
**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): March 9, 2012

Ohr Pharmaceutical, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction of Incorporation)

333-88480

(Commission File Number)

#90-0577933

(IRS Employer Identification No.)

489 5th Ave, 28th Floor, New York, NY

(Address of Principal Executive Offices)

10017

(Zip Code)

Registrant's telephone number, including area code: (212)-682-8452

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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 9, 2012, Ohr Pharmaceutical Inc., (the “Company”) increased the compensation of Dr. Irach B. Taraporewala, the Company’s President and Chief Executive Officer, and Sam Backenroth, Interim Chief Financial Officer and Vice President, Business Development, retroactive to January 1, 2012. Dr. Taraporewala’s annual base salary was increased to \$140,000, and Mr. Backenroth’s annual base salary was increased to \$105,000. The Company’s Board of Directors (the “Board”) expects to review the executives’ salaries on an annual basis. Each executive may also receive an annual bonus at the discretion of the Board, in accordance with any bonus plan adopted by the Board, and will participate in the Company’s employee benefit programs, stock based incentive compensation plans and other benefits. The Company expects to enter into one year employment agreements with both executives, embodying these terms, substantially in the form filed herewith as an exhibit.

In addition, on March 9, 2012, the Company issued non qualified options (“Options”) to its principal executives and non executive directors. The Options shall have a five year term, with twenty five percent vesting immediately and the remainder equally vesting over three years, and be exercisable at \$0.57, the market price on the date of issuance. Dr. Taraporewala received 700,000 Options, and Mr. Backenroth received 400,000 Options. Ira Greenstein and Orin Hirschman, Directors, each received 300,000 Options.

On March 9, 2012, the Board of Directors elected Dr. Taraporewala as director effective immediately.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.26	Form of Non-Qualified Option, dated March 9, 2012
10.27	Form of Employment Agreement, dated March 9, 2012

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.

OHR PHARMACEUTICAL, INC.

By: /s/ Irach Taraporewala
Dr. Irach Taraporewala, President and CEO

Dated: March 15, 2012

OHR PHARMACEUTICAL INC.
 STOCK OPTION AGREEMENT

THIS AGREEMENT, made and entered into as of March 9, 2012 (the "Date of Grant") between OHRPHARMACEUTICAL INC., a Delaware corporation (herein called the "Corporation"), and _____ (herein called the "Optionee").

WITNESSETH:

WHEREAS, under the terms and conditions hereinafter stated, the Corporation hereby grants to the Optionee an option (the "Option") to purchase up to _____ shares of the Corporation's common stock, \$0.0001 par value per share ("Common Stock"), at an exercise price of \$0.57 per share, subject to adjustment as provided in Paragraph 8 hereof (the "Option Price").

NOW, THEREFORE, the Corporation and the Optionee agree as follows:

1. Term. The term of the Option shall commence on March 9, 2012, and shall terminate at 5:00 P.M., E.S.T., on March 8, 2017.
2. Exercise. This Option to purchase up to _____ shares of Common Stock may be exercised in whole or in part in accordance with the following schedule: up to _____ shares upon and after the date hereof and thereafter in accordance with the following schedule, if and only if as of each date set forth below the Optionee is employed by the Corporation:

Date	Additional Shares of Common Stock for which the Option May be Exercised
March 9, 2013	_____
March 9, 2014	_____
March 9, 2015	_____

The method for exercise described in this Section 2 shall be the sole method of such exercise. The Optionee may exercise the Option by delivery to the Corporation of written notice providing: (i) the name of the Optionee; (ii) the address to which Common Stock certificates are to be mailed; (iii) an identification of the Option being exercised by reference to the date first written above; and (iv) payment in the amount of the product of the Option Price times the number of shares with respect to which the Option is being exercised, delivered in person or sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular, certified or overnight mail, addressed or telecopied, as the case may be, to the Treasurer of the Corporation. Such payment shall be in the form of (a) a check (acceptable to the Corporation in accordance with guidelines established for this purpose) payable to the order of the Corporation, (b) through the delivery of shares of Common Stock which have been outstanding for at least six months (unless the Corporation approves a shorter period) and which have a fair market value equal to the exercise price, or (c) by any combination of the foregoing permissible forms of payment.

The Option shall be considered exercised on the date the notice and appropriate payment are delivered to the Corporation. As promptly as practicable after receipt of such notice and payment, the Corporation shall deliver to the Optionee a certificate or certificates for the number of shares of Common Stock with respect to which the Option has been so executed, issued in the Optionee's name. Such delivery shall be deemed effected for all purposes when a stock transfer agent of the Corporation shall have deposited such certificate or certificates in the United States mail, addressed to the Optionee, at the address specified in the notice.

