

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

May 24, 2006
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))

Item 1.01 Entry Into a Material Definitive Agreement

On May 24, 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 \$4.85 million (inclusive of the May 24, 2006 bridge loan described in Item 8.01 below) to extend the maturity date of such bridge loans from June 1, 2006 to September 1, 2006.

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 8.01 Other Events

On May 24, 2006, the Registrant’s borrowed \$800,000 pursuant to a certain Bridge Loan Agreement dated January 31, 2006 with various lenders.

Item 9.01 Financial Statements and Exhibits

<u>Exhibit</u> <u>Number</u>	<u>Description</u>
10.1	Omnibus Amendment and Consent effective as of May 24, 2006 between the Registrant and various lenders.
99.1	Press Release dated May 24, 2006 Announcing Receipt of Bridge Funding and the Extension of the Maturity Date of Outstanding Bridge Loans

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 A. Clemens

Peter A. Clemens
Senior Vice President & Chief Financial Officer

Date: May 24, 2006

Exhibit Index

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OMNIBUS AMENDMENT AND CONSENT

OMNIBUS AMENDMENT AND CONSENT EFFECTIVE AS OF May 24, 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. Heppie Jr. and Peter Steiglitiz (“**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 June 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 “June 1, 2006” in Section 2.1 thereof with “September 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:
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- (i) replacing the words June 1, 2006, wherever they appear therein with "September 1, 2006"; and
- (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, Waiver 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, 5th Fl.
New York, New York 10019

/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

/s/ David Ramsay

By: David R. Ramsay
Its: Authorized Signatory

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:
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, 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:
DENNIS ADAMS
120 Kynlyn Road
Radnor, Pennsylvania 19312

/s/ Dennis Adams

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

/s/ Peter Stieglitz

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

/s/ Immanuel Thangaraj

By: Immanuel Thangaraj
Its: Managing Director

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

/s/ Susan Weisbrot

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

/s/ George Boudreau

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

/s/ John Heppe

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, May 24, 2006: Acura Pharmaceuticals, Inc. (OTC:BB-ACUR) today announced it has secured gross proceeds of \$800,000 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"). The Loan matures on September 1, 2006, bears an annual interest rate of 10%, is secured by a lien on all assets of the Company and its subsidiary, 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.

The Company also announced today that the maturity date for all earlier bridge loans originally due June 1, 2006 has been postponed to September 1, 2006. Including the Loan announced today, the Company has a total of \$4.85 million in bridge loans outstanding and due on September 1, 2006.

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 June, 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 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 challenges inherent in new product development, including obtaining regulatory approvals. You are encouraged to review other important risk factors relating to the Company on our web site at 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.
