CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 12, 2014

Horizon Pharma, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation) 001-35238
Commission File No.
27-2179987
IRS Employer Identification No.

520 Lake Cook Road, Suite 520, Deerfield, Illinois
(Address of principal executive offices) 60015
Zip Code

Registrant's telephone number, including area code: (224) 383-3000

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))
Entry into a Material Definitive Agreement.

On June 12, 2014, Horizon Pharma, Inc. (the “Company”) entered into an amendment to that certain Transaction Agreement and Plan of Merger (the “Merger Agreement”), dated March 18, 2014, by and among the Company, Vidara Therapeutics Holdings LLC, a Delaware limited liability company, Vidara Therapeutics International Ltd., an Irish private limited company (“Vidara”), Hamilton Holdings (USA), Inc., a Delaware corporation and an indirect wholly-owned subsidiary of Vidara (“U.S. HoldCo”), and Hamilton Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of U.S. HoldCo. The amendment modifies certain of the pre-closing reorganization steps of Vidara set forth on Schedule 1 of the Merger Agreement in order to use distributable reserves of Vidara rather than proceeds of a credit facility to fund the redemption of certain shares.

The foregoing description of the amendment to the Merger Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of the amendment, a copy of which is attached hereto as Exhibit 99.1.

Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) On June 16, 2014, the Compensation Committee of the Board of Directors of the Company approved a future transition of Robert J. De Vaere, the Company’s current Executive Vice President and Chief Financial Officer, to a consulting position in connection with Mr. De Vaere’s desire to retire from full-time employment. Pursuant to the approved transition, Mr. De Vaere will retire on September 30, 2014, after which he has agreed to provide consulting services to the Company for a period of one-year to facilitate the transition.

In connection with Mr. De Vaere’s planned future transition from Chief Financial Officer to consultant, on June 17, 2014, Mr. De Vaere entered into an executive employment and transition agreement with the Company (the “Transition Agreement”), which replaces and supersedes Mr. De Vaere’s prior executive employment agreement with the Company and provides for, among other things, (i) Mr. De Vaere (a) continuing to serve as the Company’s Executive Vice President and Chief Financial Officer at his base salary as in effect on June 1, 2014 (the “Current Salary”) through September 30, 2014 (the “Separation Date”), (b) serving as a full-time consultant for a fee of $50,000 per month from October 1, 2014 through March 31, 2015, and (c) serving as a part-time consultant for a fee of $20,000 per month from April 1, 2015 through September 30, 2015, (ii) acceleration on the Separation Date of the vesting of all equity awards held by Mr. De Vaere, provided that Mr. De Vaere has performed the services contemplated by the Transition Agreement through the Separation Date, (iii) eligibility to receive an annual performance bonus based on Mr. De Vaere’s service to the Company during calendar year 2014, and (iv) effective April 1, 2015, a severance benefit in the form of (a) regular payments equivalent to Mr. De Vaere’s monthly Current Salary for a period of 12 months, and (b) up to 12 months’ COBRA health insurance premiums.

The foregoing description of the Transition Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of the Transition Agreement, a copy of which is attached hereto as Exhibit 99.2.

(c) Also on June 16, 2014, in connection with the approval of Mr. De Vaere’s transition, the Compensation Committee appointed Paul W. Hoelscher as the Company’s Executive Vice President, Finance effective from Mr. Hoelscher’s employment commencement on June 23, 2014 through September 30, 2014 and, effective commencing October 1, 2014, the Compensation Committee appointed Mr. Hoelscher as the Company’s Executive Vice President and Chief Financial Officer and principal financial and accounting officer.

A copy of the press release announcing the retirement of Mr. De Vaere and the appointment of Mr. Hoelscher is attached hereto as Exhibit 99.3.

Prior to joining the Company, Mr. Hoelscher, 49, served as senior vice president, finance – treasury and corporate development of OfficeMax, Inc., an office supply company, from August 2013 to June 2014, and as vice president, finance – treasury and corporate development of OfficeMax from August 2012 to July 2013. From 2004 to May 2012, Mr. Hoelscher served as vice president, finance integration; vice president, international finance and treasurer; and vice president, corporate controller of Alberto Culver Company, a hair and skin beauty care company which was acquired by Unilever in 2011. From 1993 to 2004, Mr. Hoelscher served in other positions of increasing responsibility at Alberto Culver, including manager, corporate accounting; director, corporate finance; senior director, corporate finance; and corporate controller. Mr. Hoelscher also served in various positions at KPMG LLP from 1986 to 1993. Mr. Hoelscher received his B.S. in accountancy from the University of Illinois at Urbana-Champaign.

Mr. Hoelscher has no family relationship with any of the officers or directors of the Company and has not been party to any transactions with the Company during the past fiscal year to the present that would require reporting pursuant to Item 404(a) of Regulation S-K. There is no arrangement or understanding between Mr. Hoelscher and any third party pursuant to which he was selected as Executive Vice President, Finance or Chief Financial Officer.
In connection with Mr. Hoelscher’s employment with the Company, Mr. Hoelscher entered into an executive employment agreement (the “Employment Agreement”) providing for, among other things, (i) a base salary of $375,000 per year, subject to annual adjustments, (ii) an annual discretionary bonus with a target amount of 50% of Mr. Hoelscher’s base salary, (iii) a stock option to purchase up to 90,000 shares of the Company’s common stock which will vest over four years from Mr. Hoelscher’s start date, (iv) restricted stock units in respect of an aggregate of 80,000 shares of the Company’s common stock which will vest over four years from Mr. Hoelscher’s start date, and (v) severance benefits including (a) 12 months’ base salary and up to 12 months’ COBRA health insurance premiums in the event of an involuntary or constructive termination not in connection with a change in control, and (b) 12 months’ base salary, one year of target bonus, up to 12 months’ COBRA health insurance premiums and equity award acceleration in the event of an involuntary or constructive termination in connection with a change in control. Mr. Hoelscher will also be eligible to participate in the Company’s standard employee benefit plans including its 2011 Employee Stock Purchase Plan. Mr. Hoelscher also entered into the Company’s standard form of indemnification agreement.

The foregoing description of the Employment Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of the Employment Agreement, a copy of which is attached hereto as Exhibit 99.4.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<table>
<thead>
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</table>
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.

HORIZON PHARMA, INC.

By: /s/ Robert J. De Vaere

Robert J. De Vaere
Executive Vice President and Chief Financial Officer

Date: June 18, 2014
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FIRST AMENDMENT TO TRANSACTION AGREEMENT AND PLAN OF MERGER

THIS FIRST AMENDMENT TO TRANSACTION AGREEMENT AND PLAN OF MERGER (this “Amendment”) is dated as of June 12, 2014, and is entered into by and between Horizon Pharma, Inc., a Delaware corporation (“Buyer”), and Vidara Therapeutics Holdings LLC, a Delaware limited liability company (“Holdings”). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Merger Agreement (defined below).

WHEREAS, Holdings, Vidara Therapeutics International Ltd., an Irish private limited company (“Vidara”), Hamilton Holdings (USA), Inc., a Delaware corporation and an indirect wholly-owned subsidiary of Vidara (“U.S. HoldCo”), Hamilton Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of U.S. HoldCo, and Buyer entered into that certain Transaction Agreement and Plan of Merger, dated as of March 18, 2014 (the “Merger Agreement”); and

WHEREAS, Buyer and Holdings desire to amend the Merger Agreement in accordance with its terms.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Amendment to Schedule 1 of the Merger Agreement. Schedule 1 of the Merger Agreement is hereby amended by deleting such schedule to the Merger Agreement in its entirety and replacing it with the Amended and Restated Schedule 1 attached hereto as Exhibit A.

2. Effect of Amendment. The Merger Agreement (including Schedule 1) is amended by this Amendment only as specifically provided herein, and the Merger Agreement (including Schedule 1), as so amended, shall continue in full force and effect.

3. Authorization and Validity. Each party to this Amendment hereby represents and warrants to the other party hereto that: (a) such party has all requisite power and authority to execute and deliver this Amendment and (b) the execution and delivery of this Amendment has been duly and validly authorized by all necessary action on the part of such party, and no other proceeding on the part of such party is necessary to approve this Amendment.

4. Counterparts. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]
IN WITNESS WHEREOF, each party has caused this Amendment to be duly executed on its behalf by its duly authorized officer, as of the date first written above.

VIDARA THERAPEUTICS HOLDINGS LLC

By: /s/ Virinder Nohria
Name: Virinder Nohria
Title: President

HORIZON PHARMA, INC.

By: /s/ Timothy P. Walbert
Name: Timothy P. Walbert
Title: Chairman, President and Chief Executive Officer
EXHIBIT A

Amended and Restated Schedule 1
The Reorganization Steps

Capitalized terms used herein and not otherwise defined shall have the meaning assigned to such terms in the Transaction Agreement and Plan of Merger (the “Agreement”) to which this Schedule is attached.

The following are the steps to be undertaken, or caused to be undertaken, by the relevant parties to the Agreement to effect the Reorganization (it being acknowledged and agreed that certain of the steps set forth below may have been completed prior to the date of the adoption of this Amended and Restated Schedule 1 by the parties to the Agreement but that the completion of such steps may not be reflected below):

1. **Step 1: Formation of Non-Resident Irish Company**
   1.1. Vidara Therapeutics International Limited (“Vidara”) shall form a new non-resident Irish company that is a tax resident in Bermuda for Irish tax purposes (“NewCo”). For U.S. federal tax purposes, NewCo shall elect status as a disregarded entity effective as of the date of its formation. In furtherance of the foregoing, on March 14, 2014 Vidara formed Aravid Limited, a company incorporated in Ireland under registered number 541061 and resident in Bermuda (“Aravid”).
   1.2. **Timing:** The actions in this Step 1 shall be completed prior to Step 2.
   1.3. **Documents Required for Step 1:**
       1.3.1. Companies Registration Office (“CRO”) Form A1 in relation to formation of Aravid;
       1.3.2. Memorandum and Articles of Association of Aravid;
       1.3.3. Board minutes of Aravid on incorporation (meeting to be held in Bermuda); and
       1.3.4. IRS Form 8832 (Entity Classification Election) for Aravid.

2. **Step 2: Sale of Intellectual Property**
   2.1. Vidara shall sell, transfer and assign all of its Intellectual Property to Aravid in exchange for the issuance by Aravid to Vidara of an interest-free promissory note with an original principal amount equal to the fair market value of such Intellectual Property (as determined through an independent appraisal). In furtherance of the foregoing, on April 22, 2014 Aravid issued to Vidara an interest-free promissory note in an original principal amount of US $523,600,000 (such note, “IFL Note A”), equal to the appraised value of the transferred Intellectual Property as determined in the valuation report required by Step 2.4.4.
   2.2. All existing Contracts between Vidara and Vidara Therapeutics Research Ltd. (“VTRL”) shall be transferred, assigned and/or novated by Vidara to Aravid.
   2.3. **Timing:** The actions in this Step 2 shall be completed prior to Step 3.
2.4. Documents Required for Step 2:
   2.4.1. Asset Transfer Agreement;
   2.4.2. IFL Note A;
   2.4.3. Deed of Assignment/Novation of contracts;
   2.4.4. Valuation Report;
   2.4.5. Board minutes of Vidara (meeting to be held in Bermuda);
   2.4.6. Board minutes of Aravid (meeting to be held in Bermuda); and
   2.4.7. Board minutes of VTRL (meeting to be held in Ireland).