3. Transferability of Options. The Option shall not be transferable by the Optionee otherwise than by will or under the laws of descent and distribution. The Option shall be exercisable during the lifetime of the Optionee only by the Optionee, the Optionee's guardian or the Optionee's legal representative.

4. Termination of Affiliation. If the Optionee's employment or other association with the Corporation and any corporation, partnership, limited liability company, business trust or other entity controlling, controlled by or under common control with the Corporation ("Affiliate") ends for any reason, including because of the Optionee's employer ceasing to be an Affiliate, any outstanding Option of the Optionee shall cease to be exercisable in any respect not later than thirty (30) days following that event and, for the period it remains exercisable following that event, shall be exercisable only to the extent exercisable at the date of that event. Military or sick leave or other bona fide leave shall not be deemed a termination of employment or other association, provided that it does not exceed the longer of ninety (90) days or the period during which the absent Optionee's reemployment rights, if any, are guaranteed by statute or by contract. In the event of the death of the Optionee, the executors, administrators or any person or persons to whom the Option may be transferred by will or by the laws of descent and distribution shall have the right to exercise the Option only within the period of one year next succeeding the Optionee's death.

5. Requirements of Law. The Corporation shall not be required to sell or issue Common Stock under the Option if the issuance of such Common Stock would constitute a violation by the Optionee or the Corporation of any provisions of any state or federal law, rule or regulation. In addition, in connection with the Securities Act of 1933 (as now in effect or hereafter amended), upon exercise of the Option, the Corporation shall not be required to issue such Common Stock unless the Corporation has received evidence satisfactory to it to the effect that the Optionee will not transfer such shares except pursuant to a registration statement in effect under such Act, or unless an opinion of counsel to the Corporation has been received by the Corporation to the effect that such registration is not required. Any determination in this connection by the Corporation shall be final, binding and conclusive. In the event the shares issuable on exercise of the Option are not registered under the Securities Act of 1933, the Corporation may imprint the following legend or any other legend which counsel for the Corporation considers necessary or advisable to comply with the Securities Act of 1933:

“The shares of stock represented by this certificate have not been registered under the Securities Act of 1933 or under the securities laws of any state and may not be sold or transferred except upon such registration or upon receipt by the Corporation of an opinion of counsel satisfactory to the Corporation, in form and substance satisfactory to the Corporation, that registration is not required for such sale or transfer.”

The Corporation may, but shall in no event be obligated to, register any securities covered hereby pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended); and in the event any shares are so registered the Corporation may remove any legend on certificates representing such shares. The Corporation shall not be obligated to take any other affirmative action in order to cause the exercise of the Option or the issuance of shares pursuant thereto to comply with any state or federal law, rule or regulation.

6. No Rights as Stockholder. The Optionee shall have no rights as a stockholder with respect to Common Stock covered by the Option until the date of issuance to the Optionee of a stock certificate for such Common Stock; and, except as otherwise provided in Paragraph 8 hereof, no adjustment for dividends or otherwise shall be made if the record date thereof is prior to the date of issuance of such certificate.

7. Employment Obligation. The granting of the Option shall not impose upon the Corporation any obligation to employ or become affiliated with or continue to employ or be affiliated with the Optionee. The right of the Corporation to terminate the employment of or its affiliation with the Optionee or any other person shall not be diminished or affected by reason of the fact that the Option has been granted to the Optionee.

8. Changes in the Corporation's Capital Structure. The existence of the Option shall not affect in any way the right or power of the Corporation or its stockholders to make or authorize any or all adjustments, recapitalization, reorganizations or other changes in the Corporation's capital structure or its business, or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting Common Stock or the rights thereof, or the dissolution or liquidation of the Corporation, or any sale or transfer of all or any part of its assets or business or any other corporate act or proceeding, whether of a similar character or otherwise. Except as hereinafter expressly provided, the issuance by the Corporation of shares of Common Stock of any class, for cash or property, or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Corporation convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number, class or price of shares of Common Stock then subject to the Option.

(a) Capital Readjustments. If the Corporation effects a subdivision or consolidation of shares or other capital readjustment, the payment of a stock dividend, or other increase or reduction of the number of shares of Common Stock outstanding, without receiving compensation therefor in money, services or property, the number and class of Common Stock subject to the Option hereunder and the Option Price shall be appropriately adjusted in such a manner as to entitle the Optionee to receive upon exercise of the Option, for the same aggregate cash consideration, the same total number and class of shares as the Optionee would have received had the Optionee exercised the Option in full immediately prior to the event requiring the adjustment.

