

Edgar Filing: ARQULE INC - Form SC 13G

ARQULE INC
Form SC 13G
March 20, 2008

OMB APPROVAL

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

SCHEDULE 13G

UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO.) *

ARQULE, INC.

(Name of Issuer)

COMMON STOCK

(Title of Class of Securities)

04269E107

(CUSIP Number)

MARCH 10, 2008

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of

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11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

6.45%

12. TYPE OF REPORTING PERSON (See Instructions)

OO

CUSIP No. 04269E107

13G

Page 3 of 9 Pages

1. NAMES OF REPORTING PERSONS

Dr. Jeffrey R. Jay, M.D.

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY):

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES	5. SOLE VOTING POWER	0
BENEFICIALLY OWNED BY	6. SHARED VOTING POWER	
EACH REPORTING PERSON	7. SOLE DISPOSITIVE POWER	2,821,383
WITH	8. SHARED DISPOSITIVE POWER	0
		2,821,383

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,821,383

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(See Instructions)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

6.45%

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12. TYPE OF REPORTING PERSON (See Instructions)

IN

CUSIP No. 04269E107

13G

Page 4 of 9 Pages

1. NAMES OF REPORTING PERSONS

Mr. David Kroin

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY):

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES	5. SOLE VOTING POWER	
BENEFICIALLY OWNED BY	6. SHARED VOTING POWER	0
EACH REPORTING PERSON	7. SOLE DISPOSITIVE POWER	2,821,383
WITH	8. SHARED DISPOSITIVE POWER	0
		2,821,383

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10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
(See Instructions)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

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12. TYPE OF REPORTING PERSON (See Instructions)

Edgar Filing: ARQULE INC - Form SC 13G

IN

CUSIP No. 04269E107

13G

Page 5 of 9 Pages

ITEM 1.

(a) Name of Issuer

ArQule, Inc.

(b) Address of Issuer's Principal Executive Offices

19 Presidential Way
Woburn, MA 01801

ITEM 2.

(a) Name of Person Filing

Great Point Partners, LLC
Dr. Jeffrey R. Jay, M.D.
Mr. David Kroin

The Reporting Persons have entered into a Joint Filing Agreement, dated March 20, 2008, a copy of which is filed with this Schedule 13G as Exhibit A, pursuant to which the Reporting Persons have agreed to file this statement jointly in accordance with the provisions of Rule 13d-1(k) (1) under the Act.

(b) Address of Principal Business Office, or if none, Residence

The address of the principal business office of each of the Reporting Persons is

165 Mason Street, 3rd Floor
Greenwich, CT 06830

(c) Citizenship

Great Point Partners, LLC is a limited liability company organized under the laws of the State of Delaware. Dr. Jeffrey R. Jay, M.D. is a citizen of the United States. Mr. David Kroin is a citizen of the United States.

(d) Title of Class of Securities

Common Stock

(e) CUSIP Number

04269E107

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO SS.240.13D-1(b) OR

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240.13D.2(b) OR (c), CHECK WHETHER THE PERSON FILING IS A:

Not Applicable.

- (a) Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78o)
- (b) Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c) Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d) Investment Company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).

CUSIP No. 04269E107

13G

Page 6 of 9 Pages

- (e) An investment adviser in accordance with ss.240.13d-1(b)(1)(ii)(E).
- (f) An employee benefit plan or endowment fund in accordance with ss.240.13d-1(b)(1)(ii)(F).
- (g) A parent holding company or control person in accordance with ss.240.13d-1(b)(1)(ii)(G).
- (h) A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813).
- (i) A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3).
- (j) Group, in accordance with ss.240.13d-1(b)(1)(ii)(J).

ITEM 4. OWNERSHIP

Great Point Partners, LLC ("Great Point") is the investment manager of Biomedical Value Fund, L.P. ("BVF"), and by virtue of such status may be deemed to be the beneficial owner of the 1,523,546 shares of Common Stock of the Issuer owned by BVF (the "BVF Shares"). Each of Dr. Jeffrey R. Jay, M.D. ("Dr. Jay"), as senior managing member of Great Point, and Mr. David Kroin ("Mr. Kroin"), as special managing member of Great Point, has voting and investment power with respect to the BVF Shares, and therefore may be deemed to be the beneficial owner of the BVF Shares.

Great Point is the investment manager of Biomedical Offshore Value Fund, Ltd. ("BOVF"), and by virtue of such status may be deemed to be the beneficial owner of the 1,297,837 shares of Common Stock of the Issuer owned by BOVF (the "BOVF Shares"). Each of Dr. Jay, as senior managing member of Great Point, and Mr. Kroin, as special managing member of Great Point, has voting and investment power with respect to the BOVF Shares, and therefore may be deemed to be the beneficial owner of the BOVF

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Shares.

Each of Great Point, Dr. Jay and Mr. Kroin disclaim beneficial ownership of the BVF Shares and the BOVF Shares, except to the extent of their respective pecuniary interest.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

1. GREAT POINT PARTNERS, LLC
 - (a) Amount beneficially owned: 2,821,383
 - (b) Percent of class: 6.45%
 - (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote: - 0 -
 - (ii) Shared power to vote or to direct the vote: 2,821,383
 - (iii) Sole power to dispose or to direct the disposition of: - 0 -
 - (iv) Shared power to dispose or to direct the disposition of: 2,821,383
2. DR. JEFFREY R. JAY, M.D.
 - (a) Amount beneficially owned: 2,821,383

CUSIP No. 04269E107

13G

Page 7 of 9 Pages

- (b) Percent of class: 6.45%
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote: -0-
 - (ii) Shared power to vote or to direct the vote: 2,821,383
 - (iii) Sole power to dispose or to direct the disposition of: -0-
 - (iv) Shared power to dispose or to direct the disposition of: 2,821,383
3. MR. DAVID KROIN
 - (a) Amount beneficially owned: 2,821,383
 - (b) Percent of class: 6.45%

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GREAT POINT PARTNERS, LLC

By: /s/ Dr. Jeffrey R. Jay, M.D.

Dr. Jeffrey R. Jay, M.D.,
as senior managing member

/s/ Dr. Jeffrey R. Jay, M.D.

DR. JEFFREY R. JAY, M.D.

/s/ Mr. David Kroin

MR. DAVID KROIN

Exhibit A

AGREEMENT REGARDING THE JOINT FILING OF SCHEDULE 13G

The undersigned hereby agree as follows:

(i) Each of them is individually eligible to use the Schedule 13G to which this Exhibit is attached, and such Schedule 13G is filed on behalf of each of them; and

(ii) Each of them is responsible for the timely filing of such Schedule 13G and any amendments thereto, and for the completeness and accuracy of the information concerning such person contained therein; but none of them is responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

Date: March 20, 2008

GREAT POINT PARTNERS, LLC

By: /s/ Dr. Jeffrey R. Jay, M.D.

Dr. Jeffrey R. Jay, M.D.,
as senior managing member

/s/ Dr. Jeffrey R. Jay, M.D.

DR. JEFFREY R. JAY, M.D.

/s/ Mr. David Kroin

MR. DAVID KROIN