

KERYX BIOPHARMACEUTICALS INC
Form DEF 14A
April 30, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF
THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-12

KERYX BIOPHARMACEUTICALS, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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KERYX BIOPHARMACEUTICALS, INC.

750 Lexington Avenue

New York, New York 10022

Dear Stockholder:

You are cordially invited to our 2015 Annual Meeting of Stockholders, to be held at 10:00 a.m. local time, on Tuesday, June 16, 2015, at the offices of our legal counsel, Alston & Bird LLP, located at 90 Park Avenue, New York, New York 10016. At the meeting, the stockholders will be asked to (i) elect seven directors for a term of one year, (ii) ratify the appointment of UHY LLP as our independent registered public accounting firm for the year ending December 31, 2015, and (iii) consider an advisory vote to approve the compensation of our named executive officers. You will also have the opportunity to ask questions and make comments at the meeting.

In accordance with the rules and regulations of the Securities and Exchange Commission, we are furnishing our proxy statement and annual report to stockholders for the year ended December 31, 2014 on the Internet. You may have already received our Important Notice Regarding the Availability of Proxy Materials, which was mailed on or about April 30, 2015. That notice described how you can obtain our proxy statement and annual report. You can also receive paper copies of our proxy statement and annual report upon request.

It is important that your stock be represented at the meeting regardless of the number of shares you hold. You are encouraged to specify your voting preferences by marking our proxy card and returning it as directed. If you do attend the meeting and wish to vote in person, you may revoke your proxy at the meeting.

If you have any questions about the proxy statement or the accompanying 2014 Annual Report, please contact Brian Adams, our General Counsel and Corporate Secretary at (617) 466-3452.

We look forward to seeing you at the 2015 Annual Meeting.

Sincerely,

Gregory P. Madison

Chief Executive Officer

April 30, 2015

New York, New York

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KERYX BIOPHARMACEUTICALS, INC.

750 Lexington Avenue

New York, New York 10022

NOTICE OF 2015 ANNUAL MEETING OF STOCKHOLDERS

The 2015 Annual Meeting of Stockholders of Keryx Biopharmaceuticals, Inc. will be held at the offices of our legal counsel, Alston & Bird LLP, located at 90 Park Avenue, New York, New York 10016, on Tuesday, June 16, 2015, at 10:00 a.m., local time. At the meeting, stockholders will consider and act on the following items:

1. The election of seven directors to our Board of Directors for a term of one year;
2. The ratification of the appointment of UHY LLP as our independent registered public accounting firm for the year ending December 31, 2015;
3. An advisory vote to approve the compensation of our named executive officers; and
4. The transaction of any other business that may properly come before the 2015 Annual Meeting or any adjournment of the 2015 Annual Meeting.

Only those stockholders of record as of the close of business on April 20, 2015, are entitled to vote at the 2015 Annual Meeting or any postponements or adjournments thereof. A complete list of stockholders entitled to vote at the 2015 Annual Meeting will be available for your inspection beginning June 1, 2015, at our offices located at 750 Lexington Avenue, New York, New York 10022, between the hours of 10:00 a.m. and 5:00 p.m., local time, each business day.

YOUR VOTE IS IMPORTANT!

Instructions on how to vote your shares via the Internet are contained on the Important Notice Regarding the Availability of Proxy Materials, which was mailed on or about April 30, 2015. Instructions on how to obtain a paper copy of our proxy statement and annual report to stockholders for the year ended December 31, 2014 are listed on the Important Notice Regarding the Availability of Proxy Materials. These materials can also be viewed online by following the instructions listed on the Important Notice Regarding the Availability of Proxy Materials.

If you received a paper copy of our proxy statement and annual report, you may vote your shares by completing and returning the enclosed proxy card.

Submitting your proxy does not affect your right to vote in person if you decide to attend the 2015 Annual Meeting. You are urged to submit your proxy as soon as possible, regardless of whether or not you expect to attend the 2015 Annual Meeting. You may revoke your proxy at any time before it is exercised at the 2015 Annual Meeting by (i) delivering written notice to our General Counsel and Corporate Secretary, Brian Adams, at our address above, (ii) submitting a later dated proxy card, (iii) voting again via the Internet as described in the Important Notice Regarding the Availability of Proxy Materials, or (iv) attending the 2015 Annual Meeting and voting in person. No revocation under (i) or (ii) will be effective unless written notice or the proxy card is received by our Corporate Secretary at or before the 2015 Annual Meeting.