3. Step 3: Vidara Moves its Tax Residency from Bermuda to Ireland
   3.1. Vidara moves its tax residency from Bermuda to Ireland for Irish tax purposes pursuant to, and in accordance with, applicable Law.
   3.2. Timing: The actions in this Step 3 shall be completed prior to Step 6.
   3.3. Documents Required for Step 3:
      3.3.1. Board minutes of Vidara (meeting to be held in Bermuda);
      3.3.2. Board minutes of Vidara (meeting to be held in Ireland); and
      3.3.3. Irish Revenue form 11F CRO (to be filed within 30 days of commencing activity in Ireland).

4. Step 4: Formation of Luxembourg SARL and Creation of New Vidara Orphan Structure
   4.1. Luteus Capital Limited, an Irish limited company (“New Vidara”), shall form a Luxembourg SARL (“Lux FinCo”). Lux FinCo shall then form an Irish limited company (“Irish FinCo”), and each of Lux FinCo and Irish FinCo shall elect status as a disregarded entity for U.S. federal tax purposes effective as of the date of its formation.
   4.2. New Vidara to adopt new Memorandum and Articles of Association with share capital divided into common shares (which carry voting rights) and preference shares (with a very small par value and which carry no voting rights).
   4.3. New Vidara to issue one common share to a McCann FitzGerald nominee company, MFSD Nominees Limited (“MFSD Nominee”).
   4.4. All of the shares in New Vidara which are held by Vidara to be converted into preference shares.
   4.5. Timing: The following actions in this Step 4 shall be completed prior to Step 5.
4.6. **Documents Required for Step 4:**

4.6.1. File IRS Forms 8832 (Entity Classification Election) for Lux FinCo and Irish FinCo;

4.6.2. New memorandum and articles of association of New Vidara;

4.6.3. Written resolution of New Vidara adopting new memorandum and articles and altering share rights;

4.6.4. Letter of application for share to be signed by the MFSD Nominee; and

4.6.5. Board minutes of New Vidara approving the issue of the nominee share to MFSD Nominee.

5. **Step 5: Contribution of U.S. HoldCo to Lux FinCo**

5.1. New Vidara shall contribute all of the issued and outstanding shares of capital stock of Vidara Holdings (USA), Inc. ("U.S. HoldCo") to Lux FinCo by way of contribution to capital in exchange for additional ordinary shares of capital stock of Lux FinCo.

5.2. **Timing:** The following actions in this Step 5 shall be completed prior to Step 6.

5.3. **Documents Required for Step 5:**

5.3.1. Contribution Agreement.

6. **Step 6: Vidara Share Capital Reorganization**

6.1. Vidara shall create a new class of ordinary shares of Vidara denominated in US dollars (the “Vidara Ordinary Shares”) and create additional euro-denominated share capital up to a par value of €40,000 (in anticipation of conversion into a public limited company), such that the aggregate number of Vidara Ordinary Shares authorized to be issued by Vidara shall be sufficient to cover:

6.1.1. the Merger Consideration to be issued to the Horizon shareholders at Closing;

6.1.2. the Vidara Ordinary Shares to be issued to Holdings as partial consideration for the transfer of the VTI shares at Step 15;

6.1.3. a bonus issue of [ ]1 Vidara Ordinary Shares (the “Holdings Retained Bonus Shares”), which, together with the shares at Step 6.1.2 represent Holdings’ agreed shareholding in Vidara post-Closing; and

6.1.4. a bonus issue of Vidara Ordinary Shares (the “Holdings Redeemable Bonus Shares”) which are to be redeemed at Step 16 for the purpose of delivering cash consideration to Holdings

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1 To equal 31,350,000 minus the number of Hamilton Ordinary Shares subscribed for by U.S. HoldCo in Step 10.1(a) (with the result expressed as a number of whole Vidara Ordinary Shares).
6.2. Vidara issues the Holdings Retained Bonus Shares by way of bonus issue to Holdings using the balance in its revaluation or other reserves.

6.3. Vidara issues the Holdings Redeemable Bonus Shares by way of bonus issue to Holdings using the balance in its revaluation or other reserves.

6.4. Holdings shall subscribe for 39,900 euro-denominated ordinary shares of €1.00 each in Vidara (in order to satisfy the Irish company law requirement that a plc has issued share capital of at least €40,000).

6.5. **Timing:** The completion of Step 6 must occur prior to the completion of Step 9.

6.6. **Documents Required for Step 6:**

   6.6.1. Board minutes of Vidara (meeting to be held in Ireland) in relation to the increase in its authorized share capital, the creation of the US dollar denominated shares and the euro denominated shares;

   6.6.2. Written shareholder resolutions of Vidara in relation to the increase in its authorized share capital, the creation of the US dollar denominated shares and the euro denominated shares;

   6.6.3. CRO Forms B5, G1 and G2 in relation to the above shareholder resolutions and share issuance;

   6.6.4. Board minutes of Vidara (meeting to be held in Ireland) in relation to the existence of sufficient reserves and the creation and issuance of Holdings Retained Bonus Shares and Holdings Redeemable Bonus Shares;

   6.6.5. Supporting accounting information regarding the existence of sufficient reserves;

   6.6.6. Written shareholder resolutions of Vidara in relation to the creation and issuance of the Holdings Retained Bonus Shares and Holdings Redeemable Bonus Shares to Holdings; and

   6.6.7. Revised Memorandum and Articles of Vidara.

7. **Step 7: IFL Note A Split and Formation of New Irish Companies**

   7.1. IFL Note A issued by Aravid to Vidara in Step 2.1 shall be repaid in consideration for the issuance by Aravid to Vidara of (a) a non-assignable interest free note in an original principal amount of US $200,000,000 (such note, “IFL Note A-I”) and (b) an assignable euro-denominated interest free note in an original principal amount equal to the then euro equivalent of US $323,600,000 (such note, “IFL Note A-II”).

   7.2. Vidara shall form a new Irish limited company (“New Irish HoldCo”). For U.S. federal tax purposes, New Irish HoldCo shall elect status as a disregarded entity effective as of the date of its formation.
7.3. Vidara shall form four (4) new Irish limited companies (each, a “New Irish Shelf Company,” and, collectively, the “New Irish Shelf Companies”). For U.S. federal tax purposes, each New Irish Shelf Company shall elect status as a disregarded entity effective as of the date of its formation.

7.4. **Timing:** The completion of Step 7 must occur prior to completion of Step 8.

7.5. **Documents Required for Step 7:**

7.5.1. IFL Note A-I;

7.5.2. IFL Note A-II;

7.5.3. File IRS Forms 8832 (Entity Classification Election) for New Irish Holdco and each New Irish Shelf Company;

7.5.4. Board minutes of Aravid in relation to the cancellation of IFL Note A and the issuance of IFL Note A-I and IFL Note A-II (board meeting to be held in Bermuda);

7.5.5. Board minutes of Vidara in relation to the repayment of IFL Note A and new issue of IFL Note A-I and IFL Note A-II and formation of New Irish HoldCo and New Irish Shelf Companies (board meeting to be held in Ireland);

7.5.6. CRO Forms A1 in relation to the formation of New Irish HoldCo and New Irish Shelf Companies;

7.5.7. Initial (incorporation) board minutes of New Irish HoldCo and each New Irish Shelf Company (board meetings to be held in Ireland);

7.5.8. Memorandum and articles of association of New Irish HoldCo;

7.5.9. Written resolution of New Irish HoldCo adopting new memorandum and articles of association;

7.5.10. Memorandum and articles of association of each New Irish Shelf Company; and

7.5.11. Written resolution of each New Irish Shelf Company adopting new memorandum and articles of association.

8. **Step 8: Financial Assistance Whitewash; Execution of Financing Documents**

8.1. Vidara and each of the Irish Companies in the structure shall undertake the procedure specified in the first sentence of Section 5.24 of the Agreement.

8.2. Following the completion of Step 8.1, upon Buyer's request and subject to Section 5.20 of the Agreement, Vidara and each of its Subsidiaries shall agree to execute and shall execute any joinder agreements, guarantees and/or other security documents contemplated by the Financing or the Alternative Financing, such documents to be conditioned on the consummation of the Financing or the Alternative Financing, as the case may be.

8.3. **Timing:** The completion of Step 8 must occur prior to completion of Step 9.
8.4. **Documents Required for Step 8:**

8.4.1. Board minutes of Vidara in relation to the whitewash (meeting to be held in Ireland);
8.4.2. Written shareholder resolutions of Vidara in relation to the whitewash;
8.4.3. Statutory declaration of all/majority of the directors of Vidara in relation to the whitewash;
8.4.4. Working Capital report for enlarged group;
8.4.5. CRO Form G1; and
8.4.6. Form of joinder agreement, guarantee and/or other security document, as applicable.

9. **Step 9: Re-Registration of Vidara as a Public Limited Company**

9.1. Vidara shall re-register as a PLC.

9.2. **Timing:** The completion of Step 10 shall occur prior to the Steps 11 to 13.

9.3. **Documents Required for Step 9:**

9.3.1. Board minutes of Vidara in relation to re-registration of Vidara as a public limited company (meeting to be held in Ireland);
9.3.2. Written shareholder resolutions of Vidara in relation to re-registration as a public limited company;
9.3.3. Revised Memorandum and Articles of Association of Vidara;
9.3.4. CRO Form 71;
9.3.5. Written statement by the auditors of Vidara that in their opinion the relevant balance sheet shows that at the balance sheet date the amount of the company’s net assets was not less than the aggregate of its called up share capital and undistributable reserves;
9.3.6. Copy of the relevant balance sheet, together with a copy of an unqualified report by the company’s auditors in relation to the balance sheet;
9.3.7. Statutory declaration in the prescribed form (CRO Form 72) made by a director or the company secretary of Vidara to the effect that:
   9.3.7.1. the special resolutions mentioned in Step 9.3.2 above have been passed and the certain statutory conditions in relation to re-registration have been satisfied; and
   9.3.7.2. between the balance sheet date and the application of the company for re-registration there has been no change in the financial position of the company that
has resulted in the amount of the company’s net assets becoming less than the aggregate of its called up share capital and undistributable reserves.

