

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name <i>Novelos Therapeutics, Inc.</i>		2 Issuer's employer identification number (EIN) <i>04-3321804</i>	
3 Name of contact for additional information <i>Joanne M. Protano</i>	4 Telephone No. of contact <i>617-244-1616 x17</i>	5 Email address of contact <i>jprotano@novelos.com</i>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <i>One Gateway Center, Suite 504</i>		7 City, town, or post office, state, and Zip code of contact <i>Newton, MA 02458</i>	
8 Date of action <i>April 8, 2011</i>	9 Classification and description <i>Novelos Therapeutics Inc. common stock, \$0.00001 per Collector, Inc. common stock, \$0.01 per</i>		
10 CUSIP number <i>67000 M 100 67000 M 209</i>	11 Serial number(s)	12 Ticker symbol <i>NVLT.OB</i>	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶
See attached statement.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶
See attached statement.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶
See attached statement.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

See attached statement

18 Can any resulting loss be recognized? ▶

No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

The reportable tax year is 2011.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ▶	<i>Joanne M. Protano</i>	Date ▶	<i>11/17/12</i>
Paid Preparer Use Only	Print your name ▶	<i>Joanne M. Protano</i>	Title ▶	<i>Vice President, CFO</i>
	Print/Type preparer's name		Preparer's signature	
	Firm's name ▶		Check <input type="checkbox"/> if self-employed	PTIN
	Firm's address ▶		Firm's EIN ▶	Phone no.

Item 14.

Novelos Therapeutics, Inc. (“Novelos” or the “Company”) is a pharmaceutical company developing compounds for the treatment of cancer. On April 8, 2011, Novelos completed a business combination with Collectar, Inc. (“Collectar”), a privately held Wisconsin corporation that designed and developed products to detect, treat and monitor a wide variety of human cancers, and Cell Acquisition Corp. (the “Merger Subsidiary”), a Wisconsin corporation and a wholly owned subsidiary of Novelos. Pursuant to the transaction Collectar was merged into the Merger Subsidiary (the “Acquisition”). As a result of the Acquisition, the Merger Subsidiary, which has been renamed Collectar, Inc., owns all assets of and operates the business previously owned and operated by Collectar.

In the Acquisition, the former stockholders of Collectar received an aggregate number of shares of Novelos common stock constituting approximately 85% of the outstanding shares of Novelos common stock, after giving effect to the Acquisition but before giving effect to a private placement of Novelos securities which was completed concurrently with the Acquisition. Prior to the Acquisition, Novelos amended and restated its certificate of incorporation and in connection therewith, among other things, effected a 1-for-153 reverse split of its common stock (the “Reverse Split”) resulting in 2,959,871 shares of Novelos common stock outstanding. Novelos then issued 17,001,596 shares of Novelos common stock to the stockholders of Collectar as consideration upon the effective date of the Acquisition representing a ratio of 0.8435 shares of Novelos common stock in exchange for one share of Collectar common stock (the “Exchange Ratio”) as set forth in the Agreement and Plan of Merger (the “Merger Agreement”) dated April 8, 2011.

Item 15.

Reverse Split – A reverse split of the common stock of Novelos Therapeutics, Inc. (“Novelos”) occurred effective as of the close of business on April 8, 2011. Pursuant to this reverse stock split, each one hundred fifty-three (153) shares of common stock of Novelos issued and outstanding as of the date following the reverse stock split was converted into one (1) share of Novelos common stock. Fractional shares of post-split Novelos common stock were not be issued as a result of the reverse stock split; instead, holders of pre-split shares of Novelos common stock who otherwise would have been entitled to receive a fractional share as a result of the reverse stock split receives an amount in cash equal to \$3.42 per post-split share for such fractional interests upon the surrender to American Stock Transfer and Trust Company, LLC, the Exchange Agent, of certificates representing such shares.

Acquisition - On April 8, 2011, the stockholders of Collectar, Inc. (“Collectar”) approved, and on April 8, 2011 Collectar completed, the merger of Collectar with and into Cell Acquisition Corp., a wholly owned subsidiary of Novelos Therapeutics, Inc. (“Novelos”). As a result of the merger, each share of Collectar, Inc. common stock held at the close of business on April 8, 2011 automatically converted into 0.8435 of a share of common stock of Novelos.

Item 16.

Reverse Split - There was a corresponding adjustment to the market value basis per share of Novelos common stock whereby the market value per share was multiplied by 153 in order to arrive at the split-adjusted market value. There was no change to aggregate basis (split-adjusted shares multiplied by split-adjusted market value per share) since a shareholder's aggregate tax basis in his or her shares of Novelos common stock should be allocated in proportion to the reduced number of shares of Novelos common stock after the reverse split.

Acquisition - The cost basis per share of Collectar common stock was divided by 0.8435 to arrive at the Novelos equivalent cost basis per share. There was no change to aggregate cost basis (merger-adjusted shares multiplied by merger-adjusted cost basis per share) since the shareholders aggregate tax basis in his or her shares of Collectar common stock before the merger should be allocated in proportion to the number of shares of Novelos common stock received in the merger exchange.

Item 17.

The treatment of allocation of basis in the reverse split is based on guidance in IRS Code Section 358.

The Novelos/Collectar merger was a tax free statutory merger under IRS Code Sections 368(a)(1)(A) and 368(a)(2)(D).