When you submit your proxy, you authorize Gregory P. Madison, James F. Oliviero and Brian Adams to vote your shares at the 2015 Annual Meeting and on any adjournments of the 2015 Annual Meeting in accordance with your instructions.

By Order of the Board of Directors,

Brian Adams

Corporate Secretary

April 30, 2015

New York, New York

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KERYX BIOPHARMACEUTICALS, INC.

750 Lexington Avenue

New York, New York 10022

Phone: (212) 531-5965

Fax: (212) 531-5961

PROXY STATEMENT

This proxy statement and the accompanying proxy card are being made available via Internet access, beginning on or about April 30, 2015, to the owners of shares of common stock of Keryx Biopharmaceuticals, Inc. (the Company, our, we, or Keryx) as of April 20, 2015, in connection with the solicitation of proxies by our Board of Directors for our 2015 Annual Meeting of Stockholders (the Annual Meeting). On or about April 30, 2015, we sent an Important Notice Regarding the Availability of Proxy Materials to our stockholders. If you received this notice by mail, you will not automatically receive by mail our proxy statement and annual report to stockholders for the year ended December 31, 2014. If you would like to receive a printed copy of our proxy statement, annual report and proxy card, please follow the instructions for requesting such materials in the notice. Upon request, we will promptly mail you paper copies of such materials free of charge.

The Annual Meeting will take place at the offices of our legal counsel, Alston & Bird LLP, located at 90 Park Avenue, New York, New York 10016 on Tuesday, June 16, 2015, at 10:00 a.m., local time. Our Board of Directors encourages you to read this document thoroughly and take this opportunity to vote, via proxy, on the matters to be decided at the Annual Meeting. As discussed below, you may revoke your proxy at any time before your shares are voted at the Annual Meeting.

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QUESTIONS AND ANSWERS

Q. Why did I receive an Important Notice Regarding the Availability of Proxy Materials?

- A. In accordance with Securities and Exchange Commission rules, instead of mailing a printed copy of our proxy materials, we may send an Important Notice Regarding the Availability of Proxy Materials to stockholders. All stockholders will have the ability to access the proxy materials on a website referred to in the notice or to request a printed set of these materials at no charge. You will not receive a printed copy of the proxy materials unless you specifically request one from us. Instead, the notice instructs you as to how you may access and review all of the important information contained in the proxy materials via the Internet and submit your vote via the Internet.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on June 16, 2015. The proxy statement is available at www.proxyvote.com.

Q. What is the purpose of the Annual Meeting?

- A. At the Annual Meeting, our stockholders will act upon the matters outlined in the Notice of 2015 Annual Meeting of Stockholders accompanying this proxy statement, including (i) the election of seven directors to our Board of Directors for a term of one year, (ii) the ratification of the appointment of UHY LLP as our independent registered public accounting firm for the year ending December 31, 2015, (iii) an advisory vote to approve the compensation of our named executive officers, and (iv) the transaction of any other business that may properly come before the 2015 Annual Meeting or any adjournment thereof.

Q. Who is entitled to vote at our Annual Meeting?

- A. The record holders of our common stock at the close of business on the record date, April 20, 2015, may vote at the Annual Meeting. Each share of our common stock is entitled to one vote. There were 103,596,271 shares of common stock outstanding on the record date and entitled to vote at the Annual Meeting. A list of stockholders entitled to vote at the Annual Meeting, including the address of and number of shares held by each stockholder of record, will be available for your inspection beginning Monday, June 1, 2015, at our offices located at 750 Lexington Avenue, New York, New York 10022, between the hours of 10:00 a.m. and 5:00 p.m., local time, each business day.

Q. How do I vote?

- A. You may vote in person at the Annual Meeting, by use of a proxy card if you receive a printed copy of our proxy materials, via Internet as directed in our Important Notice Regarding the Availability of Proxy Materials, or by telephone as indicated in the proxy card.