10. **Step 10: Subscription for Vidara Ordinary Shares by U.S. HoldCo and New Vidara**

10.1. U.S. HoldCo shall subscribe for an aggregate number of Vidara Ordinary Shares equal to the sum of (a) \[ \text{2} \text{ Vidara Ordinary Shares} \] plus (b) a portion of the Merger Consideration (the “Primary Shares”)

\[ \text{3} \text{, and in exchange, it shall (i) issue to Vidara Note No. 1 in the aggregate initial principal amount of US $250,000,000 and (ii) issue to Vidara Note No. 2 in the aggregate initial principal amount of US $200,000,000 (the aggregate dollar amount of the consideration set forth in clauses (i) and (ii) of this Step 10.1 is referred to herein as the “Aggregate Subscription Consideration”).} \]

10.2. New Vidara shall subscribe for an aggregate number of Vidara Ordinary Shares equal to the Merger Consideration \text{minus} the number of Vidara Ordinary Shares subscribed for by U.S. HoldCo in Step 10.1(b) above (the “Additional Shares”) in exchange for an assignable euro-denominated interest-free note payable, at the option of the issuer, in cash or shares (in such case, for an aggregate value not to exceed the principal amount of the note) (such note, “IFL Note B”).

10.3. LuxFinCo shall elect status as a corporation for U.S. federal income tax purposes effective the day of Closing, reversing the status it elected in Step 4.1.

10.4. **Timing:** The completion of Step 10 shall occur at the Closing contemporaneously with, but immediately prior to, the completion of Steps 11, 12, 13, 14, 15 and 16.

10.5. **Documents Required for Step 10:**

10.5.1. Economic Study;

10.5.2. Board minutes of Vidara in relation to the issue of Vidara Ordinary Shares (meeting to be held in Ireland);

10.5.3. Note No. 1;

10.5.4. Note No. 2;

10.5.5. IFL Note B;

\[ \text{2 To equal the number of Vidara Ordinary Shares contemplated as consideration for VTI in Step 15.1(a), which number shall equal: (1) the product of (a) the value of VTI as of the Closing multiplied by (b) a fraction (i) the numerator of which is the total value of the 31,350,000 Vidara Ordinary Shares at the Closing (the value of each Vidara Ordinary Share determined by reference to the fair market value of a share of Buyer Common Stock as of immediately prior to the Closing) (the “Share Value”) and (ii) the denominator of which is the sum of the Estimated Cash Consideration plus the Share Value; divided by (2) the fair market value of a share of Buyer Common Stock as of immediately prior to the Closing (with the result expressed as a number of whole Vidara Ordinary Shares). The cash component set forth in Step 15.1(b) is determined in a manner consistent with the calculation described in the immediately preceding sentence.} \]

\[ \text{3 Such portion to equal (a) (i) the Aggregate Subscription Consideration divided by (ii) the fair market value of a share of Buyer Common Stock as of immediately prior to the Closing minus (b) the number of Vidara Ordinary Shares subscribed for in Step 10.1(a) (with the result expressed as a number of whole Vidara Ordinary Shares).} \]
10.5.6. Subscription Agreement;
10.5.7. CRO Form B5 for share issuance;
10.5.8. Valuation Report; and
10.5.9. IRS Form 8832 (Entity Classification Election) for LuxFinCo.

11. **Step 11: Issuance by Aravid of Note No. 3 to U.S. HoldCo**

11.1. Subject to its receipt of the Financing or an Alternative Financing, U.S. HoldCo shall make a cash advance of US $200,000,000 to Aravid in exchange for the issuance by Aravid to U.S. HoldCo of Note No. 3 in the aggregate initial principal amount of US $200,000,000.

11.2. Aravid shall use the cash received in Step 11.1 to repay IFL Note A-I issued by Aravid to Vidara in Step 7.1(a).

11.3. **Timing:** The completion of Step 11 shall occur at the Closing contemporaneously with the completion of Steps 10, 12, 13, 14, 15 and 16, but immediately following Step 10 and immediately prior to Steps 12, 13, 14, 15 and 16.

11.4. **Documents Required for Step 11:**

11.4.1. Note No. 3; and

11.4.2. Board minutes of Aravid approving the receipt of the cash advance of US $200,000,000, the issuance of Note No. 3 and the repayment of IFL Note A-I (board meeting to be held in Bermuda).

12. **Step 12: Contribution by Vidara of Certain Notes and Equity Interests to New Irish HoldCo**

12.1. Vidara shall contribute to New Irish HoldCo, as a contribution to capital, (a) Note No. 1, (b) Note No. 2, (c) IFL Note A-II, (d) IFL Note B and (e) all of the issued and outstanding equity interests of Aravid, New Vidara\(^4\), Vidara Therapeutics Limited and each of the New Irish Shelf Companies.

12.2. **Timing:** The completion of Step 12 shall occur at the Closing contemporaneously with the completion of Steps 10, 11, 13, 14, 15 and 16, but immediately following Steps 10 and 11 and immediately prior to Steps 13, 14, 15 and 16.

12.3. **Documents Required for Step 12:**

12.3.1. Contribution Agreement;

12.3.2. Board minutes of Vidara approving the contributions and execution of the Contribution Agreement (board meeting to be held in Ireland);

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\(^4\) Excluding, for the avoidance of doubt, the common share held by Nominee.
12.3.3. Board minutes of New Irish HoldCo in relation to the contributions and execution of the Contribution Agreement (board meeting to be held in Ireland); and

12.3.4. Documentation necessary to claim associated companies relief.

13. **Step 13: Contribution by New Irish HoldCo of Note No. 2 to Aravid**

13.1. New Irish HoldCo transfers Note No. 2 to Aravid in exchange for the issuance by Aravid to New Irish HoldCo of a non assignable euro-denominated interest free note in the initial principal amount equal to the then euro equivalent of US $200,000,000 (such note, “IFL Note C”).

13.2. Aravid shall offset Note No. 2 (i.e., the note issued by U.S. HoldCo to Vidara in Step 10.1(b)(ii), contributed by Vidara to New Irish Holdco in Step 12.1(b) and contributed by New Irish HoldCo to Aravid in Step 13.1) with Note No. 3 (i.e., the note issued by Aravid to U.S. HoldCo in Step 11.1).

13.3. **Timing:** The completion of Step 13 shall occur at the Closing contemporaneously with the completion of Steps 10, 11, 12, 14, 15 and 16, but immediately following Steps 10, 11 and 12 and immediately prior to Steps 14, 15 and 16.

13.4. **Documents Required for Step 13:**

13.4.1. Contribution Agreement;

13.4.2. IFL Note C;

13.4.3. Board minutes of New Irish HoldCo in relation to the contribution of Note No. 2; (meeting to be held in Ireland) and

13.4.4. Board minutes of Aravid in relation to the issue of IFL Note C and the offsetting of Note No. 2 with Note No. 3. (meeting to be held in Bermuda)

14. **Step 14: Contribution of Right to Receive Vidara Ordinary Shares by each of U.S. HoldCo and New Vidara to Merger Sub**

14.1. New Vidara contributes its right to receive a number of Vidara Ordinary Shares equal to the Additional Shares to the capital of Lux FinCo by way of renouncing its right to receive such Vidara Ordinary Shares, in exchange for either alphabet shares or ordinary shares of Lux FinCo.

14.2. Lux FinCo contributes its right to receive a number of Vidara Ordinary Shares equal to the Additional Shares to the capital of U.S. HoldCo by way of renouncing its right to receive such Vidara Ordinary Shares in exchange for additional common shares of capital stock of U.S. HoldCo.

14.3. U.S. HoldCo contributes its right to receive a number of Vidara Ordinary Shares equal to the Primary Shares and the Additional Shares to the capital of Vidara Merger Sub, Inc. (“Merger”).
Sub") by way of renouncing its right to receive such Vidara Ordinary Shares in exchange for additional common shares of capital stock of Merger Sub.

14.4. **Timing:** The completion of Step 14 shall occur at the Closing contemporaneously with the completion of Steps 10, 11, 12, 13, 15 and 16, but immediately following Steps 10, 11, 12 and 13 and immediately prior to Steps 15 and 16.

14.5. **Documents Required for Step 14:**
14.5.1. Prepare appropriate documentation for the issuance of alphabet shares by Lux FinCo, if applicable.

15. **Step 15: Transfer of VTI Shares**

15.1. Holdings shall transfer and assign all of the issued and outstanding shares of capital stock of Vidara Therapeutics, Inc. (“VTI”) to U.S. HoldCo in exchange for U.S. Holdco (a) renouncing its right to receive the Vidara Ordinary Shares subscribed for by U.S. Holdco in Step 10.1(a) in favor of Holdings and (b) making a cash payment to Holdings in the amount of US $10,000,000, which amount will be considered part of the Estimated Cash Consideration and Final Cash Consideration paid to Holdings under the Merger Agreement.

15.2. **Timing:** The completion of Step 15 shall occur at the Closing contemporaneously with the completion of Steps 10, 11, 12, 13, 14 and 16, but immediately following Steps 10, 11, 12, 13 and 14 and immediately prior to Step 16.

15.3. **Documents Required for Step 15:**
15.3.1. VTI Transfer Agreement.

16. **Step 16: Redemption of Holdings Redeemable Bonus Shares**

16.1. Vidara converts the Holdings Redeemable Bonus Shares to redeemable shares.

16.2. Vidara approves and files with the CRO accounts showing the existence of distributable reserves at least equal to the amount of the proposed redemption (the “Interim Accounts”).

16.3. Vidara shall redeem the Holdings Redeemable Bonus Shares for an aggregate amount in cash equal to the cash consideration payable at Closing (the aggregate par value of the Holdings Redeemable Bonus Shares to be equal to or less than such cash amount) out of distributable profits, funded by means of the cash received from Aravid in repayment of IFL Note A-I at Step 11.2 (the “Redemption”), leaving Holdings as the holder of the Vidara Ordinary Shares received from U.S. HoldCo in Step 12, the Holdings Retained Bonus Shares and the 40,000 ordinary shares of €1.00 each that are to be converted into deferred shares in Step 16.

16.4. **Timing:** The completion of Step 16 shall occur at the Closing (following determination of the cash consideration payable at Closing) contemporaneously with the completion of 10, 11, 12, 13, 14 and 15, but immediately following Step 15 and the Merger, and once the Vidara Ordinary Shares have been listed on NASDAQ; provided, that cash will not transfer to Holdings
for the Redemption until after the Vidara Ordinary Shares have been listed on NASDAQ and the Interim Accounts have been filed with the CRO.

16.5. **Documents Required for Step 16:**

16.5.1. Board minutes of Vidara in relation to the existence of sufficient reserves and the Redemption (meeting to be held in Ireland);

16.5.2. Written shareholder resolutions of Vidara in relation to the Redemption; and

16.5.3. CRO forms B7/28 and G1 in respect of redemption and shareholder resolutions.

17. **Step 17: Transfer of Common Share from Nominee to New Irish HoldCo**

17.1. The sole common share in New Vidara (the “Common Share”) is transferred by the MFSD Nominee to New Irish HoldCo for nominal consideration. New Vidara’s share capital is reorganised so that it consists only of common shares by means of converting all other classes of share in its capital to common shares. New Vidara adopts new memorandum and articles of association reflecting this capital structure.

