

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

June 28, 2007
Date of Report (Date of earliest event reported)

ACURA PHARMACEUTICALS, INC.

(Exact Name of Registrant as Specified in Charter)

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 June 28, 2007, the Registrant amended its Loan Agreement dated as of March 29, 2000, as previously amended, 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 (with the VC Lenders, the “Lenders”) and its \$5,000,000 note (the “Note”) held by such Lenders, dated as of December 20, 2002 to extend the maturity of such note to September 30, 2007 from June 30, 2007. In conjunction therewith the Lenders entered into a Consent and Amendment dated as of June 28, 2007 to Noteholders Agreement dated as of February 6, 2004, pursuant to which the consent of holders of not less than 98.38% of the interests in the Note may further extend the maturity or change the interest rate on the Note.

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 9.01 Financial Statements and Exhibits

Exhibit Number	Description
10.1	Fourth Amendment, Waiver and Consent dated as of June 28, 2007 to Loan Agreement dated as of February 6, 2004.
10.2	Consent and Amendment dated as of June 28, 2007 to Noteholders Agreement dated as of February 6, 2004.
10.3	Amended and Restated \$5,000,000 Senior Note

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

Peter A. Clemens
Senior Vice President & Chief Financial Officer

Date: June 28, 2007

Exhibit Index

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10.3	Amended and Restated \$5,000,000 Senior Note

FOURTH AMENDMENT, WAIVER AND CONSENT

TO

LOAN AGREEMENT

THIS FOURTH AMENDMENT, WAIVER AND CONSENT TO LOAN AGREEMENT, dated as of June 28, 2007 (the "Fourth Amendment"), is made and entered into by and between Acura Pharmaceuticals, Inc., a New York corporation ("Borrower"), and Galen Partners III, L.P., a Delaware limited partnership, as Agent under that certain Noteholders Agreement dated as of February 6, 2004 ("Lender"). Capitalized terms used herein and not otherwise defined shall have the meaning provided in the Loan Agreement (as defined below).

RECITALS

WHEREAS, Borrower and Lender (as assignee of Watson Pharmaceuticals, Inc. ("Watson")) are parties to that certain Loan Agreement, dated as of March 29, 2000, as amended by a certain Amendment to Loan Agreement dated as of March 31, 2000, as further amended by a certain Second Amendment to Loan Agreement dated as of December 20, 2002 and as further amended by a certain Third Amendment, Waiver and Consent to Loan Agreement dated as of February 6, 2004 (the "Third Amendment") (as so amended, the "Loan Agreement"); and

WHEREAS, in accordance with the terms of the Loan Agreement, Borrower previously issued to Watson two Promissory Notes, the first dated December 20, 2002 in the principal amount of \$17,500,000 (the "Replacement Note"), and the second dated December 20, 2002 in the principal amount of \$3,901,331 (the "\$3.9 Million Note", and together with the Replacement Note, collectively, the "Old Notes"); and

WHEREAS, in order to allow the Borrower to complete each of the transactions contemplated pursuant to that certain Term Sheet dated December 19, 2003 between the Borrower and the other signatories thereto (the "Term Sheet Transactions"), at Borrower's request and in accordance with the Third Amendment, Lender consented to the Term Sheet Transactions and waived certain restrictions contained in the Loan Agreement; and

WHEREAS, pursuant to a certain Umbrella Agreement dated as of February 6, 2004 (the "Umbrella Agreement") by and among Borrower, Watson, Care Capital Investment II, L.P., Essex Woodlands Health Ventures V, LP, Galen Partners III, L.P. and the other signatories thereto (collectively, but excluding the Borrower and Watson, the "Investor Group"), in consideration of Borrower's payment to Watson of \$4,000,000, Watson (i) cancelled and discharged in full the \$3.9 Million Note, (ii) forgave \$12,500,000 in principal amount of the Replacement Note and amended and restated the Replacement Note as provided in the Third Amendment, and (iii) amended the Loan Agreement as provided in the Third Amendment (collectively, the "2004 Note and Loan Agreement Amendments"); and

WHEREAS, pursuant to the terms of the Umbrella Agreement, Watson transferred and conveyed to the Investor Group all of its right, title and interest in and to the Loan Agreement and Replacement Note after giving effect to the 2004 Note and Loan Agreement Amendments;

WHEREAS, simultaneous with the completion of the transactions contemplated in the Umbrella Agreement, the Replacement Note was amended and restated in the form of Exhibit A to the Third Amendment to Loan Agreement (the "2004 Replacement Note"); and

WHEREAS, the Borrower and the Investor Group desire to further amend the Loan Agreement pursuant to this Fourth Amendment to amend and restate the 2004 Replacement Note to provide for the extension of the Maturity Date of the 2004 Replacement Note from June 30, 2007 to September 30, 2007.