(b) Mergers, Etc. If (i) the Corporation is a party to a merger, consolidation or similar transaction (whether or not the Corporation is the surviving corporation), or the Corporation is liquidated, or the Corporation sells or otherwise disposes of substantially all its assets, and (ii) in such transaction the holders of Common Stock exchange their Common Stock for shares of stock or for other securities (the "Transaction Securities") of the Corporation or another corporation, receive additional Common Stock or other securities, or surrender a portion of their Common Stock, then:

(1) Except as provided in Paragraph 8(b)(2) hereof, the Optionee shall be entitled, in lieu of the Option, to an Option or Options to purchase Transaction Securities in an amount (if any) equal to the Transaction Securities that the Optionee would have received if the Optionee had exercised the Option in full and held the shares of Common Stock to which the Option related at the time of such transaction. The option price per share or other unit of such Transaction Securities shall be determined by dividing the Option Price by the number of shares or other units (or the fraction of a share or other unit) of Transaction Securities into which each share of Common Stock is converted or for which Common Stock is exchanged in such transaction.

(2) Notwithstanding any other provision hereof, the Board of Directors of the Corporation may cancel the Option as of the effective date of any transaction described in clause (i) of this Paragraph 8(b); provided that (A) notice of such cancellation shall have been given to the Optionee at least thirty (30) days before the effective date of such transaction, and (B) the Optionee shall have the right to exercise the Option in full during the thirty (30) day period immediately preceding the effective date of such transaction.

9. Withholding and Reporting. The Corporation's obligation to deliver shares of Common Stock or to make any payment upon the exercise of the Option shall be subject to applicable federal, state and local tax withholding and reporting requirements.

10. Interpretation of Agreement; Governing Law. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware.

[signature page follows]

OHR PHARMACEUTICAL INC.

By: _____
Name:
Title:

The Optionee hereby accepts and agrees to be bound by all terms and conditions hereof.

Dr. Irach Taraporewala

Date: March 9, 2012

EMPLOYMENT AGREEMENT

This Employment Agreement is made and entered into effective as of March 9, 2012 (the "Effective Date"), by and between Ohr Pharmaceutical Inc., a Delaware Corporation with a place of business at 489 5th avenue, 28th floor, New York, NY 10017 (the "Company" or "Ohr") and [] of [] (the "Employee").

WHEREAS, the Company and the Employee entered into an Employment Agreement effective as of April 12, 2010 (the "2010 Employment Agreement"); and

WHEREAS, the Company and the Employee wish to establish new terms, covenants, and conditions for the Employee's continued employment with the Company through this agreement ("Employment Agreement").

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, the parties hereto agree as follows:

1. Duties. From and after the Effective Date, and based upon the terms and conditions set forth herein, the Company agrees to employ the Employee and the Employee agrees to be employed by the Company, as the Company's []. During the Term of this Employment Agreement (as defined in Section 2 below), the Employee agrees to devote substantially all of his working time to the position he holds with the Company and to faithfully, industriously, and to the best of his ability, experience and talent, perform the duties that are assigned to him. The Employee shall observe and abide by the reasonable corporate policies and decisions of the Company in all business matters disclosed to employee.

2. Term of this Employment Agreement. Subject to Sections 4 and 5 hereof, the Term of this Employment Agreement shall be for one year period of time commencing on March 9, 2012.

3. Compensation. During the Term of this Employment Agreement, the Company shall pay, and the Employee agrees to accept as full consideration for the services to be rendered by the Employee hereunder, compensation consisting of the following:

A. Salary. Beginning on the first day of the Term of this Employment Agreement, and applied retroactively to January 1, 2012, the Company shall pay the Employee a salary of [] Dollars (\$[]) per year, payable in semi-monthly or monthly installments as requested by the Employee. Further, the Company agrees to review the Employee's base salary on an annual basis.

B. Bonus. The Compensation, Nominating and Governance Committee (the "Committee") of the Board of Directors will, on an annual basis, review the performance of the Company and of the Employee and will pay such bonus, as it deems appropriate, in its discretion, to the Employee based upon such review. Such review and bonus shall be consistent with any bonus plan adopted by the Committee, which covers the executive officers and employees of the Company generally.