17.2. **Timing:** At Closing.

17.3. **Documents Required for Step 17:**

17.3.1. Share transfer form in relation to transfer of the Common Share;

17.3.2. Board minutes of New Vidara (meeting to be held in Ireland);

17.3.3. New memorandum and articles of association for New Vidara; and

17.3.4. Written shareholder resolution of New Vidara adopting the new memorandum and articles of association.

18. **Step 18: Contribution of Note No. 1**

18.1. New Irish Holdco shall transfer Note No. 1 to New Vidara in consideration for the issuance by New Vidara of a note payable on demand of equal value to New Irish HoldCo and such demand note shall then be satisfied by the issuance by New Vidara to New Irish HoldCo of a USD-denominated interest-free note of equal value payable, at the option of New Vidara, in cash or shares (in such case, for an aggregate value not to exceed the principal amount of the note). New Vidara shall then transfer Note No. 1 to Lux FinCo in consideration for the issuance by Lux FinCo of a note payable on demand of equal value to New Vidara and such demand note shall then be satisfied by the issuance by Lux FinCo to New Vidara of a USD-denominated interest-free note of equal value payable, at the option of Lux FinCo, in cash or shares (in such case, for an aggregate value not to exceed the principal amount of the note). Lux FinCo shall then contribute Note No. 1 to Irish FinCo as a contribution to capital. Irish FinCo shall then transfer Note No. 1 to Lux FinCo in consideration for the issuance by Lux FinCo of a note payable on demand of equal value to Irish FinCo and such demand note shall then be satisfied by the issuance by Lux FinCo to Irish FinCo of a USD-denominated interest-free note of equal
value payable, at the option of Lux FinCo, in cash or shares (in such case, for an aggregate value not to exceed the principal amount of the note).

18.2. **Timing:** At Closing.

18.3. **Documents Required for Step 18:**

18.3.1. Contribution and Transfer Agreements;

18.3.2. Form of Notes;

18.3.3. Board minutes of New Irish Holdco (meeting to be held in Ireland);

18.3.4. Board minutes of Lux FinCo; and

18.3.5. Board minutes of Irish FinCo (meeting to be held in Ireland).

19. **Step 19: Conversion of Ordinary Euro-Denominated Shares in Vidara held by Holdings into Deferred Shares**

19.1. The 40,000 ordinary shares of €1.00 each in Vidara held by Holdings are automatically converted into deferred shares with no economic value at Closing and will continue to be held by Holdings or transferred to an acceptable party (e.g. the company secretary of Vidara).

19.2. **Timing:** At Closing.
EXECUTIVE EMPLOYMENT AND TRANSITION AGREEMENT

This Executive Employment and Transition Agreement ("Transition Agreement"), replaces and supersedes that certain Amended and Restated Executive Employment Agreement (the "Employment Agreement") dated July 27, 2010 and that certain First Amendment to Amended and Restated Executive Employment Agreement (the "First Amendment") dated January 16, 2014 (collectively the "Prior Agreements"), by and among Horizon Pharma, Inc., a Delaware corporation, and its wholly owned subsidiary, Horizon Pharma USA, Inc., a Delaware corporation (hereinafter referred to together as the "Company"), and Robert J. De Vaere (the "Executive"). This Transition Agreement shall become effective on the "Effective Date" specified in Section 10 below.

RECITALS

WHEREAS, the Company and the Executive have previously entered into the Prior Agreements and the Executive has provided exceptional service pursuant to the Prior Agreements that has materially enhanced the performance and value of the Company;

WHEREAS, the Prior Agreements may be amended with the written agreement of the Company and the Executive;

WHEREAS, the Company and the Executive desire to provide continuity and efficiency in connection with the Company’s hiring of a new Chief Financial Officer, and provide for transition and post-employment consulting by the Executive; and

WHEREAS, the Company and the Executive desire to supersede and replace the Prior Agreements with this Transition Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the promises and covenants contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. EMPLOYMENT AS CHIEF FINANCIAL OFFICER. The Executive shall remain employed as a full time employee and Executive Vice President and Chief Financial Officer of the Company ("CFO") through September 30, 2014 (the "Transition Period"). During the Transition Period the Executive shall continue to receive his base salary as in effect on June 1, 2014 and the Executive and his eligible dependents, if applicable, shall remain enrolled in all Company-sponsored benefit programs in which he (or they) were enrolled as of June 1, 2014. During the Transition Period, the Executive shall work collaboratively with Paul Hoelscher, Executive Vice President Finance and CFO-elect, on the Vidara transaction and all matters relating to Mr. Hoelscher’s transition into the role of CFO effective October 1, 2014, along with such additional duties consistent with the role of CFO as may be required of the Executive. In
connection with his performance during the Transition Period, the Executive shall sign the Company’s Q2 2014 10-Q filed with the Securities and Exchange Commission as the principal financial officer of the Company. The Executive’s employment as CFO shall terminate effective September 30, 2014 (the “Separation Date”). Following the Separation Date, the Executive shall no longer have any: (i) responsibilities as the Company’s chief financial officer, (ii) responsibility to sign the Company’s Q3 2014 10-Q, or (iii) other authority or responsibilities as an officer of the Company.

2. EQUITY VESTING. Provided that the Executive has performed pursuant to Section 1 herein, effective on the Separation Date all equity awards granted to the Executive by the Company on or prior to the Effective Date of this Transition Agreement (the “Equity Grants”) shall be fully vested and immediately exercisable, and the Equity Grants are hereby amended accordingly. Attached hereto as Exhibit A is an equity statement specifying the stock option and restricted stock unit grants that comprise the Equity Grants. The Executive hereby consents to the foregoing amendment of the terms of the Equity Grants. The Executive acknowledges and agrees that such amendment may have tax consequences; Executive shall obtain his own independent tax advice with respect to such amendment.

3. FULL-TIME CONSULTING PERIOD. From October 1, 2014 through March 31, 2015, the Executive shall serve as a full-time consultant to the Company, providing services consistent with his expertise and experience as a chief financial officer (the “Full-time Consulting Period”). For purposes of this Section 3, “full-time” shall mean the Executive shall be available to the Company to provide such services as may be requested by the Company for up to sixty-five (65) hours per week. During the Full-time Consulting Period the Company shall pay to the Executive compensation at the rate of fifty thousand dollars per month ($50,000). Such compensation shall not be subject to any tax or other withholding and shall be reported on Form 1099.

4. PART-TIME CONSULTING PERIOD. From April 1, 2015 through September 30, 2015, the Executive shall serve as a part-time consultant to the Company, providing services consistent with his expertise and experience as a Chief Financial Officer (the “Part-time Consulting Period”). For purposes of this Section 4, “Part-time” shall mean the Executive shall be available to the Company to provide such services as may be requested by the Company for up to fifty hours per month, which reduction in the level of services previously provided by Executive to the Company is intended to constitute a “separation from service” for purposes of Section 409A of the Internal Revenue Code. During the Part-time Consulting Period the Company shall pay to the Executive compensation at the rate of twenty thousand dollars per month ($20,000). Such compensation shall not be subject to any tax or other withholding and shall be reported on Form 1099.

5. 2014 PERFORMANCE BONUS. The Executive shall be eligible to receive an annual performance bonus based on the Executive’s service to the Company during calendar year 2014. The Company shall evaluate the award of such bonus according to the same standards and policies which it applies to other executive officers of the Company.
6. **SEVERANCE BENEFIT.** Effective April 1, 2015, the Company shall pay to the Executive a severance benefit in the form of: 1) regular payments equivalent to the Executive’s base monthly salary as in effect on June 1, 2014, less required deductions and withholdings, for a period of twelve (12) months (the “Severance Period”), such payments to be made on the Company’s regularly-scheduled payroll dates; and 2) provided that Executive timely elects continued health insurance coverage under COBRA for himself, or for himself and his eligible dependents (if applicable) in connection with his Separation Date and continues such coverage at his sole expense through April 1, 2015, then commencing April 1, 2015 the Company, as part of this Agreement, will pay the same portion of Executive’s COBRA health insurance premium as the percentage of health insurance premiums that it paid during the Executive’s employment and at the same level of coverage as was in effect as of the Separation Date, including any amounts that Company paid for benefits to the qualifying eligible dependents of the Executive, until the earlier of either (i) the last day of the Severance Period or, (ii) the date on which the Executive begins full-time employment with another company or business entity which offers comparable health insurance coverage to the Executive (the “COBRA Payment Period”). Notwithstanding the foregoing, if at any time the Company determines, in its sole discretion, that it cannot pay the COBRA premiums described above without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of paying COBRA premiums as described above, the Company will pay Executive, on the last day of any remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premium for that month, subject to applicable tax withholding (such amount, the “Special Severance Payment”), such Special Severance Payment to be made without regard to Executive’s payment of COBRA premiums.

7. **NON-COMPETITION/NON-SOLICITATION AGREEMENT.** During the time the Executive performs services or receives any compensation or benefits pursuant to this Transition Agreement the Executive i) will not participate as an owner (which shall not include ownership of less than 2% of the stock of a publicly-traded company), employee, officer, director, promoter, or consultant in a business competitive with the Company; ii) the Executive will not request, induce or advise any vendors, existing or potential corporate partners or investors, and/or customers of the Company to withdraw, curtail, limit, reduce, or cancel their business or business relationship(s) with the Company; and iii) will not hire any employees, consultants, contractors or representatives of the Company (or those of any of its affiliates), nor induce or attempt to induce, or assist any other person or entity to (including without limitation by providing such person or entity any information regarding the Company’s business or employees) induce or attempt to induce such employees, consultants, contractors or representatives to stop working for, contracting with or representing the Company or any of its affiliates, or to work for, contract with or represent any of the Company’s (or its affiliates’) competitors.

8. **RELEASE.** In exchange for the consideration provided to the Executive by this Agreement that the Executive is not otherwise entitled to receive, the Executive hereby generally and completely releases the Company and its past and present directors, officers, employees, shareholders, members, partners, agents, attorneys, predecessors, successors, parent and subsidiary entities, insurers, affiliates, and assigns from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to the Executive signing this Agreement. This general
release includes, but is not limited to: (1) all claims arising out of or in any way related to the Executive's employment with the Company or the separation of that employment; (2) all claims related to the Executive's compensation or benefits from the Company, including, but not limited to, salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock options, or any other interests in the Company; (3) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (4) all tort claims, including, but not limited to, claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (5) all federal, state, and local statutory claims, including, but not limited to, claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act of 1967 (as amended) ("ADEA"), the California Labor Code, and the California Fair Employment and Housing Act (collectively, the "Released Claims"). Notwithstanding the foregoing, the following are not included in the Released Claims: (a) any rights or claims for indemnification the Executive may have pursuant to any written indemnification agreement with the Company to which the Executive is a party, the charter, bylaws, or operating agreements of the Company, or under applicable law; (b) any rights that are not waivable as a matter of law; or (c) any claims arising from the breach of this Agreement (the "Excluded Claims"). The Executive hereby represents and warrants that, other than the Excluded Claims, the Executive is not aware of any claims the Executive has or might have against any of the Released Parties that are not included in the Released Claims.