NOW, THEREFORE, the parties hereto agree as follows:

AGREEMENT

1. Article One of the Loan Agreement is hereby amended in its entirety to read as follows:

"1. AMOUNT AND TERMS OF LOANS.

"1.1 Term Loans. Subject to the terms herein, Watson Pharmaceuticals, Inc. ("Watson") has previously loaned to Borrower the aggregate principal amount of Twenty One Million Four Hundred One Thousand Three Hundred Thirty One Dollars (\$21,401,331) (the "Original Loan"). Effective the date of the Third Amendment to the Loan Agreement, (i) Watson forever forgave, discharged, cancelled and rendered null and void Borrower's obligation to repay Sixteen Million Four Hundred One Thousand Three Hundred Thirty One Dollars (\$16,401,331) in principal amount, plus accrued and unpaid interest on such principal amount, of the Original Loan, resulting in a remaining principal balance of the Original Loan of Five Million Dollars (\$5,000,000) (the "Loan"), and (ii) Watson forever forgave and discharged Borrower's obligation to pay interest under the Original Loan, as evidenced by the Old Notes, to the extent accrued and unpaid through and including the date of the Third Amendment to the Loan Agreement. The Old Notes previously issued by Borrower to Watson hereunder were amended or cancelled, as appropriate, in accordance with Section 1.2 below. Notwithstanding any prepayment of the Loan by Borrower, sums repaid may not be re-borrowed.

1.2 Promissory Notes. Borrower's obligation to pay the principal of, and interest on, the Loan shall be evidenced by a promissory note dated as of December 20, 2002 duly executed and delivered by Borrower in the form attached as Exhibit A to the Fourth Amendment to the Loan Agreement and representing the \$5,000,000 principal balance of the Loan (the "Note"), which Note shall be an amendment and restatement of the 2004 Replacement Note. Upon execution and delivery of the Note, the 2004 Replacement Note shall be null and void and of no further legal force or effect. Lender agrees to promptly return to Borrower the 2004 Replacement Note after receipt of the Fourth Amendment to the Loan Agreement and the Note."

2. Section 12.1 of the Loan Agreement is hereby amended by adding the following definitions in alphabetical order:

"2004 Note and Loan Agreement Amendments" shall mean the amendments to the Note and the Loan Agreement effected pursuant to the Third Amendment to Loan Agreement."

"2004 Replacement Note" shall mean the Replacement Note in the principal amount of \$5 million issued to Watson (and simultaneously assigned to Lender) pursuant to the Third Amendment to Loan Agreement."

3. Limitation of Amendment. Except as amended above, the terms of the Loan Agreement shall remain in full force and effect.

4. Governing Law. This Fourth Amendment and the rights of the parties hereunder shall be governed in all respects by the laws of the State of New York wherein the terms of this Fourth Amendment were negotiated.

5. Counterparts. This Fourth Amendment may be executed in any number of counterparts, including by facsimile, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, Borrower and Lender have caused this Fourth Amendment to be duly executed by their duly authorized officers all as of the day and year first above written.

"BORROWER"

ACURA PHARMACEUTICALS, INC.

"LENDER"

GALEN PARTNERS III, L.P., as Agent

By: /s/ Peter Clemens

Name: Peter A. Clemens
Title: Senior Vice President
and Chief Financial Officer

By: /s/ Bruce F. Wesson

Name: Bruce F. Wesson
Title: Managing Director

EXHIBIT A

Note

CONSENT AND AMENDMENT TO NOTEHOLDERS AGREEMENT

This Consent and Amendment (the "Amendment") to Noteholders Agreement ("Agreement") dated as of February 6, 2004 by and among Essex Woodlands Health Ventures V, L.P., a Delaware limited partnership ("Essex"), Galen Partners III, L.P., a Delaware limited partnership ("Galen"), acting in its capacity as a Holder (as defined herein) and as agent for the Holders ("Agent") and Care Capital Investments II, L.P., a Delaware limited partnership ("Care Capital"), certain of the affiliates of Care Capital and Galen and certain other participants in the Senior Note (such affiliates and participants, together with Galen, Care and Essex, the "Holders"), is dated as of June 28, 2007. Capitalized terms appearing in this Amendment without definition will have the meanings ascribed to such terms in the Agreement.

