



Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 6, 2017, Tom Graney agreed to become our Senior Vice President, Chief Financial Officer, effective September 13, 2017. Ian Smith, our current chief financial officer, will remain the company's Executive Vice President and Chief Operating Officer.

Mr. Graney, age 52, has served as chief financial officer and senior vice president of finance and corporate strategy for Ironwood Pharmaceuticals, Inc. since August 2014. From January 2010 to August 2014, Mr. Graney served as worldwide vice president of finance and chief financial officer of Ethicon, Inc., a maker of surgical medical devices and subsidiary of Johnson and Johnson. From 1994 to 2010, Mr. Graney served in various roles of increasing responsibility at Johnson & Johnson, including most recently as vice president of finance for J&J Global Supply Chain. Mr. Graney serves on the board of directors of AC Immune SA, a biopharmaceutical company. Mr. Graney holds a Bachelor of Science degree in accounting from the University of Delaware and an M.B.A. in marketing, finance and international business from the Leonard N. Stern School of Business at New York University.

In connection with Mr. Graney's appointment, we entered into an employment agreement and a change of control agreement with Mr. Graney.

Mr. Graney's initial salary is \$550,000 per year, and he will participate in our annual cash bonus and equity programs. Pursuant to his employment agreement, Mr. Graney received a sign-on cash bonus in the amount of \$150,000 and on his start date Mr. Graney will receive a restricted stock unit grant for shares of common stock with a fair market value equal to \$1,500,000 pursuant to the company's 2013 Stock and Option Plan.

If Mr. Graney terminates his employment for good reason or we terminate his employment without cause at any time, he will receive 12 months of severance pay at an annual rate equal to his base salary plus his target bonus. Pursuant to the change of control agreement, if we terminate Mr. Graney's employment without cause on a date within the 90 days prior to or the 12 months after a change of control or he terminates his employment within 30 days of an event giving rise to a right to terminate for good reason and the event occurs on a date within the 90 days prior to or the 12 months after a change of control, he will receive (i) an amount equal to his base salary and target bonus amount, (ii) a final, pro-rated performance bonus for the year in which his employment terminates, and (iii) full vesting of his outstanding options and restricted stock awards.

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SIGNATURES

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

VERTEX PHARMACEUTICALS INCORPORATED  
(Registrant)

Date: September 6, 2017 /s/ Michael J. LaCascia  
Michael J. LaCascia  
Senior Vice President and General Counsel