Q. What is a proxy?

- A. A proxy is a person you appoint to vote your shares of our common stock on your behalf. If you are unable to attend the Annual Meeting, our Board of Directors is seeking your appointment of a proxy so that your shares of our common stock may be voted. If you vote by proxy, you will be designating Gregory P. Madison, our Chief Executive Officer, James F. Oliviero, our Chief Financial Officer and Treasurer and Brian Adams, our General Counsel and Corporate Secretary, as your proxies. Mr. Madison, Mr. Oliviero and/or Mr. Adams may act on your behalf and have the authority to appoint a substitute to act as your proxy.

Q. How will my shares be voted if I vote by proxy?

- A. Your proxy will be voted according to the instructions you provide. **If you complete and submit your proxy but do not otherwise provide instructions on how to vote your shares, your shares will be**

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voted (i) **FOR** the individuals nominated to serve as members of our Board of Directors, (ii) **FOR** the ratification of UHY LLP as our independent registered public accounting firm for the year ending December 31, 2015 and (iii) **FOR** the non-binding proposal to approve the compensation of our named executive officers. Presently, our Board of Directors does not know of any other matter that may come before the Annual Meeting. However, your proxies are authorized to vote on your behalf, using their discretion, on any other business that properly comes before the Annual Meeting.

Q. How do I revoke my proxy?

A. You may revoke your proxy at any time before your shares are voted at the Annual Meeting by:

delivering written notice to our Corporate Secretary, Brian Adams, at our address above;

submitting a later dated proxy card or voting again via the Internet as described in the Important Notice Regarding the Availability of Proxy Materials ; or

attending the 2015 Annual Meeting and voting in person.

Q. Is my vote confidential?

A. Yes. All votes remain confidential, unless you provide otherwise.

Q. How are votes counted?

A. Before the Annual Meeting, our Board of Directors will appoint one or more inspectors of election for the meeting. The inspector(s) will determine the number of shares represented at the meeting, the existence of a quorum and the validity and effect of proxies. The inspector(s) will also receive, count, and tabulate ballots and votes and determine the results of the voting on each matter that comes before the Annual Meeting.

Abstentions and votes withheld, and shares represented by proxies reflecting abstentions or votes withheld, will be treated as present for purposes of determining the existence of a quorum at the Annual Meeting. They will not be considered as votes for or against any matter for which the stockholder has indicated their intention to abstain or withhold their vote. Broker or nominee non-votes, which occur when shares held in street name by brokers or nominees who indicate that they do not have discretionary authority to vote on a particular matter, will not be considered as votes for or against that particular matter. Broker and nominee non-votes will be treated as present for purposes of determining the existence of a quorum, and may be entitled to vote on certain matters at the Annual Meeting.

Q. What constitutes a quorum at the Annual Meeting?

A. In accordance with Delaware law (the law under which we are incorporated) and our amended and restated bylaws, the presence at the Annual Meeting, by proxy or in person, of the holders of a majority of the shares of our common stock outstanding on the record date constitutes a quorum, thereby permitting the stockholders to conduct business at the Annual Meeting. Abstentions, votes withheld, and broker or nominee non-votes will be included in the calculation of the number of shares considered present at the Annual Meeting for purposes of determining the existence of a quorum.

If a quorum is not present at the Annual Meeting, a majority of the stockholders present in person and by proxy may adjourn the meeting to another date. If an adjournment is for more than 30 days or a new record date is fixed for the adjourned meeting by our Board of Directors, we will provide notice of the adjourned meeting to each stockholder of record entitled to vote at the adjourned meeting. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the originally called meeting.

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Q. What vote is required to elect our directors for a one-year term?

- A. The affirmative vote of a plurality of the votes of the shares present, in person or by proxy, at the Annual Meeting is required for the election of each of the nominees for director. Plurality means that the nominees receiving the largest number of votes up to the number of directors to be elected at the Annual Meeting will be duly elected as directors. Abstentions, votes withheld, and broker or nominee non-votes will not affect the outcome of director elections.

Q. What vote is required to ratify UHY LLP as our independent registered public accounting firm for the year ending December 31, 2015?

- A. The affirmative vote of a majority of the shares present, in person or by proxy, and entitled to vote at the Annual Meeting is required to approve the ratification of UHY LLP as our independent registered public accounting firm for the year ending December 31, 2015. Abstentions and votes withheld will have the same effect as a negative vote. However, broker or nominee non-votes, and shares represented by proxies reflecting broker or nominee non-votes, will not have the effect of a vote against this proposal as they are not considered to be present and entitled to vote on this matter.

Q. How will the outcome of the non-binding advisory vote to approve the compensation of our named executive officers be determined?

- A. The affirmative vote of a majority of the shares present, in person or by proxy, and entitled to vote at the Annual Meeting is required to adopt the non-binding advisory vote to approve the compensation of our named executive officers. Abstentions and votes withheld will have the same effect as a negative vote. However, broker or nominee non-votes, and shares represented by proxies reflecting broker or nominee non-votes, will not have the effect of a vote against this proposal as they are not considered to be present and entitled to vote on this matter. As an advisory vote, this proposal is not binding on Keryx, the Board of Directors, or the Compensation Committee. However, the Board of Directors and Compensation Committee intend to carefully review the results of all stockholder votes and take them into consideration when making future decisions regarding executive compensation.

Q. What percentage of our outstanding common stock do our directors and executive officers own?

- A. As of April 20, 2015, our directors and executive officers owned, or have the right to acquire, approximately 3.76% of our outstanding common stock. See the discussion under the heading Stock Ownership of Our Directors, Executive Officers, and 5% Beneficial Owners on page 37 for more details.

Q. Who was our independent public accountant for the year ended December 31, 2014? Will they be represented at the Annual Meeting?

- A. UHY LLP is the independent registered public accounting firm that audited our financial statements for the year ended December 31, 2014. We expect a representative of UHY LLP to be present at the Annual Meeting. The representative will have an opportunity to make a statement and will be available to answer your questions.

Q. How can I obtain a copy of our annual report on Form 10-K?

- A. We have filed our annual report on Form 10-K for the year ended December 31, 2014, with the Securities and Exchange Commission. The annual report on Form 10-K is also included in the 2014 Annual Report to stockholders. You may obtain, free of charge, a copy of our annual report on Form 10-K, including financial statements and exhibits, by writing to our corporate secretary, Brian Adams, or by email at info@keryx.com. Upon request, we will also furnish any exhibits to the annual report on Form 10-K as filed with the SEC.

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Our amended and restated bylaws provide that the Board of Directors shall consist of one or more members, as determined from time to time by resolution of the Board of Directors. Currently, our Board of Directors consists of seven members. The following individuals are being nominated to serve on our Board of Directors (See Proposal 1 Election of Directors; Nominees):

Name	Age	Position	Director Since
Michael P. Tarnok	60	Chairman of the Board	2007
Kevin J. Cameron	46	Director	2007
Joseph Feczko, M.D.	66	Director	2010
Wyche Fowler, Jr.	74	Director	2006
Jack Kaye	71	Director	2006
Gregory P. Madison	47	Director, President and Chief Executive Officer	2015
Daniel P. Regan	50	Director	2013

The Board of Directors does not have a formal policy regarding the separation of the roles of Chief Executive Officer and Chairman of the Board of Directors, as the Board of Directors believes that it is in the best interests of the Company to make that determination based on the direction of the Company and the current membership of the Board of Directors. The Board of Directors has determined that having a director who is not an executive officer serve as the Chairman is in the best interest of the Company's stockholders at this time. This structure allows the Chief Executive Officer to focus on the management of the Company's day-to-day operations.

Keryx has a risk management program overseen by Gregory Madison, our Chief Executive Officer. Mr. Madison identifies material risks and prioritizes them for our Board of Directors. Our Board of Directors regularly reviews information regarding our credit, liquidity, and operations, as well as the risks associated with each.

The corporate governance standards adopted by the Nasdaq Stock Market, or Nasdaq, require that a majority of the members of our Board of Directors be independent as Nasdaq defines that term. Additionally, the Nasdaq rules require our Board of Directors to make an affirmative determination as to the independence of each director. Consistent with these rules, our Board of Directors undertook its annual review of director independence on February 26, 2015. During the review, our Board of Directors considered relationships and transactions during 2014 and during the past three fiscal years between each director or any member of his immediate family, on the one hand, and our company and our subsidiaries and affiliates, on the other hand. The purpose of this review was to determine whether any such relationships or transactions were inconsistent with a determination that the director is independent. Based on this review, our Board of Directors determined that Kevin Cameron, Joseph Feczko, M.D., Wyche Fowler, Jr., Jack Kaye, Daniel P. Regan and Michael P. Tarnok are independent under the criteria established by Nasdaq and by our Board of Directors. Our independent directors met four times during 2014 in sessions in which only the independent directors participated.

The following biographies set forth the names of our director nominees, their ages, the year in which they first became directors, their positions with us, their principal occupations and employers for at least the past five years, any other directorships held by them during the past five years in companies that are subject to the reporting requirements of the Securities Exchange Act of 1934, or the Exchange Act, or any company registered as an investment company under the Investment Company Act of 1940, as well as additional information, all of which we believe sets forth each director nominee's qualifications to serve on the Board of Directors. There is no family relationship between and among any of our executive officers or directors. There are no arrangements or understandings between any of our executive officers or directors and any other person pursuant to which any of them are elected as an officer or director.

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Michael P. Tarnok, 60, has served on our Board of Directors since September 2007, and as Chairman of the Board since June 2009. Mr. Tarnok served as our interim chief executive officer from April 2009 to May 2009. A seasoned finance and operational executive, Mr. Tarnok joined the Board with extensive pharmaceutical industry experience in a wide range of functional areas. Mr. Tarnok spent the majority of his career at Pfizer Inc., which he joined in 1989 as Finance Director – US Manufacturing, and from 2000-2007, served as Senior Vice President, Finance in Pfizer’s U.S. Pharmaceuticals Division. In this position, Mr. Tarnok handled all finance responsibilities for the division, including contracting, trade management, forecasting of significant product launches and Sarbanes-Oxley compliance. Prior to joining Pfizer, Mr. Tarnok worked primarily in financial disciplines for ITT Rayonier, Inc., Celanese Corporation and Olivetti Corporation of America. Since January 2014, Mr. Tarnok has also served as a director of the Global Health Council, a Washington-based NGO, and as a director of Dyadic International, Inc. (Dyadic) since June 2014. As of January 2015 he has also served as Chairman of the Board of Dyadic. Mr. Tarnok earned an M.B.A. in Marketing from New York University and B.S. in Accounting from St. John’s University. We believe that Mr. Tarnok is qualified to serve on our Board of Directors due to his many years of service as one of our directors and Chairman and his extensive knowledge of our Company and industry.

Kevin J. Cameron, 46, has served on our Board of Directors since April 2007. Mr. Cameron has more than ten years of corporate governance experience. Mr. Cameron is currently Chief Executive Officer of Ionetix Corporation, a privately-held medical device company. Prior to joining Ionetix Corporation, Mr. Cameron was a co-founder and president of Glass Lewis & Co. LLC, a leading provider of corporate governance services to institutional investors. Previously, Mr. Cameron was employed in various capacities by Moxi Digital and NorthPoint Communications. Mr. Cameron started his career as an attorney with the law firm of Kellogg, Huber, Hansen, Todd & Evans in Washington D.C., and also served as a law clerk for the United States Court of Appeals for the District of Columbia Circuit. Mr. Cameron holds a law degree from the University of Chicago and an undergraduate degree from McGill University. Mr. Cameron also serves as a board member of Ecotality, Inc. We believe that Mr. Cameron is qualified to serve on our Board of Directors due to his legal background and years of service as one of our directors.

Joseph Feczko, M.D., 66, has served on our Board of Directors since July 2010. Dr. Feczko is a seasoned pharmaceutical executive, with broad industry experience across the spectrum of medical, regulatory and operational affairs. Dr. Feczko was, until his retirement in May 2009, Senior Vice President and Chief Medical Officer (CMO) of Pfizer Inc. and member of the Executive Leadership Team with global responsibilities for all aspects of the company’s medical, regulatory and safety activities. Dr. Feczko served Pfizer in both New York and the United Kingdom since 1982, where he held positions of increasing responsibility in clinical research and regulatory affairs and safety, culminating in the role of Chief Medical Officer. Dr. Feczko is board-certified in Internal Medicine and Infectious Diseases. He has a B.Sc. degree from Loyola University Chicago, and an M.D. from the University of Illinois College of Medicine. Dr. Feczko also serves on the board of directors of ChemoCentryx Inc., the Accordia Global Health Foundation and the Technical Expert Committee for Trachoma on the International Trachoma Initiative of the Task Force for Global Health, and was a member of the governing board of the Technology Strategy Board of the United Kingdom until June 2011. Dr. Feczko also serves as chairman of the board of directors of Cardoz Pharmaceuticals AB (Stockholm, Sweden), a member of the Supervisory Board of uniQure Biopharma B.V. based in The Netherlands, and of Cytheris, S.A. based in France. We believe that Dr. Feczko is qualified to serve on our Board of Directors due to his executive leadership and management experience, knowledge of the industry, medical background and experience serving as a member of the board of directors of a public biopharmaceutical company.

Wyche Fowler, Jr., 74, has served on our Board of Directors since November 2006. Senator Fowler served for 16 years in the United States Congress representing the state of Georgia, including service in the United States Senate from 1987 to 1993. Following his service as a Senator, Senator Fowler served as the U.S. Ambassador to the Kingdom of Saudi Arabia from 1996 through 2001. He received his B.A. in English from Davidson College, a J.D. from Emory University and honorary degrees from Hofstra University, Davidson College and Morris Brown College. Prior to his election to Congress, he practiced law in Atlanta, Georgia for

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eight years. He is currently engaged in an international business and law practice and serves as Chairman Emeritus of the Middle East Institute, a non-profit research foundation in Washington, D.C. Senator Fowler also serves on the board of directors of Shubert Theaters, the Shubert Foundation, Brandywine Realty Trust and ZIOPHARM Oncology, Inc. We believe that Senator Fowler is qualified to serve on our Board of Directors due to his legal background and experience serving as a member of the board of directors of a public biopharmaceutical company.

Jack Kaye, 71, has served on our Board of Directors since September 2006. Mr. Kaye is a seasoned financial executive with over forty years of diversified experience. He is currently the Chairman of the Audit Committee of Dyadic International, Inc. (OTC: DYAI), a company he joined on April 1, 2015. He previously served on the board of directors of Tongli Pharmaceuticals (USA), Inc., a China-based pharmaceutical company and Balboa Biosciences, Inc., a privately held biotech company. In addition, he was selected to participate in the Astellas, Inc./OSI and Roche Pharmaceuticals, Inc./Illumina hostile takeover transactions, and served as a member of the Roche/Illumina dissident board slate. Mr. Kaye began his career at Deloitte LLP, an international accounting, tax and consulting firm, in 1970, and was a partner in the firm from 1978 until May 2006. At Deloitte, he was responsible for serving a diverse client base of public and private, global and domestic, companies in a variety of industries. Mr. Kaye has extensive experience consulting with clients on accounting and reporting matters, private and public debt financings, SEC rules and regulations and corporate governance/Sarbanes-Oxley issues. In addition, he served as Deloitte's Tri-State liaison with the banking and finance community and assisted clients with numerous merger and acquisition transactions. Prior to retiring, Mr. Kaye served as Partner-in-Charge of Deloitte's Tri-State Core Client practice, a position he held for more than twenty years. Mr. Kaye has a Bachelor of Business Administration degree from Baruch College and is a Certified Public Accountant. We believe that Mr. Kaye is qualified to serve on our Board of Directors due to his extensive accounting and financial experience and years of executive leadership in the biopharmaceutical industry.

Gregory P. Madison, 47, has served as our Chief Executive Officer since April 30, 2015 and our President since January 11, 2015. Prior to January 11, 2015, Mr. Madison served as our Executive Vice President and Chief Operating Officer since February 8, 2014. From January 2, 2013 to February 7, 2014, Mr. Madison was with AMAG Pharmaceuticals (NASDAQ: AMAG), where he served as the Executive Vice President and Chief Commercial Officer. Prior to AMAG, Mr. Madison spent 12 years at Genzyme/Sanofi with his last role serving as Vice President and General Manager of the Renal division. Mr. Madison's prior experience in the Renal division of Genzyme/Sanofi also included serving as vice president and general manager of the U.S. business; vice president of U.S. sales; and vice president of U.S. marketing. During his tenure with Genzyme, Mr. Madison also had roles in sales management, training, managed markets and reimbursement. Prior to joining Genzyme, Mr. Madison spent five years at Janssen Pharmaceuticals in sales and sales management roles, and began his career in the pharmaceutical industry in sales with Wyeth-Ayerst. He holds a Bachelor of Business Administration in Finance from the University of Massachusetts, Amherst. We believe that Mr. Madison is qualified to serve on our Board of Directors due to his executive leadership and management experience and extensive knowledge of the industry.