C. Benefits. During the Term of this Employment Agreement, the Employee will receive such employee benefits as are generally available to all employees of the Company.

D. Stock Options. The Committee of the Board of Directors may, from time-to-time, grant stock options, restricted stock purchase opportunities and such other forms of stock-based incentive compensation as it deems appropriate, in its discretion, to the Employee. The terms of the relevant award agreements shall govern the rights of the Employee and the Company thereunder in the event of any conflict between such agreement and this Employment Agreement.

E. Expenses. The Company shall reimburse the Employee for all reasonable out-of-pocket expenses incurred by him in the performance of his duties hereunder, including expenses for travel, entertainment and similar items, promptly after the presentation by the Employee, from time-to-time, of an itemized account of such expenses.

4. Termination.

A. For Cause. The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement "for cause." Termination "for cause" shall be defined as a termination by the Company of the employment of the Employee occasioned by the failure by the Employee to cure a willful breach of a material duty imposed on the Employee under this Employment Agreement within 15 days after written notice thereof by the Company or the continuation by the Employee after written notice by the Company of a willful and continued neglect of a duty imposed on the Employee under this Employment Agreement. In the event of termination by the Company "for cause," all salary, benefits and other payments shall cease at the time of termination, and the Company shall have no further obligations to the Employee.

B. Resignation. If the Employee resigns for any reason, all salary, benefits and other payments (except as otherwise provided in paragraph G of this Section 4 below) shall cease at the time such resignation becomes effective. At the time of any such resignation, the Company shall pay the Employee the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

C. Disability, Death. The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement if the Employee has been unable to perform his duties hereunder or a similar job for a continuous period of six (6) months due to a physical or mental condition that, in the opinion of a licensed physician, will be of indefinite duration or is without a reasonable probability of recovery for a period of at least six (6) months. The Employee agrees to submit to an examination by a licensed physician of his choice in order to obtain such opinion, at the request of the Company, made after the Employee has been absent from his place of employment for at least six (6) months. The Company shall pay for any requested examination. However, this provision does not abrogate either the Company's or the Employee's rights and obligations pursuant to the Family and Medical Leave Act of 1993, and a termination of employment under this paragraph C shall not be deemed to be a termination for cause.

If during the Term of this Employment Agreement, the Employee dies or his employment is terminated because of his disability, all salary, benefits and other payments shall cease at the time of death or disability, provided, however, that the Company shall provide such health, dental and similar insurance or benefits as were provided to Employee immediately before his termination by reason of death or disability, to Employee or his family for the longer of twelve (12) months after such termination or the full un-expired Term of this Employment Agreement on the same terms and conditions (including cost) as were applicable before such termination. In addition, for the first six (6) months of disability, the Company shall pay to the Employee the difference, if any, between any cash benefits received by the Employee from a Company-sponsored disability insurance policy and the Employee's salary hereunder in accordance with paragraph A of Section 3 above. At the time of any such termination, the Company shall pay the Employee, the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

Notwithstanding the foregoing, if the Company reasonably determines that any of the benefits described in this paragraph C may not be exempt from federal income tax, then for a period of six (6) months after the date of the Employee's termination, the Employee shall pay to the Company an amount equal to the stated taxable cost of such coverages. After the expiration of the six-month period, the Employee shall receive from the Company a reimbursement of the amounts paid by the Employee.

D. Termination without Cause. A termination without cause is a termination of the employment of the Employee by the Company that is not "for cause" and not occasioned by the resignation, death or disability of the Employee. If the Company terminates the employment of the Employee without cause, (whether before the end of the Term of this Employment Agreement or, if the Employee is employed by the Company under paragraph E of this Section 4 below, after the Term of this Employment Agreement has ended) the Company shall, at the time of such termination, pay to the Employee the severance payment provided in paragraph F of this Section 4 below together with the value of any accrued but unused vacation time and the amount of all accrued but previously unpaid base salary through the date of such termination and shall provide him with all of his benefits under paragraph C of Section 3 above for the longer of six (6) months or the full un-expired Term of this Employment Agreement. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

If the Company terminates the employment of the Employee because it has ceased to do business or substantially completed the liquidation of its assets or because it has relocated to another city and the Employee has decided not to relocate also, such termination of employment shall be deemed to be without cause.

