TEGNA INC
Form 8-K
March 01, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
Date of Report (date of earliest event reported):
March 1, 2019
TEGNA INC.
(Exact name of registrant as specified in its charter)

Delaware	1-6961	16-0442930
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

8350 Broad Street Suite 2000 Tysons, Virginia	22102-5151
(Address of principal executive offices)	(Zip Code)

(703) 873-6600
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:
[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company c
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. c

Item 2.02. Results of Operations and Financial Condition.
On March 1, 2019, TEGNA Inc. reported its consolidated financial results for the fourth quarter and year ended December 31, 2018. A copy of this press release is furnished with this report as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
99.1	TEGNA Inc. News Release dated March 1, 2019 (earnings release reporting TEGNA Inc.'s financial results for the fourth quarter and year ended December 31, 2018).

SIGNATURE

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.

TEGNA Inc.

Date: March 1, 2019 By: /s/ Clifton A. McClelland III
Clifton A. McClelland III
Senior Vice President and Controller

s;margin-left:10pt;text-indent:-10pt;"> Audit Related Fees

Tax Fees[2]

$ 24,724

All Other Fees

Total Fees

$ 524,500 $ 533,645

(1) Audit fees consist of fees billed for professional services performed by BDO USA, LLP for the audit of our annual financial statements, the review of interim financial statements, and related services that are normally provided in connection with registration statements.

(2) This category consists of fees for tax services including tax compliance, tax advice and tax planning.

In connection with the audit of each of the Company's 2018 and 2017 financial statements, the Company entered into an engagement agreement with BDO USA, LLP that sets forth the terms by which BDO USA, LLP will perform audit services for the Company.

During the fiscal years ended December 31, 2018 and December 31, 2017, no time was expended on the Company's financial audit by BDO USA, LLP by persons other than BDO USA, LLP full-time permanent employees.

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PRE-APPROVAL POLICIES AND PROCEDURES

We maintain an auditor independence policy that prohibits our auditors from performing non-financial consulting services, such as information technology consulting and internal audit services. This policy mandates that the audit committee approve the audit and non-audit services and related budget in advance, and that the audit committee be provided with quarterly reporting on actual spending. This policy also mandates that we may not enter into auditor engagements for non-audit services without the express approval of the audit committee. In accordance with this policy, the audit committee pre-approved all services to be performed by our independent registered public accounting firm.

The audit committee has determined that the rendering of services other than audit services by BDO, USA LLP is compatible with maintaining the principal accountant's independence.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE PROPOSAL TO APPROVE BDO USA, LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2019.

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PROPOSAL 3

ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION

Section 14A of the Exchange Act, enables our stockholders to vote to approve, on an advisory (nonbinding) basis, the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with the SEC's rules.

We encourage stockholders to review the Compensation Discussion and Analysis, or "CD&A," included below. The CD&A provides additional details of our executive compensation program, including our compensation philosophy and objectives, the individual elements of our executive compensation program, and how our executive compensation program is administered. In addition, we have included the amounts of compensation of our named executive officers for fiscal years 2016, 2017 and 2018 in the compensation tables below, and in the related disclosures contained in this Proxy Statement.

Our compensation committee continually reviews the compensation philosophy, policies and practices for our named executive officers to ensure they achieve the desired goals of attracting and retaining talented and experienced senior executives to lead us successfully in a competitive environment while aligning our executive compensation structure with our stockholders' interests.

We are asking our stockholders to indicate their support for our named executive officer compensation as described in this Proxy Statement. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this Proxy Statement. Accordingly, we will ask our stockholders to vote "FOR" the following resolution at the Annual Meeting:

> "RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's Proxy Statement for the 2019 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission."

The say-on-pay vote is advisory, and therefore not binding on us, our compensation committee or our Board. Our Board and compensation committee value the opinions of our stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this Proxy Statement, we will consider our stockholders' concerns and our compensation committee will evaluate whether any actions are necessary to address those concerns.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE PROPOSAL TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS, AS DESCRIBED IN THIS PROXY STATEMENT.

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EXECUTIVE OFFICERS

The following table sets forth certain information regarding our executive officers as of April 23, 2019:

Name	Age	Position(s)
Executive Officers[1]		
Scott Tarriff	59	Chief Executive Officer, Director
Pete A. Meyers	49	Chief Financial Officer
David Pernock[2]	64	President and Chief Operating Officer
Adrian J. Hepner, M.D., Ph.D.	57	Executive Vice President and Chief Medical Officer

(1) As disclosed in our Current Report on Form 8-K filed with the SEC on February 22, 2018, Steven L. Krill's employment with the Company as Executive Vice President and Chief Scientific Officer terminated, effective February 26, 2018.

(2) As disclosed in our Current Report on Form 8-K filed with the SEC on September 26, 2018, the Compensation Committee approved the appointment of David Pernock to the position of Chief Operating Officer, effective as of September 1, 2018.

The following is biographical information for our executive officers:

Scott Tarriff

Scott Tarriff is our founder and has served as our Chief Executive Officer and as a member of our Board since our inception in January 2007. Prior to joining Eagle, Mr. Tarriff held various executive positions at Par Pharmaceutical Companies, Inc., a publicly-traded developer, manufacturer and marketer of specialty pharmaceuticals, including as president and chief executive officer from September 2003 to September 2006, after joining Par in 1998. Mr. Tarriff also served on Par's board of directors from 2002 to September 2006. Prior to that, Mr. Tarriff held various positions with Bristol-Myers Squibb, a publicly-traded biopharmaceutical company, including senior director-marketing. Mr. Tarriff has served as a director of Synthetic Biologics, Inc., a publicly-traded biotechnology company, since February 2012 and as a director of Ziopharm Oncology, Inc., a publicly-traded biotechnology company, since September 2015 and previously served on the board of directors of Clinical Data, Inc., a publicly-traded pharmaceutical company, from September 2009 to April 2011 when Clinical Data was acquired by Forest Laboratories, Inc. Mr. Tarriff holds a B.S. in marketing from Pennsylvania State University and an M.B.A. from Rider College.

Pete A. Meyers

Pete A. Meyers has served as our Chief Financial Officer since May 2017. From April 2016 to January 2017, Mr. Meyers served as the Chief Financial Officer of Motif BioSciences Inc., where he led the execution of the company's November 2016 U.S. initial public offering. From August 2013 to March 2016, Mr. Meyers served as Chief Financial Officer and Treasurer of TetraLogic Pharmaceuticals Corporation, where he led the execution of the company's December 2013 initial public offering and subsequent acquisition of Shape Pharmaceuticals, Inc. Prior to his role at TetraLogic, Mr. Meyers spent 18 years in health care investment banking, holding positions of increasing responsibility at Dillon, Read & Co., Credit Suisse First Boston LLC and, most recently, as Co-Head of Global Health Care Investment Banking at Deutsche Bank Securities Inc. Mr. Meyers currently serves on the Board of Directors of Immutep Ltd, where he chairs the audit committee. Mr. Meyers is also the Chairman and President of The Thomas M. Brennan Memorial Foundation, Inc. Mr. Meyers holds a B.S. in finance from Boston College and an M.B.A. from Columbia Business School.

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David Pernock

David Pernock has served as our President and Chief Commercial Officer from January 2017 through September 2018 and our President and Chief Operating Officer since September 2018. Previously, Mr. Pernock served as a member of our Board from April 2015 until January 2017. Before becoming our President and Chief Commercial Officer in January 2017, Mr. Pernock served as chairman of the board of directors since September 2009 and as chief executive officer since February 2010 of Fibrocell Science, Inc., a publicly-traded autologous cell and gene therapy company. From December 1993 until November 2009, Mr. Pernock held various positions at GlaxoSmithKline, eventually serving as senior vice president of pharmaceuticals, vaccines (biologics), oncology, acute care, and HIV divisions. From May 2009 until February 2011, Mr. Pernock served as a director of Martek Biosciences Corporation. Mr. Pernock holds a B.S. in business administration from Arizona State University.

Adrian J. Hepner, M.D., Ph.D.

Adrian J. Hepner, M.D., Ph.D., has served as our Executive Vice President and Chief Medical Officer since January 2016, and previously served as our Executive Vice President, Clinical Research, Medical & Regulatory Affairs from January 2015 to January 2016. Dr. Hepner has over 25 years of experience in U.S. and international clinical research and drug development. Included in his experience is the development and implementation of the clinical and regulatory strategy for a number of products from early stage development through successful New Drug Application and European Union regulatory filings. After receiving his M.D. degree, Dr. Hepner completed visiting research physician experiences in the Department of Psychiatry at Harvard Medical School, the Department of Neurology at the National Institute of Mental Health, and a post-doctoral fellowship in neuropharmacology at the University of Ottawa. Additionally, he spent 17 years in neuropsychiatry private practice and participated in multiple clinical research studies. Dr. Hepner's pharmaceutical industry experience includes over 15 years of progressively increasing drug development responsibilities. He had a leading role in the regulatory and clinical activities for FDA approval of the first product for pseudobulbar affect, as well as the successful completion of placebo-controlled studies in other indications. Most recently, between July 2013 and December 2014, Dr. Hepner held the role of vice president of clinical research and medical affairs at BioDelivery Sciences International (BDSI), where he led the regulatory review process for the first buccal film approved for the maintenance treatment of opioid dependence and had a critical role in its commercial launch. Prior to BDSI, in 2012, Dr. Hepner was senior medical director at UCB BioSciences, Inc., where he was responsible for global development projects in the central nervous system therapeutic area. He was also vice president of clinical research at Avanir Pharmaceuticals, from 2006 to 2012, and led global clinical research projects in the U.S. and Latin America for IVAX Corporation/Teva Pharmaceuticals from 2000 to 2006.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information with respect to the beneficial ownership of the Company's common stock as of December 31, 2018 for:

- each of our directors and nominees for director;
- each person, or group of affiliated persons, who is known by us to beneficially own more than five percent of our outstanding common stock;
- each of our named executive officers; and
- all of our current directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities, or have the right to acquire such powers within 60 days. Common stock subject to options that are currently exercisable or exercisable within 60 days of December 31, 2018 are deemed to be outstanding and beneficially owned by the person holding the options. These shares, however, are not deemed outstanding for the purposes of computing the percentage ownership of any other person. Except as otherwise indicated, we believe that all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. Percentage ownership calculations are based on 13,914,025 shares outstanding as of December 31, 2018, adjusted as required by rules promulgated by the SEC. Addresses of individuals are c/o Eagle Pharmaceuticals, Inc., 50 Tice Boulevard, Suite 315, Woodcliff Lake, New Jersey 07677.

	Beneficial Ownership	
Name and Address of Beneficial Owner[1]	**Number of Shares (#)**	**Percentage of Total (%)**
More than 5% stockholders:		
Janus Capital Management LLC[2]	1,795,462	12.9
BlackRock, Inc.[3]	1,731,054	12.4
Park West Asset Management LLC[4]	1,050,000	7.6
Hudson Executive Capital LP[5]	971,000	7.0
State Street Corporation[6]	826,735	5.9
The Vanguard Group, Inc.[7]	728,409	5.2
Named Executive Officers and Directors:		
Scott Tarriff[8]	2,064,460	14.3
David Pernock[9]	98,024	*
Pete A. Meyers[10]	33,745	*
Adrian J. Hepner, M.D., Ph.D.[11]	125,992	*
Douglas L. Braunstein[12]	997,666	7.2
Steven Ratoff[13]	82,044	*
Sander Flaum[14]	77,754	*
Michael Graves[15]	1,178,720	8.4
Robert Glenning[16]	26,666	*
Richard A. Edlin[17]	45,073	*
Steven L. Krill[18]	92,435	*
All current directors and executive officers as a group (10 persons)	4,730,144	31.7

* Represents beneficial ownership of less than one percent.

(1)

This table is based upon information supplied by officers, directors and stockholders known by us to be beneficial owners of more than five percent of our common stock as well as public filings with the

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SEC such as Schedules 13G or 13D (and amendments thereto), which information may not be accurate as of December 31, 2018.

(2)

This information is as of December 31, 2018 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 12, 2019. Janus Henderson Group plc has an indirect 97.11% ownership stake in Intech Investment Management and a direct 100% ownership stake in Janus Capital Management LLC ("Janus Capital"), Janus Capital International Limited, Perkins Investment Management LLC Geneva Capital Management LLC, Henderson Global Investors Limited and Janus Henderson, Global Investors Australia Institutional Funds Management Limited (each an "Asset Managers"). Due to the above ownership structure, holdings for the Asset Managers are aggregated for purposes of Janus Capital's Schedule 13G/A filing. Each Asset Manager is an investment adviser registered or authorized in its relevant jurisdiction and each furnishing investment advice to various fund, individual and/or institutional clients (collectively referred to herein as "Managed Portfolios"). As a result of its role as investment advisor or sub-advisor to the Managed Portfolios, Janus Capital may be deemed to be the beneficial owner of 1,795,462 or 12.9% of the shares outstanding of our common stock held by such Managed Portfolios. However, Janus Capital does not have the right to receive any dividends from, or the proceeds from the sale of, the securities held in the Managed Portfolios and disclaims any ownership associated with such rights. The principal address of Janus Capital is 151 Detroit Street, Denver, CO 80206.

(3)

This information is as of December 31, 2018 and is based solely on information contained in the Schedule 13G/A filed with the SEC on January 28, 2019. BlackRock Inc. ("BlackRock") is a parent holding company or control person of various subsidiaries that acquired shares of our common stock reported in this table, of which only BlackRock Fund Advisors beneficially owns 5% or greater of the outstanding shares of our common stock beneficially owned by BlackRock. Various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of our common stock. No one person's interest in our common stock is more than five percent of the total outstanding common shares. The principal address of BlackRock is 55 East 52nd Street, New York, NY 10055.

