

INVIVO THERAPEUTICS HOLDINGS CORP.

Form 424B3

November 14, 2011

Table of Contents

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-171998

PROSPECTUS SUPPLEMENT NO. 4 DATED NOVEMBER 14, 2011

TO PROSPECTUS DATED JULY 29, 2011

INVIVO THERAPEUTICS HOLDINGS CORP.

26,047,200 Shares of Common Stock

This Prospectus Supplement No. 4 supplements and amends the prospectus dated July 29, 2011 filed pursuant to Rule 424(b)(3), which we refer to as the Prospectus. This prospectus supplement relates to the offer and sale of up to 26,047,200 shares of our common stock by certain selling securityholders.

On November 14, 2011, we filed with the Securities and Exchange Commission our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2011. A copy of such Quarterly Report on Form 10-Q is attached to and constitutes an integral part of this Prospectus Supplement No. 4.

This Prospectus Supplement No. 4 should be read in conjunction with the Prospectus, as supplemented by Supplement No. 1 to the Prospectus, dated August 5, 2011, Supplement No. 2 to the Prospectus, dated August 11, 2011 and Supplement No. 3 to the Prospectus, dated October 4, 2011. This Prospectus Supplement No. 4 is qualified by reference to the Prospectus, as supplemented, except to the extent that the information in this Prospectus Supplement No. 4 supersedes the information contained in the Prospectus, as supplemented.

In reviewing the Prospectus and this Prospectus Supplement No. 4, you should carefully consider the risks under Risk Factors beginning on page 6 of the Prospectus.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS OR THIS PROSPECTUS SUPPLEMENT NO. 4. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus Supplement No. 4 is November 14, 2011.

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the quarterly period ended September 30, 2011.

or

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from to .

Commission File Number: 000-52089

InVivo Therapeutics Holdings Corp.

(Exact name of registrant as specified in its charter)

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Nevada (State or other jurisdiction of incorporation or organization)	36-4528166 (I.R.S. Employer Identification Number)
One Broadway, 14th Floor, Cambridge MA (Address of principal executive offices)	02142 (Zip code)
(617)-475-1520 (Registrant's telephone number, including area code)	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of November 14, 2011, 52,038,062 shares of the registrant's Common Stock \$0.00001 par value, were issued and outstanding.

Table of Contents

INVIVO THERAPEUTICS HOLDINGS CORP.

Quarterly report on Form 10-Q for the period ended September 30, 2011

TABLE OF CONTENTS

PART I

FINANCIAL INFORMATION

Item		Page
1.	<u>Financial Statements</u>	
	<u>Consolidated Balance Sheets as of September 30, 2011 and December 31, 2010</u>	3
	<u>Consolidated Statements of Operations for the three months and nine months ended September 30, 2011 and 2010</u>	4
	<u>Consolidated Statements of Cash Flows for the three months and nine months ended September 30, 2011 and 2010</u>	5
	<u>Notes to Financial Statements (Unaudited)</u>	7
2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	14
3.	<u>Quantitative and Qualitative Disclosures about Market Risk</u>	16
4.	<u>Controls and Procedures</u>	16

PART II

OTHER INFORMATION

5.	<u>Other Information</u>	17
6.	<u>Exhibits</u>	17

Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements.****InVivo Therapeutics Holdings Corp.****(A Developmental Stage Company)****Consolidated Balance Sheets**

