
UNITED STATES
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):

February 17, 2012

SafeStitch Medical, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-19437

11-2962080

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

4400 Biscayne Blvd., Suite 670, Miami, Florida

33137

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

305-575-4600

Not Applicable

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:

- 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.

On February 17, 2012, SafeStitch Medical, Inc. (the "Company") entered into a stock purchase agreement (the "Stock Purchase Agreement") with 35 investors (the "Investors") pursuant to which the Investors agreed to purchase an aggregate of 20,794,000 shares of the Company's common stock, par value \$0.001 (the "Shares"), at a price of \$0.40 per share. Among the Investors purchasing shares pursuant to the agreement were Frost Gamma Investments Trust ("Frost Gamma"), an entity controlled by Dr. Phillip Frost, the largest beneficial owner of the Company's common stock, Dr. Jane Hsiao, the Company's Chairman of the Board, Jeffrey Spragens, the Company's President and Chief Executive Officer and Richard Pfenniger, a member of our Board of Directors. Frost Gamma and Dr. Hsiao each purchased 4,500,000 shares, Mr. Spragens purchased 250,000 shares, and Mr. Pfenniger purchased 125,000 shares.

A portion of the proceeds from the sale of Shares from the Investors will be used to pay off the balance of the Company's \$4.0 million Note and Security Agreement (the "Credit Facility") between the Company and The Frost Group and Mr. Spragens. The Frost Group is a Florida limited liability company whose members include Frost Gamma, Dr. Hsiao and Steven D. Rubin, a director. The Credit Facility provides \$4.0 million in total available borrowings, consisting of \$3.9 million from The Frost Group and \$100,000 from Mr. Spragens. As of the execution of the Stock Purchase Agreement, the Company had indebtedness, including interest, of approximately \$3.1 million under the Credit Facility, of which \$3.0 million was owed to The Frost Group and \$0.1 million was owed Mr. Spragens. The Credit Facility currently expires in June 2013 and following the payoff, will have the full \$4.0 million available for borrowing by the Company.

The Company agreed to issue the Shares in reliance upon the exemption from registration under Section 4(2) of the Securities Act of 1933, as amended (the "Act"). Each Investor represented to the Company that such person was an "accredited investor" as defined in Rule 501(a) under the Act and that such Investor's Shares were being acquired for investment purposes. The Shares will not be registered under the Act and will be "restricted securities" as that term is defined by Rule 144 under the Act and no registration rights have been granted.

The foregoing description of the Stock Purchase Agreement is only a summary and is qualified in its entirety by reference to the full text of the form of Stock Purchase Agreement, which is filed herein as Exhibit 10.1.

Item 3.02 Unregistered Sales of Equity Securities.

The information disclosed under Item 1.01 of this current report on Form 8-K is incorporated in this Item 3.02 by reference.

Item 7.01 Regulation FD Disclosure.

On February 21, 2012, the Company issued a press release announcing the closing of the Stock Purchase Agreement and the issuance of the Shares. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference in this Item 7.01.

The information in Item 7.01 of this current report on Form 8-K and Exhibit 99.1 attached hereto are being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

- 10.1 Form of Stock Purchase Agreement dated February 17, 2012.
 - 99.1 Press Release dated February 21, 2012.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SafeStitch Medical, Inc.

February 21, 2012

By: *James J. Martin*

Name: James J. Martin
Title: Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	Form of Stock Purchase Agreement dated February 17, 2012
99.1	Press Release Dated February 21, 2012

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement is dated as of **February 17, 2012** (this "Agreement"), between SafeStitch Medical, Inc., a Delaware corporation (the "Company"), and the purchasers whose names and addresses are set forth on the signature pages hereto (individually, a "Purchaser" and collectively, the "Purchasers").

WHEREAS, the Company desires to sell to each Purchaser, and each Purchaser desires to purchase from the Company, shares of the Company's common stock, par value \$0.001 per share (the "Common Stock"), on the terms and subject to the conditions set forth in this Agreement (the "Transaction").

