 2006 Notes and acknowledges that the Subordination Agreement shall remain in full force and effect.

6. **Notes and Agreements Not Assigned.** The undersigned Lenders and Additional Watson Holders acknowledge that they have not transferred, conveyed or assigned any of the Watson Note, the June 2005 Notes, the September 2005 Notes, the November 2005 Notes or the January 2006 Notes issued to them and the undersigned Lenders and Additional Watson Holders acknowledge that they have not assigned any rights under the Loan Documents or under the Subordination Agreement.

7. **Counterparts:** This Omnibus Amendment and Consent may be executed in one or more counterparts and by different parties hereto in separate counterparts, including by facsimile, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

8. **Governing Law:** THIS OMNIBUS AMENDMENT AND CONSENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

IN WITNESS WHEREOF, each of the Parties have caused this Omnibus Amendment and Consent to be duly executed and delivered as of the day and year first above written.

ACURA PHARMACEUTICALS, INC.

By: /s/ Peter A. Clemens  
\_\_\_\_\_  
Name: Peter A. Clemens  
Title: Sr. Vice President and CFO

ACURA PHARMACEUTICAL TECHNOLOGIES , INC.

By: /s/ Peter A. Clemens  
\_\_\_\_\_  
Name: Peter A. Clemens  
Title: Sr. Vice President and CFO

LENDER AND AGENT:  
GALEN PARTNERS III, L.P.  
By: Claudius, L.L.C., General Partner  
610 Fifth Avenue, 5<sup>th</sup> Fl.  
New York, New York 10019

/s/ Bruce Wesson  
\_\_\_\_\_  
By: Bruce Wesson  
Its: General Partner

LENDER:  
GALEN PARTNERS INTERNATIONAL, III, L.P.  
By: Claudius, L.L.C., General Partner  
610 Fifth Avenue, 5<sup>th</sup> Floor  
New York, New York 10020

/s/ Bruce Wesson  
\_\_\_\_\_  
By: Bruce Wesson  
Its: General Partner

LENDER:  
CARE CAPITAL OFFSHORE INVESTMENTS II, LP  
By: Care Capital II, LLC, as general partner  
47 Hulfish Street, Suite 310  
Princeton, NJ 08542

By: /s/ David Ramsay  
\_\_\_\_\_  
By: David R. Ramsay  
Its: Authorized Signatory

LENDER:  
CARE CAPITAL INVESTMENTS II, LP  
By: Care Capital II, LLC, as general partner  
47 Hulfish St., Suite 310  
Princeton, NJ 08542

By: /s/ David Ramsay  
\_\_\_\_\_  
Name: David R. Ramsay  
Title: Authorized Signatory



LENDER:  
GALEN EMPLOYEE FUND III, L.P.  
By: Wesson Enterprises, Inc.  
610 Fifth Avenue, 5<sup>th</sup> Floor  
New York, New York 10020

/s/ Bruce F. Wesson

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By: Bruce F. Wesson  
Its: General Partner

LENDER:  
MICHAEL WEISBROT  
1136 Rock Creek Road  
Gladwyne, Pennsylvania 19035

/s/ Michael Weisbrot

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LENDER:  
DENNIS ADAMS  
120 Kynlyn Road  
Radnor, Pennsylvania 19312

/s/ Dennis Adams

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ADDITIONAL WATSON HOLDER:  
PETER STIEGLITZ  
RJ Palmer LLC  
156 West 56th Street, 5th Floor  
New York, New York 10019

/s/ Peter Stirlitz

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LENDER:  
ESSEX WOODLANDS HEALTH  
VENTURES V, L.P.  
190 South LaSalle Street, Suite 2800  
Chicago, IL 60603

/s/ Immanuel Thangaraj

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By: Immanuel Thangaraj  
Its: Managing Director

LENDER:  
SUSAN WEISBROT  
1136 Rock Creek Road  
Gladwyne, Pennsylvania 19035

/s/ Susan Weisbrot

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LENDER:  
GEORGE E. BOUDREAU  
222 Elbow Lane  
Haverford, PA 19041

/s/ George Boudreau

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ADDITIONAL WATSON HOLDER:  
JOHN E. HEPPE, JR.  
237 W. Montgomery Avenue  
Haverford, Pennsylvania 19041

/s/ John Heppe

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**CONTACT:** Acura Pharmaceuticals, Inc.,  
Investor Relations, Peter A. Clemens, SVP & CFO **847-705-7709**