PRELIMINARY STATEMENTS

The parties thereto wish to amend the Agreement to allow the Agent with the consent of holders of not less than 98.38% of the aggregate Participation Percentage to amend the Senior Note and the Loan (as defined in the Loan Agreement, as amended through the date hereof) with respect to the maturity date and interest rate applicable thereto. In addition, the parties hereto wish to consent to extension of the maturity date of the Senior Note and the Loan to September 30, 2007. Previously said Loan and Senior Note were due to mature on June 30, 2007.

AMENDMENT AND CONSENT

In consideration of the mutual covenants contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1 CONSENT

The parties hereto hereby irrevocably consent to the extension of the maturity date of the Loan and the Senior Note to September 30, 2007.

ARTICLE 2

AMENDMENT OF NOTEHOLDERS AGREEMENT

2.1 The Agreement is hereby amended as follows:

A. Section 2.1 of the Agreement is amended by adding a new subsection (f) as follows:

(f) "Notwithstanding the foregoing the Agent is authorized to amend the Senior Note and the Loan (as defined in the Loan Agreement, as amended through the date of Amendment of the Agreement dated as of June 28, 2007) to modify the interest rate applicable thereto and to extend the maturity thereof, with the consent of the holders of not less than 98.38% of the aggregate Participation Percentage."

B. Section 5.6 of the Agreement is replaced in its entirety with the following:

“No modification or amendment to this Agreement may be made except by a written instrument signed by the Agent and the Requisite Holders; provided, that any amendment to Article 4 shall require the written consent of each Claimant; and further provided that any modification to Section 2.1(f) shall require the approval of holders of not less than 98.38% of the aggregate Participation Percentage.”

ARTICLE 3

MISCELLANEOUS

3.1 GOVERNING LAW

This Amendment and the rights of the parties hereunder shall be governed in all respects by the laws of the State of New York wherein the terms of this Amendment were negotiated, excluding to the greatest extent permitted by law any rule of law that would cause the application of the laws of any jurisdiction other than the State of New York.

3.2 SEVERABILITY

If any provision or portion of any provision of this Amendment is held to be unenforceable or invalid by any court of competent jurisdiction, the remaining portions of any such provision and the remaining provisions hereof shall remain in effect.

3.3 COUNTERPARTS

This Amendment may be executed simultaneously in one or more counterparts, including by facsimile copy, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Consent and Amendment to Noteholders Agreement as of the date first written above.

LENDER AND AGENT:
GALEN PARTNERS III, L.P.
By: Claudius, L.L.C., General Partner
610 Fifth Avenue, 5th 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, 5th Floor
New York, New York 10020

/s/ Bruce Wesson

By: Bruce Wesson
Its: General Partner

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

/s/ Bruce Wesson

By: Bruce F. Wesson
Its: General Partner

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

/s/ Michael Weisbrot

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

/s/ Immanuel Tharangaj

By: Immanuel Thangaraj
Its: Managing Director

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

/s/ Susan Weisbrot

LENDER:
DENNIS ADAMS
120 Kynlyn Road
Radnor, Pennsylvania 19312

/s/ Dennis Adams

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

/s/ Peter Stieglitz

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

/s/ George Boudreau

LENDER:
JOHN E. HEPPE, JR.
237 W. Montgomery Avenue
Haverford, Pennsylvania 19041