	As of	
	September 30, 2011 Unaudited	December 31, 2010
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 3,686,929	\$ 8,964,194
Restricted cash	155,000	
Prepaid expenses	119,523	81,166
Total current assets	3,961,452	9,045,360
Property and equipment, net	520,992	280,181
Other assets	121,764	53,639
Total assets	\$ 4,604,208	\$ 9,379,180
LIABILITIES AND STOCKHOLDERS DEFICIT:		
Current liabilities:		
Accounts payable	\$ 553,807	\$ 336,945
Loan payable-current portion	41,666	
Capital lease payable-current portion	32,906	
Derivative warrant liability	4,087,355	10,647,190
Accrued expenses	359,081	247,547
Total current liabilities	5,074,815	11,231,682
Loan payable-less current portion	76,391	
Capital lease payable-less current portion	43,281	
Total liabilities	5,194,487	11,231,682
Commitments and contingencies		
Stockholders' deficit:		
Common stock, \$0.00001 par value, authorized 200,000,000 and 100,000,000 shares at September 30, 2011 and December 31, 2010, respectively; issued and outstanding 52,005,902 and 51,647,171 shares at September 30, 2011 and December 31, 2010, respectively.	520	516
Additional paid-in capital	12,079,127	11,235,829
Deficit accumulated during the development stage	(12,669,926)	(13,088,847)

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Total stockholders' deficit	(590,279)	(1,852,502)
Total liabilities and stockholders' deficit	\$ 4,604,208	\$ 9,379,180

See notes to the consolidated financial statements.

Table of Contents**InVivo Therapeutics Holdings Corp.****(A Developmental Stage Company)****Consolidated Statements of Operations****(Unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,		Period from November 28, 2005 (inception) to September 30, 2011
	2011	2010	2011	2010	
Operating expenses:					
Research and development	\$ 1,016,865	\$ 324,626	\$ 3,045,426	\$ 950,059	\$ 7,826,413
General and administrative	1,196,455	424,050	3,095,877	974,942	6,791,542
Total operating expenses	2,213,320	748,676	6,141,303	1,925,001	14,617,955
Operating loss	(2,213,320)	(748,676)	(6,141,303)	(1,925,001)	(14,617,955)
Other income (expense):					
Other income					383,000
Interest income	4,778	47	7,539	267	18,829
Interest expense		(36,931)	(7,150)	(285,259)	(1,060,805)
Derivatives gain (loss)	5,275,591	(51,195)	6,559,835	(51,195)	2,607,253
Other income (expense), net	5,280,369	(88,079)	6,560,224	(336,187)	1,948,277
Net income (loss)	\$ 3,067,049	\$ (836,755)	\$ 418,921	\$ (2,261,188)	\$ (12,669,678)
Net income (loss) per share, basic	\$ 0.06	\$ (0.03)	\$ 0.01	\$ (0.08)	\$ (0.43)
Net income (loss) per share, diluted	\$ 0.06	\$ (0.03)	\$ 0.01	\$ (0.08)	\$ (0.43)
Weighted average number of common shares outstanding, basic	51,889,111	31,147,190	51,743,138	29,378,512	29,782,271
Weighted average number of common shares outstanding, diluted	54,269,856	31,147,190	54,198,981	29,378,512	29,782,271

See notes to the consolidated financial statements.

Table of Contents**InVivo Therapeutics Holdings Corp.****(A Developmental Stage Company)****Consolidated Statements of Cash Flows****(Unaudited)**

	Nine Months Ended September 30,		Period from November 28, 2005 (inception) to September 30, 2011
	2011	2010	
Cash flows from operating activities:			
Net income (loss)	\$ 418,921	\$ (2,261,188)	\$ (12,669,678)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization expense	101,599	36,136	194,564
Non-cash derivatives (gain) loss	(6,559,835)	51,195	(2,607,253)
Non-cash interest expense		236,286	962,834
Common stock issued for services	200,676		200,676
Share-based compensation expense	622,141	364,128	1,500,981
Changes in operating assets and liabilities:			
Restricted cash	(155,000)		(155,000)
Prepaid expenses	(28,306)	(40,117)	(109,472)
Other assets	(75,000)		(150,000)
Accounts payable	216,862	58,333	553,807
Accrued interest payable		13,968	(15,256)
Accrued expenses	111,534	(207,807)	359,081
Net cash used in operating activities	(5,146,408)	(1,749,066)	(11,934,716)
Cash flows from investing activities:			
Purchases of property and equipment	(241,995)	(24,610)	(593,780)
Net cash used in investing activities	(241,995)	(24,610)	(593,780)