**FOR IMMEDIATE RELEASE**

**ACURA PHARMACEUTICALS, INC. SECURES BRIDGE FUNDING**

**Palatine, IL, September 22, 2006:** Acura Pharmaceuticals, Inc. (OTC.BB-ACUR) today announced it has secured gross proceeds of \$489,000 under a term loan agreement (the "Loan") with Essex Woodlands Health Ventures V, L.P., Care Capital Investments II, L.P., Care Capital Offshore Investments II, L.P., Galen Partners III, L.P., Galen Partners International III, L.P. and Galen Employee Fund III, L.P (collectively the "Bridge Lenders"). Coincident with this Loan, the Bridge Lenders have agreed to change the maturity date on all previous bridge loans to November 1, 2006 from October 1, 2006. The Loan bears an annual interest rate of 10%, is secured by a lien on all assets of the Company and its subsidiary, matures on November 1, 2006 and is senior to all other Company debt. The Loan permits the funding of additional cash amounts subject to agreement by the Company and the Bridge Lenders. No assurance can be given, however, that any additional funding will be advanced to the Company under the terms of the Loan. In addition, the Bridge Lenders have agreed to accept in satisfaction of the interest payment due September 30, 2006 under the bridge loans in the aggregate of approximately \$133,000, a number of shares of Common Stock of the Company based on the average of the closing bid and asked prices of the Common Stock for the five trading days ending September 29, 2006.

Including the Loan announced today, the Company has a total of \$6.124 million in bridge loans outstanding and due on November 1, 2006 and the Company has agreed that the lenders under its bridge loan agreements may rollover all or any portion of the principal and accrued interest outstanding under loans made under such agreements into the Company's next equity financing of at least ten million dollars, subject to certain exceptions.

The Company will utilize the net proceeds from the Loan to continue funding product development and licensing activities relating to OxyADF™ tablets and other product candidates utilizing its Aversion® Technology.

**Cash Reserves Update**

The Company estimates that its current cash reserves, including the net proceeds from the Loan, will fund product development and licensing activities through mid-October, 2006. To continue operating thereafter, the Company must raise additional financing or enter into appropriate collaboration agreements with third parties providing for cash payments to the Company. No assurance can be given that the Company will be successful in obtaining any such financing or in securing collaborative agreements with third parties on acceptable terms, if at all, or if secured, that such financing or collaborative agreements

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will provide for payments to the Company sufficient to continue funding operations. In the absence of such financing or third-party collaborative agreements, the Company will be required to scale back or terminate operations and/or seek protection under applicable bankruptcy laws.

## **About Acura Pharmaceuticals, Inc.**

Acura Pharmaceuticals, Inc., together with its subsidiary, is a specialty pharmaceutical company engaged in research, development and manufacture of innovative abuse deterrent, abuse resistant and tamper resistant formulations ("Aversion® Technology") intended for use in orally administered opioid-containing pharmaceutical products.

## **Forward Looking Statements**

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company's expectations and projections. The most significant of such risks and uncertainties include, but are not limited to, the Company's ability to secure additional financing to fund continued product development and operations, the Company's ability to enter into contractual arrangements with qualified pharmaceutical partners to license, develop and commercialize the Company's technology and product candidates, the Company's ability to avoid infringement of patents, trademarks and other proprietary rights or trade secrets of third parties, and the Company's ability to fulfill the FDA's requirements for approving the Company's product candidates for commercial distribution in the United States, including, without limitation, the adequacy of the results of the clinical studies completed to date and the results of other clinical studies, to support FDA approval of the Company's product candidates, the adequacy of the development program for the Company's product candidates, changes in regulatory requirements, adverse safety findings relating to the Company's product candidates, the risk that the FDA may not agree with the Company's analysis of its clinical studies and may evaluate the results of these studies by different methods or conclude that the results of the studies are not statistically significant, clinically meaningful or that there were human errors in the conduct of the studies or otherwise, the risk that further studies of the Company's product candidates are not positive, and the uncertainties inherent in scientific research, drug development, clinical trials and the regulatory approval process. You are encouraged to review other important risk factors relating to the Company on our web site at [www.acurapharm.com](http://www.acurapharm.com) under the link, "Company Risk Factors" and detailed in Company filings with the Securities and Exchange Commission. The Company is at development stage and may never have any products or technologies that generate revenue. Acura Pharmaceuticals, Inc. assumes no obligation to update any forward-looking statements as a result of new information or future events or developments. All Acura Pharmaceuticals, Inc. press releases may be reviewed at [www.acurapharm.com](http://www.acurapharm.com).

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