9. SECTION 1542 WAIVER. In granting the release herein, the Executive hereby acknowledges that the Executive has read and understands Section 1542 of the California Civil Code: “A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.” The Executive hereby expressly waives and relinquishes all rights and benefits under that section and any law of any jurisdiction of similar effect with respect to the Executive’s release of claims hereby.

10. ADEA WAIVER. The Executive hereby knowingly and voluntarily waives and releases any rights the Executive may have under the ADEA (defined above). The Executive also acknowledges that the consideration given for the Executive’s releases in this Agreement is in addition to anything of value to which the Executive was already entitled. The Executive is advised by this writing that: (a) the Executive’s waiver and release does not apply to any claims that may arise after the Executive signs this Agreement; (b) the Executive should consult with an attorney prior to executing this release; (c) the Executive has twenty-one (21) days within which to consider this release (although the Executive may choose to voluntarily execute this release earlier); (d) the Executive has seven (7) days following the execution of this release to revoke this Agreement; and (e) this Agreement will not be effective until the eighth day after the Executive signs this Agreement, provided that the Executive has not earlier revoked this Agreement (the “Effective Date”). The Executive will not be entitled to receive any of the benefits specified by this Agreement unless and until it becomes effective.
11. MISCELLANEOUS. This Agreement constitutes the complete, final and exclusive embodiment of the entire agreement between the Executive and the Company with regard to this subject matter. It is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a writing signed by both the Executive and the Chief Executive Officer of the Company. This Agreement will bind the heirs, personal representatives, successors and assigns of both the Executive and the Company, and inure to the benefit of both the Executive and the Company, their heirs, successors and assigns. The failure to enforce any breach of this Agreement shall not be deemed to be a waiver of any other or subsequent breach. For purposes of construing this Agreement, any ambiguities shall not be construed against either party as the drafter. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement and the provision in question will be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible. This Agreement will be deemed to have been entered into and will be construed and enforced in accordance with the laws of the State of Illinois as applied to contracts made and to be performed entirely within Illinois. This Agreement may be executed in counterparts or with facsimile signatures, which shall be deemed equivalent to originals.

12. SUCCESSORS AND ASSIGNS. This Agreement shall bind the heirs, personal representatives, successors, assigns, executors, and administrators of each party, and inure to the benefit of each party, its agents, directors, officers, employees, servants, heirs, successors and assigns.

13. APPLICABLE LAW. This Agreement shall be deemed to have been entered into and shall be construed and enforced in accordance with the laws of the State of Illinois as applied to contracts made and to be performed entirely within Illinois.

14. SEVERABILITY. If a court or arbitrator of competent jurisdiction determines that any term or provision of this Agreement is invalid or unenforceable, in whole or in part, the remaining terms and provisions hereof shall be unimpaired. Such court or arbitrator will have the authority to modify or replace the invalid or unenforceable term or provision with a valid and enforceable term or provision that most accurately represents the parties' intention with respect to the invalid or unenforceable term or provision.

15. INDEMNIFICATION. The Executive will indemnify and save harmless the Company from any loss incurred directly or indirectly by reason of the falsity or inaccuracy of any representation made herein.

16. COUNTERPARTS. This Agreement may be executed in two counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument.

17. SECTION HEADINGS. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
18. **PHOTOCOPIES.** A photocopy of this executed Agreement shall be as valid, binding, and effective as the original Agreement.

**IN WITNESS WHEREOF,** the parties have executed this Executive Employment and Transition Agreement as of the date written below.

**COMPANY:**

**HORIZON PHARMA, INC.**

**HORIZON PHARMA USA, INC.**

By: /s/ Timothy P. Walbert

Timothy P. Walbert
President and Chief Executive Officer

June 17, 2014

**EXECUTIVE:**

/s/ Robert J. De Vaere

Robert J. De Vaere

June 17, 2014
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Horizon Pharma Announces Robert J. De Vaere to Retire and Names Paul W. Hoelscher Chief Financial Officer

Mr. De Vaere to remain with Company through September 30, 2014 to ensure smooth transition

DEERFIELD, IL – June 18, 2014 – Horizon Pharma, Inc. (NASDAQ: HZNP) today announced that Robert J. De Vaere, its current Chief Financial Officer, will retire on September 30, 2014. The Company has also named Paul W. Hoelscher as Executive Vice President, Finance, effective June 23, 2014 and its Chief Financial Officer, effective October 1, 2014. At the time of his retirement, Mr. De Vaere will enter into a one-year consulting agreement with the Company to support the ongoing integration of Vidara following the closing of the acquisition and to provide general business support and guidance as the company seeks to continue its recent growth, both organically and through acquisition.

“Bob has served as our CFO for almost six years as we grew from a single product private company to a multi-product, profitable company with a market cap of over one billion. His guidance, leadership and expertise have been instrumental to Horizon’s success,” said Timothy P. Walbert, chairman, president and chief executive officer, Horizon Pharma. “Bob is also a good friend I always knew I could count on. Though it is personally sad to see Bob go, I am pleased he is taking time for himself and his family. I am equally excited to have Paul join us and for him to become our new CFO as we embark upon a period of continued acceleration in our base business and our acquisition strategy.”

“It’s been a terrific time the last six years working with Tim and all the great employees of Horizon, building this business from a start-up conducting clinical trials on its lead product to one with revenues that will be approaching $300 million a year when the Vidara deal closes,” said Mr. De Vaere. “The Company is in great hands with Tim, Paul and the rest of the leadership team and I look forward to seeing it continue to develop and grow.”

Mr. Hoelscher joins Horizon from OfficeMax, Inc. where he was most recently Senior Vice President, Finance and was co-lead in integration planning activities related to its recent merger with Office Depot. Prior to that, Mr. Hoelscher spent almost nineteen years at Alberto Culver/Unilever in various senior financial roles progressing to Vice President, Finance. Mr. Hoelscher also spent seven years in public accounting with KPMG LLP and is a Certified Public Accountant. During his time at Alberto Culver/Unilever and OfficeMax, Mr. Hoelscher had broad responsibility for corporate accounting and reporting functions, financial planning and analysis, treasury, corporate development and investor relations, including significant international operations and mergers and acquisitions.

“I am excited to join Horizon at such an important time in its growth, and look forward to partnering with the executive leadership team to execute on its strategy,” said Mr. Hoelscher. “I am also looking forward to working with the existing finance organization and leading the global expansion of the organization as we become an Irish company.”

About Horizon Pharma
Horizon Pharma, Inc. is a commercial stage, specialty pharmaceutical company that markets DUEXIS®, VIMOVO® and RAYOS®/LODOTRA®, which target unmet therapeutic needs in arthritis, pain and inflammatory diseases. The Company’s strategy is to develop, acquire or in-license additional innovative medicines where it can execute a targeted commercial approach among specific target physicians such as primary care physicians, orthopedic surgeons, and rheumatologists, while taking advantage of its commercial strengths and the infrastructure the Company has put in place. For more information, please visit www.horizonpharma.com.

Forward-Looking Statements
This press release contains forward-looking statements, including statements regarding the expected transition plan and consulting arrangement with Mr. De Vaere and the size of Horizon’s revenues following its planned acquisition of Vidara. These forward-looking statements are based on management’s expectations and assumptions as of the date of this press release, and actual results may differ materially from those in these forward-looking statements as a result of various factors. These factors include, but are not limited to, risks regarding Horizon’s ability to commercialize products successfully, and whether commercial results regarding Horizon’s products for any historic periods are indicative of future results. For a further description of these and other risks facing the Company, please see the risk factors described in the Company’s filings with the United States Securities and Exchange Commission, including those factors discussed under the
caption “Risk Factors” in those filings. Forward-looking statements speak only as of the date of this press release and the Company undertakes no obligation to update or revise these statements, except as may be required by law.

Contact
Robert F. Carey
Executive Vice President, Chief Business Officer
Investor-relations@horizonpharma.com
EXECUTIVE EMPLOYMENT
AGREEMENT BY AND BETWEEN
HORIZON PHARMA, INC., HORIZON PHARMA USA, INC. AND
PAUL W. HOELSCHER

This Executive Employment Agreement (hereinafter referred to as the “Agreement”), is entered into by and between Horizon Pharma, Inc., a Delaware corporation, and its wholly owned subsidiary, Horizon Pharma USA, Inc., a Delaware corporation, each having a principal place of business at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015, (hereinafter referred to together as the “Company”) and Paul W. Hoelscher (hereinafter referred to as the “Executive”). The terms of this Agreement shall remain confidential until the Executive’s first day of employment with the Company (the “Date of Hire”), which will be on June 23, 2014 and which is also the effective date of this Agreement (the “Effective Date”)

RECITALS

WHEREAS, Company desires assurance of the association and services of the Executive in order to retain the Executive's experience, skills, abilities, background and knowledge, and is willing to engage the Executive’s services on the terms and conditions set forth in this Agreement; and

WHEREAS, Executive desires to be in the employ of the Company, and is willing to accept such employment on the terms and conditions set forth in this Agreement.

AGREEMENT

1. Employment.

1.1 Term. The Company hereby agrees to employ the Executive, and the Executive hereby accepts employment by the Company, upon the terms and conditions set forth in this Agreement. Executive’s employment shall be governed under the terms set forth in this Agreement beginning on the Effective Date and shall continue until it is terminated pursuant to Section 4 herein (hereinafter referred to as the “Term”).

1.2 Title. From the Effective Date through September 30, 2014 the Executive shall have the title of Executive Vice President, Finance of the Company (such position held by Executive during such period is hereinafter referred to as “EVP Finance”). Effective from and after October 1, 2014, Executive shall have the title of Executive Vice President and Chief Financial Officer of the Company (such position held by Executive during such period is hereinafter referred to as “CFO”) and Executive shall serve in such other capacity or capacities commensurate with his positions as EVP Finance and CFO as the President and CEO of the Company may from time to time prescribe.
1.3 Duties. The Executive shall do and perform all services, acts or things necessary or advisable to manage and conduct the business of the Company and shall have the authority and responsibilities which are generally associated with the positions of EVP Finance and CFO including being responsible for the Company’s financial strategy and operations. The Executive shall report to the President and CEO.

