
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 10, 2014

Idera Pharmaceuticals, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-31918
(Commission
File Number)

04-3072298
(IRS Employer
Identification No.)

167 Sidney Street
Cambridge, Massachusetts
(Address of principal executive offices)

02139
(Zip Code)

Registrant's telephone number, including area code: (617) 679-5500
(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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) Election of Directors

On March 10, 2014, Julian C. Baker and Kelvin M. Neu, M.D. were elected to the Board of Directors (the “Board”) of Idera Pharmaceuticals, Inc. (the “Company”). Mr. Baker was elected as a Class II director for a term expiring at the Company’s 2015 Annual Meeting of Stockholders. Dr. Neu was elected as a Class I director for a term expiring at the Company’s 2014 Annual Meeting of Stockholders.

In accordance with the Company’s director compensation program, each of Mr. Baker and Dr. Neu will receive an annual cash retainer of \$35,000 for service on the Board, which is payable quarterly in arrears. In addition, the Company’s director compensation program includes a stock-for-fees policy, under which each of Mr. Baker and Dr. Neu has the right to elect, on a quarterly basis, to receive Common Stock of the Company in lieu of the cash fees.

In addition, under the Company’s director compensation program, upon their election as directors, each of Mr. Baker and Dr. Neu was granted an option on March 10, 2014 to purchase 30,000 shares of the Company’s Common Stock at an exercise price per share of \$5.82. On March 11, 2014, in connection with the Board’s review of the Company’s director compensation program, the Board determined to modify the program such that, among other changes, each newly elected non-employee director would receive upon their initial election to the Board an option to purchase 70,000 shares of the Company’s Common Stock. In connection with this change to the director compensation program, the Board determined to grant to each of Mr. Baker and Dr. Neu an additional option to purchase 40,000 shares of the Company’s Common Stock, effective March 17, 2014, with an exercise price per share equal to the fair market value of the Company’s Common Stock on such date. All options granted to non-employee directors, including the grants to Mr. Baker and Dr. Neu, vest in equal quarterly installments over three years and become exercisable in full upon the occurrence of a change in control of the Company.

Each of Mr. Baker and Dr. Neu will be subject to the Company’s director retirement policy, which provides for acceleration of vesting of options and an extension of the exercise period upon the retirement of a non-employee director, as more fully described in the Company’s Proxy Statement filed on June 10, 2013 with the Securities and Exchange Commission.

Mr. Baker and Dr. Neu have not been elected to any committees of the Board. There was no arrangement or understanding between Mr. Baker or Dr. Neu and any other persons pursuant to which Mr. Baker or Dr. Neu were elected as directors of the Company.

Mr. Baker is a Co-Managing Member of Baker Bros. Advisors LP and Dr. Neu is a Managing Director at Baker Bros. Advisors LP. Since January 1, 2013, the Company has entered into the following transactions with Baker Bros. Advisors LP and certain of its affiliates (together “Baker Brothers”):

- In May 2013, Bakers Brothers participated in our public offering and purchased (i) for an aggregate purchase price of \$2,250,000, 4,500,000 shares of the Company’s Common Stock and associated warrants to purchase 4,500,000 shares of the Company’s Common Stock at an exercise price of \$0.47 per share, and (ii) for an aggregate purchase price of \$7,750,000, pre-funded warrants to purchase up to 15,816,327 shares of the Company’s Common Stock at an exercise price of \$0.01 per share and associated warrants to purchase 15,816,327 shares of the Company’s Common Stock at an exercise price of \$0.47 per share;

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- In September 2013, Bakers Brothers participated in our public offering and purchased (i) for an aggregate purchase price of \$2,115,750, 1,365,000 shares of the Company's Common Stock, and (ii) for an aggregate purchase price of \$6,431,001.50, pre-funded warrants to purchase up to 4,175,975 shares of the Company's Common Stock at an exercise price of \$0.01 per share; and
 - In February 2014, Bakers Brothers participated in our public offering and purchased (i) for an aggregate purchase price of \$1,365,000, 341,250 shares of the Company's Common Stock, and (ii) for an aggregate purchase price of \$8,613,412.50, pre-funded warrants to purchase up to 2,158,750 shares of the Company's Common Stock at an exercise price of \$0.01 per share.

Under the terms of the warrants and pre-funded warrants issued to Baker Brothers, Baker Brothers is not permitted to exercise such warrants to the extent that such exercise would result in Baker Brothers (and its affiliates) beneficially owning more than 4.99% of the number of shares of the Company's Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of such warrants. Baker Brothers has the right to increase this beneficial ownership limitation in its discretion on 61 days' prior written notice to the Company, provided that in no event is Baker Brothers permitted to exercise such warrants to the extent that such exercise would result in Baker Brothers (and its affiliates) beneficially owning more than 19.99% of the number of shares of the Company's Common Stock outstanding or the combined voting power of our securities outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of such warrants.

The Company's press release dated March 12, 2014 announcing the election of Mr. Baker and Dr. Neu to the Board is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

See Exhibit Index attached hereto.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by Idera Pharmaceuticals, Inc. on March 12, 2014



Idera Pharmaceuticals Announces Appointment of Julian Baker and Dr. Kelvin Neu to its Board of Directors

CAMBRIDGE, Mass. — (BUSINESS WIRE) — March 12, 2014 — Idera Pharmaceuticals, Inc. (Nasdaq: IDRA), a clinical stage biopharmaceutical company developing a novel therapeutic approach for the treatment of autoimmune diseases and genetically defined forms of B-cell lymphoma, today announced that Baker Brothers Investments' Julian C. Baker and Kelvin M. Neu, M.D., joined its Board of Directors, effective March 10, 2014. Founded in 2000, Baker Brothers Investments manages long-term investment funds focused on publicly traded life sciences companies, for major university endowments and foundations.

"I would like to welcome Julian and Kelvin to the Board. Idera will benefit immensely from their deep insights on successful clinical development and experience working with many companies to bring novel therapies to market," said Jim Geraghty, Chairman of Idera's Board of Directors. "With this and other recent additions to our Board, we are stronger than ever before, with the right balance of expertise needed to support the Company's mission of bringing important therapies for unmet medical needs and orphan indications to patients as rapidly as possible."

Julian C. Baker is a Managing Partner of Baker Brothers Investments. Mr. Baker is currently a Director of Genomic Health, Inc. and Incyte Corporation, Inc. Kelvin M. Neu, M.D., is a Managing Director of Baker Brothers Investments. A physician, Dr. Neu also serves as a Director of XOMA Corporation and Presidio Pharmaceuticals, Inc.

About Idera Pharmaceuticals, Inc.

Idera's proprietary technology involves creating novel nucleic acid therapeutics designed to inhibit over-activation of Toll-like Receptors (TLRs). Idera is developing these therapeutics for the treatment of genetically defined forms of B-cell lymphoma and for autoimmune diseases with orphan indications. In addition to its TLR programs, Idera is developing gene silencing oligonucleotides that it has created using its proprietary technology, to inhibit the production of disease-associated proteins by targeting RNA.

Source: Idera Pharmaceuticals, Inc.

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