

GENTA INC DE/
Form SC 13G/A
January 28, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13G
(Amendment No. 1)

UNDER THE SECURITIES EXCHANGE ACT OF 19341

Genta Incorporated
(Name of Issuer)

Common Stock, \$0.001 par value per share
(Title of Class of Securities)

37245M504
(CUSIP Number)

December 31, 2009
(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)

1 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 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1. NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 Arcus Ventures Fund, L.P. 83-0490109
2. CHECK THE APPROPRIATE BOX IF A (a) o
 MEMBER OF A GROUP** (b) p
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware
5. SOLE VOTING POWER
 NUMBER OF -0-
 SHARES 6. SHARED VOTING POWER
 BENEFICIALLY 5,858,366*
 OWNED BY 7. SOLE DISPOSITIVE POWER
 EACH -0-
 REPORTING 8. SHARED DISPOSITIVE POWER
 PERSON 5,858,366*
 WITH
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
 PERSON
 5,858,366*
10. CHECK BOX IF THE AGGREGATE o
 AMOUNT IN ROW 9 EXCLUDES
 CERTAIN SHARES**
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
 3.0%
12. TYPE OF REPORTING PERSON**
 PN
- ** SEE INSTRUCTIONS BEFORE FILLING OUT

* Consists of 1,275,156 shares of Common Stock and 4,583,210 shares of common stock issuable upon conversion of a currently convertible promissory note (the "September 2009 Note").

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1. NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 Arcus Ventures Management, LLC 83-0490119

2. CHECK THE APPROPRIATE BOX IF A (a) o
 MEMBER OF A GROUP** (b) p

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

| | | |
|--------------|--------------------------|--|
| 5. | SOLE VOTING POWER | |
| NUMBER OF | -0- | |
| SHARES | | |
| 6. | SHARED VOTING POWER | |
| BENEFICIALLY | 5,858,366* | |
| OWNED BY | | |
| 7. | SOLE DISPOSITIVE POWER | |
| EACH | -0- | |
| REPORTING | | |
| 8. | SHARED DISPOSITIVE POWER | |
| PERSON | 5,858,366* | |
| WITH | | |

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 5,858,366*

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES** o

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
 3.0%

12. TYPE OF REPORTING PERSON**
 OO

** SEE INSTRUCTIONS BEFORE FILLING OUT

* Consists of 1,275,156 shares of Common Stock and 4,583,210 shares of common stock issuable upon conversion of the September 2009 Note.

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1. NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 James B. Dougherty

2. CHECK THE APPROPRIATE BOX IF A (a) o
 MEMBER OF A GROUP** (b) p

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION
 United States

| | | |
|--------------|--------------------------|--|
| 5. | SOLE VOTING POWER | |
| NUMBER OF | -0- | |
| SHARES | | |
| 6. | SHARED VOTING POWER | |
| BENEFICIALLY | 5,858,366* | |
| OWNED BY | | |
| 7. | SOLE DISPOSITIVE POWER | |
| EACH | -0- | |
| 8. | SHARED DISPOSITIVE POWER | |
| REPORTING | 5,858,366* | |
| PERSON | | |
| WITH | | |

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 5,858,366*

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES** o

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
 3.0%

12. TYPE OF REPORTING PERSON**
 IN

** SEE INSTRUCTIONS BEFORE FILLING OUT

* Consists of 1,275,156 shares of Common Stock and 4,583,210 shares of common stock issuable upon conversion of the September 2009 Note.

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1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
Steven Soignet
2. CHECK THE APPROPRIATE BOX IF A (a)
MEMBER OF A GROUP** (b)
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
United States
- | | | |
|--------------|-------------------|--------------------------|
| 5. | SOLE VOTING POWER | |
| NUMBER OF | -0- | |
| SHARES | 6. | SHARED VOTING POWER |
| BENEFICIALLY | 5,858,366* | |
| OWNED BY | 7. | SOLE DISPOSITIVE POWER |
| EACH | -0- | |
| REPORTING | 8. | SHARED DISPOSITIVE POWER |
| PERSON | 5,858,366* | |
| WITH | | |
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,858,366*
10. CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW 9 EXCLUDES
CERTAIN SHARES**
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
3.0%
12. TYPE OF REPORTING PERSON**
IN
** SEE INSTRUCTIONS BEFORE FILLING OUT

* Consists of 1,275,156 shares of Common Stock and 4,583,210 shares of common stock issuable upon conversion of the September 2009 Note.