1.4 Policies and Practices. The employment relationship between the Parties shall be governed by this Agreement and the policies and practices established by the Company and the Board of Directors (hereinafter referred to as the “Board”). In the event that the terms of this Agreement differ from or are in conflict with the Company’s policies or practices or the Company’s Employee Handbook, this Agreement shall control.

1.5 Location. The Executive shall perform the services the Executive is required to perform pursuant to this Agreement in the headquarters office for the Company in the Deerfield, Illinois area. The Company may from time to time require the Executive to travel temporarily to other locations outside of the Northbrook, Illinois area in connection with the Company’s business.

2. Loyalty of Executive.

2.1 Loyalty. During the Executive’s employment by the Company, the Executive shall devote the Executive’s business energies, interest, abilities and productive time to the proper and efficient performance of Executive’s duties under this Agreement. Subject to the prior written consent of the President and CEO, the Executive is permitted to serve on the board of directors of one other company, so long as the other company does not compete with the Company.

2.2 Exclusive Employment. Except with the prior written consent of the Board, Executive shall not, during the term of this Agreement, undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in any civic and not-for-profit activities so long as such activities do not materially interfere with the performance of his duties hereunder or present a conflict of interest with the Company.

2.3 Agreement not to Participate in Company’s Competitors. During the Term of this Agreement, the Executive agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by Executive to be adverse or antagonistic to the Company, its business or prospects, financial or otherwise or in any company, person or entity that is, directly or indirectly, in competition with the business of the Company or any of its affiliates. Notwithstanding the foregoing, Executive may invest and/or maintain investments in any public or private entity up to an amount of 2% of an entity’s fully diluted shares and on a passive basis.

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3. Compensation to Executive.

3.1 Base Salary. The Company shall pay the Executive a base salary at the initial annualized rate of three hundred seventy five thousand dollars ($375,000.00) per year, subject to standard deductions and withholdings, or such higher rate as may be determined from time to time by the Board or the compensation committee thereof (hereinafter referred to as the “Base Salary”). Such Base Salary shall be paid in accordance with the Company’s standard payroll practice. Payments of salary installments shall be made no less frequently than once per month. Executive’s Base Salary will be reviewed annually each December and Executive shall be eligible to receive a salary increase (but not decrease) annually in an amount to be determined by the Board or the compensation committee thereof in its sole and exclusive discretion. Once increased, the new salary shall become the Base Salary for purposes of this Agreement and shall not be reduced without the Executive’s written consent. Any material reduction in the Base Salary of the Executive, without his written consent, may be deemed Good Reason as set forth in and subject to Section 4.5.2 of this Agreement.

3.2 Discretionary Bonus. Provided the Executive meets the conditions stated in this Section 3.2, the Executive shall be eligible for an annual discretionary bonus (hereinafter referred to as the “Bonus”) with a target amount of fifty percent (50%) of the Executive’s Base Salary, subject to standard deductions and withholdings, based on the Board’s determination, in good faith, and based upon the Executive’s individual achievement and company performance objectives as set by the Board or the compensation committee thereof, of whether the Executive has met such performance milestones as are established for the Executive by the Board or the compensation committee thereof, in good faith, in consultation with the Executive (hereinafter referred to as the “Performance Milestones”). The Performance Milestones will be based on certain factors including, but not limited to, the Executive’s performance and the Company’s financial performance. The Executive’s Bonus target will be reviewed annually and may be adjusted by the Board or the compensation committee thereof in its discretion, provided however, that the Bonus target may only be materially reduced upon Executive’s written consent. The Executive must be employed on the date the Bonus is awarded to be eligible for the Bonus, subject to the termination provisions thereof. The Bonus shall be paid during the calendar year following the performance calendar year.

3.3 Equity Awards. At the next scheduled Compensation Committee meeting that follows the Date of Hire the Executive will be granted the following equity awards pursuant to and subject to the terms of the Company’s 2011 Equity Incentive Plan and its form of stock option and restricted stock unit award agreements, in the forms provided to Executive concurrently with this Agreement (collectively the “Equity Plan Documents”) and compliance with applicable securities laws:

3.3.1 New Hire Option. A stock option to purchase up to 90,000 shares of the Company’s common stock (the “Option”). The Option will have an exercise price equal to the fair market value of the Company’s common stock on the applicable date of
grant. Subject to Executive’s continued provision of services to the Company through the applicable vesting dates, the Option shall vest as follows: 25% of the total number of shares subject to the Option shall vest on the first anniversary of the Date of Hire and 1/36 of the remaining number of shares subject to the Option shall vest on each monthly anniversary thereafter so that the Option would fully vest on the four (4) year anniversary of the Date of Hire subject to Executive’s continued services with the Company through such date.

3.3.2 New Hire Restricted Stock Unit Award. A restricted stock unit award in respect of 80,000 shares of the Company’s common stock (the “RSU Award”). Subject to Executive’s continued provision of services to the Company through the applicable vesting dates, the RSU Award shall vest as follows: 25% of the total number of units subject to the RSU Award shall vest on each anniversary of the Date of Hire so that the RSU Award would fully vest on the four (4) year anniversary of the Date of Hire subject to Executive’s continued services with the Company through such date.

3.4 Legal Review. Upon the Executive’s submission of appropriate itemized proof and verification of reasonable and customary legal fees incurred by the Executive in obtaining legal advice associated with the review, preparation, approval, and execution of this Agreement, the Company shall pay for up to $10,000.00 of such legal fees subject to receipt of appropriate proof and verification of such legal fees no later than sixty (60) days of receipt of an invoice for legal services from the Executive and/or his attorneys. To be eligible for reimbursement, the invoice must be submitted no later than ninety (90) days after the legal fees are incurred.

3.5 Changes to Compensation. The Executive’s compensation may be changed from time to time by mutual agreement of the Executive and the Company. In the event that the Executive’s base salary is materially decreased without his written consent, said decrease will be Good Reason for the Executive to terminate the Agreement as set forth in and subject to Section 4.5.2 of this Agreement.

3.6 Taxes. All amounts paid under this Agreement to the Executive by the Company will be paid less applicable tax withholdings and any other withholdings required by law or authorized by the Executive.

3.7 Benefits. The Executive shall, in accordance with Company policy and the terms of the applicable plan documents, be eligible to participate in benefits under any executive benefit plan or arrangement which may be in effect from time to time and made available to the Company’s executives or key management employees, provided, however, that the Executive shall be entitled to at least four (4) weeks of paid vacation annually.

3.8 Vidara Transaction Section 4985 Gross-Up. To the extent that the Company agrees to reimburse any of the executive officers of the Company for any excise tax imposed upon them pursuant to Section 4985 of the Code in connection with
the Company’s proposed strategic transaction with Vidara Therapeutics International Ltd., including any reimbursement for income taxes imposed upon such excise tax reimbursement, the Executive shall be entitled to be reimbursed on the same basis as the other executive officers.

4. Termination.

4.1 Termination by the Company. The Executive’s employment with the Company may be terminated only under the following conditions:

4.1.1 Termination for Death or Disability. The Executive’s employment with the Company shall terminate effective upon the date of the Executive’s death or “Complete Disability” (as defined in Section 4.5.1), provided, however, that this Section 4.1.1 shall in no way limit the Company’s obligations to provide such reasonable accommodations to the Executive and/or his heirs as may be required by law.

4.1.2 Termination by the Company For Cause. The Company may terminate the Executive’s employment under this Agreement for “Cause” (as defined in Section 4.5.3) by delivery of written notice to the Executive specifying the Cause or Causes relied upon for such termination, provided that such notice is delivered within two (2) months following the occurrence or discovery of any event or events constituting “Cause”. Any notice of termination given pursuant to this Section 4.1.2 shall effect termination as of the date of the notice or such date as specified in the notice. The Executive shall have the right to appear before the CEO before any termination for Cause becomes effective and binding upon the Executive.

4.1.3 Termination by the Company Without Cause. The Company may terminate the Executive’s employment under this Agreement at any time and for any reason or no reason subject to the requirements set out in Section 4.4 of this Agreement. Such termination shall be effective on the date the Executive is so informed or as otherwise specified by the Company, pursuant to notice requirements set forth in Section 6 of this Agreement.

4.2 Termination By The Executive. The Executive may terminate his employment with the Company at any time and for any reason or no reason, including, but not limited, to the following conditions:

4.2.1 Good Reason. The Executive may terminate his employment under this Agreement for “Good Reason” (as defined below in Section 4.5.2) by delivery of written notice to the Company specifying the Good Reason relied upon by the Executive for such termination in accordance with the requirements of such section.

4.2.2 Without Good Reason. The Executive may terminate the Executive’s employment hereunder for other than Good Reason upon thirty (30) days written notice to the Company.
4.3 Termination by Mutual Agreement of the Parties. The Executive’s employment pursuant to this Agreement may be terminated at any time upon a mutual agreement in writing of the Parties. Any such termination of employment shall have the consequences specified in such mutual agreement.

4.4 Compensation to Executive Upon Termination. In connection with any termination of the Executive’s employment for any reason, the Executive or the Executive’s estate, as applicable, shall be entitled to any amounts payable to the Executive or the Executive’s beneficiaries subject to and accordance with the terms of the Company’s employee welfare benefit plans or policies (excluding any severance pay).

4.4.1 Death or Complete Disability. If the Executive’s employment shall be terminated by death or Complete Disability as provided in Section 4.1.1, the Company shall pay to Executive, and/or Executive’s heirs, all earned but unpaid Base Salary, any earned but unpaid discretionary bonuses for any prior period at such time as bonuses would have been paid if the Executive remained employed, all accrued but unpaid business expenses, and all accrued but unused vacation time earned through the date of termination at the rate in effect at the time of termination (hereinafter referred to as the “Accrued Amounts”), less standard deductions and withholdings. The Executive shall also be eligible to receive a pro-rated bonus for the year of termination, as determined by the Board or the Compensation Committee of the Board based on actual performance and the period of the year he was employed (hereinafter referred to as the “Pro-rata Bonus”), less standard deductions and withholdings, to be paid as a lump sum within thirty (30) days after the date of termination.

4.4.2 With Cause or Without Good Reason. If the Executive’s employment shall be terminated by the Company for Cause, or if the Executive terminates employment hereunder without Good Reason, the Company shall pay the Executive’s Base Salary, accrued but unpaid business expenses and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination.