/s/ John Heppe

SECURED PROMISSORY NOTE

\$5,000,000

As of December 20, 2002
Corona, California

1. Promise to Pay. For good and valuable consideration, the receipt of which is hereby acknowledged, ACURA PHARMACEUTICALS, INC., a New York corporation ("Maker"), promises to pay to GALEN PARTNERS III, L.P., a Delaware limited partnership, as Agent under that certain Noteholders Agreement dated as of February 6, 2004, as amended ("Galen"), or order (either, the "Holder"), on the Maturity Date (as defined below), unless sooner paid as provided in Section 5 hereof, the principal sum of Five Million Dollars (\$5,000,000), plus accrued unpaid interest thereon. The outstanding principal balance of this Note shall bear interest at a variable rate equal to the prime rate announced from time to time by Bank of America (the "Prime Rate") plus four and one half percent (4.5%) per annum (the "Interest Rate") from February 6, 2004 to the date the principal sum is paid in full. Interest payments shall be made as provided in Section 2 below. All payments under this Note shall be made to the order of the Holder at the address Holder may designate in writing to Maker. All payments of principal under this Note shall be made in U.S. dollars.
 2. Payment of Interest. Interest shall be paid on each March 31, June 30, September 30 and December 31 during the term of this Note, commencing March 31, 2004 (each such date being an "Interest Payment Date"). The payment of accrued interest on this Note shall be made in the form of Maker's common stock, par value \$.01 per share (the "Common Stock") with the number of shares of Maker's Common Stock equal to the quotient of (x) the interest payment amount, divided by (y) the average of the closing bid and asked prices for Maker's Common Stock as reported in the Over-The-Counter Bulletin Board ("OTC Bulletin Board") (or such other over-the-counter market or exchange on which the Maker's Common Stock may then be traded or admitted for trading) for the twenty (20) trading days immediately preceding such Interest Payment Date, rounded up to the nearest whole share of Maker's Common Stock. No cash interest payments shall be made on this Note.
 3. Maturity Date. The date that this Note shall mature, and the principal amount outstanding hereunder, plus accrued unpaid interest thereon and any charges pertaining thereto, shall become due and payable (the "Maturity Date") shall be September 30, 2007.
 4. Loan and Security Agreements. Maker and Galen, as assignee of Watson Pharmaceuticals, Inc., are parties to that certain Loan Agreement, dated as of March 29, 2000, as amended by that certain Amendment to Loan Agreement dated as of March 31, 2000, as further amended by that certain Second Amendment to Loan Agreement dated as of December 20, 2002, as further amended by that certain Third Amendment, Waiver and Consent to Loan Agreement dated as of February 6, 2004, and as further amended by that certain Fourth Amendment, Waiver and Consent to Loan Agreement dated as of June __, 2007 (as so amended, the "Loan Agreement"). The full and punctual payment and performance of this Note by Maker are secured and guaranteed by the Company General Security Agreement, the Company Collateral Assignments, the Stock Pledge Agreement, the Guaranties, the Guarantors Security Agreement, the Guarantor Collateral Assignments and the Mortgage, as those terms are defined in the Loan Agreement (the "Security Agreements"). The security interest granted to Holder under the Security Agreements extends to the proceeds of any sale or other transfer or disposition of such assets, whether by Maker, its affiliates, the Holder or any other person, that occurs prior to the payment in full of this Note. Copies of the Loan Agreement and the Security Agreements may be obtained from Maker without charge.
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5. Prepayments. Maker may voluntarily prepay this Note either in whole or in part without penalty or premium.

6. Waivers. Maker hereby waives diligence, presentment for payment, demand, protest, notice of non-payment, notice of dishonor, notice of protest, and any and all other notices and demands whatsoever. Maker shall remain bound under this Note until all principal and interest and any other amounts that are payable hereunder or under the Loan Agreement or the Security Agreements have been paid in full, notwithstanding any extensions or renewals granted with respect to this Note or the release of any party liable hereunder or any security for the payment of this Note. Maker, and any and all endorsers hereof, also waive the right to plead any and all statutes of limitations as a defense to any demand on this Note or any and all obligations or liabilities arising out of or in connection with this Note, the Loan Agreement or the Security Agreements, to the fullest extent permitted by law.

7. Events of Default. Any of the following events shall constitute an event of default by Maker under this Note (an “Event of Default”):

- (a) the failure of Maker to pay to Holder, on the Maturity Date, any and all principal amounts due and owing under this Note;
- (b) the failure of Maker to pay to Holder interest payments when due; or
- (c) there occurs any other event or circumstance that constitutes an “Event of Default” as defined in Section 9.1 of the Loan Agreement.

Subject to the forbearance provisions contained in Section 9.4 of the Loan Agreement, upon the occurrence of any Event of Default, as defined herein above, at Holder’s option, Holder may declare immediately due and payable, and on any such declaration there shall become immediately due and payable, the entire unpaid principal balance of this Note, together with all accrued and unpaid interest under this Note and any other sums owing at the time of such declaration pursuant to this Note, the Loan Agreement or the Security Agreements, and Holder shall be entitled to exercise all rights and remedies available to Holder under this Note, under the Loan Agreement and the Security Agreements and under applicable law, all of which rights and remedies shall be cumulative. Without limiting the generality of the foregoing, upon the occurrence of an Event of Default, the interest rate at which interest shall accrue on the principal sum and any other amounts that are due under this Note shall increase to the lower of (i) the Prime Rate plus six and one-half percent (6.5%) per annum or (ii) the maximum interest rate permitted under applicable law (the “Default Rate”), until all such amounts have been paid in full.

