

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): December 9, 2020

Intercept Pharmaceuticals, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35668
(Commission
File Number)

22-3868459
(IRS Employer
Identification No.)

10 Hudson Yards, 37th Floor
New York, NY 10001
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: **(646) 747-1000**

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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001 per share	ICPT	Nasdaq Global Select Market

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

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.

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

Leadership Transition Announced; Jerome Durso Appointed President and Chief Executive Officer

On December 10, 2020, Intercept Pharmaceuticals, Inc. (the “Company”) announced that Jerome (Jerry) Durso, currently Chief Operating Officer, will succeed Mark Pruzanski as President and Chief Executive Officer, effective January 1, 2021. Mr. Durso will also be appointed to the Board of Directors (the “Board”) following the transition. Dr. Pruzanski will remain with the Company as a director on the Board and retained adviser to the Company.

Mr. Durso, age 53, has served as the Company’s Chief Operating Officer since February 2017 and has played a critical leadership role in managing all aspects of the Company’s business globally, including the continued growth of the PBC business in over 35 countries with more than \$310 million in revenues anticipated this year. Mr. Durso has over 25 years of experience in building and leading commercial and business operations at life sciences organizations both in the United States and abroad. Prior to joining the Company, Mr. Durso served as a consultant to the biopharmaceutical industry from September 2015 to February 2017. Mr. Durso spent the majority of his career at Sanofi, a global pharmaceutical company, where he served as Senior Vice President, Chief Commercial Officer of the Global Diabetes Division. Prior to that, Mr Durso was Senior Vice President, Chief Commercial Officer of Sanofi’s U.S. pharmaceuticals business and also served in a number of commercial leadership roles of increasing responsibility in business unit and brand management, marketing and sales since he first joined Sanofi in 1993.

In connection with his promotion to the position of President and Chief Executive Officer, Mr. Durso and the Company entered into an amended and restated employment agreement (the “Employment Agreement”), dated December 9, 2020, which sets forth amended terms and conditions of Mr. Durso’s employment with the Company. The Employment Agreement, which has an initial 2-year term with automatic renewal each year thereafter, provides that Mr. Durso shall (i) receive an annual base salary of \$690,750 (“Base Salary”) and (ii) be eligible for an annual target bonus in an amount equal to 70% of his base salary (commencing with the Company’s 2021 fiscal year).

The Employment Agreement provides that in the event that the Company does not renew Mr. Durso’s employment at the end of his employment term, Mr. Durso is terminated by the Company without cause, as defined in the Employment Agreement, or he resigns with good reason, as defined in the Employment Agreement, Mr. Durso will be entitled to receive (i) 12 months of his base salary in effect at the time of termination (paid in accordance with the Company’s payroll), (ii) a lump sum payment equal to his target annual bonus and (iii) continued participation in the Company’s group health and dental plans and the payment of his premiums for 12 months (or the cost of COBRA coverage for such period) for him and his dependents covered under the Company’s group health and dental plans prior to termination. In the event that Mr. Durso does not renew his employment at the end of the employment term, is terminated for cause, is terminated due to death or disability, or terminates his employment without good reason, Mr. Durso will not be entitled to any compensation or benefits other than any accrued but unpaid compensation and benefits or as otherwise required by law.

The Employment Agreement further provides that if either the Company does not renew the employment of Mr. Durso at the end of his respective employment term, Mr. Durso is terminated by the Company without cause or he resigns with good reason (as such terms are defined in the Employment Agreement), all of Mr. Durso’s equity awards and stock options that would have vested within 2 years of the termination date will vest upon effectiveness of a release of claims and all vested stock options will be exercisable for up to one year from the effective date of termination unless the stock plan pursuant to which the option is granted requires earlier termination.

In the event that Mr. Durso is terminated by the Company for cause, by Mr. Durso by reason of non-renewal of the Employment Agreement, or by Mr. Durso without good reason, all unvested equity awards and stock options granted will immediately be forfeited and all vested options will be exercisable for up to one year following termination unless the stock plan pursuant to which the option is granted requires earlier termination.

In the event of a termination of Mr. Durso’s employment within 3 months prior to or within 12 months following a change in control of the Company (as defined in the Employment Agreement) (i) by the Company by reason of non-renewal of the Employment Agreement, (ii) by Mr. Durso for good reason or (iii) by the Company without cause, Mr. Durso will be entitled to receive (a) an amount equal to 24 months of his then-current monthly base salary payable as a single lump sum, (b) an amount equal to 2 times his target annual bonus payable as a single lump sum and (c) benefit continuation for up to 24 months. In such instances of termination, all of Mr. Durso’s unvested equity awards and stock options will, upon effectiveness of a release of claims, become fully vested and all of his vested stock options will be exercisable for a period of one year following the effective date of termination unless the stock plan pursuant to which the option is granted requires earlier termination.

Retirement of Mark Pruzanski, M.D., as President and Chief Executive Officer

Effective January 1, 2021, Mark Pruzanski, M.D., will retire from his position as President and Chief Executive Officer. During the period commencing on January 1, 2021 (the "Transition Date") and ending on such date following the first anniversary of the Transition Date as either party may determine (the "Consulting Period"), Dr. Pruzanski will continue to provide consulting services to the Company as a non-employee consultant, including assisting the Company with the transition of Dr. Pruzanski's duties to the Company's new leadership team, assisting the Company's executive team, its Board and other senior Company personnel with respect to specific projects and providing assistance with respect to any investigative, administrative or regulatory proceeding as requested from time to time, as set forth in the retirement and consulting agreement, dated December 9, 2020 (the "Consulting Agreement"), by and between Dr. Pruzanski and the Company. Dr. Pruzanski's resignation was not the result of any disagreement regarding any matter related to the Company's operations, policies or practices. Dr. Pruzanski is not retiring from the Board.

Pursuant to the Consulting Agreement, Dr. Pruzanski will receive: (i) a consulting fee of \$118,200 per month, payable monthly in arrears, (ii) a reimbursement for all pre-approved reasonable business expenses incurred in connection with providing the services under the Consulting Agreement during the Consulting Period and (iii) continued participation in the Company's health and dental plans. Dr. Pruzanski will also be entitled to reimbursement for attorney's fees incurred in connection with entering into the Consulting Agreement. In addition, all outstanding Company equity awards held by Dr. Pruzanski as of December 9, 2020 will continue to vest in equal monthly installments over a period of 12 months following the Transition Date, with any performance-based restricted stock units vesting at the maximum level of performance, subject Dr. Pruzanski's continued service on the Board or as a consultant and all of his options will be exercisable for a period of up to 3 years following the date of termination unless the stock plan pursuant to which the option is granted requires earlier termination.

Item 7.01. Regulation FD Disclosure.

On December 10, 2020, the Company issued a press release relating to the matters described in Item 5.02 of this Form 8-K. A copy of this press release is furnished as Exhibit 99.1 to this Form 8-K.

The information in this Item 7.01 and Exhibit 99.1 attached hereto is being furnished to the Securities and Exchange Commission and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as expressly set forth by specific reference in such filing or, in the case of Exhibit 99.1, as expressly set forth below.

This Current Report on Form 8-K contains forward-looking statements, including, but not limited to, statements regarding Dr. Pruzanski's continued service as a consultant to and director of the Company, the nature and extent of such continued service, and the compensation related thereto. These statements constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Current Report on Form 8-K, and the Company undertakes no obligation to update any forward-looking statement except as required by law. These forward-looking statements are based on estimates and assumptions by the Company's management that, although believed to be reasonable, are inherently uncertain and subject to a number of risks. Actual results may differ materially from historical results or those anticipated or predicted by the Company's forward-looking statements as a result of various important factors, including, but not limited to, the impact of general economic, industry, market or political conditions and the other risks and uncertainties identified in the Company's periodic filings, including the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and Quarterly Report on Form 10-Q for the period ended September 30, 2020.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number	Description
<u>10.1</u>	<u>Amended and Restated Employment Agreement by and between Intercept Pharmaceuticals, Inc. and Jerome Durso, dated December 9, 2020</u>
<u>10.2</u>	<u>Retirement and Consulting Agreement by and between Intercept Pharmaceuticals, Inc. and Mark Pruzanski, M.D., dated December 9, 2020</u>
<u>99.1</u>	<u>Press Release of Intercept Pharmaceuticals, Inc. dated December 10, 2020</u>
104	Cover Page Interactive Data File (embedded as Inline XBRL document).

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.

INTERCEPT PHARMACEUTICALS, INC.

By: /s/ Sandip Kapadia

Name: Sandip Kapadia

Title: Chief Financial Officer and Treasurer

Date: December 10, 2020

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement"), made as of December 9, 2020, is entered into by Intercept Pharmaceuticals, Inc. (the "Company") and Jerome Durso ("Executive").

WHEREAS, the Company desires to employ Executive as its President and Chief Executive Officer, and Executive desires to be employed by the Company.

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties to this Agreement, the parties agree as follows:

1. **Term of Employment.** The Company hereby agrees to employ Executive, and Executive hereby accepts employment with the Company, upon the terms set forth in this Agreement, for the period commencing on January 1, 2021 (the "Commencement Date") and ending on the two year anniversary thereof, unless sooner terminated in accordance with the provisions of Section 4 (such period, the "Initial Term"); provided, however, that commencing on the second anniversary of the Commencement Date (and each anniversary of the Commencement Date thereafter), the term of employment under this Agreement shall be automatically extended for an additional one-year period (each such period, a "Subsequent Period") unless terminated sooner pursuant to Section 4 or if, at least thirty (30) days prior to the applicable anniversary date, either Executive or the Company provides written notice to the other party electing not to extend. The Initial Term together with each Subsequent Term, if any, are referred to hereinafter as the "Agreement Term."

2. **Title; Capacity.** During the Agreement Term, the Company will employ Executive as its President and Chief Executive Officer to perform the duties and responsibilities inherent in such position and such other duties and responsibilities consistent with such position as the Board of Directors of the Company (the "Board") shall from time to time reasonably assign to him. On an annual basis, the Board in consultation with Executive will set mutually agreeable and reasonably attainable, specific goals pursuant to the objectives of the Company as in effect from time to time. Executive shall report directly to the Board. Executive will be based at the Company's headquarters in New York, New York. Executive hereby accepts such employment and agrees to undertake the duties and responsibilities inherent in such position and such other duties as may be reasonably assigned to Executive. Executive shall devote substantially all of his business time, energies and attention in the performance of the foregoing services. Notwithstanding the foregoing, nothing herein shall preclude Executive from (i) performing services for such other companies as the Company may designate or permit, (ii) serving, with the prior written consent of the Board, which consent shall not be unreasonably withheld, as an officer or member of the boards of directors or advisory boards (or their equivalents in the case of a non-corporate entity) of non-competing businesses, (iii) serving as an officer or a member of charitable, educational or civic organizations, (iv) engaging in charitable activities and community affairs, and (v) managing Executive's personal investments and affairs; provided, however, that the activities set out in clauses (i) – (v) shall be limited by Executive so as not to materially interfere, individually or in the aggregate, with the performance of Executive's duties and responsibilities hereunder.

3. Compensation and Benefits.

3.1 Salary. The Company shall pay Executive an annualized base salary of \$690,750.00, payable in accordance with the Company's regular payroll practices. Such base salary shall be subject to annual review and increase (but not decrease) as may be determined and approved by the Board or the Company's Compensation Committee in its sole discretion.

3.2 Bonuses.

(a) Annual Bonus. At the end of a given fiscal year commencing in 2021, Executive will be eligible to receive a target bonus of 70% of his base salary in effect at the end of such fiscal year. The amount of any such bonus shall be based on factors including, but not limited to, Executive's achievement, as determined by the Board or the Compensation Committee in its sole discretion, of mutually agreeable reasonable goals and milestones established in advance by the Board or the Compensation Committee in consultation with the CEO and Executive. The period for calculation of the bonus shall be consistent with the Company's fiscal year. Such bonus, if any, will be paid to Executive on or after January 1 and in any case no later than March 15 of the immediately succeeding fiscal year. The bonus shall be paid in cash; provided that, if requested by Executive and approved by the Board, some or all of the bonus may be paid in equity under the Company's stockholder approved stock plan then in effect (valued at the fair market value thereof), or any combination of the foregoing. To the extent that the Company is required pursuant to Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act to develop and implement a policy (the "Policy") providing for the recovery from the Executive of any payment of incentive-based compensation paid to the Executive that was based upon erroneous data contained in an accounting statement, this Agreement shall be deemed amended and the Policy incorporated herein by reference as of the date that the Company takes all necessary corporate action to adopt the Policy, without requiring any further action of the Company or the Executive, provided that any such Policy shall only be binding on the Executive if the same Policy applies to the Company's other executive officers. Executive's annual bonus for the 2020 fiscal year shall be based upon the bonus targets and metrics in effect for Executive prior to the Commencement Date.

3.3 Equity Awards. At the sole discretion of the Board or the Company's Compensation Committee, stock options, restricted stock units, performance units or other equity-based awards may be granted to Executive from time to time.

3.4 Fringe Benefits. Executive shall be entitled to participate in all bonus and benefit programs that the Company establishes and makes available to its U.S.-based executives and/or employees from time to time, including, but not limited to, health care plans, dental care plans, vision care plans, supplemental retirement plans, life insurance plans, disability insurance plans and incentive compensation plans, to the extent that Executive is eligible under, and subject to the terms and conditions of, the applicable plan documents governing such programs. The Company shall pay 100% of the premium cost for health insurance coverage for Executive, his spouse and children, provided that his spouse and dependents are not covered by an equivalent health insurance plan provided by his spouse's employer. Executive shall be eligible to accrue up to four (4) weeks of paid vacation each calendar year (to be taken at such times and in such number of days as Executive shall determine in consultation with the CEO and in a manner so as not to impair or otherwise interfere with Executive's ability to perform his duties and responsibilities hereunder). The vacation days for which Executive is eligible shall accrue at the rate of 1.67 days per month that Executive is employed during such calendar year. Vacation accrual will be capped in accordance with the Company's policies. When Executive's accrued vacation reaches the cap, he will not accrue additional vacation time until some of the previously accrued vacation is used and the accrued amount falls below the cap. Executive shall also be eligible for paid holidays and paid sick days annually, in accordance with the Company's policies for its senior executives as in effect from time to time. At the end of each calendar year, all unused sick days and personal days shall be forfeited.

3.5 Reimbursement of Expenses. The Company shall reimburse Executive for reasonable travel, entertainment and other expenses incurred or paid in connection with, or related to the performance of Executive's duties, responsibilities or services under this Agreement, upon presentation by Executive of documentation, expense statements, vouchers and/or such other supporting information as the Company may request. Executive must submit proper documentation for each such expense within sixty (60) days after the later of (i) his incurrence of such expense or (ii) his receipt of the invoice for such expense. The Company will reimburse Executive for that expense within thirty (30) days after receipt of the documentation.

3.6 Withholdings. Payments made under this Section 3 shall be subject to applicable federal, state and local taxes and withholdings, if any.

4. Termination of Employment Period. The Agreement Term shall terminate upon the occurrence of any of the following:

4.1 Expiration of the Agreement Term. This Agreement shall expire at the end of the Agreement Term; provided, that notice is given in accordance with Section 1 of this Agreement.

4.2 Termination by the Company for Cause. At the election of the Company, the Executive may be terminated by the Company for Cause (as defined below), immediately following written notice by the Company to Executive, which notice shall identify in reasonable detail the Cause upon which termination is based, except that for reason 4.2(a)(iv) below, termination may not occur prior to the expiration of the thirty (30) day period to cure. For the purposes of this Agreement, "Cause" for termination shall be deemed to exist upon:

(a) a good faith finding by the Company that (i) Executive has engaged in material dishonesty, willful misconduct or gross negligence in connection with the performance of his duties; (ii) Executive has committed any act of fraud or embezzlement with respect to the Company or any of its Affiliates; (iii) Executive has breached or has threatened to breach his/her Invention, Non-Disclosure, and Non-Solicitation Agreement; or (iv) Executive has materially breached this Agreement or any other written agreement between Executive and the Company, and Executive has failed to cure such conduct or breach within thirty (30) days after his receipt of written notice from the Company of such breach; or

(b) Executive's conviction, guilty plea, or entry of nolo contendere to any crime involving moral turpitude, fraud or embezzlement, or any felony.

4.3 Termination By Executive with Good Reason. Executive may terminate the Agreement Term with Good Reason. For purposes of this Agreement, "Good Reason" means the occurrence, without Executive's written consent, of any of the events or circumstances set forth in clauses (a) through (c) below. In addition, notwithstanding the occurrence of any of the events enumerated in clauses (a) through (c), such occurrence shall not be deemed to constitute Good Reason if, within thirty (30) days after the Company's receipt of written notice from Executive of the occurrence or existence of an event or circumstance enumerated in clauses (a) through (c), such event or circumstance has been remedied by the Company. Executive shall not be deemed to have terminated his employment with Good Reason unless Executive first delivers a written notice of termination to the Company identifying in reasonable detail the acts or omissions constituting Good Reason within ninety (90) days after their occurrence and the provision of this Agreement relied upon, such acts or omissions are not cured by the Company within thirty (30) days of the receipt of such notice, and Executive actually ends his employment within one-hundred and twenty (120) days after the Company's failure to cure.

(a) the assignment to Executive of duties inconsistent in any material respect with Executive's position as President and Chief Executive Officer (including status, offices, titles, authority, or responsibilities) or any other action or omission by the Company which results in a material diminution in Executive's position, status, offices, titles, authority, responsibilities, or reporting requirements;

(b) a change by the Company in the location at which Executive performs his principal duties for the Company to a different location that is outside a radius of fifty (50) miles from (i) Executive's principal residence immediately prior to the date on which such change occurs and (ii) the location at which Executive performed his principal duties for the Company immediately prior to the date on which such change occurs; or

(c) any material breach by the Company of this Agreement or any other material agreement between the Company and Executive.

4.4 Death or Disability. This Agreement shall terminate upon Executive's death or disability. As used in this Agreement, the determination of "disability" shall occur when Executive, due to a physical or mental disability, for a period of 60 consecutive days, or 120 days in the aggregate whether or not consecutive, during any 360-day period, is unable to perform the services contemplated under this Agreement. A determination of disability shall be made by a physician satisfactory to both Executive and the Company; provided, that, if Executive and the Company do not agree on a physician, Executive and the Company shall each select a physician and these two together shall select a third physician, whose determination as to disability shall be binding on all parties.

4.5 Termination by Executive Without Good Reason or Termination by the Company Without Cause. At the election of Executive without Good Reason or by the Company without Cause, upon not less than thirty (30) days' prior written notice to the other party.

5. Effect of Termination.

5.1 Payments Upon Termination for Any Reason. In the event Executive's employment terminates pursuant to Section 4, the Company shall pay to Executive (or Executive's estate or legal representative, if applicable), on the date of Executive's termination of employment with the Company (or as soon thereafter as is practicable, consistent with applicable law and the terms of any deferred compensation plan or agreement), (i) the compensation and benefits under Sections 3.1, 3.4 and 3.5 that are accrued and unpaid through such termination date (including, without limitation, an amount equal to all accrued but unused vacation pay and unreimbursed expenses) and (ii) the Executive's target bonus for the year preceding the year in which the termination occurred, to the extent unpaid. In the event of termination of Executive's employment by Executive by reason of non-renewal of the Agreement Term pursuant to Sections 1 and 4.1, the Company for Cause pursuant to Section 4.2, by reason of Executive's death or disability pursuant to Section 4.4, or by Executive without Good Reason pursuant to Section 4.5, Executive shall not receive any compensation or benefits other than as expressly stated in this Section 5.1 and as otherwise required by law.

5.2 Termination by the Company Without Cause, by the Company by Reason of Non-Renewal of Agreement Term, or by Executive for Good Reason. Subject to Section 5.3 below, in addition to the payments and provisions under Section 5.1, in the event of termination of Executive's employment by the Company by reason of non-renewal of the Agreement Term pursuant to Sections 1 and 4.1, by Executive for Good Reason pursuant to Section 4.3, or by the Company without Cause pursuant to Section 4.5, provided that Executive executes a release of claims substantially in the form attached hereto as Exhibit A (the "Release"), which Release must be effective and irrevocable prior to the sixty (60th) day following the termination of the Executive's employment (the "Review Period"), the Company shall provide Executive with the following:

(a) twelve (12) months of Executive's base salary in effect at the time of termination of employment, payable according to the Company's payroll commencing on the first payroll date following the date the Release is effective and irrevocable (the "Payment Date");

(b) a lump sum payment equal to Executive's target annual bonus (as described in Section 3.2(a)), such payment to be made on the Payment Date; and

(c) the Company will, for a period of twelve (12) months following Executive's termination from employment, continue Executive's participation in the Company's group health plan and dental plan and shall pay that portion of the premiums that the Company paid on behalf of Executive and his dependents during Executive's employment, provided, however, that if the Company's health insurance plan and/or dental plan does not permit such continued participation in such plan after Executive's termination of employment, then the Company shall pay that portion of the premiums associated with COBRA continuation coverage that the Company paid on behalf of Executive and his dependents during Executive's employment, including any administrative fee, on Executive's behalf for such twelve-month period; and provided, further, that if Executive becomes employed with another employer during the period in which continued health insurance and/or dental insurance is being provided pursuant to this Section, the Company shall not be required to continue such health and dental benefits, or if applicable, to pay the costs of COBRA, if Executive becomes covered under a health insurance plan of the new employer. (For purposes of this Section 5.2(c), the term "Executive" shall include, to the extent applicable, Executive's spouse and any of Executive's dependents covered under the Company's group health plan and/or dental plan prior to his termination of employment.)

5.3 Termination in the Event of a Change in Control.

(a) In addition to the payments and provisions under Section 5.1 but in lieu of, and not in addition to, the payments required pursuant to Section 5.2 above, in the event Executive's employment with the Company is terminated by the Company by reason of non-renewal of the Agreement Term pursuant to Sections 1 and 4.1, by Executive for Good Reason pursuant to Section 4.3, or by the Company without Cause pursuant to Section 4.5, in any such case, in anticipation of, and/or within three (3) months before or within twelve (12) months following a Change in Control (as defined below) provided that such Change in Control also qualifies as a "change in control event" within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i) (where required to avoid the imposition of penalty taxes under Section 409A) and provided that Executive (or Executive's legal representative, if applicable) executes a Release and the Release becomes effective and irrevocable prior to the end of the Review Period, Executive shall be entitled to the following:

(i) a lump sum cash amount equal to twenty four (24) months of the Executive's base salary in effect at the time of Executive's termination, such payment to be made no later than the Payment Date;

(ii) a lump sum payment equal to two times Executive's target annual bonus (as described in Section 3.2(a)), such payment to be made no later than the Payment Date; and

(iii) for up to twenty-four (24) (if such plan permits), but not less than eighteen (18), months after Executive's date of termination, the Company shall continue Executive's participation in the Company's group health and dental plan and shall pay that portion of the premiums that the Company paid on behalf of Executive and his dependents during Executive's employment; provided, however, that if the Company's health insurance plan and/or dental insurance plan does not permit Executive's continued participation in such plan after his termination of employment, then the Company shall pay that portion of the premiums associated with COBRA continuation coverage that the Company paid on behalf of Executive and his dependents during Executive's employment, including administrative fees, on Executive's behalf for so long as COBRA continuation coverage is available, up to twenty-four (24) months but not less than eighteen (18) months; and provided, further, that if Executive becomes employed with another employer during the period in which continued health insurance and/or dental insurance is being provided pursuant to this Section, the Company shall not be required to continue the relevant benefits, or if applicable, to pay the relevant costs of COBRA, if Executive becomes covered under a health insurance plan and/or dental plan of the new employer. (For purposes of this Section 5.3(a)(ii), the term "Executive" shall include, to the extent applicable, Executive's spouse and any of Executive's dependents covered under the Company's group health plan and/or dental plan prior to his termination of employment.)

(b) As used herein, "Change in Control" shall occur or be deemed to occur if any of the following events occur:

(i) any sale, lease, exchange or other transfer (in one transaction or a series of transactions) of all or substantially all of the assets of the Company; or

(ii) any consolidation or merger of the Company (including, without limitation, a triangular merger) where the shareholders of the Company immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own, directly or indirectly, shares representing in the aggregate more than fifty percent (50%) of the combined voting power of all the outstanding securities of the corporation issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any); or

(iii) a third person, including a "person" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (but other than (x) the Company, (y) any employee benefit plan of the Company, or (z) investors purchasing equity securities of the Company pursuant to a financing or a series of financings approved by the Board of Directors of the Company) becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act) directly or indirectly, of Controlling Securities (as defined below). "Controlling Securities" shall mean securities representing 25% or more of the total number of votes that may be cast for the election of the directors of the Company.

5.4 Effect of Termination on Stock Options and Other Equity Compensation.

(a) In the event of Executive's termination by Executive by reason of non-renewal of the Agreement Term pursuant to Sections 1 and 4.1, by the Company for Cause pursuant to Section 4.2, or by Executive without Good Reason pursuant to Section 4.5, all unvested stock options and other equity-based awards granted to Executive before and after the date of this Agreement shall be immediately forfeited upon the effective date of such termination of employment or as otherwise provided in the award agreement; provided, that, Executive shall have until the earlier of expiration date of the option or one (1) year from the date of termination of Executive to exercise all vested options unless the stock plan pursuant to which the option is granted requires earlier termination in connection with a liquidation or sale of the Company.

(b) In the event of Executive's termination by the Company by reason of non-renewal of the Agreement Term pursuant to Sections 1 and 4.1, by Executive for Good Reason pursuant to Section 4.3, or by the Company without Cause pursuant to Section 4.5, and provided that Executive (or Executive's legal representative, if applicable) executes a Release and the Release becomes effective and irrevocable prior to the end of the Review Period, that number of Executive's unvested stock options and other equity-based awards that would otherwise have vested from the effective date of Executive's termination to the second anniversary of such date shall vest as of the date the Release is effective and irrevocable and Executive (or Executive's estate or legal representative, if applicable) shall have until the earlier of the expiration date of the option or one (1) year from the date of termination of Executive's employment to exercise all vested options unless the stock plan pursuant to which the option is granted requires earlier termination in connection with a liquidation or sale of the Company.

(c) In the event Executive's employment with the Company is terminated by the Company by reason of non-renewal of the Agreement Term pursuant to Sections 1 and 4.1, by Executive for Good Reason pursuant to Section 4.3, or by the Company without Cause pursuant to Section 4.5, in any such case, in anticipation of, and/or within three (3) months before or within twelve (12) months following a Change in Control, in lieu of the acceleration provided for pursuant to Section 5.4(b) above, provided that Executive (or Executive's legal representative, if applicable) executes a Release and the Release becomes effective and irrevocable prior to the end of the Review Period, to the extent vesting and acceleration will not result in a violation of Section 409A, all of Executive's unvested stock options and other equity-based awards then in effect shall vest as of the date the Release is effective and irrevocable and Executive (or Executive's estate or legal representative, if applicable) shall have until the earlier of the expiration date of the option or one (1) year from the date of termination of Executive's employment to exercise all vested options unless the stock plan pursuant to which the option is granted requires earlier termination in connection with a liquidation or sale of the Company.

(d) In the event Executive's employment with the Company is terminated by reason of disability pursuant to Section 4.4, all unvested stock and stock options granted to Executive before and after the date of this Agreement shall be immediately forfeited upon the effective date of such termination of employment or as otherwise provided in the option agreement; provided, that, Executive shall have until the earlier of the expiration date of the option or one (1) year from the date of termination of Executive's employment to exercise all vested options unless the stock plan pursuant to which the option is granted requires earlier termination in connection with a liquidation or sale of the Company.

5.5 Review Period. In the event that the Review Period begins in one taxable year of the Executive and ends in a later taxable year, any payments contingent upon Executive's execution without revocation of the Release prior to the end of the Review Period will commence to be paid (or as applicable, made in full) on the first payroll date in the later taxable year. In no event will any payments be made or commence to be paid later than the ninetieth (90th) day following the Executive's date of termination, subject to compliance with Section 12.6 herein.

5.6 Limitation on Benefits. The Company will make the payments under this Agreement without regard to whether the deductibility of such payments (or any other payments or benefits) would be limited or precluded by Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and without regard to whether such payments would subject Executive to the federal excise tax levied on certain "excess parachute payments" under Section 4999 of the Code (the "Excise Tax"); provided, however, that if the Total After-Tax Payments (as defined below) would be increased by the reduction or elimination of any payment and/or other benefit (including the vesting of the options) under this Agreement, then the amounts payable under this Agreement will be reduced or eliminated as follows, if possible: (i) first, by reducing or eliminating any cash payments or other benefits (other than the vesting of the options) and (ii) second, by reducing or eliminating the vesting of that options that occurs as a result of such Change in Control (as provided above), to the extent necessary to maximize the Total After-Tax Payments. The Company's independent, certified public accounting firm (the "Accounting Firm") will determine whether and to what extent payments or vesting under this agreement are required to be reduced in accordance with the preceding sentence. For purposes of this Agreement, "Total After-Tax Payments" means the total of all "parachute payments" (as that term is defined in Section 280G(b)(2) of the Code) made to or for the benefit of Executive (whether made under the Agreement or otherwise) by the Company or any of its affiliates, after reduction for all applicable federal state and local income taxes, employment, social security and Medicare taxes, the imposition of the Excise Tax and all other taxes, determined by applying the highest marginal rate under Section 1 of the Code and under state and local laws which applied (or is likely to apply) to the Employee's taxable income for the tax year in which the transaction which causes the application of Section 280G of the Code occurs, or such other rate(s) as the Accounting Firm determines to be likely to apply to the Executive in the relevant tax year(s) in which any of the parachute payments is expected to be made) than if the Employee received all of the parachute payments. The Company agrees to pay for all costs associated with the Accounting Firm and the determination of the payments or vesting required to be reduced and for the avoidance of doubt, shall not be required to pay any taxes, penalties, interest or other expenses to which Executive may be subject. If it is ultimately determined (by IRS private letter ruling or closing agreement, court decision or otherwise) that Executive's parachute payments were reduced by too much or by too little in order to accomplish the purpose of this Section 5.6, the Executive and the Company shall promptly cooperate to correct such underpayment or overpayment in a manner consistent with the purpose of this Section 5.6.

5.7 Withholdings. Payments made under this Section 5 shall be subject to applicable federal, state and local taxes and withholdings. If the payment of any COBRA or health insurance premiums would otherwise violate the nondiscrimination rules or cause the reimbursement of claims to be taxable under the Patient Protection and Affordable Care Act of 2010, together with the Health Care and Education Reconciliation Act of 2010 (collectively, the "Act") or Section 105(h) of the Code, the Company paid premiums shall be treated as taxable payments and be subject to imputed income tax treatment to the extent necessary to eliminate any discriminatory treatment or taxation under the Act or Section 105(h) of the Code.

6. Notices. All notices, requests, consents and other communications hereunder will be in writing, will be addressed, if to the Company, at its principal corporate offices to the attention of the Legal Department, and if to Executive, at his address set forth on the signature page hereto or the personnel records of the Company (as applicable), or in either case, such other address as a party may designate by notice hereunder, and will be either (i) delivered by hand, (ii) sent by overnight courier, or (iii) sent by registered or certified mail, return receipt requested, postage prepaid. All notices, requests, consents and other communications hereunder will be deemed to have been given either (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (iii) if sent by registered or certified mail, on the fifth business day following the day such mailing is made.

7. Absence of Restrictions. Executive represents and warrants that Executive is not bound by any employment contracts, restrictive covenants or other restrictions that prevent him from entering into employment with, or carrying out his responsibilities for, the Company, or which are in any way inconsistent with any of the terms of this Agreement. Executive further represents that, except as Executive has previously disclosed or described to the Company, Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from using or disclosing any trade secret or confidential or proprietary information in the course of his employment with the Company, to refrain from competing, directly or indirectly, with the business of such previous employer or any other party, or to refrain from soliciting employees, customers or suppliers of such previous employer or other party. Executive further represents that he will not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

8. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral relating to the subject matter of this Agreement, with the exception of the Invention, Non-Disclosure, Non-Competition and Non-Solicitation Agreement by and between the Company and Executive. As of the Commencement Date, this Agreement shall supersede the Employment Agreement between Executive and the Company dated as of February 15, 2017, which thereafter shall be of no further force or effect. Notwithstanding the foregoing, the parties to this Agreement acknowledge that stock options and other equity awards may be granted by the Company to Executive under and pursuant to the Intercept Pharmaceuticals, Inc. 2012 Equity Incentive Plan and any amendments thereto, as well as any additional plans, and the award agreements related to such plans.

9. Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and Executive.

10. Governing Law; Consent to Jurisdiction. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New York without regard to conflict of law principles. Any action, suit or other legal proceeding arising under or relating to any provision of this Agreement shall be commenced only in a court of the State of New York (or, if appropriate, a federal court located within the State of New York), and the Company and Executive each consents to the jurisdiction of such a court. The Company and Executive each hereby irrevocably waive any right to a trial by jury in any action, suit or other legal proceeding arising under or relating to any provision of this Agreement.

11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and assigns, including any corporation or other entity with which, or into which, the Company may be merged or which may succeed to the Company's assets or business, provided, however, that the obligations of Executive are personal and shall not be assigned by him. Notwithstanding the foregoing, if Executive dies the compensation and benefits stated in this Agreement will be paid to his beneficiary or his estate if no beneficiary.

12. Miscellaneous.

12.1 No Waiver. No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.

12.2 Captions. The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

12.3 Severability. In case any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

12.4 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement may be delivered by facsimile, and facsimile signatures shall be treated as original signatures for all applicable purposes.

12.5 Blue Penciling. To the extent that any provision herein or in any plan of nonqualified deferred compensation that this document is a part of contravenes the requirements of Code Section 409A or the regulations thereunder, such provision shall be appropriately modified in accordance with available IRS guidance (including without limitation IRS Notice 2010-6 and related guidance) so that Executive is not subject to the adverse effects of Code Section 409A but will nevertheless retain, to the extent possible, the economic benefit of the provision.

12.6 Section 409A; Withholding.

12.6.1 The payments under this Agreement are intended either to be exempt from Section 409A of the Code under the short-term deferral, separation pay, or other applicable exception, or to otherwise comply with Section 409A. The parties agree that this Agreement shall be administered in a manner consistent with such intent. For purposes of Section 409A, all payments under this Agreement shall be considered separate payments. If any amount or benefit payable to the Executive under this Agreement upon a "termination of employment" is determined by the Company to constitute a "deferral of compensation" for purposes of Section 409A (after taking into account any applicable exceptions), such amount or benefit shall not be paid or provided until the Executive has also experienced a "separation from service" from the Company within the meaning of Section 409A. Notwithstanding any provision to the contrary, to the extent Executive is considered a specified employee under Section 409A and would be entitled during the six-month period beginning on Executive's separation from service to a payment that is not otherwise excluded under Section 409A, such payment will not be made until the earlier of the six-month anniversary of Employee's separation from service or death; provided that the first payment made after the delay shall include all amounts that would have been paid earlier but for such six (6) month delay. At the request of the Executive, the Company shall set aside those payments that would otherwise be made in such six-month period in a trust that is in compliance with Rev. Proc. 92-64.

12.6.2 If an expense reimbursement or provision of in-kind benefit provided to the Executive under this Agreement is not exempt from Section 409A of the Code, the following rules apply: (i) in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred; (ii) the amount of reimbursable expenses incurred or provision of in-kind benefits in one tax year shall not affect the expenses eligible for reimbursement or the provision of in-kind benefits in any other tax year; and (iii) the right to reimbursement for expenses or provision of in-kind benefits is not subject to liquidation or exchange for any other benefit.

12.6.3 The parties agree to negotiate in good-faith the amendment of this Agreement, as necessary, to avoid any violations of Section 409A in a manner that preserves the original intent of the parties to the extent reasonably possible. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Executive on account of non-compliance with Section 409A.

12.6.4 All compensatory payments under this Agreement are subject to any required tax or other withholdings.

12.7 Interpretation. References to decisions by the Company will be made by the Board or the applicable Board committee.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

THE COMPANY:

INTERCEPT PHARMACEUTICALS, INC.

/s/ Paolo Fundaro

Name: Paolo Fundaro

Title: Chairman of the Board

Date: 12/9/20

EXECUTIVE:

By: /s/ Jerome Durso

Name: Jerome Durso

Date: 12/9/20

Address for Notice Purposes:

[Last address in books and records of the Company]

Exhibit A

RELEASE OF CLAIMS¹

FOR AND IN CONSIDERATION OF the payments and benefits (the "**Separation Benefits**") to be provided to me in connection with the separation of my employment, in accordance with the Employment Agreement between Intercept Pharmaceuticals, Inc. (the "**Company**") and me dated December 9, 2020 (the "**Agreement**"), which Separation Benefits are conditioned on my signing this Release of Claims ("**Release**") and which I will forfeit unless I timely execute and do not revoke this Release of Claims, I, on my own behalf and on behalf of my heirs and estate, voluntarily, knowingly and willingly release and forever discharge the Company, its subsidiaries, affiliates, parents, and each of their respective predecessors, successors and assigns and, in their capacities as such, stockholders, together with each of those entities' respective officers, directors, stockholders, employees, agents, fiduciaries, attorneys, insurers and administrators, each in their capacities as such (collectively, the "**Releasees**") from any and all claims, rights, charges, actions, causes of action, complaints, sums of money, suits, debts, covenants, contracts, agreements, promises, obligations, damages, demands or liabilities (collectively, "**Claims**") of any nature whatsoever which I now have against them, arising from the beginning of time up to the date I execute this Release, whether known or unknown, suspected or unsuspected. This Release includes, but is not limited to, any Claims relating in any way to my employment relationship with the Company or any of the other Releasees or the termination thereof, any contract claims (express or implied, written or oral), including, but not limited to, the Agreement, or any Claims under any statute, including, without limitation, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers' Benefit Protection Act, the Rehabilitation Act of 1973 (including Section 504 thereof), Title VII of the 1964 Civil Rights Act, the Civil Rights Act of 1866 (42 U.S.C. § 1981), the Civil Rights Act of 1991, the Equal Pay Act, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Family Medical Leave Act, the Lilly Ledbetter Fair Pay Act, the Genetic Information Non-Discrimination Act, the New York State Human Rights Law, the New York City Human Rights Law, and the Employee Retirement Income Security Act of 1974, all as amended, and any other federal, state or local law. This Release specifically includes, but is not limited to, any Claims based upon the right to the payment of wages, incentive and performance compensation, bonuses, equity grants, vacation, pension benefits, 401(k) Plan benefits, stock benefits or any other employee benefits, or any other Claims arising under federal, state or local laws prohibiting discrimination and/or harassment on the basis of race, color, age, religion, sexual orientation, religious creed, sex, national origin, ancestry, alienage, citizenship, nationality, mental or physical disability, denial of family and medical care leave, medical condition (including cancer and genetic characteristics), marital status, military status, gender identity, harassment or any other basis prohibited by law.

¹ The Executive agrees that the Company may revise this release to satisfy the purpose of providing as full a release of claims (subject to payment of any benefits provided on the applicable termination of employment) as may be legally permissible. The Company may revise it to reflect changes in law for releases and may revise language for ADEA compliance, as applicable.

This Release does not: (i) prohibit or restrict me from communicating, providing relevant information to or otherwise cooperating with the U.S. Equal Employment Opportunity Commission, the New York State Division of Human Rights or a local commission on human rights or any other governmental authority with responsibility for the administration of fair employment practices laws (including the Securities and Exchange Commission ("SEC") with respect to SEC Whistleblowing as provided under Section 21F of the Securities Exchange Act of 1934) regarding a possible violation of such laws or responding to any inquiry from such authority, including an inquiry about the existence of this Release or its underlying facts, or otherwise initiating, testifying, assisting, complying with a subpoena from, or participating in any manner with an investigation conducted by such government agency, or (ii) require me to notify the Company of such communications or inquiry. Furthermore, notwithstanding the foregoing, this Release does not include and will not preclude: (a) rights or claims to vested benefits under any applicable retirement and/or pension plans; (b) rights under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"); (c) claims for unemployment compensation; (d) rights to defense and indemnification or under the Company's directors' and officers' liability insurance, if any, from the Company for actions or inactions taken by me in the course and scope of my employment with the Company and its parents, subsidiaries and/or affiliates; (e) any rights I may have to obtain contribution as permitted by law in the event of entry of judgment against the Company as a result of any act or failure to act for which I and the Company are held jointly liable; (f) any rights to vested equity that vested prior to or because of the termination of my employment and rights as a stockholder; and/or (g) any actions to enforce the Agreement.

For the avoidance of doubt, notwithstanding anything to the contrary, this Release does not limit my right to receive an award from any governmental agency for information provided to the governmental agency. However, by executing this Release, I hereby waive the right to recover any damages, compensation or monetary award from the Company in any lawsuit or any proceeding before any governmental agency that arises out of alleged facts or circumstances on or before the effective date of this Release.

I acknowledge that, in signing this Release, I have not relied on any promises or representations, express or implied, other than those that are set forth expressly herein or in the Agreement and that are intended to survive separation from employment, in accordance with the terms of the Agreement.

Nondisclosure; Continuing Obligations - I understand and agree that, to the extent permitted by law, the terms and contents of this Release (as modified before signature) and the contents of the negotiations and discussions resulting in this Release shall be maintained as confidential by me and must not be disclosed to anyone other than a member of my immediate family, my attorney, accountant or other advisor (and, even as to such a person, only if the person agrees to honor this confidentiality requirement) except to the extent required by federal or state law or as otherwise agreed to in writing by the Company. I acknowledge and reaffirm my obligation to keep confidential and not disclose any and all non-public information concerning the Company that I acquired during the course of my employment or other relationship with the Company, including any non-public information concerning the Company's business affairs, business prospects and financial condition, as is stated more fully in any Invention, Non-Disclosure, Non-Competition and Non-Solicitation Agreement and that I will comply with such agreement in all other respects.

The Company understands and agrees that the contents of the negotiations and discussions resulting in this Release shall be maintained as confidential and shall not be disclosed to any third parties, except to the extent required by federal or state law or as otherwise agreed to in writing with you.

Permitted Disclosures - Pursuant to 18 U.S.C. § 1833(b), I hereby acknowledge that I shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. I understand that if I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding if I (x) file any document containing the trade secret under seal, and (y) do not disclose the trade secret, except pursuant to court order. Nothing in this Agreement or any other agreement by and between the Company and myself is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets expressly allowed by such section.

Mutual Non-Disparagement – I understand and agree that I shall not make any false, disparaging or derogatory statements to any person or entity, including any media outlet, industry group or financial institution, regarding the Company, or any of the other Releasees or about the Company's business affairs and financial condition. The Company confirms that it has instructed the members of its Board of Directors and its current executive officers to not make any false, disparaging or derogatory statements to any person or entity, including any media outlet, industry group or financial institution, regarding me, my employment with the Company, or my departure from the Company. Notwithstanding the foregoing, nothing herein prevents either the Releasees or me from making truthful disclosures to any governmental entity or to enforce this Letter Agreement and the Release. For the avoidance of doubt, nothing in this agreement prohibits me from communicating with a government agency, regulator or legal authority concerning any possible violations of federal or state law or regulation. Nothing in this agreement, however, authorizes the disclosure of information I obtained through a communication that was subject to the attorney-client privilege, unless disclosure of the information would otherwise be permitted by an applicable law or rule.

Return of Company Property - I confirm that I have returned to the Company in good working order all Company-owned keys, files, records (and copies thereof), equipment (including computer hardware, software and printers, wireless handheld devices, cellular phones, tablets, smartphones, etc.), Company identification, the Company proprietary and confidential information, and any other Company-owned property in my possession or control and I have left intact with, or delivered intact to, the Company all electronic Company documents and internal and external websites, including those that I developed or helped to develop during my employment, and that I have thereafter deleted, and destroyed any hard copies of, all electronic files relating to the Company that are in my possession or control, including any that are located on any of my personal computers or external or cloud storage. I further confirm that I have cancelled all accounts for my benefit, if any, in the Company's name including, but not limited to, credit cards, telephone charge cards, cellular phone and/or wireless data accounts and computer accounts. Notwithstanding the foregoing, you shall be permitted to retain your contacts and calendars and personal correspondence and any documents or data related to your compensation or reasonably needed for tax preparation purposes.

Final Compensation – I acknowledge that I have received payment in full for all services rendered in conjunction with my employment by the Company, including payment for all wages, bonuses, and equity for any period before the date of this Release (other than any current salary and benefits due in the ordinary course in a final paycheck or thereafter), and that no other compensation is owed to me, except as provided in the applicable provisions of Section 5 of the Agreement; *provided* that nothing herein shall affect any claims of entitlement I may have to vested benefits under any 401(k) plan or other ERISA-covered benefit plan (excluding severance) provided by the Company.

Cooperation – I agree to cooperate with, provide assistance to, and make myself reasonably available to the Company and its legal counsel in connection with any litigation (including arbitration or administrative hearings) or investigation or examination relating to the Company or any of its current or former employees, in which, in the reasonable judgment of the Company or its counsel, my assistance or cooperation is needed due to my personal involvement in or knowledge about the circumstances to which the litigation or investigation relates. I will, when the Company or its counsel requests, provide testimony, be available for interviews or other assistance and travel at the Company's reasonable request in order to fulfill this obligation. In connection with such litigation or investigation (a "Matter"), the Company will use its best efforts to accommodate my schedule, will provide me with as much notice as possible in advance of the times during which my cooperation or assistance is needed, and will compensate me (on a Matter-by-Matter basis) at the hourly rate of \$250 for any time exceeding four (4) hours, with such compensation payable from the first minute if such time exceeds four (4) hours in the aggregate spent cooperating with the Company for such Matter, and will reimburse me for any reasonable travel and lodging expenses incurred in connection with such matters (at a level of travel consistent with my travel while employed by the Company) and the reasonable fees of any independent counsel retained by me if I reasonably believe separate counsel to be appropriate. I agree not to assist or provide information to any adverse party in any litigation against the Company or any of its current or former employees, except as required under law or formal legal process, unless I provide advance notice to the Company at least 10 days before such assistance or provision of information (or, if I am so required to assist or provide such information within less than 10 days of receipt of such requirement, after I provide timely advance notice to the Company) to allow the Company to take legal action with respect to the matter. Finally, I will undertake to satisfy requests for information from the Company with respect to the above undertaking. *Nothing in this Release is intended to restrict or preclude me from, or otherwise influence me in, testifying fully and truthfully in legal, administrative, or any other proceedings involving the Company, as required by law or formal legal process.*

Tax Provision – I acknowledge that I am not relying upon advice or representation of the Company with respect to the tax treatment of any of the payments or benefits provided by the Company. The benefits provided to me are intended to be exempt from or compliant with Section 409A of the Internal Revenue Code of 1986. *The Company makes no representation or warranty and shall have no liability to me or to any other person if any of the provisions of the Agreement or this Release are determined to constitute deferred compensation subject to Section 409A but not to satisfy an exemption for, or the conditions of, that section.* All payments stated will be reduced by all applicable taxes and withholdings.

Nature of Agreement – I understand and agree that this Release is a severance agreement and does not constitute an admission of liability or wrongdoing on the part of the Company.

Voluntary Assent – I affirm that no other promises or agreements of any kind have been made to or with me by any person or entity whatsoever to cause me to sign this Release, other than as reflected in the Agreement and that I fully understand the meaning and intent of the Release. I acknowledge that, in signing this Release, I have not relied on any promises or representations, express or implied, other than those that are set forth expressly herein or in the Agreement and that are intended to survive separation from employment, in accordance with the terms of the Agreement. I further state and represent that I have carefully read this Release, understand the contents herein, freely and voluntarily assent to all of the terms and conditions hereof, and sign my name of my own free act.

Validity – Should any provision of this Release be declared or be determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Release.

I further acknowledge that:

1. I first received this Release on the date of the Agreement to which it is attached as Exhibit A;
2. I understand that, in order for this Release to be effective, I may not sign it prior to the date of my separation of employment with the Company but that if I wish to receive the Separation Benefits, I must sign and return this Release prior to the sixtieth (60th) day following my separation of employment;
3. I have carefully read and understand this Release;
4. The Company advised me to consult with an attorney and/or any other advisors of my choice before signing this Release. I represent that I have had the opportunity to review this Release with an attorney of my choosing;
5. I understand that this Release is legally binding and by signing it I give up certain rights;
6. I have voluntarily chosen to enter into this Release and have not been forced or pressured in any way to sign it;
7. I acknowledge and agree that the Separation Benefits, to which I would not otherwise be entitled unless I sign this Release, are contingent on execution of this Release, which releases all of my claims against the Company and the Releasees, and I **KNOWINGLY AND VOLUNTARILY AGREE TO RELEASE** the Company and the Releasees from any and all claims I may have, known or unknown, in exchange for the benefits I have obtained by signing, and that these benefits are in addition to any benefit I would have otherwise received if I did not sign this Release;

8. I have twenty-one (21) calendar days from my last day of employment with the Company to consider the terms of this Release. However, I may sign and return this Release before the expiration of the twenty-one (21) calendar day period, but not prior to my last day of employment with the Company. I agree that changes to this Release, whether material or immaterial, will not restart the running of the twenty-one (21) calendar day period;
9. I have seven (7) calendar days after I sign this Release to revoke it by notifying the Company in writing. The Release will not become effective or enforceable until the seven (7) calendar day revocation period has expired. If I revoke my consent within such seven (7) calendar day period, this Release shall be of no force or effect and I shall have no right to any Separation Benefits;
10. This Release includes a waiver of all rights and claims I may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. §621 et seq.);
11. This Release does not waive any rights or claims that may arise after this Release becomes effective, which is seven (7) days after I sign it, provided that I do not exercise my right to revoke this Agreement; and
12. This Release shall be construed, interpreted and enforced in accordance with the laws of the State of New York without regard to conflict of law principles.

Intending to be legally bound, I have signed this Release as of the date written below.

Signature: _____
Jerome Durso

_____ Date signed

RETIREMENT AND CONSULTING AGREEMENT

This RETIREMENT AND CONSULTING AGREEMENT (this "Agreement") is made and dated as of December 9, 2020, by and between Intercept Pharmaceuticals, Inc. (the "Company"), and Mark Pruzanski (the "Executive").

WHEREAS, the Executive is employed as President and Chief Executive Officer of the Company pursuant to an Employment Agreement dated as of May 14, 2013 (the "Employment Agreement"); and

WHEREAS, the Executive has determined that it is an appropriate time for the Company to transition to new leadership and therefore wish to set forth the terms of such transition; and

WHEREAS, the Executive and the Company's Board of Directors (the "Board") wish to provide for the Executive's ongoing assistance to the Company as a consultant during the Consulting Period (as defined below).

NOW, THEREFORE, in order to provide for an orderly transition and in consideration of the foregoing premises and the mutual promises, terms, provisions and conditions set forth in this Agreement, the parties hereby agree as follows:

1. **Retirement; Consulting Period; Consulting Fees; Indemnification; Attorney's Fees.**

(a) Effective as of January 1, 2021 (the "Transition Date"), the Executive hereby retires from his employment with the Company and all of its affiliates and from his position President and Chief Executive Officer of the Company. Such retirement does not constitute a resignation or retirement from the Board. The Executive and the Company each hereby waive any advance notice period which otherwise may have been required in connection with the Executive's retirement. Between the date hereof and the Transition Date, the Executive shall continue to receive compensation and benefits from the Company at their existing levels.

(b) For the period commencing on the Transition Date and ending on such date following the first anniversary of the Transition Date as either party may determine, (the "Consulting Period"), the Executive shall provide consulting services to the Company as a non-employee consultant, which services shall consist of assisting the Company with the transition of the Executive's duties to the Company's new leadership team, assisting the Company's executive team, its Board and other senior Company personnel with respect to specific projects and providing assistance with respect to any investigative, administrative or regulatory proceeding as requested from time to time.

(c) During the Consulting Period, the Company shall pay the Executive a consulting fee of \$118,200 per month (such fee, the "Consulting Fee"), payable monthly in arrears. The Company shall reimburse the Executive for all pre-approved reasonable business expenses incurred by the Executive during the Consulting Period in connection with providing the consulting services hereunder. The Executive shall bill the Company monthly for all such expenses (including providing reasonably required documentation of such expenses), which invoices the Company shall pay in accordance with the Company's expense reimbursement policy. The Company shall provide the Executive with advance notice of any changes to the Company's expense reimbursement policy.

(d) All outstanding equity awards held by the Executive as of the date hereof shall continue to vest and remain outstanding in accordance with their terms so long as the Executive remains on the Board or as a consultant to the Company; provided that the vesting schedule of each award which is unvested as of the Transition Date is hereby amended so that one twelfth (1/12th) of the unvested portion of each such award shall vest as of the last business day of each calendar month commencing in December 2020 (or such earlier date as the Executive is unable to provide consulting services due to death or disability), with performance-based restricted stock units held by the Executive as of the date hereof vesting at the maximum level of performance, provided that the Executive does not terminate both his provision of services hereunder and his service as a director prior to the applicable vesting date. If the Executive terminates both his provision of services hereunder and his service as a director prior to the first anniversary of the Transition Date, equity awards that are unvested as of such termination shall be forfeited; provided, however, that if such terminations occur with the consent of the Company, all then unvested equity awards shall vest upon the termination. With respect to stock options, the Executive will continue to have until the earlier of the expiration date of the option or three (3) years from the date of termination of Executive's consulting and Board services to exercise all vested options unless the stock plan pursuant to which the option is granted requires earlier termination in connection with a liquidation or sale of the Company.

(e) The Company will, for a period of twelve (12) months following the Transition Date, continue Executive's participation in the Company's group health plan and dental plan and shall pay that portion of the premiums that the Company paid on behalf of Executive and his dependents during Executive's employment, provided, however, that if at any time during such 12 month period the Company's health insurance plan and/or dental plan does not permit such continued participation, then the Company shall, for the remainder of such 12 month period, pay that portion of the premiums associated with COBRA continuation coverage that the Company paid on behalf of Executive and his dependents during Executive's employment, including any administrative fee, for such twelve-month period; and provided, further, that if Executive becomes employed with another employer during the period in which continued health insurance and/or dental insurance is being provided pursuant to this Section 1(e), the Company shall not be required to continue such health and dental benefits, or if applicable, to pay the costs of COBRA, if Executive becomes covered under a health insurance plan of the new employer. For purposes of this Section 1(e), the term "Executive" shall include, to the extent applicable, Executive's spouse and any of his dependents covered under the Company's group health plan and/or dental plan prior to the Transition Date.

(f) It is understood by the parties hereto that the Executive shall at all times during the Consulting Period be an independent contractor with respect to the Company and there shall not be implied any relationship of employer-employee, partnership, joint venture, principal and agent or the like by the agreements contained herein. The Executive shall not be entitled to participate in any employee benefit plans or other benefits or conditions of employment available to the employees of the Company or its affiliates, except as may be elected by the Executive pursuant to COBRA.

(g) The Company shall defend, indemnify and hold harmless the Executive from and against any and all suits, claims, causes of action, damages, losses, liabilities, obligations, costs or expenses (including reasonable attorneys' fees) incurred by or asserted against the Executive arising out of, relating to or otherwise resulting in whole or in part from any of the services or other activities performed by the Executive for the Company under this Agreement, excluding those arising out of the willful acts or omissions by, or gross negligence of, the Executive. The parties agree that the provisions of this Section 1(g) shall not be construed to limit or reduce any indemnification rights of the Executive with respect to his employment with the Company or services as a director, whether pursuant to contract, insurance, the organizational documents of the Company or otherwise.

(h) The Company shall reimburse the Executive for attorney's fees incurred in reviewing and negotiating this Agreement, up to a maximum of \$50,000.

2. **Accrued Payments and Benefits.**

(a) **Accrued Payments and Benefits.** The Company shall pay and provide the Executive with his accrued base salary (in accordance with the Company's normal payroll schedule) and employee benefits through the Transition Date, with such benefits (including any payout of accrued and unused vacation) to be provided in accordance with the terms of the applicable Company plan or arrangement.

(b) **2020 Annual Bonus.** In satisfaction of Executive's rights with respect to an annual bonus for the 2020 calendar year, the Executive shall also be paid an annual bonus with respect to the Company's 2020 fiscal year in the amount of \$531,995 with such payment to be made on or prior to March 15, 2021.

(c) **Other Matters.** The Executive hereby acknowledges that in connection with his retirement he is not entitled to any termination payments or benefits under the Employment Agreement. All payments hereunder, other than the Consulting Fee, shall be subject to required tax withholding.

3. **Termination.** This Agreement may be terminated by either party upon thirty (30) days prior notice effective at any time following the first anniversary of the Transition Date. Following any such termination, the Executive shall only be entitled to earned and unpaid amounts of the Consulting Fee for periods prior to the effectiveness of such termination and the equity treatment described in Section 1(c). In the event that the Executive becomes unable to provide services hereunder due to death or disability prior to the first anniversary of the Transition Date, the Consulting Fee shall continue to be payable through such first anniversary.

4. **Entire Agreement.** This Agreement supersedes the Employment Agreement, effective as of date hereof, which hereafter shall be of no further force or effect. The Invention, Non-Disclosure, and Non-Solicitation Agreement, dated as of December 31, 2009, by and between the Company and Executive shall remain in effect in accordance with its terms, as shall the agreements governing the Executive's equity-based awards from the Company, as modified by Section 1(c) hereof. Except as specified above, this Agreement represents the entire agreement of the parties regarding the subject matter hereof. The Executive represents that, in executing this Agreement, the Executive has not relied upon any representation or statement made by the Company or any affiliate of the Company, other than those set forth herein, with regard to the subject matter, basis or effect of this Agreement or otherwise and has the opportunity to consult with counsel.

5. **Section 409A.** The Parties intend for the payments and benefits under this Agreement to be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”) or, if not so exempt, to be paid or provided in a manner which complies with the requirements of such section, and intend that this Agreement shall be construed and administered in accordance with such intention. If any payments or benefits due to the Executive hereunder would cause the application of an accelerated or additional tax under Section 409A, such payments or benefits shall be restructured in a manner which does not cause such an accelerated or additional tax and in a manner that preserves the original economic intent to the maximum possible extent. For purposes of the limitations on nonqualified deferred compensation under Section 409A, each payment of compensation under this Agreement shall be treated as a separate payment of compensation. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following the Executive’s separation from service shall instead be paid on the first business day after the date that is six months following the Executive’s termination date (or death, if earlier). As of the date hereof, the Company believes that the delay described in the preceding sentence is not required with respect to the payments and benefits under this Agreement. The Company makes no representation that any or all of the payments and benefits described in this Agreement shall be exempt from or comply with Section 409A, makes no undertaking to preclude Section 409A from applying to any such payment or benefit. The Executive shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

6. **Miscellaneous.**

(a) This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New York without regard to conflict of law principles. Any action, suit or other legal proceeding arising under or relating to any provision of this Agreement shall be commenced only in a court of the State of New York (or, if appropriate, a federal court located within the State of New York), and the Company and the Executive each consent to the jurisdiction of such a court. The Company and the Executive each hereby irrevocably waive any right to a trial by jury in any action, suit or other legal proceeding arising under or relating to any provision of this Agreement.

(b) All notices, requests, consents and other communications hereunder will be in writing, will be addressed, if to the Company, at its principal corporate offices to the attention of the Legal Department, and if to Executive, at his address set forth on the signature page hereto, or in either case, such other address as a party may designate by notice hereunder, and will be either (i) delivered by hand, (ii) sent by overnight courier, or (iii) sent by registered or certified mail, return receipt requested, postage prepaid. All notices, requests, consents and other communications hereunder will be deemed to have been given either (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (iii) if sent by registered or certified mail, on the fifth business day following the day such mailing is made.

(c) This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and assigns, including any corporation with which, or into which, the Company may be merged or which may succeed to the Company's assets or business, provided, however, that the obligations of Executive are personal and shall not be assigned by him (other than pursuant to a personal limited liability company through which the Executive may determine to perform his services hereunder and designate to receive payment of the Consulting Fee). Notwithstanding the foregoing, if Executive dies the compensation and benefits stated in this Agreement will be paid to his beneficiary or his estate if no beneficiary.

(d) This Agreement may be amended or modified only by a written instrument executed by both the Company and Executive.

(e) No delay or omission by a party in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.

(f) The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement

(g) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement may be delivered by facsimile, and facsimile signatures shall be treated as original signatures for all applicable purposes.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

INTERCEPT PHARMACEUTICALS, INC.

By: /s/ Paolo Fundaro
Name: Paolo Fundaro
Title: Chairman of the Board

/s/ Mark Pruzanski
MARK PRUZANSKI

INTERCEPT PHARMACEUTICALS ANNOUNCES LEADERSHIP TRANSITION

*Jerry Durso Appointed CEO Effective January 1, 2021;
Founder, President and CEO Mark Pruzanski to Continue as Board Member and Advisor*

NEW YORK, December 10, 2020 – Intercept Pharmaceuticals, Inc. (Nasdaq: ICPT), a biopharmaceutical company focused on the development and commercialization of novel therapeutics to treat progressive non-viral liver diseases, today announced that Jerome (Jerry) Durso, currently Chief Operating Officer, will succeed Mark Pruzanski as President and Chief Executive Officer, effective January 1, 2021. Mr. Durso will also be appointed to the Board of Directors following the transition. Dr. Pruzanski will remain with Intercept as a director on the Board and retained advisor to the company.

Paolo Fundarò, Chairman of the Board of Directors, stated, “During his nearly two decades at the helm since founding Intercept, Mark has established the company as a pioneering leader in non-viral liver disease. He has led the company through many important milestones, including our IPO in 2012, the worldwide approval and commercialization of Ocaliva for PBC – our first marketed product – and the only successful Phase 3 NASH program to date. We have been working closely together on planning a seamless transition and will benefit from Mark’s continued involvement to support the company’s future success.”

Mr. Fundarò continued, “Jerry has broad global leadership experience, a proven track record of execution and strong commercial expertise. He is well suited to lead the company going forward as we focus on enhancing the growth of our foundational PBC business, supporting our NASH regulatory process in the US and Europe, and building our pipeline. As we enter this next phase of the company’s trajectory, I am confident that this is the right time to transition leadership responsibilities to Jerry.”

Dr. Pruzanski said, “It has been an enormous privilege to have created and led Intercept for these many years, and I am proud of all that we have accomplished driving science and innovation for the benefit of patients suffering from liver disease. I am very pleased to transition leadership of the company to Jerry, whose experience and expertise position him extremely well to lead the company into our next chapter. I look forward to being a resource for Jerry, particularly on our global NASH program and pipeline efforts, and remaining an active member of our Board. Finally, I would like to express my sincere appreciation to all of our employees for their tireless efforts, which have been – and will continue to be – the key to our success in delivering pioneering therapies to patients.”

“I am honored and proud to become Intercept’s next CEO,” said Mr. Durso. “This is a pivotal time for the company as we advance our foundational rare liver disease business and work towards the potential resubmission of our NDA in NASH fibrosis. I am confident that we will leverage our core strengths and capabilities across the business to execute on plans for continued growth and advancement of our pipeline to drive the future success of Intercept. I look forward to leading our talented team as we continue to build on our solid foundation to further our goals to help patients living with serious liver diseases and deliver for all of our stakeholders.”

Jerry Durso has served as Intercept's Chief Operating Officer since February 2017 and has played a critical leadership role in all aspects of Intercept's business globally, including the continued growth of the PBC business in over 35 countries with more than \$310 million in revenues anticipated this year. Mr. Durso has over 25 years of experience in building and leading commercial and business operations in life sciences organizations both in the United States and abroad. Prior to joining Intercept, he spent the majority of his career at Sanofi, a global pharmaceutical company, where he served as Senior Vice President, Chief Commercial Officer of the Global Diabetes Division. Prior to that, Mr. Durso was Senior Vice President, Chief Commercial Officer of Sanofi's U.S. pharmaceuticals business and also served in a number of commercial leadership roles of increasing responsibility in business unit and brand management, marketing and sales since he first joined Sanofi in 1993.

About Intercept

Intercept is a biopharmaceutical company focused on the development and commercialization of novel therapeutics to treat progressive non-viral liver diseases, including primary biliary cholangitis (PBC) and nonalcoholic steatohepatitis (NASH). Founded in 2002 in New York, Intercept has operations in the United States, Europe and Canada. For more information, please visit www.interceptpharma.com or connect with the company on Twitter and LinkedIn.

Forward Looking Statements

This press release contains forward-looking statements, including, but not limited to, statements regarding Dr. Pruzanski's continued service as a director of and advisor to Intercept, our future growth and plans, including our focus on expanding our PBC business with Ocaliva, supporting our NASH regulatory process with the FDA and potentially resubmitting our NDA in NASH fibrosis and otherwise furthering our product pipeline.

These statements constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "possible," "continue" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release, and we undertake no obligation to update any forward-looking statement except as required by law. These forward-looking statements are based on estimates and assumptions by our management that, although believed to be reasonable, are inherently uncertain and subject to a number of risks. The following represent some, but not necessarily all, of the factors that could cause actual results to differ materially from historical results or those anticipated or predicted by our forward-looking statements: our ability to successfully commercialize Ocaliva for PBC; our ability to maintain our regulatory approval of Ocaliva for PBC in the United States, Europe, Canada, Israel, Australia and other jurisdictions in which we have or may receive marketing authorization; our ability to timely and cost-effectively file for and obtain regulatory approval of our product candidates on an accelerated basis or at all, including OCA for liver fibrosis due to NASH following the issuance of the CRL by the FDA; any advisory committee recommendation or dispute resolution determination that our product candidates, including OCA for liver fibrosis due to NASH, should not be approved or approved only under certain conditions; any future determination that the regulatory applications and subsequent information we submit for our product candidates, including OCA for liver fibrosis due to NASH, do not contain adequate clinical or other data or meet applicable regulatory requirements for approval; conditions that may be imposed by regulatory authorities on our marketing approvals for our products and product candidates, including OCA for liver fibrosis due to NASH, such as the need for clinical outcomes data (and not just results based on achievement of a surrogate endpoint), any risk mitigation programs such as a REMS, and any related restrictions, limitations and/or warnings contained in the label of any of our products or product candidates; any potential side effects associated with Ocaliva for PBC, OCA for liver fibrosis due to NASH or our other product candidates that could delay or prevent approval, require that an approved product be taken off the market, require the inclusion of safety warnings or precautions, or otherwise limit the sale of such product or product candidate; the initiation, timing, cost, conduct, progress and results of our research and development activities, preclinical studies and clinical trials, including any issues, delays or failures in identifying patients, enrolling patients, treating patients, retaining patients, meeting specific endpoints in the jurisdictions in which we intend to seek approval or completing and timely reporting the results of our NASH or PBC clinical trials; our ability to establish and maintain relationships with, and the performance of, third-party manufacturers, contract research organizations and other vendors upon whom we are substantially dependent for, among other things, the manufacture and supply of our products, including Ocaliva for PBC and, if approved, OCA for liver fibrosis due to NASH, and our clinical trial activities; our ability to identify, develop and successfully commercialize our products and product candidates, including our ability to successfully launch OCA for liver fibrosis due to NASH, if approved; our ability to obtain and maintain intellectual property protection for our products and product candidates, including our ability to cost-effectively file, prosecute, defend and enforce any patent claims or other intellectual property rights; the size and growth of the markets for our products and product candidates and our ability to serve those markets; the degree of market acceptance of Ocaliva for PBC and, if approved, OCA for liver fibrosis due to NASH or our other product candidates among physicians, patients and healthcare payors; the availability of adequate coverage and reimbursement from governmental and private healthcare payors for our products, including Ocaliva for PBC and, if approved, OCA for liver fibrosis due to NASH, and our ability to obtain adequate pricing for such products; our ability to establish and maintain effective sales, marketing and distribution capabilities, either directly or through collaborations with third parties; competition from existing drugs or new drugs that become available; our ability to prevent system failures, data breaches or violations of data protection laws; costs and outcomes relating to any disputes, governmental inquiries or investigations, regulatory proceedings, legal proceedings or litigation, including any securities, intellectual property, employment, product liability or other litigation; our collaborators' election to pursue research, development and commercialization activities; our ability to establish and maintain relationships with collaborators with development, regulatory and commercialization expertise; our need for and ability to generate or obtain additional financing; our estimates regarding future expenses, revenues and capital requirements and the accuracy thereof; our use of cash and short-term investments; our ability to acquire, license and invest in businesses, technologies, product candidates and products; our ability to attract and retain key personnel to manage our business effectively; our ability to manage the growth of our operations, infrastructure, personnel, systems and controls; our ability to obtain and maintain adequate insurance coverage; the impact of COVID-19, including any impact on our results of operations or financial position, related quarantines and government actions, delays relating to our regulatory applications, disruptions relating to our ongoing clinical trials or involving our contract research organizations, study sites or other clinical partners, disruptions relating to our supply chain or involving our third-party manufacturers, distributors or other distribution partners, facility closures or other restrictions, and the extent and duration thereof; the impact of general U.S. and foreign economic, industry, market, regulatory or political conditions, including the potential impact of Brexit; and the other risks and uncertainties identified in our periodic filings filed with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020.

Contacts

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