4.4.3 Without Cause or For Good Reason.
   (i) Not in Connection With a Change in Control. If the Company terminates the Executive’s employment without Cause or the Executive terminates his employment for Good Reason, and Section 4.4.3(ii) below does not apply, the Company shall pay the Accrued Amounts subject to standard deductions and withholdings, to be paid as a lump sum no later than thirty (30) days after the date of termination. In addition, subject to the limitations stated in this Agreement and upon the Executive’s furnishing to the Company an executed waiver and release of claims (the form of which is attached hereto as Exhibit A) (the “Release”) within the applicable time period set forth therein, but in no event later than forty-five days following termination of employment and permitting such Release to become effective in accordance with its terms (the “Release Effective Date”), and subject to Executive entering into no later than
the Release Effective Date a non-competition agreement to be effective during the Severance Period (as defined below), substantially similar to Section 2.3, and continuing to abide by its terms during the Severance Period, the Executive shall be entitled to:

(a) the equivalent of the Executive’s Base Salary in effect at the time of termination will continue to be paid for a period of twelve (12) months following the date of termination (hereinafter referred to as the “Severance Period”), less standard deductions and withholdings, to be paid during the Severance Period according to the Company’s regular payroll practices, subject to any delay in payment required by Section 4.6 in connection with the Release Effective Date; and

(b) in the event the Executive timely elects continued coverage under COBRA, the Company will continue to pay the same portion of Executive’s COBRA health insurance premium as the percentage of health insurance premiums that it paid during the Executive’s employment, including any amounts that Company paid for benefits to the qualifying family members of the Executive, following the date of termination up until the earlier of either (i) the last day of the Severance Period or, (ii) the date on which the Executive begins full-time employment with another company or business entity which offers comparable health insurance coverage to the Executive (such period, the “COBRA Payment Period”). Notwithstanding the foregoing, if the Company determines, in its sole discretion, that the Company cannot provide the COBRA premium benefits without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company shall in lieu thereof pay Executive a taxable cash amount, which payment shall be made regardless of whether the Executive or his qualifying family members elect COBRA continuation coverage (the “Health Care Benefit Payment”). The Health Care Benefit Payment shall be paid in monthly or bi-weekly installments on the same schedule that the COBRA premiums would otherwise have been paid to the insurer. The Health Care Benefit Payment shall be equal to the amount that the Company otherwise would have paid for COBRA insurance premiums (which amount shall be calculated based on the premium for the first month of coverage), and shall be paid until the expiration of the COBRA Payment Period.

(ii) In Connection With a Change in Control. If the Company (or its successor) terminates the Executive’s employment without Cause or the Executive terminates his employment for Good Reason within the period commencing ninety (90) days immediately prior to a Change in Control of the Company and ending eighteen (18) months immediately following a Change in Control of the Company (as defined in Section 4.5.4 of this Agreement), the Executive shall receive the Accrued Amounts subject to standard deductions and withholdings, to be paid as a lump sum no later than thirty (30) days after the date of termination. In addition, subject to the limitations stated in this Agreement and upon the Executive’s furnishing to the Company (or its successor) an executed Release within the applicable time period set forth therein, but in no event later than forty-five days following termination of employment and

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permitting such Release to become effective in accordance with its terms, and subject to Executive entering into no later than the Release Effective Date a non-competition agreement to be effective during the Severance Period, substantially similar to Section 2.3, and continuing to abide by its terms during the Severance Period, then in lieu of (and not additional to) the benefits provided pursuant to Section 4.4.3(i) above, the Executive shall be entitled to:

(a) the equivalent of the Executive’s Base Salary in effect at the time of termination will continue to be paid during the Severance Period, less standard deductions and withholdings, to be paid during the Severance Period according to the Company’s regular payroll practices, subject to any delay in payment required by Section 4.6 in connection with the Release Effective Date;

(b) Executive’s target Bonus in effect at the time of termination, or if none, the last target Bonus in effect for Executive, less standard deductions and withholdings, to be paid in a lump sum within ten (10) days following the later of (i) the Release Effective Date, or (ii) the effective date of the Change in Control; and

(c) in the event the Executive timely elects continued coverage under COBRA, the Company will continue to pay the same portion of Executive’s COBRA health insurance premium as the percentage of health insurance premiums that it paid during the Executive’s employment, including any amounts that Company paid for benefits to the qualifying family members of the Executive, following the date of termination until the expiration of the COBRA Payment Period. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that the Company cannot provide the COBRA premium benefits without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company shall in lieu thereof pay Executive the Health Care Benefit Payment, which payment shall be made regardless of whether the Executive or his qualifying family members elect COBRA continuation coverage. The Health Care Benefit Payment shall be paid in monthly or bi-weekly installments on the same schedule that the COBRA premiums would otherwise have been paid to the insurer. The Health Care Benefit Payment shall be equal to the amount that the Company otherwise would have paid for COBRA insurance premiums (which amount shall be calculated based on the premium for the first month of coverage), and shall be paid until the expiration of the COBRA Payment Period.

(iii) No Duplication of Benefits. For the avoidance of doubt, in no event will Executive be entitled to benefits under Section 4.4.3(i) and Section 4.4.3(ii). If Executive commences to receive benefits under Section 4.4.3(i) due to a qualifying termination prior to a Change in Control and thereafter becomes entitled to benefits under Section 4.4.3(ii), any benefits previously provided to Executive under Section 4.4.3(i) shall offset the benefits to be provided to Executive under Section
4.4.4 Equity Award Acceleration.

(i) In Connection With a Change in Control. In the event that the Executive’s employment is terminated without Cause or for Good Reason within the ninety (90) days immediately preceding or during the eighteen (18) months immediately following a Change in Control of the Company (as defined in Section 4.5.4 of this Agreement), the vesting of the Option, the RSU Award and any other Company equity awards granted to Executive shall be fully accelerated such that on the effective date of such termination (or, if later, the date of the Change in Control) one hundred percent (100%) of the equity award shares granted to Executive prior to such termination shall be fully vested and immediately exercisable, if applicable, by the Executive.

(ii) Release and Waiver. Any equity vesting acceleration pursuant to this Section 4.4.4 shall be conditioned upon and subject to the Executive’s delivery to the Company of a fully effective Release in accordance with the terms specified by Section 4.4.3 hereof and such vesting acceleration benefit shall be in addition to the benefits provided by Section 4.4.3 hereof.

4.5 Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

4.5.1 Complete Disability. “Complete Disability” shall mean the inability of the Executive to perform the Executive’s duties under this Agreement, whether with or without reasonable accommodation, because the Executive has become permanently disabled within the meaning of any policy of disability income insurance covering employees of the Company then in force. In the event the Company has no policy of disability income insurance covering employees of the Company in force when the Executive becomes disabled, the term “Complete Disability” shall mean the inability of the Executive to perform the Executive’s duties under this Agreement, whether with or without reasonable accommodation, by reason of any incapacity, physical or mental, which the Board, based upon medical advice or an opinion provided by a licensed physician, determines to have incapacitated the Executive from satisfactorily performing all of the Executive’s usual services for the Company, with or without reasonable accommodation, for a period of at least one hundred eighty (180) days during any twelve (12) month period that need not be consecutive.

4.5.2 Good Reason. “Good Reason” for the Executive to terminate the Executive’s employment hereunder shall mean the occurrence of any of the following events without the Executive’s consent:

(i) a material reduction in the Executive’s duties, authority, or responsibilities relative to the duties, authority, or responsibilities in effect immediately
prior to such reduction, including by way of example, having the same title, duties, authority and responsibilities at a subsidiary level following a Change in Control;

(ii) the relocation of the Executive’s primary work location to a point more than fifty (50) miles from the Executive’s current work location set forth in Section 1.5 that requires a material increase in Executive’s one-way driving distance;

(iii) a material reduction by the Company of the Executive’s base salary or annual target Bonus opportunity, without the written consent of the Executive, as initially set forth herein or as the same may be increased from time to time pursuant to this Agreement; and

(iv) a material breach by the Company of Section 1.2 of this Agreement.

Provided, however that, such termination by the Executive shall only be deemed for Good Reason pursuant to the foregoing definition if (i) the Company is given written notice from the Executive within sixty (60) days following the first occurrence of the condition that he considers to constitute Good Reason describing the condition and the Company fails to satisfactorily remedy such condition within thirty (30) days following such written notice, and (ii) the Executive terminates employment within thirty (30) days following the end of the period within which the Company was entitled to remedy the condition constituting Good Reason but failed to do so.

4.5.3 Cause. “Cause” for the Company to terminate Executive's employment hereunder shall mean the occurrence of any of the following events, as determined reasonably and in good faith by the Board or a committee designated by the Board:

(i) the Executive’s gross negligence or willful failure to substantially perform his duties and responsibilities to the Company or willful and deliberate violation of a Company policy;

(ii) the Executive’s conviction of a felony or the Executive’s commission of any act of fraud, embezzlement or dishonesty against the Company or involving moral turpitude that is likely to inflict or has inflicted material injury on the business of the Company, to be determined by the sole discretion of the Company;

(iii) the Executive’s unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party that the Executive owes an obligation of nondisclosure as a result of the Executive’s relationship with the Company; and
the Executive’s willful and deliberate breach of the obligations under this Agreement that causes material injury to the business of
the Company.

4.5.4 Change in Control. For purposes of this Agreement, “Change in Control” means: (i) a sale of all or substantially all of the assets of the
Company; (ii) a merger or consolidation in which the Company is not the surviving entity and in which the holders of the Company’s outstanding voting
stock immediately prior to such transaction own, immediately after such transaction, securities representing less than fifty percent (50%) of the voting power
of the entity surviving such transaction or, where the surviving entity is a wholly-owned subsidiary of another entity, the surviving entity’s parent; (iii) a
reverse merger in which the Company is the surviving entity but the shares of Common Stock outstanding immediately preceding the merger are converted
by virtue of the merger into other property, whether in the form of securities of the surviving entity’s parent, cash or otherwise, and in which the holders of the
Company’s outstanding voting stock immediately prior to such transaction own, immediately after such transaction, securities representing less than fifty
percent (50%) of the voting power of the Company or, where the Company is a wholly-owned subsidiary of another entity, the Company’s parent; or (iv) an
acquisition by any person, entity or group (excluding any employee benefit plan, or related trust, sponsored or maintained by the Company or subsidiary of
the Company or other entity controlled by the Company) of the beneficial ownership of securities of the Company representing at least seventy-five percent
(75%) of the combined voting power entitled to vote in the election of Directors; provided, however, that nothing in this paragraph shall apply to a sale of
assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company.

4.6 Application of Internal Revenue Code Section 409A. Notwithstanding anything to the contrary set forth herein, any payments and benefits
provided under this Agreement (the “Severance Benefits”) that constitute “deferred compensation” within the meaning of Section 409A of the Internal
Revenue Code of 1986, as amended (the “Code”) and the regulations and other guidance thereunder and any state law of similar effect (collectively “Section
409A”) shall not commence in connection with Executive’s termination of employment unless and until Executive has also incurred a “separation from
service” (as such term is defined in Treasury Regulation Section 1.409A-1(h) (“Separation From Service”), unless the Company reasonably determines that
such amounts may be provided to Executive without causing Executive to incur the additional 20% tax under Section 409A.