E. End of the Term of this Employment Agreement. Except as otherwise provided in paragraphs F and G of this Section 4 below, the Company may terminate the employment of the Employee at the end of the Term of this Employment Agreement without any liability on the part of the Company to the Employee but, if the Employee continues to be an employee of the Company after the Term of this Employment Agreement ends, his employment shall be governed by the terms and conditions of this Agreement, but he shall be an employee at will and his employment may be terminated at any time by either the Company or the Employee without notice and for any reason not prohibited by law or no reason at all. If the Company terminates the employment of the Employee at the end of the Term of this Employment Agreement, the Company shall, at the time of such termination, pay to the Employee the severance payment provided in paragraph F of this Section 4 below together with the value of any accrued but unused vacation time and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any reasonable expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

F. Severance. If the employment of the Employee is terminated by the Company, at the end of the Term of this Employment Agreement or, without cause (whether before the end of the Term of this Employment Agreement or, if the Employee is employed by the Company under paragraph E of this Section 4 above, after the Term of this Employment Agreement has ended), the Employee shall be paid, as a severance payment at the time of such termination, the amount equal to 50% of the annual base salary in effect at the time of termination, in twelve equal monthly installments.

G. Change of Control Severance. In addition to the rights of the Employee under the Company's employee benefit plans (paragraphs C of Section 3 above) but in lieu of any severance payment under paragraph F of this Section 4 above, if there is a Change in Control of the Company (as defined below) and the employment of the Employee is concurrently or within 12 months of the Change of Control terminated (a) by the Company without cause, (b) by the expiration of the Term of this Employment Agreement, or (c) by the resignation of the Employee because he has reasonably determined in good faith that his titles, authorities, responsibilities, salary, bonus opportunities or benefits have been materially diminished, that a material adverse change in his working conditions has occurred, that his services are no longer required in light of the Company's business plan, or the Company has breached this Employment Agreement, the Company shall pay the Employee, as a severance payment, at the time of such termination, the amount of Two Hundred Eighty Thousand Dollars (\$280,000) together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of termination and shall provide him with all of this benefits under paragraph C of Section 3 above for the longer of twelve (12) months or the full un-expired Term of this Employment Agreement. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above. Notwithstanding the foregoing, before the Employee may resign pursuant to Section 4(G)(c) above, the Employee shall deliver to the Company a written notice of the Employee's intent to terminate his employment pursuant to Section 4(G)(c), and the Company shall have been given a reasonable opportunity to cure any such act, omission or condition within Thirty (30) days after the Company's receipt of such notice.

H. For the purpose of this Employment Agreement, a Change in Control of the Company has occurred when: (a) any person (defined for the purposes of this paragraph G to mean any person within the meaning of Section 13 (d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than Ohr, an employee benefit plan created by its Board of Directors for the benefit of its employees, or a participant in a transaction approved by its Board of Directors for the principal purpose of raising additional capital, either directly or indirectly, acquires beneficial ownership (determined under Rule 13d-3 of the Regulations promulgated by the Securities and Exchange Commission under Section 13(d) of the Exchange Act) of securities issued by Ohr having forty five percent (45%) or more of the voting power of all the voting securities issued by Ohr in the election of Directors at the next meeting of the holders of voting securities to be held for such purpose; (b) a majority of the Directors elected at any meeting of the holders of voting securities of Ohr are persons who were not nominated for such election by the Board of Directors or a duly constituted committee of the Board of Directors having authority in such matters; (c) the stockholders of Ohr approve a merger or consolidation of Ohr with another person other than a merger or consolidation in which the holders of Ohr's voting securities issued and outstanding immediately before such merger or consolidation continue to hold voting securities in the surviving or resulting corporation (in the same relative proportions to each other as existed before such event) comprising fifty one percent (51%) or more of the voting power for all purposes of the surviving or resulting corporation; or (d) the stockholders of Ohr approve a transfer of substantially all of the assets of Ohr to another person other than a transfer to a transferee, fifty one percent (51%) or more of the voting power of which is owned or controlled by Ohr or by the holders of Ohr's voting securities issued and outstanding immediately before such transfer in the same relative proportions to each other as existed before such event. The parties hereto agree that for the purpose of determining the time when a Change of Control has occurred that if any transaction results from a definite proposal that was made before the end of the Term of this Employment Agreement but which continued until after the end of the Term of this Employment Agreement and such transaction is consummated after the end of the Term of this Employment Agreement, such transaction shall be deemed to have occurred when the definite proposal was made for the purposes of the first sentence of this paragraph G of this Section 4. Benefit and Stock Plans. In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions concerning termination of employment, or the death or disability of an employee (e.g., life insurance or disability insurance), then such benefit plan or Stock Plan shall control the disposition of the benefits or stock options.