8. No Waiver by Holder. Subject to the forbearance provisions contained in Section 9.4 of the Loan Agreement, any delay or omission on the part of Holder to exercise any of Holder's rights or remedies hereunder, under the Loan Agreement or the Security Agreements or under applicable law, including, without limitation, the right to accelerate amounts owing under this Note, shall not be deemed a waiver of that right or remedy or of any other right or remedy of Holder in respect thereof. The acceptance by Holder of any payment pursuant to the terms of this Note which is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the Holder's rights or remedies under this Note, the Loan Agreement, the Security Agreements or under applicable law at that time or at any subsequent time or nullify any prior exercise of any such rights or remedies without the express written consent of Holder, except as and to the extent provided to the contrary by applicable law.

9. Governing Law. This Note shall be governed by and construed according to and enforced under the internal laws of the State of New York without giving effect to its choice of laws rules.

10. Enforcement of the Note. Maker agrees that the Superior Court in and for the County of New York, New York shall have exclusive jurisdiction over any disputes, between the Maker and Holder and any action, suit or other proceeding brought by Maker or Holder relating to the interpretation or enforcement of this Note, and Maker agrees as follows: (a) Maker shall accept and not contest the personal or subject matter jurisdiction of such Court; (b) Maker shall accept and not object to or challenge the venue of such Court or assert the doctrine of forum non conveniens with respect to such Court; (c) Maker shall accept and not contest the validity or effectiveness of service of process in any such action, suit or other proceeding by registered or certified first class mail; and (d) TO THE MAXIMUM EXTENT PERMITTED BY LAW, MAKER WAIVES AND SHALL WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR OTHER PROCEEDING BROUGHT WITH RESPECT TO THIS NOTE OR ITS ENFORCEMENT OR INTERPRETATION. If Maker fails to pay any amounts due hereunder when due, then Maker shall pay all costs of enforcement and collection, including, without limitation, reasonable attorneys' fees and costs incurred by Holder, whether or not enforcement and collection includes the filing of a lawsuit, and whether or not that lawsuit is prosecuted to judgment. The costs of enforcement and collection shall be added to the principal amount of the Note and shall accrue interest at the Default Rate from the Date incurred until the date paid by Maker.

11. Binding Nature. The provisions of this Note shall be binding on Maker and shall inure to the benefit of Holder.

12. Usury Savings Provisions. In the event Holder receives any sums under this Note which constitute interest in an amount in excess of that permitted by any applicable law, then, all such sums constituting interest in excess of that permitted to be paid under applicable law shall, at Holder's option, either be credited to the payment of principal owing hereunder or returned to Maker. The provisions of this Section 12 control the other provisions of this Note and any other agreement between Maker and Holder.

13. Severability. If, but only to the extent that, any provision of this Note shall be invalid or unenforceable, then, such offending provision shall be deleted from this Note, but only to the extent necessary to preserve the validity and effectiveness of this Note to the fullest extent permitted by applicable law.

14. Interpretation. No provision of this Note shall be interpreted for or against Maker or Holder because that person or that person's legal representative drafted such provision. Unless otherwise indicated elsewhere in this Note, (a) the term "or" shall not be exclusive, (b) the term "including" shall mean "including, but not limited to," and (c) the terms "below," "above," "herein," "hereof," "hereto," "hereunder" and other terms similar to such terms shall refer to this Note as a whole and not merely to the specific section, subsection, paragraph or clause where such terms may appear. The section and subsection headings in this Note are included for convenience of reference only and shall be ignored in the construction or interpretation of this Note.

15. Amended and Restated Note. This Note is issued in accordance with that certain Fourth Amendment to Loan Agreement dated as of June __, 2007, between Maker and Galen (the "Fourth Amendment"), and is issued by Maker as an amendment and restatement of that certain Secured Promissory Note issued by Maker to Watson Pharmaceuticals, Inc. (and subsequently assigned to Galen, as Agent) in the principal amount of \$5,000,000 dated December 20, 2002 (the "Original Note"). Upon execution and delivery of this Note to Galen, the Original Note shall be null and void and of no further legal force or effect.

[SIGNATURE PAGE TO FOLLOW]

“MAKER”

ACURA PHARMACEUTICALS, INC.

/s/ Peter A. Clemens

By: Peter A. Clemens
Its: Senior Vice President and Chief
Financial Officer