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

Article 1 Purchase and Sale of Common Stock

1.1 Purchase and Sale of the Shares. Subject to the terms and conditions hereof, the Company hereby agrees to issue and sell an aggregate of **20,794,000** shares (the "Shares") to the Purchasers at a per share purchase price of **\$0.40 per share** ("Per Share Purchase Price"). Each Purchaser hereby agrees to purchase from the Company the number of shares set forth on such Purchaser's signature page hereto (the "Purchaser Shares"), for an aggregate purchase price equal to the number of shares purchased by such Purchaser *multiplied* by the Per Share Purchase Price (the "Purchase Price").

1.2 Closing; Deliverables. The closing of the issuance and sale of the Shares (the "Closing") shall take place at the Company's offices in Miami, Florida on **February 17, 2012**, or as soon as possible thereafter (the "Closing"). At Closing, (A) the Company shall deliver to each Purchaser a copy of the Company's instructions to its transfer agent instructing the transfer agent to deliver one or more stock certificates evidencing the Shares, inclusive of such restrictive and other legends as set forth in Section 5.1 hereof, and (B) each Purchaser shall pay to the Company the Purchase Price by wire transfer of immediately available U.S. funds.

Article 2 Additional Agreements

The Company and each Purchaser shall cooperate and use their respective commercially reasonable efforts to take or cause to be taken all actions, and do or cause to be done all things, necessary, proper or advisable under this Agreement and applicable laws and regulations to consummate and make effective the sale of the Shares (the "Sale") and the other transactions contemplated by this Agreement as soon as practicable, including preparing and filing as promptly as practicable all documentation to effect all necessary applications, notices, petitions, filings and other documents and to obtain as promptly as practicable all permits, consents, approvals and authorizations necessary or advisable to be obtained from any third party and/or any governmental entity in order to consummate the sale or any of the other transactions contemplated by this Agreement.

Article 3 Representations and Warranties of the Company

The Company represents and warrants to the Purchasers as of the date hereof as follows:

3.1 Authorization of Agreements, etc. The execution and delivery by the Company of this Agreement, the performance by the Company of its obligations hereunder, and the issuance, sale and delivery of the Shares have been duly authorized by all requisite corporate action and will not result in any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice: (a) any provision of the Company's Certificate of Incorporation, as amended, or Bylaws, as amended; (b) any provision of any judgment, decree or order to which the Company is a party or by which it is bound; (c) any material contract or agreement to which the Company is a party or by which it is bound (as defined in Item 601(b)(10) of Regulation S-K under the Securities Exchange Act of 1934, as amended (the "Exchange Act")); or (d) any statute, rule or governmental regulation applicable to the Company, except for such violations, conflicts or defaults as would not individually or in the aggregate have a material adverse effect on the Company.

3.2 Valid Issuance of Common Stock. The Shares have been duly authorized and, when issued, sold and delivered in accordance with this Agreement for the consideration expressed herein will be validly issued, fully paid and nonassessable and will be free and clear of all liens, charges and encumbrances (collectively, "Encumbrances") of any nature whatsoever except for (i) restrictions on transfer under this Agreement and under applicable Federal and state securities laws and (ii) Encumbrances created by each Purchaser.

3.3 Validity. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company, enforceable in accordance with its terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

3.4 Brokers and Finders. Neither the Company nor any of its subsidiaries, officers, directors or employees has employed any broker or finder or incurred any liability for any brokerage fees, commissions or finders' fees in connection with the Sale or the other transactions contemplated by this Agreement.

Article 4

Representations and Warranties of Each Purchaser

Each Purchaser represents and warrants to the Company as of the date hereof as follows:

4.1 Authorization of Agreements, etc. Purchaser has full right, power, authority and capacity to enter into this Agreement and to consummate the transactions contemplated hereby, and the execution and delivery by Purchaser of this Agreement and the performance by Purchaser of its obligations hereunder have been duly authorized by all requisite corporate or other action and will not result in any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice: (a) any provision of the Purchaser's organizational documents as currently in effect (if Purchaser is not a natural person); (b) any provision of any judgment, decree or order to which Purchaser is a party or by which it is bound; (c) any material contract or agreement to which the Company is a party or by which it is bound (as defined in Item 601(b)(10) of Regulation S-K under the Securities Exchange Act of 1934, as amended (the "Exchange Act")); or (d) any statute, rule or governmental regulation applicable to the Company, except for such violations, conflicts or defaults as would not individually or in the aggregate have a material adverse effect on the Company.

4.2 Validity. This Agreement has been duly executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

4.3 Investment Representations.

(a) Purchaser is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and, if Purchaser is other than a natural person, was not organized for the specific purpose of acquiring the Purchaser Shares;

(b) Purchaser is knowledgeable, sophisticated and experienced in financial and business matters and has sufficient knowledge and experience in investing in companies similar to the Company so as to be able to evaluate the risks and merits of its investment in the Company and it is able financially to bear the risks thereof;

(c) the Purchaser Shares being purchased by Purchaser hereunder are being acquired for Purchaser's own account solely for the purpose of investment and not with a present view to, or for sale in connection with, any distribution thereof;

(d) Purchaser understands and acknowledges that:

(i) the Shares have not been registered under the Securities Act or any state securities laws and are being offered and sold in reliance upon specific exemptions from the registration requirements of the Securities Act and state securities laws, and the Company is relying upon the truth and accuracy of, and Purchaser's compliance with, the representations, warranties, covenants, agreements, acknowledgments and understandings of Purchaser contained in this Agreement in order to determine the availability of such exemptions and the eligibility of Purchaser to acquire the Purchaser Shares;

(ii) the Purchaser Shares must be held indefinitely unless a subsequent disposition thereof is registered under the Securities Act or is exempt from such registration;

(iii) the Purchaser Shares will bear a legend substantially in the form set forth in Section 5.1 herein; and

(iv) the Company will make a notation on its transfer books to such effect;

(e) the Company has made available to Purchaser all documents and information that the Purchaser has requested relating to an investment in the Shares, and Purchaser has had an opportunity to discuss this investment with representatives of the Company and ask questions of them; and

(f) Purchaser has, in connection with its decision to purchase the Purchaser Shares, relied solely upon the representations and warranties of the Company contained in this Agreement.

4.4 Risk of Loss. Purchaser understands that its investment in the Purchaser Shares involves a significant degree of risk, including a risk of total loss of Purchaser's investment, and Purchaser has full cognizance of and understands all of the risk factors related to its purchase of the Purchaser Shares, including, but not limited to, those set forth in the Annual, Quarterly and Current Reports filed by the Company with the Securities and Exchange Commission. Purchaser understands that no representation is being made as to the future value of the Purchaser Shares.

4.5 Confidentiality. Purchaser understands that this Agreement, the information contained in all materials provided to Purchaser by the Company and its representatives, including any information conveyed orally, in connection with the transactions contemplated hereunder ("Confidential Information"), is strictly confidential and proprietary to the Company and is being provided to Purchaser solely for Purchaser's confidential use in connection with the transactions contemplated hereunder. Purchaser agrees

to use the Confidential Information solely for the purpose of evaluating a possible investment in the Shares, and Purchaser acknowledges that it is prohibited from distributing, divulging or discussing any Confidential Information, in whole or in part, with any person, except Purchaser's financial, investment or legal advisors (such persons, "Authorized Advisors"), solely to the extent necessary for such Authorized Advisors to assist Purchaser with its proposed investment in the Shares. To the extent that Purchaser provides, directly or indirectly, any Confidential Information to any Authorized Advisor, Purchaser shall (a) ensure that such Authorized Advisor maintain the confidentiality of the Confidential Information to the same extent applicable to Purchaser as set forth in this Section 4.5 and (b) be responsible for any breaches of this Section 4.5 by its Authorized Advisors. Confidential Information does not include any information that is or becomes publicly available through no fault of Purchaser, or that Purchaser is required to disclose pursuant to applicable law, regulation or legal process; provided, however, that if Purchaser or any Authorized Advisor is requested or ordered to disclose any Confidential Information pursuant to any court or other government order or any other applicable legal procedure, it shall provide the Company with prompt notice of any such requirement and the terms of and circumstances surrounding such requirement so that the Company may seek an appropriate protective order or other remedy, or waive compliance with the terms of this Section 4.5, and the Purchaser or such Authorized Advisor will provide such cooperation, at Company's expense, with respect to obtaining a protective order or other remedy as the Company will request.

4.6 Brokers and Finders. The Purchaser has not employed any broker or finder or incurred any liability for any brokerage fees, commissions or finders' fees in connection with the Sale or the other transactions contemplated by this Agreement.

Article 5 Miscellaneous

5.1 Legend. Each certificate that represents Shares shall have conspicuously endorsed thereon the following legend:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THIS SECURITY MAY NOT BE OFFERED OR TRANSFERRED BY SALE, ASSIGNMENT, PLEDGE OR OTHERWISE UNLESS (A) A REGISTRATION STATEMENT FOR THE SECURITY UNDER THE SECURITIES ACT IS IN EFFECT OR (B) THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL, WHICH OPINION IS SATISFACTORY TO THE COMPANY, TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OR RELEVANT STATE SECURITIES LAWS.

5.2 Brokerage. Each party hereto will indemnify and hold harmless the other against and in respect of any claim for brokerage or other commissions relative to this Agreement or to the transactions contemplated hereby, based in any way on agreements, arrangements or understandings made or claimed to have been made by such party with any third party.

5.3 Assignment; Parties in Interest. All representations, covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not. Purchasers may not assign this Agreement without the Company's prior written consent. This Agreement is made solely for the benefit of and is binding upon each Purchaser and the Company, and no other person shall acquire or have any right under or by virtue of this Agreement.

5.4 Notices. All notices, requests, consents, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, on the date of transmittal of services via facsimile to the party to whom notice is to be given (with a confirming copy delivered within 24 hours thereafter), or on the third day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, or overnight mail via a nationally recognized courier providing a receipt for delivery and properly addressed as follows:

If to the Company:	SafeStitch Medical, Inc. 4400 Biscayne Blvd. Miami, FL 33137 Attn: James J. Martin, Chief Financial Officer Fax: (305) 575-4130
With a copy to:	SafeStitch Medical, Inc. 4400 Biscayne Blvd. Miami, FL 33137 Attn: Joshua Weingard, Chief Legal Officer Fax: 305-575-4130
If to the Purchaser:	To the address specified on the signature page hereto.

Any party may change its address for purposes of this paragraph by giving notice of the new address to each of the other parties in the manner set forth above.

5.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida for all purposes and in all respects, without regard to the conflict of law provisions of such state that would cause the laws of another jurisdiction to apply. The parties hereto acknowledge and agree that venue and jurisdiction for any claim, suit or controversy related to or arising out of this Agreement shall lie in the state or federal courts located in Miami-Dade County,

Florida. THE PARTIES HEREBY WAIVE THE RIGHT TO JURY TRIAL OF ANY MATTERS ARISING OUT OF THIS AGREEMENT OR THE CONDUCT OF THE RELATIONSHIP BETWEEN THEM.

5.6 Entire Agreement. This Agreement constitutes the sole and entire agreement of the parties with respect to the subject matter hereof.

5.7 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or other electronically scanned and transmitted signatures shall be deemed originals for all purposes of this Agreement.

5.8 Amendments and Waivers. This Agreement may be amended or modified, and provisions hereof may be waived, only with the written consent of the Company and each Purchaser.

5.9 Severability. If any provision of this Agreement shall be declared void or unenforceable by any judicial or administrative authority, the validity of any other provision and of the entire Agreement shall not be affected thereby.

5.10 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting any term or provision of this Agreement.

5.11 Liability Not Affected by Knowledge or Waiver. The right to recovery of losses or other remedy based upon breach of representations, warranties or covenants will not be affected by any investigation conducted, or knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement, with respect to the accuracy or inaccuracy of or compliance or noncompliance with any such representation, warranty, or covenant.

[signature pages follow]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their duly authorized representatives as of the date and year first above written.

SAFESTITCH MEDICAL, INC.

By: ____
Name: Jeffrey G. Spragens
Title: President and Chief Executive Officer

Company Signature Page to Securities Purchase Agreement

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their duly authorized representatives as of the date and year first above written.

If a corporation or other entity:

PURCHASER(S):

(name of corporation or entity)
By:____
Name:
Title:

If an individual:

Name:

(Name of co-purchaser, if any):

Number of Purchaser Shares:
Contact Information:

Address:

Telephone:____
Facsimile:____
E-mail:____

Social Security Number or Tax
Identification Number of the Registered
Holder listed above:

Purchaser Signature Page to Securities Purchase Agreement

SAFESTITCH MEDICAL COMPLETES \$8.3 MILLION CAPITAL FUNDING

MIAMI, February 21, 2012 (BUSINESS WIRE) — SafeStitch Medical, Inc. (OTCBB:SFES) today announced that it has closed on the issuance of approximately 21 million shares of the Company's Common Stock, par value \$0.001, at a price of \$0.40 per share. The shares were issued on February 17, 2012 pursuant to a stock purchase agreement with approximately 35 private investors for aggregate proceeds of approximately \$8.3 million. Shares issued pursuant to the stock purchase agreement are restricted securities, and no registration rights have been granted.

"We appreciate the confidence investors have shown in SafeStitch," said Jeffrey Spragens, SafeStitch's President and CEO. Mr. Spragens added that "this infusion of capital is to support the launch of the improved AMID Stapler® for Lichtenstein hernia repairs and to advance the development of proprietary, trans-orally delivered gastroplasty devices for the treatment of obesity and gastro-esophageal reflux disease to clinical trials. "

Among the investors purchasing shares pursuant to the agreement were Frost Gamma Investments Trust, an entity controlled by Dr. Phillip Frost, the largest beneficial owner of the Company's common stock, Dr. Jane Hsiao, the Company's Chairman of the Board, Jeffrey Spragens, the Company's President and Chief Executive Officer and Kwang Shun Company Limited, a Taiwan-based investment company. For more information, see the Company's Current Report on Form 8-K to be filed with the Securities and Exchange Commission.

About SafeStitch Medical, Inc.

Miami, Florida-based SafeStitch Medical, Inc. is a publicly traded medical device company focused on developing innovative surgical devices with minimally invasive and endoscopic procedures to deliver durable outcome for hernia repair, treatment of obesity and other gastroesophageal disorders. Information about the Company may be found on its website at: www.safestitch.com.

This press release contains "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995 (PSLRA), which statements may be identified by words such as "expects," "plans," "projects," "will," "may," "anticipates," "believes," "should," "intends," "estimates," and other words of similar meaning, including statements regarding our product development and commercialization efforts, and our ability to significantly improve clinical outcomes in patients, as well as other non-historical statements about our expectations, beliefs or intentions regarding our business, technologies and products, financial condition, strategies or prospects. Many factors, including those described in our filings with the Securities and Exchange Commission, could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include that the commercialization of our products, including the AMID Stapler®, may be delayed or may be unsuccessful, that we will be unable to successfully develop and commercialize our minimally invasive gastroplasty devices for obesity and GERD procedures, that our devices under development, including clinical trials in Europe of our gastroplasty device, and in vivo human trials in the U.S., may not achieve the expected results or effectiveness and may not generate data that would support their approval or marketing, that others may develop products and devices, including other devices for hernia repair, obesity or GERD procedures, which are superior to our devices, and that our devices may not have advantages over presently marketed products or devices or products or devices under development by others. In addition, forward-looking statements may also be adversely affected by risks inherent in funding, developing and obtaining regulatory approvals of new, commercially-viable and competitive products and treatments, general market factors, competitive product development, product availability, federal and state regulations and legislation, the regulatory process for new products and indications, manufacturing issues that may arise, patent positions and litigation, among other factors. The forward-looking statements contained in this press release speak only as of the date the statements were made, and we do not undertake any obligation to update forward-looking statements, except as required under applicable law. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA.

SOURCE: SafeStitch Medical, Inc.

SafeStitch Medical, Inc., Miami
Jeffrey G. Spragens, 305-575-4600