It is intended that each installment of the Severance Benefits payments provided for in this Agreement is a separate “payment” for purposes of Treasury
Regulation Section 1.409A-2(b)(2)(i). For the avoidance of doubt, it is intended that payments of the Severance Benefits set forth in this Agreement satisfy, to
the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulation
Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). However, if the Company (or, if applicable, the successor entity thereto) determines that the Severance Benefits constitute “deferred compensation” under Section 409A and Executive is, on the termination of service, a “specified employee” of the Company or any successor entity thereto, as such term is defined in Section 409A(a)(2)(B)(i) of the Code, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefit payments shall be delayed until the earlier to occur of: (i) the date that is six months and one day after Executive’s Separation From Service, or (ii) the date of Executive’s death (such applicable date, the “Specified Employee Initial Payment Date”), the Company (or the successor entity thereto, as applicable) shall (A) pay to Executive a lump sum amount equal to the sum of the Severance Benefit payments that Executive would otherwise have received through the Specified Employee Initial Payment Date if the commencement of the payment of the Severance Benefits had not been so delayed pursuant to this Section and (B) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedules set forth in this Agreement.

Notwithstanding anything to the contrary set forth herein, Executive shall receive the Severance Benefits described above, if and only if Executive duly executes and returns to the Company within the applicable time period set forth therein, but in no event more than forty-five days following Separation From Service, the Company’s standard form of release of claims in favor of the Company (attached to this Agreement as Exhibit A) (the “Release”) and permits the release of claims contained therein to become effective in accordance with its terms (such latest permitted date, the “Release Deadline”). If the severance benefits are not covered by one or more exemptions from the application of Section 409A and the Release could become effective in the calendar year following the calendar year in which Executive separates from service, the Release will not be deemed effective any earlier than the Release Deadline. Notwithstanding any other payment schedule set forth in this Agreement, none of the Severance Benefits will be paid or otherwise delivered prior to the effective date (or deemed effective date) of the Release. Except to the extent that payments may be delayed until the Specified Employee Initial Payment Date pursuant to the preceding paragraph, on the first regular payroll pay day following the effective date of the Release, the Company will pay Executive the Severance Benefits Executive would otherwise have received under the Agreement on or prior to such date but for the delay in payment related to the effectiveness of the Release, with the balance of the Severance Benefits being paid as originally scheduled.

The severance benefits are intended to qualify for an exemption from application of Section 409A or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein shall be interpreted accordingly.
4.7 Application of Internal Revenue Code Section 280G. If any payment or benefit Executive would receive pursuant to a Change in Control from the Company or otherwise (“Payment”) would (i) constitute a “parachute payment” within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then such Payment shall be equal to the Reduced Amount. The “Reduced Amount” shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Executive’s receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments or benefits constituting “parachute payments” is necessary so that the Payment equals the Reduced Amount, reduction shall occur in the manner that results in the greatest economic benefit for Executive. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata.

In the event it is subsequently determined by the Internal Revenue Service that some portion of the Reduced Amount as determined pursuant to clause (x) in the preceding paragraph is subject to the Excise Tax, Executive agrees to promptly return to the Company a sufficient amount of the Payment so that no portion of the Reduced Amount is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount is determined pursuant to clause (y) in the preceding paragraph, Executive will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

Unless Executive and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Company shall appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder.

The Company shall use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to Executive and the Company within fifteen (15) calendar days after the date on which Executive’s right to a Payment is triggered (if requested at that time by Executive or the Company) or such other time as requested by Executive or the Company.

4.8 Indemnification Agreement. Concurrently with the execution of this Agreement, the Company and the Executive shall enter into an indemnification agreement, a copy of which is attached hereto as Exhibit B.
4.9 Confidential Information and Invention Assignment Agreement. Concurrently with the execution of this Agreement, the Executive shall execute the Company’s Confidential Information and Invention Assignment Agreement, a copy of which is attached as Exhibit C.

4.10 No Mitigation or Offset. The Executive shall not be required to seek or accept other employment, or otherwise to mitigate damages, as a condition to receipt of the Severance Benefits, and the Severance Benefits shall not be offset by any amounts received by the Executive from any other source, except to the extent that the Executive’s right the benefits described in Sections 4.4.3(i)(b) or 4.4.3(ii)(c), as applicable, are terminated by reason of the Executive obtaining full-time employment with another company or business entity which offers comparable health insurance coverage.

5. Assignment and Binding Effect.

This Agreement shall be binding upon the Executive and the Company and inure to the benefit of the Executive and the Executive’s heirs, executors, personal representatives, assigns, administrators and legal representatives. Because of the unique and personal nature of the Executive’s duties under this Agreement, neither this Agreement nor obligations under this Agreement shall be assignable by the Executive. This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns and legal representatives, provided that the Agreement may only be assigned to an acquirer of all or substantially all of the Company’s assets. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, “successor” means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company.


For the purposes of this Agreement, notices, demands, and all other forms of communication provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or (unless otherwise specified) mailed by registered mail, return receipt requested, postage prepaid, or by confirmed facsimile, addressed as set forth below, or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of address shall be effective only upon receipt, as follows:

If to the Company:
Horizon Pharma, Inc.
520 Lake Cook Road, Suite 520
Any such written notice shall be deemed given on the earlier of the date on which such notice is personally delivered or five (5) days after its deposit in the United States mail as specified above. Either Party may change its address for notices by giving written notice to the other Party in the manner specified in this section.

7. Choice of Law.

This Agreement shall be governed by the laws of the State of Illinois, without regard to any conflicts of law principals thereof that would call for the application of the laws of any other jurisdiction. The Parties consent to the exclusive jurisdiction and venue of the federal court in the Northern District of Illinois, and state courts located in the state of Illinois, county of Cook. Nothing in this Section 7 limits the rights of the Parties to seek appeal of a decision of an Illinois court outside of Illinois that has proper jurisdiction over the decision of a court sitting in Illinois.

8. Integration.

This Agreement, including Exhibit A, Exhibit B, Exhibit C and the Equity Plan Documents, contains the complete, final and exclusive agreement of the Parties relating to the terms and conditions of the Executive’s employment and the termination of Executive’s employment, and supersedes all prior and contemporaneous oral and written employment agreements or arrangements between the Parties.

9. Amendment.

This Agreement cannot be amended or modified except by a written agreement signed by the Executive and the Company.

10. Waiver.

No term, covenant or condition of this Agreement or any breach thereof shall be deemed waived, except with the written consent of the Party against whom the waiver is claimed, and any waiver or any such term, covenant, condition or breach shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant, condition or breach.
11. **Severability.**

The finding by a court of competent jurisdiction of the unenforceability, invalidity or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid or illegal. Such court shall have the authority to modify or replace the invalid or unenforceable term or provision with a valid and enforceable term or provision, which most accurately represents the Parties’ intention with respect to the invalid, unenforceable, or illegal term or provision.

12. **Interpretation; Construction.**

The headings set forth in this Agreement are for convenience of reference only and shall not be used in interpreting this Agreement. This Agreement has been drafted and negotiated by legal counsel representing the Company and the Executive. The Parties acknowledge that each Party and its counsel has reviewed and revised, or had an opportunity to review and revise, this Agreement, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

13. **Execution by Facsimile Signatures and in Counterparts.**

The parties agree that facsimile signatures shall have the same force and effect as original signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

14. **Survival.**

The provisions of this Agreement, and of all other agreements referenced herein, shall survive the termination of this Agreement, and of the Executive’s employment by the Company for any reason, to the extent necessary to enable the parties to enforce their respective rights hereunder.

[Remainder of Page Intentionally Left Blank]
IN WITNESS WHEREOF, the parties have signed this Agreement on the date first written above.

COMPANY:
HORIZON PHARMA, INC.
HORIZON PHARMA USA, INC.

By:
Title: President and CEO
Print Name: Timothy P. Walbert

/s/ Timothy P. Walbert
Signature:

As authorized agent of the Company

June 17, 2014
Date

EXECUTIVE:

Paul W. Hoelscher

/s/ Paul W. Hoelscher
Paul W. Hoelscher, individually

June 17, 2014
Date
RELEASE AND WAIVER OF CLAIMS

In consideration of the payments and other benefits set forth in Section 4.4 of the Executive Employment Agreement dated June 17, 2014, (the “Employment Agreement”), to which this form is attached, I, Paul W. Hoelscher, hereby furnish Horizon Pharma, Inc. and Horizon Pharma USA, Inc. (together the “Company”), with the following release and waiver (“Release and Waiver”).

In exchange for the consideration provided to me by the Employment Agreement that I am not otherwise entitled to receive, I hereby generally and completely release the Company and its directors, officers, employees, shareholders, partners, agents, attorneys, predecessors, successors, parent and subsidiary entities, insurers, Affiliates, and assigns from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring relating to my employment or the termination thereof prior to my signing this Release and Waiver. This general release includes, but is not limited to: (1) all claims arising out of or in any way related to my employment with the Company or the termination of that employment; (2) all claims related to my compensation or benefits from the Company, including, but not limited to, salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership interests in the Company; (3) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (4) all tort claims, including, but not limited to, claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (5) all federal, state, and local statutory claims, including, but not limited to, claims for discrimination, harassment, retaliation, attorneys’ fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act of 1967 (as amended) (“ADEA”), the Illinois Human Rights Act, the Illinois Equal Pay Act, the Illinois Religious Freedom Restoration Act, and the Illinois Genetic Information Privacy Act. Notwithstanding the foregoing, this Release and Waiver, shall not release or waive my rights: to indemnification under the articles and bylaws of the Company or applicable law; to payments under Sections of the Employment Agreement; under any provision of the Employment Agreement that survives the termination of that agreement; under any applicable workers’ compensation statute; under any option, restricted share or other agreement concerning any equity interest in the Company; as a shareholder of the Company or any other right that is not waivable under applicable law.

I acknowledge that, among other rights, I am waiving and releasing any rights I may have under ADEA, that this Release and Waiver is knowing and voluntary, and that the consideration given for this Release and Waiver is in addition to anything of value to which I was already entitled as an executive of the Company. If I am 40 years of age or
I acknowledge my continuing obligations under my Confidential Information and Inventions Agreement dated                     , 2014. Pursuant to the Confidential Information and Inventions Agreement I understand that among other things, I must not use or disclose any confidential or proprietary information of the Company and I must immediately return all Company property and documents (including all embodiments of proprietary information) and all copies thereof in my possession or control. I understand and agree that my right to the payments and other benefits I am receiving in exchange for my agreement to the terms of this Release and Waiver is contingent upon my continued compliance with my Confidential Information and Inventions Agreement.

This Release and Waiver, including my Confidential Information and Inventions Agreement dated                     , 2014, constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company that is not expressly stated herein. This Release and Waiver may only be modified by a writing signed by both me and a duly authorized officer of the Company.

Date:

By:

Paul W. Hoelscher