(4)

This information is as of December 31, 2018 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 14, 2019. Park West Asset Management LLC ("PWAM"), a Delaware limited liability company, is the investment manager to (i) Park West Investors Master Fund, Limited ("PWIMF"), a Cayman Islands exempted company that is the holder of 949,486 shares of our common stock and (ii) Park West Partners International, Limited ("PWPI" and, collectively with PWIMF, the "PW Funds"), a Cayman Islands exempted company that is the holder of 100,514 shares. Peter S. Park ("Park") is the sole member and manager of PWAM. As a result of the above structure, the 1,050,000 shares held in the aggregate by the PW Funds may be deemed to be beneficially owned (x) indirectly by PWAM, as the investment adviser to PWIMF and PWPI, and (y) indirectly by Park, as the sole member and manager of PWAM. The principal address of the PW Funds and Park is 900 Larkspur Landing Circle, Suite 165, Larkspur, California 94939.

(5)

This information is as of January 23, 2019 and is based on information contained in the Form 4 filed with the SEC on January 25, 2019. The principal business of Hudson Executive Capital LP, a Delaware limited partnership ("Hudson Executive"), is to serve as investment adviser to certain affiliated investment funds (the "HEC Funds"). Douglas L. Braunstein, one of our directors, is a managing partner of Hudson Executive and a managing member of Hudson Executive's general partner, HEC Management GP LLC, a Delaware limited liability company, and along with Hudson Executive (as the investment adviser to the HEC Funds), Mr. Braunstein may be deemed to share power to vote or direct the vote of (and share power to dispose or direct the disposition of) the shares of common stock held by Hudson Executive. The principal address of Hudson Executive is c/o Hudson Executive Capital LP, 1185 Avenue of the Americas, 32nd Floor, New York, NY 10036.

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(6)

This information is as of December 31, 2018 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 14, 2019. State Street Corporation ("State Street") is an investment advisor and the beneficial owner of our common stock held on behalf of numerous clients who have the right to receive and the power to direct the receipt of dividends from, or the proceeds of the sale of, such common stock. The principal business address of State Street is State Street Financial Center, One Lincoln Street, Boston, MA 02111.

(7)

This information is as of December 31, 2018 and is based solely on information contained in the Schedule 13F filed with the SEC on February 14, 2019. The address of The Vanguard Group Inc. is 100 Vanguard Blvd. Malvern, PA 19355.

(8)

As of December 31, 2018, Mr. Tarriff beneficially owned 2,064,460 shares of our common stock consisting of (i) 269,918 shares of common stock owned directly by him, (ii) 176,361 shares of common stock held by Janney Montgomery Scott LLC CUST FBO Scott Tarriff IRA for the benefit of Mr. Tarriff (the "IRA Trust"), of which Mr. Tarriff is a trustee and, as such, may be deemed to share voting and dispositive power with respect to all shares held by the IRA Trust, (iii) options to purchase 514,501 shares of common stock exercisable within 60 days of December 31, 2018 and (iv) 1,103,680 shares of common stock held by the Tarriff 2016 Generation Skipping Exempt Family Trust DTD 12/28/2016 (the "Family Trust") for the benefit of Mr. Tarriff's spouse and three children, of which Mr. Graves is the trustee, and as such, while Mr. Tarriff may be deemed to share voting and dispositive power with respect to all shares held by the Family Trust, Mr. Tarriff disclaims beneficial ownership with respect to such shares in the Family Trust, except to the extent of his pecuniary interest therein. Mr. Tarriff's beneficial ownerhip includes 1,242,541 shares of common stock which have been pledged as security, but does not include 63,000 shares of common stock underlying performance-based restricted stock units, or PSUs, that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

(9)

Includes (i) 95,416 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018 and (ii) 1,642 shares of common stock that are issuable upon settlement of restricted stock units, or RSUs, within 60 days of December 31, 2018. Mr. Pernock's beneficial ownership does not include 10,000 shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

(10)

Includes (i) 31,895 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018 and (ii) 1,150 shares of common stock that are issuable upon settlement of RSUs within 60 days of December 31, 2018. Mr. Meyers' beneficial ownership does not include 7,000 shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

(11)

Consists of (i) 124,513 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018 and (ii) 1,479 shares of common stock that are issuable upon settlement of RSUs within 60 days of December 31, 2018. Dr. Hepner's beneficial ownership does not include 9,000 shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

(12)

Includes (i) 66,380 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018 and (ii) the shares of common stock held by Hudson Executive Capital LP, a Delaware limited partnership ("Hudson Executive"), referred to in footnote (3) above. The shares held by Hudson Executive are held for the account of certain private investment funds (the "HEC Funds") for which Hudson Executive acts as investment adviser. Mr. Braunstein controls the general partner of Hudson Executive and indirectly controls the general partner of the HEC Funds.

(13)

Includes of 66,380 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018.

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(14) Includes of 66,380 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018.

(15) As of December 31, 2018, Mr. Graves beneficially owned 1,178,720 shares of our common stock consisting of (i) 1,000 shares of common stock owned directly by him, (ii) options to purchase 74,040 shares of common stock exercisable within 60 days of December 31, 2018 and (iii) 1,103,680 shares of common stock held by the Family Trust for the benefit of Mr. Tarriff's spouse and three children, of which Mr. Graves is the trustee. Mr. Graves disclaims any pecuniary interest with respect to such shares in the Family Trust.

(16) Consists of 26,666 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018.

(17) Includes 15,673 shares of common stock underlying options that are exercisable within 60 days of December 31, 2018.

(18) This information is as of February 26, 2018, the last day of Dr. Krill's employment with us.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our executive officers, directors and persons who beneficially own more than 10% of a registered class of our equity securities to file initial reports of ownership and reports of changes in ownership with the SEC. Officers, directors and greater than ten percent shareholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on a review of copies of such forms submitted to us and written representations that no other reports were required, we believe that all persons subject to the requirements of Section 16(a) filed such reports on a timely basis during the fiscal year ended December 31, 2018.

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EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis provides an overview of the material components of our executive compensation program for the fiscal year ended December 31, 2018, for our "named executive officers" who are listed below. This discussion and analysis is intended to assist you in understanding the information provided in the compensation tables below and to provide additional context regarding our overall compensation program. In addition, we explain how and why our Board and compensation committee determined our compensation policies and made specific compensation decisions for our named executive officers during and for 2018.

Named Executive Officers

Our named executive officers for the fiscal year ended December 31, 2018, are as follows:

Name	Position(s)
Scott Tarriff	Chief Executive Officer
Pete A. Meyers	Chief Financial Officer
David Pernock	President and Chief Operating Officer
Adrian J. Hepner, M.D., Ph.D.	Executive Vice President and Chief Medical Officer
Steven L. Krill, Ph.D.	Former Executive Vice President and Chief Scientific Officer

Executive Officer Changes

Dr. Krill's employment as our Executive Vice President and Chief Scientific Officer terminated effective February 26, 2018. Dr. Pernock was appointed President and Chief Operating Officer effective September 1, 2018; prior to such time, he served as our President and Chief Commercial Officer.

EXECUTIVE SUMMARY

Business Highlights

We founded our Company on the belief that many currently available critical care and oncology injectable products have suboptimal characteristics that do not meet the needs of patients, physicians, nurses or pharmacists. These characteristics can impact safety, shelf life, convenience, waste, cost, and ease of use by practitioners and pharmacy staff. 2018 and the first four months of 2019 demonstrate the validity of this approach as we have begun to see the commercial success of some of our marketed products and have received positive input from the U.S. Food and Drug Administration (the "FDA") on some of our pipeline products.

We believe that 2018 was a transformative year for Eagle as we grew our internal commercial operations and continued to develop our pipeline of potential breakthrough therapies. Some of Eagle's highlights from 2018 and the first four months of 2019 include:

On February 7, 2018, we announced that the United States Patent and Trademark Office ("USPTO") issued another patent related to our RYANODEX® product. Patent number 9,884,044 will expire in June 2022. The USPTO has now issued a total of eight patents in the RYANODEX family of patents expiring between 2022 and 2025, five of which are listed in the Orange Book.

On February 8, 2018, we entered into an amendment (the "Amendment") to the stock purchase agreement dated November 10, 2016 (the "Arsia SPA"), pursuant to which we acquired from Arsia Therapeutics, LLC (the "Seller") all of the outstanding capital stock of Arsia Therapeutics, Inc. (now Eagle Biologics). Pursuant to the Amendment, our obligations to make four separate milestone payments pursuant to the Arsia SPA, which could have aggregated to a total of $48 million, were settled in exchange for a single payment of $15 million by us to the Seller.

On March 27, 2018, we announced that the USPTO issued a new patent to the Company's Eagle Biologics division. Patent number 9,925,263 will expire in March 2036 and is the fourth patent issued in the Eagle Biologics family of patents.

In March 2018, the FDA approved a second manufacturing site for Bendeka.

Eagle's vasopressin injection 1ml abbreviated new drug application ("ANDA") was accepted for filing by the FDA in April 2018. Eagle believes it is first-to-file.

Eagle launched bendamustine hydrochloride 500ml solution ("Big Bag") on May 15, 2018. In February of 2019, the Company achieved peak market share of 10%, according to IQVIA Holdings Inc.

On June 8, 2018, Eagle received a favorable decision by the U.S. District Court for the District of Columbia granting seven years of orphan drug exclusivity ("ODE") in the U.S., for BENDEKA (bendamustine hydrochloride injection, or bendamustine HCl) until December 2022. On February 20, 2019, the FDA issued a decision in favor of Eagle regarding the scope of BENDEKA's ODE, further protecting the longevity of the BENDEKA franchise.

On August 22, 2018, we announced that the USPTO had issued patent number 10,052,385 for BENDEKA. The USPTO has now issued or allowed a total of 16 patents in the BENDEKA family of patents expiring from 2026 to 2033.

On August 23, 2018, we announced that Eagle had been named to the Fortune 100 List of Fastest-Growing Companies, ranking 16th overall, including achieving the #1 positions for EPS 3-year growth of 392% and revenue 3-year growth of 109%.

On August 30, 2018, we announced that we had completed enrollment of the Company's second clinical study to further evaluate the safety and efficacy of RYANODEX for the treatment of exertional heat stroke ("EHS"). The randomized and double-blinded study was conducted at four Emergency Departments in the Makkah region of Saudi Arabia during the 2018 Hajj Season, which took place August 19-24, 2018. The study enrolled seven severely ill EHS patients, and the data was consistent with the data from the study conducted in 2015, in which patients dosed with RYANODEX plus standard of care ("SOC") showed an additive benefit compared to patients receiving SOC only.

On October 3, 2018, we announced that we had entered into an agreement with the United States Army Medical Research Institute of Chemical Defense, the nation's leading science and technology laboratory in the area of medical chemical countermeasures research and development, to conduct a study to evaluate RYANODEX as a neuroprotective treatment for the amelioration of neurological damage due to nerve agent exposure.

On November 27, 2018 we announced positive results of pre-clinical study conducted to evaluate effects of RYANODEX in Acute Radiation Syndrome ("ARS").

On April 15, 2019, we announced an expansion of our BENDEKA licensing agreement. Under the terms of the revised licensing agreement, beginning on October 1, 2019, Eagle's royalty payment will increase from 25% to 30% of BENDEKA net U.S. sales, provided that BENDEKA's orphan drug exclusivity has not been rescinded, withdrawn or waived by such date. The royalty rate will increase by one percentage point on each anniversary of October 1, 2019 until it reaches 32%, and it will remain at 32% thereafter. The revised agreement also extends the U.S. BENDEKA royalty term until it is no longer sold in the United States. The previous U.S. royalty term was set to expire in 2025.

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On April 22, 2019, we announced that the Centers for Medicare & Medicaid Services (CMS) had established a unique, product-specific billing code, or J-code (J9036), for BELRAPZO. The J-code will become effective on July 1, 2019. Eagle's Big Bag product will be sold as BELRAPZO beginning June 3, 2019.

Revenue in 2018 was $213.3 million, compared to $236.7 million in 2017, reflecting revenue growth of 7% when excluding $37.5 million in 2017 milestone payments. Despite the absence of milestone revenue and a $10mm year-over-year increase in non-GAAP R&D expense, we generated EBITDA in 2018 of $71.4 million. Non-GAAP earnings per share in 2018 was $3.87. In 2018, we generated cash flow from operations, excluding receivables build, of $65.0 million. A reconciliation of EBTIDA and non-GAAP earnings per share is provided in Appendix A to this proxy statement.

As part of our stock repurchase plan, we purchased $73.1 million of our shares of our common stock during 2018. From August 2016 through December 31, 2018, Eagle has repurchased $153.9 million of its common stock.

Compensation Highlights

Our compensation committee has carefully considered the significant corporate achievements described above and our transformation as a company in making compensation decisions. Our compensation committee aims to provide our named executive officers with compensation that is dependent upon their individual performance, the performance of our business and our common stock, and consistent with our compensation philosophy. As we have grown and our business has transformed significantly since we first became a public company in 2014, our executive compensation program has also continued to evolve and transform to one appropriate to our size and stage of business. As such, our compensation has varied and our practices may differ from the typical practices of public companies who have been operating for longer periods of time in a less volatile and dynamic environment. Our compensation committee carefully evaluates our compensation arrangements and develops plans and arrangements that it believes are the most appropriate to drive results for our Company and our stockholders, and makes changes as we move forward to ensure that our compensation program aligns our executive officers' compensation with our stockholders' interests and our Company performance over the long-term.

Key features of our executive compensation program include the following:

We tie pay to performance and emphasize "at risk" compensation. Our compensation committee structures a significant portion of our named executive officers' target total direct compensation (consisting of base salary, an annual performance bonus opportunity and equity awards) to be variable, at risk and tied directly to our performance over the short- and long-term. The following chart shows the portion of the 2018 total direct compensation of our Chief Executive Officer and

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our other named executive officers that was "at-risk", consisting of annual performance bonus earned and equity awards granted, as reported in our "2018 Summary Compensation Table:"

The annual performance bonuses are tied to meeting key corporate objectives. Our annual performance bonus opportunities for our named executive officers are tied to our achievement of annual corporate objectives established each year. We also take into account individual named executive officer contributions towards meeting our corporate goals in determining executive bonuses. No bonuses are guaranteed. In 2018, we achieved 85% of our specified corporate objectives for the year and each of our named executive officers received a performance bonus of approximately 85% or less of his target annual performance bonus opportunity. We did not pay any discretionary bonuses to our named executive officers in 2018.

We emphasize long-term incentive compensation, and we granted performance-vesting restricted stock unit awards, or PSUs for the first time in 2018. Equity awards are an integral part of our executive compensation program, and comprise the primary "at-risk" portion of our named executive officers' compensation packages. We have traditionally granted stock options, which we believe are "performance-based" and strongly align the interests of our executive officers and stockholders. In 2018, we also granted performance-vesting restricted stock units, or PSUs, that are only earned if we achieve rigorous performance objectives that create significant value for our stockholders. More than 50% of the Chief Executive Officer's 2018 equity award consists of PSUs and more than 50% of our other named executive officers' 2018 equity award consists of PSUs and restricted stock unit, or RSU, awards, based on the grant date fair value of the equity awards as reported in our Summary Compensation Table.

We engage with our stockholders to understand their views on our executive compensation program and make changes where appropriate, as described in the section below entitled "Stockholder Engagement and Actions in Response to Advisory Vote on Named Executive Officer Compensation."

We maintain stock ownership and holding guidelines. We maintain ownership and holding guidelines, which ensure that our executive officers maintain a meaningful equity stake in our Company. Under these guidelines, our Chief Executive Officer must own equity interests with a value equal to six times his annual base salary and each of our other named executive officers

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must own equity interests with a value equal to two times his respective annual base salary, as well as retain a certain percentage of the shares acquired from equity awards if the ownership guidelines are not met under certain circumstances.

We generally do not provide any executive fringe benefits or perquisites to our named executive officers, such as car allowances, personal security, or financial planning advice.

Our compensation committee retains an independent compensation consultant to provide assistance in the discharge of its responsibilities. Our compensation committee has engaged Compensia, a national compensation consulting firm, which advises the compensation committee on market practices so that our compensation committee can regularly assess our executive compensation program against our peer companies, the general marketplace and other industry data points.

Realizable Pay and Alignment with Company Performance

Because we provide a significant portion of target total direct compensation in the form of "at-risk" equity awards, evaluating the compensation that is actually realizable by our Chief Executive Officer provides an important perspective to understanding of the alignment between his pay and our Company's performance and stockholder interests. Realizable pay recognizes the impact of actual financial and stock performance in the returns available (or "realizable") by the executive. In contrast, reported pay (which reflects the grant date fair value for equity awards reported in the Summary Compensation Table) estimates the expected value of compensation on the day it was granted, in accordance with financial accounting standards.

The following chart shows our indexed total stockholder return ("TSR") for 2016, 2017 and 2018, the past three fully-completed years in which we have been a publicly-traded company, with both our Chief Executive Officer's total reported compensation as well as his "realizable" pay, which reflects base salary and annual performance bonus earned and values stock options, RSUs and PSUs granted during the year using their "intrinsic" value as of the end of the applicable year, which is the value the award could deliver as of such time (whether or not time-vesting requirements are met for vesting or exercise). Indexed TSR is the return associated with a hypothetical $100 investment in our common stock at the beginning of the relevant period. The following chart also shows, for comparative purposes, the 2016, 2017 and 2018 average indexed TSR of the compensation peer group we used for purposes of setting 2018 compensation,

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as described below "Use of Competitive Market Data", excluding Sucampo Pharmaceuticals which was no longer publicly traded as of the end of 2018.

CEO Pay vs. Indexed TSR Performance

The chart above demonstrates that while reported pay is the measure required to be disclosed in our "Summary Compensation Table", it is not the measure that best reflects the compensation paid to our Chief Executive Officer, nor the amount that can best be compared to our stock price in evaluating whether our Chief Executive Officer's compensation is aligned with our stockholders' interests. Due to the decline in our stock price after the grant of stock options in January 2016, 2017 and 2018, all of our Chief Executive Officer's unvested stock options were "underwater" at the end of the year. As a result, the stock options granted in 2018 had zero realizable value as of the end of 2018, despite the fact that they are reported in the 2018 Summary Compensation Table as having a value of approximately $4.2 million. Options granted to our Chief Executive Officer in 2017 and 2016 also continued to be "underwater" as of the end of 2018.

Over the prior three year period, our TSR has declined and our Chief Executive Officer's three-year average realizable pay represents only 17% of three-year average reported pay. In 2018, our TSR declined and our Chief Executive Officer's realizable pay represented only 13% of the value of his reported pay. 2018 reported pay reflected a $5.68 million expected value for PSUs under financial accounting rules, however these PSUs had zero realizable at the end of 2018 as a result of our stock price performance; these awards would only have realizable value if stock price increased more than 200% from its value at the end of 2018. Realizable pay increased 11% in 2018 primarily as a result of our Chief Executive Officer's performance bonus payment reflecting our 85% corporate goal achievement, compared to our 70% corporate goal achievement in 2017.

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STOCKHOLDER ENGAGEMENT AND ACTIONS IN RESPONSE TO ADVISORY VOTE ON EXECUTIVE COMPENSATION

At our 2018 Annual Meeting of Stockholders, we held our third "say on pay" advisory vote. Our stockholders approved, on an advisory basis, the compensation of our named executive officers, as disclosed in our 2018 proxy statement. The proposal was supported by approximately 97% of the total votes cast, a 34% increase over our 2017 "say on pay" vote. We believe this increase of support was, in part, the result of the stockholder outreach that we commenced and changes we made to our executive compensation program over the past two years. Following the 2017 "say on pay" advisory vote, members of our management, and in some cases members of our compensation committee and Board, actively engaged in a dialogue with a significant number of our large stockholders to gain a better understanding of their views regarding our executive compensation program as well as other corporate governance matters. Specifically, we reached out to approximately 30 of our largest stockholders representing over 70% of our outstanding common stock. We held informative discussions with several of our largest stockholders who expressed interest in speaking with us. We continued outreach and dialogue with our large stockholders in 2018. Our compensation committee's primary actions resulting from our 2017 and 2018 "say on pay" advisory votes and stockholder outreach were as follows:

- *We changed the mix of our long-term incentive compensation for 2018.* 50% of our CEO's 2018 annual equity award was delivered in the form of PSUs and 50% of our other named executive officers' 2018 annual equity awards was delivered in a combination of RSUs and PSUs. Several of our large stockholders with whom we engaged acknowledged the value of stock options within our industry and stage of development and expressed an appreciation for the use of stock options as an effective tool in aligning pay with performance. However, many of these same stockholders also expressed a preference that a portion of our long-term equity incentives be granted in the form of RSUs and awards that are earned based on the achievement of specific performance objectives.

- We provide greater clarity and transparency in our disclosure of our executive compensation program. Some of our stockholders expressed a desire to better understand our annual performance-bonus program and how we use market data to make executive compensation decisions. We have continued to improve our proxy disclosure to describe in greater clarity the holistic process the compensation committee uses to determine executive compensation. In this compensation discussion and analysis, we include the specific performance goals and weightings on which our performance-bonus program is based, and we also clarify that we do not set executive compensation to a particular 'benchmark' percentile of market data.

Our compensation committee will monitor and continue to evaluate our executive compensation program going forward in light of our stockholders views and our transforming business needs. Our compensation committee expects to continue to consider the outcome of our "say on pay" votes and our stockholders' views when making future compensation decisions for our named executive officers.

OVERVIEW OF OUR EXECUTIVE COMPENSATION PROGRAM

Objectives, Philosophy and Elements of Compensation

The overall objectives of our executive compensation program, including the related policies and practices are to:

- attract, retain and motivate superior executive talent;

- provide incentives that reward the achievement of performance goals that directly correlate to the enhancement of stockholder value, as well as to facilitate executive retention; and

- align our executives' interests with those of our stockholders through long-term incentives.

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Our executive compensation program generally consists of, and is intended to strike a balance among, the following three principal elements: base salary, annual performance bonuses and long-term incentive compensation in the form of equity awards. We also provide our executive officers with severance and change-in-control payments and benefits, as well as other benefits generally available to all our employees, including retirement benefits under our 401(k) plan and participation in employee benefit plans. The following table summarizes these three principal elements, their objectives and key features.

Element of Compensation	**Objectives**	**Key Features**
Base Salary **(fixed cash)**	Provides financial stability and security through a fixed amount of cash for performing job responsibilities.	Generally reviewed annually at the beginning of the year and determined based on a number of factors (including individual performance, internal parity, retention, expected cost of living increases and the overall performance of our Company) and by reference to market data provided by our compensation committee's compensation consultant.
Performance Bonus **(at-risk cash)**	Motivates and rewards for attaining rigorous annual corporate performance goals that relate to our key business objectives.	Target annual performance bonus opportunities, which are expressed as a percentage of base salary, are generally reviewed annually and determined based upon positions that have similar impact on the organization and competitive bonus opportunities in our market. Actual bonus payments are dependent upon the achievement of specific corporate performance objectives, generally determined by our compensation committee and our Board. Actual bonus amounts earned are determined after the end of the year, based on achievement of the designated corporate performance objectives and individual executives' performance and contributions to these corporate achievements.
Long-Term Incentive **(at-risk equity)**	Motivates and rewards for long-term company performance; aligns executives' interests with stockholder interests and changes in stockholder value. Attracts highly qualified executives and encourages their continued employment over the long-term.	Annual equity awards are generally reviewed and determined at the beginning of each year or as appropriate during the year for new hires, promotions, or reward for significant achievement. Individual awards are determined based on a number of factors, including current corporate and individual performance, outstanding equity holdings and their retention value and total ownership, historical value of our stock, internal parity among executives and competitive market data provided by our compensation committee's compensation consultant. Equity awards have been historically provided in the form of stock options that typically vest over a four-year period. Stock options are a key aspect of our "pay-for-performance" philosophy, by providing a return only if the market price of our stock appreciates over the stock option term. In 2018, we granted RSUs and PSUs to our executives to further align their pay with performance.

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In evaluating our executive compensation program and policies, as well as the short-term and long-term value of our executive compensation plans and arrangements, our compensation committee (on behalf of our Board) focuses on providing a competitive compensation package that provides significant short-term and long-term incentives for the achievement of measurable corporate objectives and individual contribution towards our corporate performance. We believe that this approach provides an appropriate blend of short-term and long-term incentives to maximize stockholder value.

We do not currently have any formal policies for allocating compensation among base salary, annual performance bonuses and equity awards, short-term and long-term compensation or among cash and non-cash compensation. Instead, our compensation committee uses its judgment to establish a target total direct compensation opportunity for each named executive officer that is a mix of current, short-term and long-term incentive compensation, and cash and non-cash compensation, that it believes appropriate to achieve the goals of our executive compensation program and our corporate objectives. However, a significant portion of our named executive officers' target total direct compensation opportunity is comprised of "at-risk" compensation in the form of an annual performance bonus opportunity and equity awards tied to stockholder returns, in order to align their incentives with the interests of our stockholders and our corporate objectives.

HOW WE DETERMINE EXECUTIVE COMPENSATION

Role of our Compensation Committee and Executive Officers in Setting Executive Compensation

As further described above, our compensation committee, comprised entirely of independent directors, is responsible for administering our executive compensation program and operates under a written charter. Among other things, the role of our compensation committee is to oversee our executive compensation program, policies, practices and plans, and to review and determine, as appropriate, the compensation to be paid to our executive officers and the non-employee members of our Board. As necessary, and if deemed appropriate by our compensation committee, the compensation committee may also make recommendations to the full Board for approval of certain compensation decisions relating to our named executive officers.

In making its executive compensation determinations, our compensation committee and, if applicable, the full Board, considers recommendations from our Chief Executive Officer for our executive officers (other than himself). In making his recommendations, our Chief Executive Officer has access to various third party compensation surveys and compensation data provided by our compensation committee's compensation consultant, as described below. While our Chief Executive Officer discusses his recommendations for the other executive officers with our compensation committee, he does not participate in the deliberations concerning, or the determination of, his own compensation. In addition to our Chief Executive Officer, our Chief Financial Officer, as well as members of our management and our legal department also attend compensation committee meetings from time to time and may take part in discussions of executive compensation. From time to time, various other members of management and other employees as well as outside advisors or consultants may be invited by our compensation committee to make presentations, provide financial or other background information or advice or otherwise participate in compensation committee meetings. No executive officer is present during voting or deliberations on his or her own compensation.

Role of our Compensation Consultant

Our compensation committee has the sole authority to retain compensation consultants to assist in its evaluation of executive compensation, including the authority to approve the consultant's reasonable fees and other retention terms. As in prior years, for purposes of evaluating 2018 compensation for each of our executive officers and making 2018 compensation decisions, our compensation committee retained Compensia, a national compensation consultant, to assist it in reviewing our executive compensation

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program and to ensure that our compensation program remains competitive in attracting and retaining talented executives.

During 2018, Compensia assisted our compensation committee in selecting a group of peer companies to use as a reference in understanding the competitive market, evaluating current pay practices and philosophies and considering compensation and corporate governance best practices. As described further below, Compensia also prepared an analysis of our compensation practices with respect to base salaries, annual bonuses and long-term incentive compensation compared to competitive market practices. Compensia reports directly to our compensation committee, which maintains the authority to direct their work and engagement, and advises the compensation committee from time to time. Compensia interacts with management to gain access to company information that is required to perform its services and to understand the culture and policies of our organization.

Our compensation committee has considered whether the work of Compensia has raised any conflict of interest, taking into account the following factors: (i) the amount of fees paid to Compensia, as a percentage of the firm's total revenue; (ii) the provision of other services to us by Compensia; (iii) Compensia's policies and procedures that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the individual compensation advisors with any member of the compensation committee; (v) any business or personal relationship of Compensia or the individual compensation advisors employed by the firm with any of our executive officers and (vi) any shares of our common stock owned by the individual compensation advisors employed by Compensia. Based on the above factors, our compensation committee has concluded that the work of Compensia and the individual compensation advisors employed by Compensia has not created any conflict of interest.

Use of Competitive Market Data

We strive to attract and retain the most highly qualified executive officers in an extremely competitive market. Accordingly, our compensation committee believes that it is important when making its compensation decisions to be informed as to the competitive market for executive talent, including the current practices of comparable public companies with which we compete for such talent. Consequently, our compensation committee reviews market data for each executive officer's position, compiled by Compensia as described below.

Our compensation committee used a group of peer companies, developed with the assistance of Compensia, as a reference point in making 2018 executive compensation decisions. This compensation peer group was selected from among publicly-traded specialty pharmaceutical and biotechnology companies, based on the comparability of our market capitalization, and our business models. As of late 2017, the peer companies market capitalizations ranged, based on the 25^{th} to 75^{th} percentiles, between \$624 million and \$2.25 billion; at such time, our market capitalization fell at approximately the 30^{th} percentile of the companies in the peer group. This compensation peer group, which is referred to herein as our 2018 peer group, consisted of the following 18 publicly-traded companies:

Acorda Therapeutics	*Emergent BioSolutions*	*Nektar Therapeutics*
Akorn	*Horizon Pharma*	*Pacira Pharmaceuticals*
Alkermes	*Impax Laboratories*	*PDL BioPharma*
AMAG Pharmaceuticals	*Insys Therapeutics*	*Seattle Genetics*
Amphastar Pharmaceuticals	*Lannett Co.*	*Sucampo Pharmaceuticals*
Depomed	*The Medicines Co.*	*Supernus Pharmaceuticals*

Our compensation committee believes that the companies selected for the 2018 peer group were comparable to us, and represented our labor market for talent for key leadership positions at the time the compensation decisions for 2018 were made.

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Our compensation committee did not "benchmark" the compensation of any of our named executive officers to a specific percentile of the compensation data derived from our 2018 peer group. Rather, our compensation committee reviews compensation data from the 2018 peer group companies, referred to as the market data, as reference points in making executive compensation decisions. Our compensation committee's general aim is for total executive compensation to remain competitive with the market, with individual amounts varying as appropriate based on corporate and individual executive performance, and other factors deemed to be appropriate by our compensation committee. Due to our limited history as a public company and our evolving and growing business, we have not developed a specific market positioning that we consistently aim for in setting compensation levels; instead our compensation committee determines each element of compensation, and total target cash and direct compensation, for each named executive officer based on various facts and circumstances appropriate for us in any given year. Competitive market positioning is only one of several factors, as described below under "Factors Used in Determining Executive Compensation," that our compensation committee considers in making compensation decisions, and therefore individual named executive officer compensation may fall at varying levels as compared to the market data.

Factors Used in Determining Executive Compensation

Our compensation committee sets the compensation of our executive officers at levels it determines to be competitive and appropriate for each named executive officer, using its professional experience and judgment. Compensation decisions are not made by use of a formulaic approach or benchmark; our compensation committee believes that these decisions require consideration of a multitude of relevant factors that may vary from year to year. In making executive compensation decisions, our compensation committee generally takes into consideration the factors listed below.

- Corporate performance and business needs
- Each named executive officer's individual performance, experience, job function, change in position or responsibilities, and expected future contributions to our company
- Internal pay parity among our named executive officers and positions
- The need to attract new talent to our executive team and retain existing talent in a highly competitive industry
- A range of market data reference points (generally the 25th, 50th, 60th and 75th percentiles of the market data), as described above under " Use of Competitive Market Compensation Data"
- The total compensation cost and stockholder dilution resulting from executive compensation actions
- Trends and compensation paid to similarly situated executives within our market
- Compensia's recommendations
- A review of each named executive officer's total targeted and historical compensation and equity ownership
- Our Chief Executive Officer's recommendations, based on his direct knowledge of the performance by each named executive officer and his review of competitive market data

2018 EXECUTIVE COMPENSATION PROGRAM

Annual Base Salary

In January 2018, our compensation committee increased the base salaries of each of our named executive officers by approximately three percent. Although some named executive officer's base salaries fell well below the median of the market data, the compensation committee kept base salary increases minimal to adjust for cost of living increases, to provide consistency across the executive team for internal parity purposes and because, particularly in the case of our Chief Executive Officer (whose base salary fell below the 25th percentile of the market data), our compensation committee wanted to emphasize the 'at risk' components of pay rather than fixed cash compensation.

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Our named executive officers' 2018 annual base salaries and increases from each of their base salaries in effect as of the end of 2017, were as follows:

Named Executive Officer	2018 Base Salary[1]	Increase from 2017 Base Salary
Scott Tarriff	$ 769,000	3%
Pete A. Meyers	$ 412,000	3%
David Pernock	$ 530,000[2]	3%
Adrian J. Hepner, M.D., Ph.D.	$ 424,000	3%
Steven L. Krill, Ph.D.	$ 424,000	3%

(1) All base salaries listed in the table were effective as of January 1, 2018.

(2) Mr. Pernock's base salary was subsequently increased to $568,000 effective as of October 1, 2018 in connection with his promotion to Chief Operating Officer. This increase represented the amount the compensation committee determined, based on their judgment, appropriately reflected Mr. Pernock's increased responsibilities as Chief Operating Officer.

Annual Performance Bonuses

Our annual performance bonus program for 2018 was developed by our compensation committee and approved by the independent members of our Board. Under the program, each named executive officer was eligible to earn a performance bonus based on the achievement of corporate objectives established by our Board for the year, based on his target annual performance bonus opportunity, expressed as a percentage of his base salary, or target bonus percentage.

For 2018, the compensation committee maintained the same target bonus percentages for our named executive officers that were in place for 2017. Our Chief Executive Officer's performance bonus target percentage was larger than the target bonus percentages of our other named executive officers because he has a greater impact on, and responsibility for, our corporate performance. Our other named executive officers' performance bonus target percentages were set at the same level to promote internal parity among the executive team. No specific individual goals were established for any of our named executive officers for 2018, and accordingly each of our named executive officers' performance bonuses were intended to be tied to our corporate performance objectives. Because each named executive officer is responsible for contributing to the achievement of the corporate performance goals, individually and as part of the leadership team, his individual contribution towards our achievement of the corporate performance goals was considered by the compensation committee in approving individual bonus awards.

The 2018 corporate performance goals on which the annual performance bonuses were based were cross-functional in nature designed to require collaboration among all named executive officers and their respective areas of responsibility to achieve success. Their attainment of the goals was intended to give us the best positioning for future growth while delivering short term benefits thus aligning the interests of our named executive officers with those of our stockholders. In December 2018, our compensation committee reviewed and approved, and the independent members of our Board approved, the extent to which we achieved each of our corporate performance goals. Given the results, our compensation committee and independent members of the Board determined that we met our corporate goals at an 85% overall level.

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Each of the 2018 corporate goals evaluated is listed below followed by a description of our achievement in relation to such goal:

GOALS AND WEIGHTINGS	ACHIEVEMENTS
Bendeka (15%)	Achieved goals based on the following:
Complete second source fill/finish supplier	Qualified a second manufacturing site for the manufacture of our bendamustine products.
Maintain continuous supply	Maintained continuous supply of bendamustine throughout 2018.
Ryanodex (25%)	Partially achieved goals based on the following:
Increase market share and hospital access	We captured approximately 65% of the U.S. revenue generated by sales of Dantrolene in 2018.
Establish clear path forward with FDA regarding EHS clinical study	Hospital access increased on a year over year basis.
Initiate and run clinical EHS study resulting in a statistically significant outcome	Agreed on a path forward with the FDA and conducted a clinical trial relating to EHS at the Hajj in Saudi Arabia.
Manage revenue and expenses to optimize long-term asset value	Commenced enrollment in a study to evaluate the neuroprotective effects of Ryanodex in collaboration with the United States Army Medical Research Institute of Chemical Defense.
Plan and initiate animal study relating to neuro protective effects of Ryanodex against nerve agent exposure	
	Achieved positive results in a pre-clinical study conducted to evaluate effects of Ryanodex in Acute Radiation Syndrome.
	Achieved year over year increase in sales of 15%.
Fulvestrant (25%)	Goal not achieved based on the following:

Complete bioequivalence study for successful primary PK endpoints	Fulvestrant did not meet the primary bioequivalence endpoints evaluating our formulation compared to Fulvestrant in its open label, randomized, pharmacokinetic and safety study.
Develop a "next-steps" plan to meet with FDA if C-Max and/or AUC are not successful	As a result of this outcome we turned our primary focus on advancing the development of other products in our pipeline; however we continue to review the fulvestrant data for a path forward.

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Pemetrexed (5%)	Achieved goal based on the following:
Progress in PIV litigation	Progressed the PIV litigation, completing considerable fact discovery, filing a motion for judgment on the pleadings of non-infringement, and submitting claim construction briefing. Trial is scheduled to begin on September 9, 2019.
Vasopressin (10%)	Achieved goals based on the following:
File ANDA, FDA acceptance	Submitted our abbreviated new drug application (ANDA) for vasopressin, 1 ml in January 2018.
Initiate litigation	Accepted by the FDA March 2018.
	Proceeding with PIV litigation.
Budget (10%)	Achieved goals based on the following:
Revenue achievement	Total revenue for the twelve months ended December 31, 2018 was $213.3 million, compared to $236.7 million in 2017, reflecting revenue growth of 7% when excluding milestone payments.
Non-GAAP EPS achievement	2018 adjusted non-GAAP net income was $59.2 million, or $4.01 per basic and $3.87 per diluted share, compared to adjusted non-GAAP net income of $69.0 million, or $4.57 per basic and $4.34 per diluted share in 2017.
	From August 2016 through December 31, 2018, we repurchased $154.0 million of our common stock.
Biologics Division (5%)	
Complete one or more exploratory development opportunities	Goal not achieved.
General (5%)	Goal achieved based on the following:

Corporate tax structure optimization and optimized cash tax for the Company	We worked with tax advisors to establish steps to maximize the value of our intellectual property portfolio, which we expect to execute in 2019.
	Our finance team led a multi-department initiative to secure historical R&D tax credits and maximize the value of recent tax reforms.

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Additional Goals: In addition to the goals outlined above, the management team would have an opportunity to earn up to 100% of target bonuses based on the achievement of the following goals:	Partially achieved goals based on the following:
Finalize the litigation with the FDA regarding orphan drug exclusivity	In June 2018 the U.S. District Court for the District of Columbia issued a decision requiring the FDA to recognize seven years of orphan drug exclusivity in the U.S. for Bendeka, and in July 2018 the FDA recognized such ODE until December 7, 2022.
First to file status for Vasopressin	Based upon information available to company we believe we are first to file for Vasopressin.
Expansion of licensing opportunities beyond US market	We engaged in a competitive bid process for the right to commercialize one of our products in Australia and New Zealand, and expect to enter into a definitive agreement in 2019.
Total shareholder return exceeding certain thresholds	
Revenue and EPS exceeding certain targets	

In evaluating the individual performance of our named executive officers, our compensation committee considered each person's contribution to, collaboration in, and management of the effort that went into our success. Our compensation committee approved and recommended to our Board, and the independent members of our Board approved, a performance bonus payment to each of our named executive officers under our 2018 annual performance bonus program in amounts that varied depending on such individual considerations. Each of our named executive officer's actual bonus payment, as a dollar amount and a percentage of his target annual performance bonus opportunity, as well as the target bonus amount on which such bonus was based, is shown in the table below:

Named Executive Officer	2018 Target Bonus (% of Base Salary)	2018 Target Bonus ($)	2018 Actual Bonus ($)	Actual Bonus as a % of Target Bonus
Scott Tarriff[(1)]	100%	$ 769,000	$ 654,000	85%
Pete A. Meyers[(2)]	60%	$ 247,000	$ 210,000	85%
David Pernock[(3)]	60%	$ 341,000	$ 289,000	85%
Adrian J. Hepner, M.D., Ph.D.[(4)]	60%	$ 255,000	$ 204,000	80%
Steven L. Krill, Ph.D.[(5)]	60%	$ 255,000	$ 42,436	17%

(1) Mr. Tarriff received a performance bonus payment equal to 85% of his target annual performance bonus opportunity which included recognition of his leadership in managing the executive team, the execution of the organization against his vision for the Company, including the launch of Eagle's Bendamustine, new business opportunities for short-term and long-term stockholder value creation, and his contribution to the company pipeline in 2018.

(2) Mr. Meyers received a performance bonus payment equal to 85% of his target annual performance bonus opportunity which included recognition of his management of our accounting, financial planning and analysis, treasury and optimized tax operations, capital structure optimization, R&D tax credits, and cost containment.

(3) Mr. Pernock received a performance bonus payment equal to 85% of his target annual performance bonus opportunity which included recognition of his leadership as our President and Chief Operating Officer managing the business. In addition to overseeing new

development opportunities and managing corporate operational needs, Mr. Pernock led our company efforts on Eagle's Bendamustine launch and increased Ryanodex hospital access and market share.

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(4)
Dr. Hepner received a performance bonus payment equal to 80% of his target annual performance bonus opportunity which included recognition of his efforts regarding our fulvestrant product development, including the related clinical study, additional pipeline progression on indications for Ryanodex including Nerve Agents and Acute Radiation Syndrome (ARS), and the vasopressin ANDA filing.

(5)
Dr. Krill received a pro-rata portion of his performance bonus payment because he ceased providing services to us in February 2018.

In recommending and approving the annual performance bonus payments above to our named executive officers in late 2018, our compensation committee also reviewed each named executive officer's total cash and equity compensation for 2018 against the competitive market data for our peer companies as of such time as a reference point. With respect to each of our named executive officers, our compensation committee believed that his bonus payment was appropriate in recognition of the achievement of all of our corporate objectives at 85% of target.

Long-Term Equity-Incentives

We have historically granted equity awards to our named executive officers exclusively in the form of stock options. In connection with its 2018 compensation decisions, our compensation committee evaluated the appropriate form of equity compensation for us and, as a result of stockholder feedback, determined that our long-term incentive compensation program for our named executive officers would incorporate "full value" awards for the first time, in addition to stock options. The compensation committee structured 50% of the target value of each named executive officer's equity award to consist of such full value awards. The compensation committee determined that all of the "full value" awards granted to the Chief Executive Officer would be in the form of performance-vesting restricted stock units, or PSUs, in order to emphasize the performance-based component of his grant, and 50% of the target value of each of the other named executive officer's "full value" awards would be in the form of PSUs and 50% of the target value would be in the form of time-vesting restricted stock units, or RSUs.

The compensation committee determined that time-based stock options would continue to be part of the 2018 equity awards to our named executive officers because our compensation committee believes that stock options are inherently performance-based, and automatically link executive pay to stockholder return, as the value realized, if any, from an award of stock options is dependent upon, and directly proportionate to, future appreciation in our stock price. Regardless of the reported value in the Summary Compensation Table, our named executive officers will only receive value from their stock option awards if the market price of our common stock increases above the market price of our common stock at the time of grant, and remains above such price as the stock options continue to vest. Stock options also do not have downside protection, and the awards will not provide value to the holder when the stock price is below the exercise price.

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The equity awards approved by our compensation committee and the independent members of our Board in January 2018 for our named executive officers are reflected in the table below.

Named Executive Officer	Stock Option Grant (# shares)	RSU Grant (# shares)	PSU Grant (Target # shares)
Scott Tarriff	157,000		63,000
Pete A. Meyers	37,000	7,000	7,000
David Pernock	50,000	10,000	10,000
Adrian Hepner, M.D., Ph.D.	43,000	9,000	9,000
Steven L. Krill[(1)]	15,000	3,000	3,000

(1) Dr. Krill ceased serving as our Executive Vice President and Chief Scientific Officer on February 26, 2018. None of the option awards, RSU awards or PSU awards granted in January 2018 were vested as of February 26, 2018, and therefore, none were exercisable at that time and were forfeited.

The options and RSUs vest over a four-year period subject to the executive officer's continued service. The compensation committee structured the PSUs to be eligible to vest, if at all, at the end of a three-year performance period dependent on (1) our stock trading at or above certain specified prices for at least 30 consecutive trading days, or the stock performance goals, and (2) the executive officer's continuous service. The compensation committee carefully designed the stock performance goals to be rigorous and significantly more challenging than the market practices utilized by our peer companies in order to provide significant incentives and payout opportunities to our executives upon considerable increases in stockholder value over a sustained period of time. The stock performance goal required for target PSUs to vest was $85.92, which represented an approximately 60% increase in market price of our stock, measured as of the time of design in late 2017. Any performance short of this goal would result in no PSUs vesting. Additional PSUs are eligible to vest, up to a maximum of 3x the target PSUs, if our market stock price exceeds the stock performance goal by meaningful amounts. Specifically, 2x of the target PSUs would vest at a stock performance goal of $110.00 per share, 2.5x of the target PSUs would vest at a stock performance goal of $120.00 per share and 3x of the target PSUs would vest at a stock performance goal of $134.25 per share; this maximum goal required us to achieve a record all-time share price high over a sustained 30-day period representing a 150% increase in share value. In no event will more than 3x the target PSUs vest.

In determining the appropriate amount of each named executive officer award, our compensation committee considered each named executive officer's current equity holdings, and in particular the fact that our executives held little to no unvested "in-the-money" stock options that served as a retention tool. The compensation committee also considered potential dilution of our share reserves, as well as each named executive officer's individual performance, total pay opportunities, and market data provided by Compensia. Our compensation committee used its subjective judgement to determine the amounts it believed were appropriate for each named executive officer, weighing the factors listed above.

In setting the 2018 equity award share amounts, the compensation committee was particularly mindful that the 2018 equity awards offered the opportunity to earn significant amounts, but only if our share price increased to unprecedented levels where our stockholders would receive considerable increases in value. The grant date value of the PSUs as reported in our Summary Compensation Table and valued under financial accounting principles, reflects a sizable increase from the grant date value of the stock options granted in 2017 for our Chief Executive Officer, as a result of the accounting methodology for valuing these types of market-based PSUs as of the grant date. Under such methodology, each PSU is reported in the Summary Compensation Table based on a per-share value of approximately $90, whereas our stock price on the date of grant was $58 and, unlike RSUs, the PSUs have zero value if our stock price does not increase significantly over a sustained period.

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OTHER FEATURES OF OUR EXECUTIVE COMPENSATION PROGRAM

Agreements with our Named Executive Officers

Our Chief Executive Officer entered into an employment agreement and our other named executive officers each signed offer letters of employment upon their joining the Company. Each of these agreements established the named executive officer's starting base salary, initial target annual performance bonus opportunity, and initial option grant. These individuals' base salaries, annual performance bonus opportunities and any equity awards are reviewed annually by our compensation committee and have subsequently been increased, most recently to the amounts described above in this Compensation Discussion and Analysis.

Severance and Change in Control Benefits

Each of our named executive officers has entered into a Letter Agreement Regarding Equity Awards, or the Letter Agreement, setting forth his eligibility for equity award vesting acceleration. The Letter Agreement provides that, if in connection with a "Change in Control" (as defined in the applicable equity plan), an equity award is assumed or continued by, or substituted for a similar award of the successor or acquiror entity and the award holder experiences a "Qualifying Termination" (as defined in the Letter Agreement) within 90 days prior to or 12 months following such change in control, any unvested portion of any applicable equity award will become fully vested; and, if in connection with a change in control an equity award will terminate and not be assumed or continued by, or substituted for a similar award of, the successor or acquiror entity, then, any unvested portion of any applicable equity award will become fully vested, subject to the consummation of such change in control. The Letter Agreement amended the terms of all previously granted and outstanding equity awards under our 2007 Plan and 2014 Plan, and unless otherwise provided by us at the time of grant, will apply to all future equity awards.

In addition, we maintain an Officer Severance Benefit Plan, or the Severance Plan, under which each of the named executive officers are eligible to receive severance payments and benefits upon a termination of employment without Cause (as defined in the Severance Plan). Such payments and benefits include (i) base salary continuation and payments for continuation of coverage under COBRA for six months, (ii) a pro-rata portion of his annual bonus for the performance period in which the termination occurs and (iii) certain outplacement benefits.

In addition, our Chief Executive Officer and President are eligible to receive severance payments and benefits under the terms of their employment agreements, as described below under "Potential Payments upon Termination or Change in Control."

Our compensation committee periodically reviews the severance and change in control payments and benefits that we provide, including by reference to market data, to ensure they remain appropriately structured and at reasonable levels. The compensation committee believes that that severance protection payments and benefits are necessary to provide stability among our executive officers, serve to focus our executive officers on our business operations, and avoid distractions in connection with a potential change in control transaction or period of uncertainty.

A more detailed description of the Severance Plan and each of our named executive officer payment and benefit levels thereunder and other severance and change in control payments and benefits is provided below under "Potential Payments upon Termination or Change in Control."

We entered into a separation agreement with Mr. Krill in February 2018. Pursuant to the agreement, in exchange for a full general release of claims, we agreed to provide the payments and benefits specified in the Severance Plan upon a termination without Cause, as described above.

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Welfare and Health Benefits

Our named executive officers are eligible to participate in all of our benefit plans, such as the 401(k) plan (see the section below titled "401(k) Plan"), medical, dental, vision, short-term disability, long-term disability, group life insurance and our 2014 Employee Stock Purchase Plan, in each case generally on the same basis as other employees. We do not currently have qualified or nonqualified defined benefit plans or deferred compensation plans, nor do we offer pension or other retirement benefits other than our 401(k) plan. Our Board may elect to adopt such plans in the future if it determines that doing so is in our best interests.

Perquisites and Other Benefits

We typically do not offer perquisites or personal benefits to our named executive officers; we may from time to time provide reasonable relocation or signing bonuses to our named executive officers as our compensation committee determines appropriate to assist such individuals to commence employment with us.

401(k) Plan

We maintain a 401(k) profit sharing plan, or 401(k) plan, for our employees. Our named executive officers are eligible to participate in the 401(k) plan on the same basis as our other employees. The 401(k) plan is intended to qualify as a tax-qualified plan under Section 401(k) of the Internal Revenue Code, or the Code. The 401(k) plan provides that each participant may contribute up to the lesser of 75% of his or her compensation or the statutory limit, which was $18,500 for calendar year 2018. Participants who are 50 years old or older can also make "catch-up" contributions, which in calendar year 2018 was up to an additional $6,000, above the statutory limit. Participant contributions are held and invested, pursuant to the participant's instructions, by the plan's trustee.

Accounting and Tax Considerations

Under Financial Accounting Standard Board ASC Topic 718, or ASC 718, we are required to estimate and record an expense for each award of equity compensation over the vesting period of the award. We record share-based compensation expense on an ongoing basis according to ASC 718. This calculation is performed for accounting purposes and, as applicable, reported in the compensation tables, even though recipients may never realize any value from their awards.

Under Section 162(m) of the Internal Revenue Code ("Section 162(m)"), compensation paid to any publicly held corporation's "covered employees" that exceeds $1 million per taxable year for any covered employee is generally non-deductible. Prior to the enactment of the Tax Cuts and Jobs Act, Section 162(m) provided a performance-based compensation exception, pursuant to which the deduction limit under Section 162(m) did not apply to any compensation that qualified as "performance-based compensation" under Section 162(m). Pursuant to the Tax Cuts and Jobs Act, the performance-based compensation exception under Section 162(m) was repealed with respect to taxable years beginning after December 31, 2017, except that certain transition relief is provided for compensation paid pursuant to a written binding contract which was in effect on November 2, 2017 and which is not modified in any material respect on or after such date.

Compensation paid to each of the Company's "covered employees" in excess of $1 million per taxable year generally will not be deductible unless it qualifies for the performance-based compensation exception under Section 162(m) pursuant to the transition relief described above. Because of certain ambiguities and uncertainties as to the application and interpretation of Section 162(m), as well as other factors beyond the control of the Compensation Committee, no assurance can be given that any compensation paid by the Company will be eligible for such transition relief and be deductible by the Company in the future. Although the Compensation Committee will continue to consider tax implications as one factor in

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determining executive compensation, the Compensation Committee also looks at other factors in making its decisions and retains the flexibility to provide compensation for the Company's named executive officers in a manner consistent with the goals of the Company's executive compensation program and the best interests of the Company and its stockholders, which may include providing for compensation that is not deductible by the Company due to the deduction limit under Section 162(m). The Compensation Committee also retains the flexibility to modify compensation that was initially intended to be exempt from the deduction limit under Section 162(m) if it determines that such modifications are consistent with the Company's business needs.

Compensation Recovery ("Clawback") Policy

As a public company, if we are required to restate our financial results due to our material noncompliance with any financial reporting requirements under the federal securities laws as a result of misconduct, our Chief Executive Officer and Chief Financial Officer may be legally required to reimburse us for any bonus or other incentive-based or equity-based compensation they receive in accordance with the provisions of section 304 of the Sarbanes-Oxley Act of 2002. Additionally, we intend to implement a Dodd-Frank Wall Street Reform and Consumer Protection Act-compliant compensation recovery ("clawback") policy as soon as, and to the extent that, the requirements of such clawbacks are finalized by the SEC.

Stock Ownership Guidelines

In 2017 we adopted stock ownership guidelines to help ensure that our senior executive officers and the non-employee members of our Board each maintain an equity stake in our Company, and by doing so, appropriately link their interests with those of our other stockholders. These guidelines require our Chief Executive Officer to own equity interests in our Company with a value equal to six times his base salary, each other senior executive officer to own equity interests with a value equal to two times his or her respective base salary, and all non-employee members of our Board to own equity interests with a value equal to three times their respective director's annual retainer, each as calculated under our policy. The guidelines also require our Chief Executive Officer, senior executive officers and non-employee members of our Board to retain at least 25% of the net "after tax" shares obtained via the exercise of any stock options or vesting of any other company stock awards until the individual meets our prescribed ownership guidelines. Compliance is assessed annually, and executive officers and directors have an initial compliance period (ranging from zero to five years, depending on how long they have been in such capacity with the Company at the time the guidelines are effective) from the date on which they become subject to the guidelines to acquire the required shares, and are allotted a shorter compliance period when an ownership guideline is increased due to a change in base salary, retainer or service status.

Policy on Trading, Pledging and Hedging of Company Stock

Our insider trading policy, which applies to all of our officers, directors, employees and consultants, provides that no officer, director, other employee or consultant of the Company may, at any time, (i) engage in short sales, transactions in put or call options, hedging transactions or other inherently speculative transactions with respect to the Company's stock; or (ii) margin, or make any offer to margin, any of the Company's stock, including without limitation, borrowing against such stock. Our Board is responsible for overseeing the insider trading policy and must approve any waivers of the insider trading policy for officers, directors, employees or consultants. Our Board, after deliberation, has granted our Chief Executive Officer a limited waiver under the policy to pledge a certain number of his shares in connection with a margin account maintained by Mr. Tarriff.

Risk Assessment Concerning Compensation Practices and Policies

Our compensation committee has reviewed our compensation policies and practices to assess whether they encourage our employees to take inappropriate risks. After reviewing and assessing our compensation

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philosophy, policies and practices, including the mix of fixed and variable, short-term and long-term incentives and overall pay, incentive plan structures, and the checks and balances built into, and oversight of, each plan and practice, our compensation committee has determined that any risks arising from our compensation policies and practices for our employees are not reasonably likely to have a material adverse effect on our Company as a whole.

Further, our compensation committee believes that the mix and design of the elements of executive compensation do not encourage management to assume excessive risks; the mix of short-term compensation (in the form of base salary and an annual performance bonus opportunity, if any, which is based on a variety of performance factors), and long-term compensation prevents undue focus on short-term results and helps align the interests of our executive officers with the interests of our stockholders.

COMPENSATION COMMITTEE REPORT

Our compensation committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K. Based on this review and discussion, our compensation committee has recommended to our Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

By the compensation committee of the Board of Eagle Pharmaceuticals, Inc.

Mr. Michael Graves, Chairman (chairman of the compensation committee)

Mr. Douglas Braunstein

Mr. Sander Flaum

Mr. Richard A. Edlin

This report shall not constitute "soliciting material," shall not be deemed "filed" with the SEC and is not to be incorporated by reference into any of our other filings under the Securities Act of 1933, as amended, or the Securities Act, or the Exchange Act, except to the extent that we specifically incorporate this report by reference therein.

EXECUTIVE COMPENSATION TABLES

Our named executive officers for the fiscal year ended December 31, 2018, which consist of our principal executive officer, our principal financial officer, our two other executive officers who were serving as executive officers as of December 31, 2018 and our other executive officer who would have qualified as a named executive officer but for the fact that he was not serving as an executive officer as of December 31, 2018, are:

- Scott Tarriff, our Chief Executive Officer;
- Pete A. Meyers, our Chief Financial Officer;
- David Pernock, our President and Chief Operating Officer;
- Adrian J. Hepner, M.D., Ph.D, our Executive Vice President and Chief Medical Officer; and
- Steven L. Krill, Ph.D., our former Executive Vice President and Chief Scientific Officer.

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Summary Compensation Table

The following table sets forth in summary form information regarding the compensation provided to, or earned by, our named executive officers during the fiscal years ended December 31, 2018, December 31, 2017, and December 31, 2016:

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards(1)	Option Awards ($)(1)	Non-equity incentive plan compensation($)(2)	All Other Compensation ($)(3)	Total ($)
Scott Tarriff	2018	769,410		5,681,970	4,199,835	654,000	19,241	11,324,456
Chief Executive Officer,	2017	747,000	523,000		6,742,833		29,095	8,041,928
Director	2016	725,000	1,087,500		5,296,432		43,214	7,152,146
Pete A. Meyers(5)	2018	412,000		1,045,310	989,770	210,120	16,648	2,673,848
Chief Financial Officer	2017	238,465	112,000		1,531,473		15,844	1,897,782
	2016							
David Pernock(4)	2018	540,653		1,493,300	1,337,527	289,467	14,497	3,675,444
President and Chief								
Operating	2017	515,000	216,000		3,020,682		13,143	3,764,825
Officer	2016							
Adrian J. Hepner, M.D., Ph.D.	2018	424,360		1,343,970	1,150,273	203,693	12,540	3,134,836
Executive Vice President and	2017	412,000	136,000		2,255,443		28,761	2,832,204
Chief Medical Officer	2016	400,000	830,000		1,827,269		38,393	3,095,662
Steven L. Krill, Ph.D.(6)	2018			447,990	401,258		254,616	1,103,864
Former Executive Vice								
President	2017	412,000	99,000		1,409,652		25,897	1,946,549
and Chief Scientific Officer	2016	400,000	216,000		1,827,269		30,552	2,473,821

(1) In accordance with SEC rules, this column reflects the aggregate grant date fair value of the stock awards and option awards granted to our named executive officers, computed in accordance with ASC 718. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service based vesting conditions. The assumptions used in the calculation of these amounts are described in our Annual Report on Form 10 K in Note 7 to our financial statements, filed with the SEC on February 28, 2019. With respect to performance-based restricted stock unit awards granted in 2018 subject to market vesting conditions, the grant date fair value was measured using a Monte-Carlo simulation. These amounts do not reflect the actual economic value that will be realized by the named executive officer upon the vesting of the stock options, the exercise of the stock options, or the sale of the common stock underlying such stock options.

(2) Amounts reported for 2018 consist of the performance bonuses we paid to each of our named executive officers for their performance during 2018. For a description of the performance metrics and more information regarding these payments, see "Compensation Discussion and Analysis Annual Performance Bonuses."

(3) Amounts reported for 2018 consist of premiums paid by us for group life, long term disability, health insurance and cash severance payments with respect to Dr. Krill in the amount of $254,616.

(4) Mr. Pernock was appointed as our Chief Operating Officer in September 2018 and continues to serve as our President.

(5) Mr. Meyers joined us in May 2017 as our Chief Financial Officer.

(6) Dr. Krill ceased serving as our Executive Vice President and Chief Scientific Officer on February 26, 2018. None of the stock awards or option awards granted to Dr. Krill in 2018 were vested as of February 26, 2018, and therefore, none were exercisable at that time and were forfeited.

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Grants of Plan-Based Awards for Fiscal 2018 Table

The following table sets forth information regarding the grants of plan-based awards made during 2018 to our named executive officers.

Name	Type of Award(1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Target($)(2)	Grant Date	Target (#)(3)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise Price of Option Awards ($/Share)(4)	Grant Date Fair Value of Stock and Option Awards ($)(5)
Scott Tarriff	SO		01/07/2018				157,000	59.14	4,199,835
	PSU(6)		01/07/2018	63,000	189,000				5,681,970
	PB	769,000							
Pete A. Meyers	SO		01/07/2018				37,000	59.14	989,770
	PSU(6)		01/07/2018	7,000	21,000				631,330
	RSU(7)		01/07/2018			7,000			413,980
	PB	247,000							
David Pernock	SO		01/07/2018				50,000	59.14	1,337,527
	PSU(6)		01/07/2018	10,000	30,000				901,900
	RSU(7)		01/07/2018			10,000			591,400
	PB	341,000							
Adrian J. Hepner, M.D., Ph.D.	SO		01/07/2018				43,000	59.14	1,150,237
	PSU(6)		01/07/2018	9,000	27,000				811,710
	RSU(7)		01/07/2018			9,000			532,260
	PB	255,000							
Steven L. Krill(8)	SO		01/07/2018				15,000	59.14	401,258
	PSU(6)		01/07/2018	3,000	9,000				270,570
	RSU(7)		01/07/2018			3,000			177,420
	PB	255,000							

(1) Type of Award:

SO Stock Option

PSU Performance-Based Restricted Stock Units

RSU Time-Vesting Restricted Stock Units

PB Performance-Based Cash Bonus

(2) Amounts in this column represent the target performance-based bonus opportunity for each named executive officer for 2018. There was no designated threshold or maximum bonus amounts. For a description of the 2018 performance bonus program, see "Compensation Discussion and Analysis Annual Performance Bonuses" above. The amount actually earned by each named executive officer was a certain percentage of the target performance-based bonus opportunity and is reported in the Summary Compensation Table above.

(3) There is no threshold value as no PSUs will vest if the target performance level is not achieved.

(4) Each stock option was granted with an exercise price equal to the fair market value of our common stock on the grant date. The options have a term of four years and vest with respect to 25% of the shares subject to the options one year following the date of grant and with respect to 1/36th of the remaining shares on each monthly anniversary thereafter over the following three years.

(5) The amounts shown represent the aggregate grant date fair value of the equity awards granted to our named executive officers, computed in accordance with ASC 718. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. The assumptions used in the calculation of these amounts are described in our Annual Report on Form 10-K in Note 7 to our financial statements, filed with the SEC on February 29, 2019. These amounts may not correspond to the actual value that may be recognized by our named executive officers. Material terms of plan-based awards, including criteria used in determining amounts payable and vesting of awards, are further discussed under "Compensation Discussion and Analysis" above.

(6) The PSUs are eligible to vest on January 1, 2021 if the Company achieves certain stock price performance targets during the three-year performance period.

(7) 25% of the RSUs vested on January 7, 2019 and the remaining 75% are scheduled to vest in three equal annual installments on each of January 7, 2020, January 7, 2021 and January 7, 2022.

(8) Dr. Krill ceased serving as our Executive Vice President and Chief Scientific Officer on February 26, 2018. None of the option awards, RSU awards or PSU awards granted to Dr. Krill in 2018 were vested as of February 26, 2018, and therefore, none were exercisable at that time and were forfeited.

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2018 Outstanding Equity Awards at Fiscal Year-End Table

The following table sets forth certain information regarding equity awards held as of December 31, 2018 by our named executive officers.

		Option Awards(1)				Stock Awards			
Executive Officer	**Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)(2)(3)**	**Option Expiration Date**	**Number of Shares or Units of Stock that Have Not Vested(#)**	**Market Value of Shares or Units of Stock that Have Not Vested($)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that Have Not Vested ($)**
Scott Tarriff	10/02/2008			4.04	10/01/2018				
	04/02/2009			4.04	04/01/2019				
	05/03/2011	31,201		8.78	05/02/2021				
	08/26/2014	75,000		12.63	08/25/2024				
	03/13/2015	117,188	7,812	46.09	03/12/2025				
	01/04/2016	131,250	48,750	86.15	01/03/2026				
	01/04/2017	96,265	104,635	84.92	01/03/2027				
	01/07/2018		157,000	59.14	01/06/2028			63,000(9)	2,538,270
Pete A. Meyers	05/15/2017	19,792	30,208	82.30	05/14/2027				
	01/07/2018		37,000	59.14	01/06/2028	7,000(6)	282,030	7,000(10)	282,030
David Pernock	04/8/2015(4)	10,000		46.81	04/7/2025				
	04/21/2015(5)	10,000		59.31	04/20/2025				
	01/04/2016(5)	15,000		86.15	1/3/2026				
	01/04/2017	43,125	46,875	84.92	1/3/2027				
	01/07/2018		50,000	59.14	01/06/2028	10,000(7)	402,900	10,000(11)	402,900
Adrian J. Hepner, M.D., Ph.D.	01/05/2015	29,375	625	17.15	01/04/2025				
	01/04/2016	45,281	16,819	86.15	01/03/2026				
	01/04/2017	32,200	35,000	84.92	01/03/2027				
	01/07/2018		43,000	59.14	01/06/2028	9,000(8)	362,610	9,000(12)	362,610
Steven L. Krill, Ph.D.									

(1) Prior to our 2014 initial public offering, we granted all equity awards pursuant to the 2007 Incentive Compensation Plan, or the 2007 Plan. Following our initial public offering, we have provided equity compensation under our 2014 Equity Incentive Plan, or the 2014 Plan. Generally, our stock option awards and RSUs vest over a four-year period. Options granted before February 11, 2014 were granted under our 2007 Plan and contain an early exercise feature allowing the holder to exercise and receive unvested shares of our common stock which are subject to our right to repurchase in accordance with the vesting schedule. Stock options and shares of our common stock acquired by early exercising stock options that are subject to our repurchase right accelerate vesting upon the occurrence of change in control transactions under certain circumstances described below in the "Potential Payments Upon Termination or Change in Control" section.

(2) Unless otherwise noted, the option awards listed in the table above vest with respect to 25% of the shares subject to the options one year following the date of grant and with respect to 1/36th of the remaining shares on each monthly anniversary thereafter over the following three years, subject to the named executive officer's continuous service with us through the vesting date. All option awards granted under our 2007 Plan (which excludes the awards granted on or after April 8, 2014 in the table above) allow the holder to exercise and receive unvested shares of our common stock which are subject to our right to repurchase in accordance with the vesting schedule described above.

(3) All of the option awards listed in the table above were granted with a per share exercise price equal to the fair market value of one share of our common stock on the date of grant.

(4) These option awards vest annually over three years, subject to the named executive officer's continuous service with us through the vesting date.

(5) These option awards vested with respect to 100% of the shares subject to the options one year following the date of grant.

(6) Represents shares of common stock underlying RSUs that vest in equal annual installments over a four-year period subject to the executive officer's continued service.

(7) Represents shares of common stock underlying RSUs that vest in equal annual installments over a four-year period subject to the executive officer's continued service.

(8) Represents shares of common stock underlying RSUs that vest in equal annual installments over a four-year period subject to the executive officer's continued service.

(9) Represents shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

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(10)
Represents shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

(11)
Represents shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

(12)
Represents shares of common stock underlying PSUs that are subject to vesting on January 1, 2021 to the extent that certain performance objectives are achieved.

2018 Option Exercises and Stock Vested Table

The following table provides certain information regarding option exercises and vesting of stock awards during the fiscal year ended December 31, 2018 with respect to our named executive officers. None of our named executive officers' stock awards vested during the fiscal year ended December 31, 2018.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise	Value Realized on Exercise(1)	Number of Shares Acquired on Vesting	Value Realized on Vesting
Scott Tarriff	237,908(2)	$ 14,311,799.45		$
Pete A. Meyers				
David Pernock				
Adrian J. Hepner, M.D., Ph.D.				

(1)
Amounts shown do not reflect amounts actually received by the named executive officer. The amounts reflect the product of (i) the difference between the closing market price per share on the date of exercise less the exercise price per share of the applicable option multiplied by (ii) the number of shares of our common stock exercised under the applicable option award.

(2)
Includes 57,895 shares of common stock withheld by the Company to pay the applicable exercise price and withholding taxes.

Potential Payments Upon Termination or Change in Control

Pursuant to Mr. Tarriff's employment agreement, if he is terminated without cause (and other than as a result of his death or disability) or if he resigns for good reason, he is entitled to receive continued payments of his base salary for 12 months following the date of his termination, provided that he continues to comply with certain restrictive covenants set forth in his employment agreement.

For purposes of Mr. Tarriff's employment agreement, "cause" generally means (1) his neglect or failure to perform his substantial duties or obligations, including his material breach of his employment agreement, after receiving prior written notice and an opportunity to cure, if applicable; (2) his willful misconduct that materially injures our reputation, business or business relationships; (3) his conviction of or plea of guilty or *nolo contendere* to any crime or offense involving our money or other property; (4) his conviction of or plea of guilty or *nolo contendere* to or acceptance of deferred adjudication or judgment to any crime constituting a felony; (5) his breach of any fiduciary duty prohibiting his self-dealing to improperly secure any personal profit or gain in connection with our business; or (6) entry of an order of a court or securities regulatory or self-regulatory body which enjoins or otherwise sanctions, limits or restricts his performance under his employment agreement, due to his misconduct.

For purposes of Mr. Tarriff's employment agreement, "good reason" generally means his termination of employment with us for any of the following reasons unless cured within a specified period of notice by Mr. Tarriff: (1) our failure to promptly pay him any undisputed compensation owed under his employment agreement; (2) any reduction in his employee benefits or bonus opportunity, other than one made generally for all senior executives or as a result of our impaired finances; (3) a material diminution in his duties, title, authority or responsibilities; (4) our assignment to him of duties that are inconsistent with the duties stated in his employment agreement; (5) our material breach of any provision of his employment

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agreement; (6) a requirement that he relocate as a result of moving his offices outside the greater New York City metropolitan area; or (7) our delivery of a written notice electing not to extend the term of his employment under his employment agreement.

Pursuant to Mr. Pernock's offer letter, if he is terminated prior to the second anniversary of his commencement of employment without cause and not in connection with a change of control or his voluntary transition without good reason, Mr. Pernock is eligible for severance pay equal to his then-current monthly base salary payable for a period of 12 months plus a pro-rata portion of his annual performance bonus for the performance period in which his termination occurs, payable in equal installments in accordance with our regular payroll procedures over a 12 month period, and one half of the shares of our common stock subject to his stock option granted in 2017 will vest in full.

On August 4, 2015, our Board and compensation committee approved and adopted the Eagle Pharmaceuticals, Inc. Officer Severance Benefit Plan, which we refer to as the Severance Plan. Pursuant to the terms of the Severance Plan, certain Eligible Officers (as defined in the Severance Plan) that are subject to a termination of employment without Cause (as defined in the Severance Plan) will be entitled to an amount equal to such officer's then-current monthly Base Salary (as defined in the Severance Plan) payable for a period of six months. In addition: (i) all Eligible Officers will be entitled to a pro-rata portion of such officer's annual bonus for the performance period in which the termination of employment occurs, payable in equal installments in accordance with our regular payroll procedures, (ii) certain Eligible Officers will be entitled to outplacement counseling and training services in an amount not to exceed $15,000 and (iii) certain Eligible Officers will be entitled to payment of the employer portion of COBRA continuation coverage for a period of six months. Dr. Hepner and Mr. Meyers are participants in the Severance Plan and are each entitled to cash severance payments for a period of six months, a pro-rata portion of their annual bonus for the performance period in which the termination occurs, as well as the outplacement services and COBRA continuation coverage payments described above. At the effective time of termination of Dr. Krill's employment, which occurred on February 26, 2018, Dr. Krill was also a participant in the Severance Plan and entitled to cash severance payments for a period of six months, a pro-rata portion of his annual bonus, as well as the outplacement services and COBRA continuation coverage payments described above. The participation of Drs. Krill and Hepner and Mr. Meyers in the Severance Plan is and was, as applicable, in lieu of any severance payments and benefits previously provided pursuant to the terms of their respective offer letter agreements. As a condition to receipt of payments and benefits under the Severance Plan, each Eligible Officer must sign a waiver and release of claims in favor of us.

Further, each of our named executive officers (other than Dr. Hepner and Mr. Meyers) holds stock options under the 2007 Plan, which generally provides for acceleration of vesting and lapse of our repurchase right with respect to the shares of our common stock acquired by early exercising such options upon certain change in control transactions and provides for acceleration of vesting upon such named executive officer's termination of employment within 24 months following certain change in control transactions for reasons other than for cause or by resignation by the officer without good reason (i.e., a "double-trigger" acceleration benefit). Each of our named executive officers holds option awards under, and subject to the terms of, the 2014 Plan. Upon certain change in control transactions described in the 2014 Plan, the 2014 Plan provides that our Board may take a number of actions, in its discretion, with respect to outstanding stock options, including providing for the continuation, assumption or substitution of such awards, accelerating the awards, cancelling the awards in exchange for cash or no cash consideration. Upon the named executive officer's termination of employment from service, option awards under both the 2007 Plan and the 2014 Plan will generally be cancelled immediately or within a period of three to 18 months following such termination, depending on the nature of such termination (whether it is for cause, without cause, by reason of death or disability).

As also described in the section above entitled "Compensation Discussion and Analysis Severance and Change in Control," each of our named executive officers has entered into a Letter Agreement Regarding

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Equity Awards, or the Letter Agreement, which provides that, if in connection with a "Change in Control" (as defined in the applicable equity plan), an equity award is substituted for a similar award of the successor or acquiror entity and the award holder experiences a "Qualifying Termination" (generally, a termination of employment without Cause or resignation for Good Reason, in each case as such terms are defined in the Letter Agreement) within 90 days prior to or 12 months following such change in control, any unvested portion of any applicable equity award will become fully vested; and, if in connection with a change in control an equity award will terminate and not be assumed or continued by, or substituted for a similar award of, the successor or acquiror entity, then, any unvested portion of any applicable equity award will become fully vested, subject to the consummation of such change in control. To receive the vesting acceleration benefits under the Letter Agreement, each named executive officer must sign a separation agreement containing, among other things, a general release of claims in favor of the Company. The Letter Agreement amended the terms of all previously granted and outstanding equity awards under our 2007 Plan and 2014 Plan, and unless otherwise provided by us at the time of grant, will apply to all future equity awards.

The following table sets forth estimated compensation that would have been payable to each of our named executive officers as severance or upon a change in control of the Company under three possible

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alternative scenarios, assuming the termination triggering severance payments or a change in control took place on December 31, 2018.

Name	Cash Payment ($)[1]	Accelerated Vesting of Stock Options ($)[2]	Accelerated Vesting of Restricted Stock ($)	Health and Other Benefits ($)[3]	Total ($)
Scott Tarriff					
Termination without cause or resignation for good reason other than in the context of a change in control	769,410.00				769,410.00
Change in control only[4]					
Change in control with termination without cause or resignation for good reason[5]	$ 769,410.00				769,410.00
Pete A. Meyers					
Termination without cause or resignation for good reason other than in the context of a change in control	453,200.00			$ 22,844.00	476,044.00
Change in control only[4]			282,030.00		282,030.00
Change in control with termination without cause or resignation for good reason[5]	453,200.00		282,030.00	$ 22,844.00	758,074.00
David Pernock					
Termination without cause or resignation for good reason other than in the context of a change in control	624,340.20			21,768.54	646,108.74
Change in control only[4]			402,900.00		402,900.00
Change in control with termination without cause or resignation for good reason[5]	624,340.20		402,900.00	21,768.54	1,049,008.74
Adrian J. Hepner, M.D., Ph.D.					
Termination without cause or resignation for good reason other than in the context of a change in control	466,796.00			27,601	494,397.00
Change in control only[4]		14,462.50	362,610.00		377,072.50
Change in control with termination without cause or resignation for good reason[5]	466,796.00	14,462.50	362,610.00	27,601	871,469.50
Steven L. Krill, Ph.D.[6]	254,616			3,696	258,312

(1) Amounts shown reflect cash payments based on base salary only for Mr. Tarriff and base salary and bonus for Mr. Pernock, in accordance with their respective employment agreement and offer letter. All other named executive officers were participants in our Severance Plan as of December 31, 2018 and accordingly, the amounts shown reflect cash payments based on salary and bonus, as described in

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the section titled "Severance and Change in Control Benefits". All cash payments are made over time for the respective severance period for each named executive officer.

(2) Amounts shown represent the value of unvested stock options upon the applicable triggering event described in the first column. The value of stock options is based on the difference between the exercise price of the options and $40.29, which was the closing price of our common stock on Friday, December 31, 2018.

(3) Amounts shown represent the estimated cost of providing COBRA continuation coverage as well as $15,000 in transition assistance, as described in the section titled "Severance and Change in Control Benefits."

(4) Vesting acceleration benefits are payable in this scenario pursuant to the terms of each named executive officer's Letter Agreement, if, upon a Change in Control, an equity award shall terminate and will not be assumed or continued by the successor or acquiror entity or substituted for a similar award of the successor or acquiror entity. Vesting acceleration is contingent upon the named executive officer's execution of a separation agreement containing, among other things, confidentiality and non-disparagement obligations, and a waiver and release of claims in favor of us.

(5) Cash and health and other benefits, as applicable, are payable in this scenario under the Severance Plan or, in the case of Mr. Tarriff, his employment agreement. Vesting acceleration benefits are payable in this scenario pursuant to the terms of each named executive officer's Letter Agreement, where upon a Change in Control (x) the named executive officer's equity award is assumed or continued by the successor or acquiror entity or such equity award is substituted for a similar award of the successor or acquiror entity, and (y) the named executive officer experiences a Qualifying Termination within 90 days prior to, or 12 months following, such Change in Control. Vesting acceleration is effective as of the date that is 60 days following the date of such Qualifying Termination and contingent upon the named executive officer's execution of a separation agreement containing, among other things, confidentiality and non-disparagement obligations, and a waiver and release of claims in favor of us.

(6) Dr. Krill ceased serving as our Executive Vice President and Chief Scientific Officer on February 26, 2018. The amounts disclosed in the table above reflect the actual value of the severance benefits provided to him pursuant to his separation agreement with us.

Option Repricings

We did not engage in any repricings or other modifications or cancellations with respect to the outstanding equity awards held by or granted to our named executive officers during the fiscal year ended December 31, 2018.

Limitations on Liability and Indemnification Agreements

As permitted by Delaware law, provisions in our amended and restated certificate of incorporation and amended and restated bylaws limit or eliminate the personal liability of directors for a breach of their fiduciary duty of care as a director. The duty of care generally requires that, when acting on behalf of the corporation, a director exercise an informed business judgment based on all material information reasonably available to him or her. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;

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- any act related to unlawful stock repurchases, redemptions or other distributions or payments of dividends; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not limit or eliminate our rights or any stockholder's rights to seek nonmonetary relief, such as injunctive relief or rescission. These provisions will not alter a director's liability under other laws, such as the federal securities laws or other state or federal laws. Our amended and restated certificate of incorporation also authorizes us to indemnify our officers, directors and other agents to the fullest extent permitted under Delaware law.

As permitted by Delaware law, our amended and restated bylaws provide that:

- we will indemnify our directors, officers, employees and other agents to the fullest extent permitted by law;
- we must advance expenses to our directors and officers, and may advance expenses to our employees and other agents, in connection with a legal proceeding to the fullest extent permitted by law; and
- the rights provided in our amended and restated bylaws are not exclusive.

If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director or officer, then the liability of our directors or officers will be so eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Our bylaws also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our bylaws permit such indemnification. We have obtained such insurance.

In addition to the indemnification that is provided for in our amended and restated certificate of incorporation and amended and restated bylaws, we have entered into separate indemnification agreements with each of our directors and executive officers, which may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements may require us, among other things, to indemnify our directors and executive officers for some expenses, including attorneys' fees, expenses, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of his or her service as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request. We believe that these provisions and agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

This description of the indemnification provisions of our amended and restated certificate of incorporation, our amended and restated bylaws and our indemnification agreements is qualified in its entirety by reference to these documents.

Insofar as indemnification for liabilities arising under the Securities Act, may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. At present, there is no pending litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought and we are not aware of any threatened litigation that may result in claims for indemnification.

CEO PAY RATIO DISCLOSURE

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K, we are providing the following information about the relationship of the

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annual total compensation of our employees and the annual total compensation of our Chief Executive Officer, Scott Tarriff (our "CEO"):

For 2018:

- the median of the annual total compensation of our employees was $236,618;
- the annual total compensation of our CEO was $11,324,456; and
- the ratio of the annual total compensation of our CEO to the median of the annual total compensation of our employees was 48 to 1.

We identified the employee with compensation at the median of the annual total compensation of all our employees using the following methodology:

In determining our employee population, we considered all individuals, excluding our CEO, who were employed by us and our consolidated subsidiaries on December 31, 2018, whether employed on a full-time, part-time, seasonal or temporary basis. We did not include any contractors or other non-employee workers in our employee population.

To identify our median employee, we calculated the annual total compensation for each of our employees for the 12-month period from January 1, 2018 through December 31, 2018 using the same compensation elements we use to calculate the total annual compensation for each of our named executive officers for the 2018 Summary Compensation Table as set forth in this proxy statement. However, for simplicity, we calculated annual base pay using a reasonable estimate of the hours worked during 2018 for hourly employees and actual salary paid for our remaining employees. For permanent employees hired during 2018, we annualized their salary or base pay as if they had been employed for the entire measurement period. We did not make any cost-of-living adjustment.

The pay ratio above represents our reasonable estimate calculated in a manner consistent with SEC rules and applicable guidance. The SEC rules and guidance provide significant flexibility in how companies identify the median employee, and each company may use a different methodology and make different assumptions particular to that company. As a result, and as explained by the SEC when it adopted these rules, in considering the pay-ratio disclosure, stockholders should keep in mind that the rule was not designed to facilitate comparisons of pay ratios among different companies, even companies within the same industry, but rather to allow stockholders to better understand and assess each particular company's compensation practices and pay-ratio disclosures.

2018 DIRECTOR COMPENSATION TABLE

Historically, we have not paid cash or equity compensation to directors who are also our employees for service on our Board. Prior to our 2014 initial public offering, we provided equity compensation generally in the form of stock options under the 2007 Plan to our non-employee members of our Board. Following our initial public offering, we have provided equity compensation in the form of stock options under our 2014 Plan to our non-employee members of our Board. We have reimbursed and will continue to reimburse all of our non-employee directors for their travel, lodging and other reasonable expenses incurred in attending meetings of our Board and committees of our Board. We do not maintain any agreements with our directors governing their services or compensation for their services on our Board or otherwise.

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During 2018, each of our non-employee directors earned cash compensation for their services on our Board pursuant to our director compensation policy in effect during 2018, as described below in "Non-Employee Director Compensation Policy." On January 7, 2018, we granted an option to purchase 10,000 shares of our common stock to each of or non-employee directors, each of which has an exercise price per share of $59.14 and by its terms vested with respect to 100% of the underlying shares on January 7, 2019, subject to the director's continued service with us through such date.

The following table sets forth in summary form information regarding the compensation earned for service on our Board during the year ended December 31, 2018 by our directors who were not also our employees:

Name(1)	Year	Fees Earned or Paid in Cash ($)	Option Awards ($)(2)	Total ($)
Sander Flaum	2018	77,500	254,778	332,278
Michael Graves	2018	137,500	254,778	392,278
Steven Ratoff	2018	80,000	254,778	334,778
Douglas Braunstein	2018	65,000	254,778	319,778
Robert Glenning	2018	73,750	254,778	328,528
Richard A. Edlin	2018	63,750	254,778	318,528
Scott Tarriff	2018			

(1) Mr. Tarriff was an employee director during 2018, and his compensation is fully reflected in the "2018 Summary Compensation Table" above. Mr. Tarriff did not receive any additional compensation in 2018 for services provided as a member of our Board.

(2) In accordance with SEC rules, this column reflects the aggregate grant date fair value of the option awards granted to our non-employee directors during 2018, computed in accordance with ASC 718. Assumptions used in the calculation of these amounts are included in our Annual Report on Form 10-K in Note 7 to our financial statements, filed with the SEC on February 28, 2019. These amounts do not reflect the actual economic value that will be realized by our non-employee directors upon the vesting of the stock options, the exercise of the stock options, or the sale of the common stock underlying such stock options.

The aggregate number of shares of our common stock subject to outstanding option awards held by each non-employee director as of December 31, 2018 was as follows: Mr. Flaum, 66,380 shares; Mr. Graves, 79,040 shares; Mr. Ratoff, 66,380 shares; Mr. Braunstein, 30,000; Mr. Glenning, 30,000 shares; and Mr. Edlin, 22,340 shares.

Non-Employee Director Compensation

For the fiscal year ended December 31, 2018, our non-employee director compensation policy provided that each such non-employee director would receive the following compensation for service on our Board:

- an annual cash retainer of $55,000, paid quarterly for service (other than as chairman) on the Board;
- an additional annual cash retainer of $40,000, paid quarterly, for service as chairman of the Board;
- an additional annual cash retainer of $25,000, paid quarterly, for service as chairman of the audit committee;
- an additional annual cash retainer of $20,000, paid quarterly, for service as chairman of the compensation committee;

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an additional annual cash retainer of $12,500, paid quarterly, for service as chairman of the nominating and corporate governance committee;

an additional annual cash retainer of $12,500, paid quarterly, for service (other than as chairman) on the audit committee;

an additional annual cash retainer of $10,000, paid quarterly, for service (other than as chairman) on the compensation committee;

an additional annual cash retainer of $6,250, paid quarterly, for service (other than as chairman) on the nominating and corporate governance committee;

an annual option grant to purchase 10,000 shares of our common stock vesting monthly over one year following the grant date; and

upon first joining our Board, an automatic initial grant of an option to purchase 10,000 shares of our common stock vesting monthly over three years following the grant date.

The Board determined the foregoing compensation upon consultation with the compensation committee and our compensation consultant and a review of market data. The Board regularly evaluates and will continue to re-evaluate non-employee director compensation from time to time in connection with the compensation committee's and our compensation consultant's recommendations, and our review of market data, in order to appropriately incentivize our non-employee directors.

Equity Compensation Plan Information

The following table provides certain information with respect to all of our equity compensation plans in effect as of December 31, 2018:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders			
2007 Incentive Compensation Plan	611,766	25.32	(1)
2014 Equity Incentive Plan	1,944,599	75.52	1,791,564(2)
2014 Employee Stock Purchase Plan			929,936(3)
Equity compensation plans not approved by security holders			

Total	2,556,365	63.51	2,721,500

(1) No further grants were made under the 2007 Incentive Compensation Plan after February 11, 2014.

(2) The number of shares of common stock reserved for issuance under the 2014 Equity Incentive Plan will automatically increase on January 1 of each year, commencing on January 1, 2016 and ending on (and including) January 1, 2024, by 6% of the total number of shares of our capital stock outstanding on December 31st of the preceding fiscal year, or a lesser number of shares determined by our Board. Pursuant to the terms of the 2014 Equity Incentive Plan, an additional 149,206 shares were added to the number of available shares effective January 1, 2019.

(3) The number of shares of common stock reserved for issuance under the 2014 Employee Stock Purchase Plan will automatically increase on October 1st of each year, commencing on October 1, 2014

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and ending on (and including) October 1, 2024, by the lesser of (i) 1% of the total number of shares of our capital stock outstanding on September 30th of the preceding fiscal year, (ii) 180,726 shares of our common stock or (iii) a lesser number of shares determined by our Board. Pursuant to the terms of the 2014 Employee Stock Purchase Plan, an additional 149,206 shares were added to the number of available shares effective October 1, 2018.

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RELATED-PERSON TRANSACTIONS POLICY AND PROCEDURES

We have adopted a related-person transaction policy that sets forth our procedures for the identification, review, consideration and approval or ratification of related-person transactions. For purposes of our policy only, a "related-person transaction" is defined as a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we and any "related person" are participants involving an amount that exceeds $120,000.

Transactions involving compensation for services provided to us as an employee, consultant or director are not considered related-person transactions under this policy. A related person is defined as any executive officer, director or a holder of more than 5% of our common stock, including any of their immediate family members and any entity owned or controlled by such persons.

Under the policy, where a transaction has been identified as a related-person transaction, management must present information regarding the proposed related-person transaction to our audit committee (or, where review by our audit committee would be inappropriate, to another independent body of our Board) for review. The presentation must include a description of, among other things, the material facts, the direct and indirect interests of the related persons, the benefits of the transaction to us and whether any alternative transactions are available. To identify related-person transactions in advance, we rely on information supplied by our executive officers, directors and certain significant stockholders. In considering related-person transactions, our audit committee or other independent body of our Board takes into account the relevant available facts and circumstances including, but not limited to:

- the risks, costs and benefits to us;
- the impact on a director's independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- the terms of the transaction;
- the availability of other sources for comparable services or products; and
- the terms available to or from, as the case may be, unrelated third parties or to or from our employees generally.

The policy requires that, in determining whether to approve, ratify or reject a related-person transaction, our audit committee, or other independent body of our Board, must consider, in light of known circumstances, whether the transaction is in, or is not inconsistent with, our best interests and those of our stockholders, as our audit committee, or other independent body of our Board, determines in the good faith exercise of its discretion. In the event a director has an interest in the proposed transaction, the director must recuse himself or herself from the deliberations and approval.

CERTAIN RELATED-PERSON TRANSACTIONS

The following includes a summary of transactions since the beginning of our last fiscal year to which we have been a party, in which the amount involved in the transaction exceeded $120,000, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements.

Employment Arrangements

We have entered into employment arrangements with our named executive officers as more fully described above in "Agreements with our Named Executive Officers."

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Legal Services

As disclosed in our February 28, 2019 Annual Report on Form 10-K filed with the SEC, during the year ended December 31, 2018, we obtained legal services with respect to certain regulatory matters from Greenberg Traurig, LLP ("Greenberg") totaling $0.2 million. Richard A. Edlin, a member of our Board, is an attorney and shareholder of Greenberg. As a result, Mr. Edlin and Greenberg are "related persons," and the prior representations have been identified as a "related-person transaction."

Stock Options Granted to Executive Officers and Directors

We have granted stock options to our executive officers and directors, as more fully described in the "2018 Outstanding Equity Awards at Fiscal Year-End Table" and "Director Compensation" sections above.

Indemnification Agreements

As more fully described above in "Limitations on Liability and Indemnification Agreements," we have entered into, and intend to continue to enter into, indemnification agreements with each of our directors and executive officers, in addition to the indemnification provided for in our amended and restated bylaws and our amended and restated certificate of incorporation. We believe that these agreements are necessary to attract and retain qualified persons as our officers and directors. We also maintain directors' and officers' liability insurance.

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HOUSEHOLDING OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for Notices of Internet Availability of Proxy Materials or other Annual Meeting materials with respect to two or more stockholders sharing the same address by delivering a single Notice of Internet Availability of Proxy Materials or other materials addressed to those stockholders. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of brokers with account holders who are Eagle stockholders will be "householding" our proxy materials. A single Notice of Internet Availability of Proxy Materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate Notice of Internet Availability of Proxy Materials, please notify us or your broker. Direct your written request to Michael Cordera, Executive Vice President and General Counsel, Eagle Pharmaceuticals, Inc., 50 Tice Boulevard, Suite 315, Woodcliff Lake, NJ 07677, or call us at (201) 326-5300. Stockholders who currently receive multiple copies of the Notice of Internet Availability of Proxy Materials at their addresses and would like to request "householding" of their communications should contact their brokers.

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OTHER MATTERS

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their best judgment.

By Order of the Board of Directors

Scott Tarriff
Chief Executive Officer and Director

April 30, 2019

A copy of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as filed with the SEC on February 28, 2019, is available without charge upon written request to: Corporate Secretary, Eagle Pharmaceuticals, Inc., 50 Tice Boulevard, Suite 315, Woodcliff Lake, NJ 07677.

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Appendix A

NON-GAAP FINANCIAL PERFORMANCE MEASURES

In addition to financial information prepared in accordance with U.S. GAAP, this proxy statement contains adjusted net income and adjusted earnings per share from continuing operations attributable to the Company. The Company believes these measures provide investors and management with supplemental information relating to operating performance and trends that facilitate comparisons between periods and with respect to projected information.

Adjusted net income from continuing operations excludes share-based compensation expense, depreciation, amortization of acquired intangible assets, changes in contingent purchase price, severance, non-cash interest expense, restructuring, expense of acquired in-process research and development, debt issuance costs, asset impairment charge and tax adjustments. The Company believes these non-GAAP financial measures help indicate underlying trends in the Company's business and are important in comparing current results with prior period results and understanding projected operating performance. Non-GAAP financial measures provide the Company and its investors with an indication of the Company's baseline performance before items that are considered by the Company not to be reflective of the Company's ongoing results. See the attached (i) Reconciliation of GAAP to Adjusted Non-GAAP Net Income and Adjusted Non-GAAP Earnings per Share and (ii) Reconciliation of GAAP to Adjusted Non-GAAP EBITDA for explanations of the amounts excluded and included to arrive at adjusted net income and adjusted earnings per share amounts, and Adjusted non-GAAP EBITDA amounts, respectively, for the twelve month periods ended December 31, 2018 and 2017.

These adjusted measures are non-GAAP and should be considered in addition to, but not as a substitute for, the information prepared in accordance with U.S. GAAP. The Company strongly encourages investors to review its consolidated financial statements and publicly-filed reports, including the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as filed with the SEC on February 28, 2019, in their entirety and cautions investors that the non-GAAP measures used by the Company may differ from similar measures used by other companies, even when similar terms are used to identify such measures.

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EAGLE PHARMACEUTICALS, INC.
RECONCILIATION OF GAAP TO ADJUSTED NON-GAAP NET INCOME AND ADJUSTED NON-GAAP EARNINGS PER SHARE
(In thousands, except share and per share amounts)
(unaudited)

	Twelve Months Ended December 31,	
	2018	**2017**
Net income GAAP	$ 31,903	$ 51,943
Adjustments:		
Cost of product revenues:		
Amortization of acquired intangible assets	895	1,194
Research and development:		
Share-based compensation expense	4,014	3,942
Depreciation	470	74
Expense of acquired in-process research & development	1,700	1,000
Severance	466	
Selling, general and administrative:		
Share-based compensation expense	15,068	11,487
Amortization of acquired intangible assets	1,620	1,620
Depreciation	685	858
Debt issuance costs		286
Severance		268
Other:		
Non-cash interest expense	376	238
Change in fair value of contingent consideration	(763)	(7,378)
Asset impairment charge	2,704	7,235
Restructuring charge	7,911	
Legal settlement		1,650
Tax effect of the non-GAAP adjustments	(7,894)	(5,368)
Adjusted non-GAAP net income	$ 59,155	$ 69,049
Adjusted non-GAAP earnings per share		
Basic	$ 4.01	$ 4.57
Diluted	$ 3.87	$ 4.34
Weighted number of common shares outstanding:		
Basic	14,768,625	15,102,890
Diluted	15,278,651	15,908,211

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EAGLE PHARMACEUTICALS, INC.
RECONCILIATION OF GAAP TO ADJUSTED NON-GAAP EBITDA
(In thousands)
(unaudited)

	Twelve Months Ended December 31,	
	2018	**2017**
Net income GAAP	$ 31,903	$ 51,943
Add back:		
Interest expense (income), net	2,579	1,045
Income tax provision	2,135	21,002
Depreciation and amortization	3,670	3,746
Add back:		
Stock-based compensation	19,082	15,429
Change in fair value of contingent consideration	(763)	(7,378)
Debt issuance costs		286
Asset impairment charge	2,704	7,235
Expense of acquired in-process research & development	1,700	1,000
Severance	466	268
Restructuring charge	7,911	
Legal settlement		1,650
Adjusted Non-GAAP EBITDA	$ 71,387	$ 96,226