5. Proprietary Information Agreement. Employee has executed a Proprietary Information Agreement as a condition of employment with the Company. The Proprietary Information Agreement shall not be limited by this Employment Agreement in any manner, and the Employee shall act in accordance with the provisions of the Proprietary Information Agreement at all times during the Term of this Employment Agreement.

6. Non-compete and Non-Solicit.

A. The Employee acknowledges that during the course of his employment with the Company under this Agreement, the Employee has received and will receive proprietary and confidential information of the Company and he will also receive and have access to detailed client and customer lists and information relating to the operations and business requirements of those clients and customers, and accordingly the Employee is willing to enter into the covenants described in paragraph B below.

B. The Employee hereby agrees that during the course of his employment with the Company under this Agreement, and for the longer of (i) 12 months after the date of the termination of Employee's employment for any reason or (ii) the period he receives severance payments (the "Restricted Period"), the Employee shall not, directly or indirectly:

(i) enter into or engage in or assist in any way any business engaged in the development, production or marketing of production services similar to products or services from time to time developed, produced or marketed by the Company or its affiliates (a "Competing Business"), either on his own account, or as a partner or joint venture, or as an employee, agent, consultant, or salesman for any individual or other entity, or as an officer, director, or stockholder of a corporation, or as a lender, or otherwise, (i) physically, within the United States of America and (ii) through the internet;

(ii) solicit (or cause any business, firm or corporation to solicit) any Competing Business from any entity that was a customer of the Company or any subsidiary or affiliate of the Company during the Term; or

(iii) influence or attempt to influence customers of the Company or any of its subsidiaries or affiliates, either directly or indirectly, to divert their business to any individual, partnership, firm, corporation or other entity engaged in a Competing Business.

Notwithstanding the foregoing, Employee may own up to 5% of the outstanding capital stock of any corporation or other entity that is publicly traded.

C. The Employee hereby further agrees that, during the course of his employment with the Company under this Agreement, and the Restricted Period, the Employee shall not, directly or indirectly hire, employ, or enter into business with any person who was employed by the Company or any subsidiary or affiliate of the Company and who was being paid at an annual rate of \$40,000 or more as an employee of the Company or any subsidiary or affiliate of the Company during the last six months of Employee's own employment, in any business, partnership, firm, corporation or other entity then in direct competition with the business of the Company or any affiliate of the Company.

D. The covenants contained in paragraphs (B) and (C) above are intended to be separate and severable and enforceable as such.

E. To the extent that any obligation to refrain from competing within a geographic area, for a period of time, or with respect to a particular scope of commerce, is held by a court of competent jurisdiction to be invalid or unenforceable, such obligation shall be deemed modified to the extent necessary to render it enforceable, and the obligations imposed by this Section shall be fully enforced as so modified.

7. Arbitration. Any dispute or controversy arising under or in connection with this Employment Agreement shall be settled exclusively by arbitration in New York, NY, in accordance with the non-union employment arbitration rules of the American Arbitration Association ("AAA") then in effect. If specific non-union employment dispute rules are not in effect, then AAA commercial arbitration rules shall govern the dispute. If the amount claimed exceeds \$100,000, the arbitration shall be before a panel of three arbitrators. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The Company shall indemnify the Employee against and hold him harmless from any attorney's fees, court costs and other expenses incurred by the Employee in connection with the preparation, commencement, prosecution, defense, or enforcement of any arbitration, award, confirmation or judgment in order to assert or defend any right or obtain any payment under paragraph C of Section 4 above or under this sentence; without regard to the success of the Employee or his attorney in any such arbitration or proceeding.

8. Governing Law. The Employment Agreement shall be governed by and construed in accordance with the laws of the State of New York.

9. Validity. The invalidity or unenforceability of any provision or provisions of this Employment Agreement shall not affect the validity or enforceability of any other provision of the Employment Agreement, which shall remain in full force and effect.

10. Entire Agreement. This Employment Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. This Employment Agreement may not be amended except in writing executed by the parties hereto.

11. Effect on Successors of Interest. This Employment Agreement shall inure to the benefit of and be binding upon heirs, administrators, executors, successors and assigns of each of the parties hereto. Notwithstanding the above, the Employee recognizes and agrees that his obligation under this Employment Agreement may not be assigned without the consent of the Company.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Employment Agreement as of the date first written above.

OHR PHARMACEUTICAL INC.

By: _____
Name: Orin Hirschman
Title: Director

EMPLOYEE

Name:
