

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): **October 7, 2008**

**Intellect Neurosciences, Inc.**  
(Exact Name Of Registrant As Specified In Its Charter)

Delaware  
(State or Other Jurisdiction of Incorporation)

333-128226  
(Commission File Number)

20-2777006  
(I.R.S. Employer Identification No.)

7 West 18th Street, New York, NY  
(Address of Principal Executive Offices)

10011  
(Zip Code)

(212) 448-9300  
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

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

### Option Agreement

On October 7, 2008, INTELLECT NEUROSCIENCES, INC. (OTCBB: ILNS) (“Intellect”) entered into an Option Agreement (the “Agreement”) by and among Intellect and a top-tier global pharmaceutical company (“Option Holder”) regarding an option to purchase a license under certain of Intellect’s patents and patent applications (the “Subject Patents”) related to antibodies and methods of treatment for Alzheimer’s disease and to make, have made, use, sell, offer to sell and import certain Licensed Products, as defined in the Agreement.

Pursuant to the Agreement, Intellect grants the Option Holder an irrevocable option to acquire a non-exclusive, royalty bearing license under the Subject Patents with the right to grant sublicenses, to develop, have developed, make, have made, use, offer to sell, sell, import and have imported Licensed Products in the Territory in the Field (the “Option”).

In consideration of the Option, the Option Holder has agreed to pay Intellect a non-refundable fee of five hundred thousand dollars (\$500,000) (the “Option Fee”). In consideration of the exercise of the Option, the Option Holder will pay Intellect two million dollars (\$2,000,000) (the “Exercise Fee”). Two hundred and fifty thousand dollars (\$250,000) of the Option Fee is creditable against the Exercise Fee.

In addition, upon the later of (1) exercise of the Option, and (2) grant in the United States of a Licensed Patent with at least one Valid Claim that covers a Licensed Product in the Territory in the Field (as such terms are defined in the Agreement), Intellect will receive two million U.S. dollars (U.S. \$2,000,000). An additional milestone payment shall be made to Intellect should the Option Holder achieve certain thresholds for aggregate annual Net Sales for any Licensed Product in countries in which there are then existing one or more Valid Claims covering the Licensed Product.

The Agreement also provides that Intellect will be eligible to receive certain royalty payments from the Option Holder in connection with Net Sales of Licensed Products by the Option Holder, its affiliates and its permitted sublicensees. The term during which such royalties would be payable begins upon launch of a Licensed Product in a country (or upon issuance of a Valid Claim, whichever is later) and ending upon the date on which such Licensed Product is no longer covered by a Valid Claim in such country (as such terms are defined in the Agreement).

### **Item 8.01. Other Events.**

On October 8, 2008, Intellect issued a press release in connection with the Agreement described in Item 1.01 above, announcing that it had entered into a Option Agreement with a top-tier global pharmaceutical company and that the Option Agreement provides for an irrevocable option to purchase a license under certain of Intellect’s patents and patent applications related to antibodies and methods of treatment for Alzheimer’s disease and to make, have made, use, sell, offer to sell and import certain Licensed Products (as such terms are defined in the Agreement). The foregoing description of the Option Agreement does not purport to be complete and is qualified in its entirety by reference to Item 1.01. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein in its entirety by reference.

### **Item 9.01 Financial Statements and Exhibits.**

#### **(d) Exhibit.**

The following exhibit is furnished as part of this Report on Form 8-K:

<u>Exhibit</u>	<u>Description</u>
99.1	Press release dated October 8, 2008.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

INTELLECT NEUROSCIENCES, INC.

Date: October 14, 2008

By: /s/ Elliot Maza

Name: Elliot Maza

Title: President and CFO

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## **Intellect Neurosciences, Inc. Grants to Top Tier Global Pharmaceutical Company an Option to License Certain Alzheimer's Patents and Patent Applications**

Wednesday October 8, 5:45 am ET

### **Agreement Follows Recent Grant by Intellect of License to Wyeth (NYSE: WYE) and Elan Pharma International Ltd.**

**NEW YORK, October 8 /PRNewswire/ — Intellect Neurosciences, Inc. (OTC Bulletin Board: ILNS - News)**, a biopharmaceutical company focused on development of disease-modifying therapeutic agents for the treatment and prevention of Alzheimer's disease (AD), announced today that it has entered into an Option Agreement with a top-tier global pharmaceutical company regarding the right to purchase a license to certain of Intellect's patents and patent applications related to antibodies and methods of treatment for Alzheimer's disease.

Intellect is entitled to an option fee upon execution of the Option Agreement. In addition, Intellect will be entitled to fees, and may be entitled to milestone payments and royalties from potential future drug sales, upon exercise of the Option by the licensee. Recently, Intellect received its first milestone payment under its license agreement with Wyeth and Elan related to this patent family and may be entitled to additional payments from Wyeth and Elan in the future.

Dr. Daniel Chain, Intellect's Chairman and CEO and inventor of the licensed patents and patent applications, commented: "We are pleased to enter into this second agreement with a top-tier global pharmaceutical company for our patent estate relating to the use of antibodies to combat Alzheimer's disease. Alzheimer's patients need strong and capable partners in their fight to overcome this devastating disease. We believe that several therapeutic agents may be necessary to fully treat the AD population and that our licensing efforts, together with our internal development programs, will increase the likelihood of developing safe and effective therapies, as well as provide Intellect's stakeholders with financial rewards."

### **About Intellect's Immunotherapy Platforms for Alzheimer's disease**

Intellect's immunotherapy platforms aim to prevent the accumulation of aggregated beta amyloid protein fragments in the brain that are thought to be the root cause of Alzheimer's disease. In healthy people, beta amyloid does not aggregate but in Alzheimer's patients it clumps first to form long fibrils, like tentacles, that eventually deposit on the surface of nerve cells as a spaghetti-like protein mass called amyloid plaques. The beta amyloid fragments are generated as a product of metabolism from the much larger Amyloid Precursor Protein which is present in most tissues in the body and implicated in numerous important physiological functions. Intellect's immunotherapy approach for Alzheimer's disease involves making an antibody molecule available to bind to the beta-amyloid toxin, thus promoting its clearance away from sites of damage the brain. This therapeutic outcome can be potentially achieved either by administering an externally generated monoclonal antibody (passive immunization) or by provoking the patient's immune system to generate such an antibody (active immunization). Both approaches have the potential to slow or arrest disease progression provided that key safety issues are addressed. Of particular importance is the need to avoid interfering with the physiological roles of the Amyloid Precursor Protein. Intellect's has incorporated proprietary safety features into its ANTISENILIN® monoclonal antibody and RECALL-VAX™ technology platforms for both passive and active immunization, respectively to minimize the potential for adverse side-effects by generating antibodies that bind only the toxic beta amyloid and not the Amyloid Precursor Protein. These features and supporting patent position provides the Company with a strong competitive advantage in this field.

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## **About Alzheimer's disease**

Alzheimer's disease, the most common form of dementia, is characterized by progressive loss of memory and cognition, ultimately leading to complete debilitation and death. A hallmark feature of Alzheimer's pathology is the presence of insoluble protein deposits known as beta-amyloid on the surface of nerve cells, which results from the accumulation of soluble beta-amyloid in the brain. The effects of the disease are devastating to the patients as well as the caregivers, with significant associated health care costs. It is estimated that there are more than 5 million Americans and about 30 million people suffering from Alzheimer's disease world wide with the number expected to increase dramatically as the global population ages. Currently marketed drugs transiently affect some of the symptoms of the disease, but there are no drugs on the market today that slow or arrest the progression of the disease. These symptomatic drugs are projected to generate more than US\$6 billion in sales by 2010, indicating both the size of the market and the demand for effective treatment beyond symptomatic improvements.

## **About Intellect Neurosciences, Inc.**

Intellect Neurosciences, Inc. is a biopharmaceutical company engaged in the discovery and development of disease-modifying therapeutic agents for the treatment and prevention of Alzheimer's disease and other disorders. The company has a broad proprietary immunotherapy platform for both passive and active immunization against Alzheimer's disease. Also, Intellect has completed Phase I clinical trials for OXIGON(TM), which has potential to treat Alzheimer's disease and other serious disorders.

## **Safe Harbor Statement Regarding Forward-Looking Statements**

The statements in this release and oral statements made by representatives of Intellect relating to matters that are not historical facts (including without limitation those regarding future performance or financial results, the timing or potential outcomes of research collaborations or clinical trials, any market that might develop for any of Intellect's product candidates and the sufficiency of Intellect's cash and other capital resources) are forward-looking statements that involve risks and uncertainties, including, but not limited to, the likelihood that actual performance or results could materially differ, that future research will prove successful, the likelihood that any product in the research pipeline will receive regulatory approval in the United States or abroad, or Intellect's ability to fund such efforts with or without partners. Intellect undertakes no obligation to update any of these statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as to the date hereof. Accordingly any forward-looking statements should be read in conjunction with the additional risks and uncertainties detailed in Intellect's filings with the Securities and Exchange Commission, including those factors discussed under the caption "Risk Factors" in Intellect's Annual Report on Form 10-KSBA (file no. 1-10615) filed on October 19, 2007, and our Quarterly Report on Form 10-QSB for the quarter ended September 30, 2007, filed on December 10, 2007 (file no. 1-10615), and for the quarter ended December 31, 2007, filed on February 19, 2007.

**Web site:** <http://www.intellectns.com>

Source: Intellect Neurosciences, Inc.

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