

Incorporated (“CFFT”) and Vertex Pharmaceuticals Incorporated (the “Amendment”), in order to update and clarify the terms of our relationship. The Amendment provides for an upfront program award from CFFT to us of \$75.0 million and development funding from CFFT to us of up to \$6.0 million annually. Pursuant to the Amendment, we have agreed to pay royalties ranging from low single digits to mid-single digits on certain compounds first synthesized and/or tested between March 1, 2014 and August 31, 2016. We will continue to pay royalties ranging from single digits to sub-teens on any approved drugs first synthesized and/or tested on or before February 28, 2014. The parties also clarified that net sales on combination products will be allocated equally to each of the active pharmaceutical ingredients in the combination product consistent with the allocation of net sales for ORKAMBI and provided further clarification with respect to the calculation of royalties on products covered by the Collaboration Agreement. Independently, we entered into a data license agreement with the Cystic Fibrosis Foundation pursuant to which we will pay for continuing access to data from the CFF’s patient registry, which we believe will be important for research, development and approval of future CF medicines.

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: October 13, 2016 /s/ Michael J. LaCascia
Michael J. LaCascia
Senior Vice President