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Item 1(a). Name of Issuer.

Genta Incorporated (the "Issuer").

Item 1(b). Address of Issuer's Principal Executive Offices.

The Issuer's principal executive offices are located at 200 Connell Drive, Berkeley Heights, NJ 07922.

Items Name of Person Filing.

2(a).

This statement is filed on behalf of the following persons with respect to shares of common stock of the Issuer:

- (i) Arcus Ventures Fund, L.P., a Delaware limited partnership ("Arcus Ventures Fund");
- (ii) Arcus Ventures Management, LLC, a Delaware limited liability company and the general partner of Arcus Ventures Fund ("Arcus Ventures Management");
- (iii) James B. Dougherty, an individual and a member of Arcus Ventures Management ("Dougherty"); and
- (iv) Steven Soignet, an individual and a member of Arcus Ventures Management ("Soignet").

The foregoing persons are hereinafter referred to collectively as the "Reporting Persons." Any disclosures herein with respect to persons other than the Reporting Persons are made on information and belief after making inquiry to the appropriate party. Each of Dougherty and Soignet disclaims beneficial ownership of the shares of Common Stock reported herein except to the extent of his pecuniary interest therein.

Items Address of Principal Business Office or, if None, Residence.

2(b).

The address of the principal business office of each of the Reporting Persons is 55 Broad Street, Suite 1840, New York, NY 10004.

Items Citizenship.

2(c).

Dougherty and Soignet are United States citizens. Arcus Ventures Fund is a limited partnership organized under the laws of the State of Delaware. Arcus Ventures Management is a limited liability company organized under the laws of the State of Delaware.

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Items Title of Class of Securities.
2(d).

Common stock, \$0.001 par value per share (the "Common Stock").

Item 2(e) CUSIP Number.

37245M504

Items 3.

If this statement is filed pursuant to Rules 13d-1(b) or 13d- 2(b) or (c), check whether the person filing is a:

- (a) Broker or dealer registered under Section 15 of the Act;
- (b) Bank as defined in Section 3(a)(6) of the Act;
- (c) Insurance Company as defined in Section 3(a)(19) of the Act;
- (d) Investment Company registered under Section 8 of the Investment Company Act of 1940;
- (e) Investment Adviser in accordance with Rule 13d-1 (b)(1)(ii)(E);
- (f) Employee benefit plan or endowment fund in accordance with 13d-1 (b)(1)(ii)(F);
- (g) Parent holding company or control person in accordance with Rule 13d-1 (b)(1)(ii)(G);
- (h) Savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;
- (i) Church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act;
- (j) Non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J);
- (k) Group, in accordance with Rule 13d-1(b)(1)(ii)(K).

If filing as a non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J), please specify the type of institution:

_____.

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Items 4. Ownership.

The percentages used herein are calculated based upon 192,831,989 shares of Common Stock outstanding as of December 31, 2009 as provided by the Issuer. As of the close of business on December 31, 2009, the Reporting Persons beneficially owned shares of the Issuer's common stock in the amounts and percentages listed below:

- A. Arcus Ventures Fund, L.P.
 - (a) Amount beneficially owned: 5,858,366
 - (b) Percent of class: 3.0%
 - (c)
 - (i) Sole power to vote or direct the vote: -0-
 - (ii) Shared power to vote or direct the vote: 5,858,366
 - (iii) Sole power to dispose or direct the disposition: -0-
 - (iv) Shared power to dispose or direct the disposition: 5,858,366
- B. Arcus Ventures Management, LLC
 - (a) Amount beneficially owned: 5,858,366
 - (b) Percent of class: 3.0%
 - (c)
 - (i) Sole power to vote or direct the vote: -0-
 - (ii) Shared power to vote or direct the vote: 5,858,366
 - (iii) Sole power to dispose or direct the disposition: -0-
 - (iv) Shared power to dispose or direct the disposition: 5,858,366
- C. James B. Dougherty
 - (a) Amount beneficially owned: 5,858,366
 - (b) Percent of class: 3.0%
 - (c)
 - (i) Sole power to vote or direct the vote: -0-
 - (ii) Shared power to vote or direct the vote: 5,858,366

(iii) Sole power to dispose or direct the disposition: -0-

(iv) Shared power to dispose or direct the disposition: 5,858,366

D. Steven Soignet

(a) Amount beneficially owned: 5,858,366

(b) Percent of class: 3.0%

(c) (i) Sole power to vote or direct the vote: -0-

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- (ii) Shared power to vote or direct the vote: 5,858,366
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition: 5,858,366

In addition to the 5,858,366 shares beneficially owned as reported above (consisting of 1,275,156 shares of Common Stock and 4,583,210 shares of Common Stock currently issuable upon the conversion of the September 2009 Note), Arcus Venture Fund held as of December 31, 2009 (i) warrants that will become exercisable on October 2, 2009 (the "October 2009 Warrants") to purchase 562,500 shares of Common Stock, (ii) warrants that will become exercisable on January 7, 2010 (the "January 2010 Warrants") to purchase 202,500 shares of Common Stock, (iii) warrants that will become exercisable on March 4, 2010 (the "March 2010 Warrants") to purchase 1,145,804 shares of Common Stock, (iv) purchase rights that are currently exercisable (the "December 2008 Purchase Rights") to acquire 7,500,000 shares of Common Stock and (v) purchase rights that become exercisable on October 2, 2009 (the "October 2009 Purchase Rights") to acquire 2,225,000 shares of Common Stock; however, each of the October 2009 Warrants, the January 2010 Warrants, the March 2010 Warrants, the December 2008 Purchase Rights and the October 2009 Purchase Rights contains a limitation on exercise which prevents the Reporting Persons from such exercise if, after giving effect to the exercise, the Reporting Persons would in the aggregate beneficially own more than 4.99% of the outstanding shares of Common Stock. Therefore, the Reporting Persons cannot exercise any of the October 2009 Warrants, the January 2010 Warrants, the March 2010 Warrants, the December 2008 Purchase Rights and the October 2009 Purchase Rights and, accordingly, do not beneficially own underlying shares of Common Stock if such ownership would cause the Reporting Persons' beneficial ownership of Common Stock to exceed 4.99%. In addition, on January 4, 2010, Arcus Venture Fund acquired a convertible promissory note (the "January 2010 Note") which is currently convertible into 2,444,382 shares of Common Stock. Beneficial ownership of such shares does not cause the Reporting Persons' beneficial ownership of Common Stock to reach 5%.

Items 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following.

Items 6. Ownership of More than Five Percent on Behalf of Another Person.

Not Applicable.

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Items 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company.

Not Applicable.

Items 8. Identification and Classification of Members of the Group.

Not Applicable.

Items 9. Notice of Dissolution of Group.

Not Applicable.

Items 10. Certifications.

Each of the Reporting Persons hereby makes the following certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 28, 2010

Arcus Ventures Fund, L.P.

By: Arcus Ventures Management, LLC,
as General Partner

By: /s/Steven Soignet
Steven Soignet, Member

Arcus Ventures Management, LLC

By: /s/Steven Soignet
Steven Soignet, Member

/s/James B. Dougherty
James B. Dougherty, individually

/s/Steven Soignet
Steven Soignet, individually

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EXHIBIT INDEX

| Exhibit Number | Exhibit Description |
|----------------|---|
| 24.1 | Power of Attorney (previously filed) |
| 99.1 | Joint Filing Agreement (previously filed) |