Daniel P. Regan, 50, has served on our Board of Directors since October 2013. Mr. Regan served as Chief Commercial Officer for Intercept Pharmaceuticals from 2013 until February 2015. Prior to his tenure at Intercept Pharmaceuticals, Mr. Regan held the position of Chief Commercial Officer at Inspiration Biopharmaceuticals from 2011 to 2012, where he was responsible for the development of a U.S. and EU commercialization strategy as well as an integrated commercial plan. From 2008 to 2011, Mr. Regan worked with Genzyme Corporation, where he served as Senior Vice President of US PGH from 2010 to 2011, Senior Vice President of Renal from 2009 to 2010, and General Manager of Hectorol, Senior Vice President of the U.S. Renal Business from 2008 to 2009. Mr. Regan received his Bachelor of Arts in Economics from the University of Massachusetts in 1988. We believe that Mr. Regan is qualified to serve on our Board of Directors due to his executive leadership and management experience and extensive knowledge of the industry.

During 2014, our Board of Directors held six meetings. During 2014, each incumbent director standing for election attended at least 75% of the meetings of the Board of Directors and the meetings of those committees on

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which each incumbent director served, in each case during the period that such person was a director. The permanent committees established by our Board of Directors are the Audit Committee, the Compensation Committee, the Research and Development Committee and the Nominating and Corporate Governance Committee, descriptions of which are set forth in more detail below. Our directors are expected to attend each Annual Meeting of Stockholders, and it is our expectation that all of the directors standing for election will attend this year's Annual Meeting. Last year, all of our directors attended the 2014 Annual Meeting of Stockholders.

Communicating with the Board of Directors

Our Board of Directors has established a process by which stockholders can send communications to the Board of Directors. You may communicate with the Board of Directors as a group, or to specific directors, by writing to Brian Adams, our Corporate Secretary, at our offices located at 750 Lexington Avenue, New York, New York 10022. The Corporate Secretary will review all such correspondence and regularly forward to the Board of Directors a summary of all correspondence and copies of all correspondence that, in the opinion of the Corporate Secretary, deals with the functions of the Board of Directors or committees thereof or that he otherwise determines requires their attention. Directors may at any time review a log of all correspondence we receive that is addressed to members of our Board of Directors and request copies of any such correspondence. Concerns relating to accounting, internal controls, or auditing matters may be communicated in this manner, or may be submitted on an anonymous basis via e-mail at info@keryx.com. These concerns will be immediately brought to the attention of our Audit Committee and handled in accordance with procedures established by our Audit Committee.

Audit Committee

The Audit Committee currently consists of Jack Kaye, Joseph Feczko, M.D., and Michael Tarnok.

The Audit Committee held four meetings and took one action by unanimous written consent during the fiscal year ended December 31, 2014. The duties and responsibilities of the Audit Committee are set forth in the Amended and Restated Charter of the Audit Committee which was recently reviewed by our Audit Committee. Our Audit Committee determined that no revisions needed to be made to the charter at this time. A copy of the Amended and Restated Charter of the Audit Committee is available on our website, located at www.keryx.com. Among other things, the duties and responsibilities of the Audit Committee include reviewing and monitoring our financial statements and internal accounting procedures, the selection of our independent registered public accounting firm and consulting with and reviewing the services provided by our independent registered public accounting firm. Our Audit Committee has sole discretion over the retention, compensation, evaluation and oversight of our independent registered public accounting firm.

The SEC and Nasdaq have established rules and regulations regarding the composition of audit committees and the qualifications of audit committee members. Our Board of Directors has examined the composition of our Audit Committee and the qualifications of our Audit Committee members in light of the current rules and regulations governing audit committees. Based upon this examination, our Board of Directors has determined that each member of our Audit Committee is independent and is otherwise qualified to be a member of our Audit Committee in accordance with the rules of the SEC and Nasdaq.

Additionally, the SEC requires that at least one member of the Audit Committee have a heightened level of financial and accounting sophistication. Such a person is known as the audit committee financial expert under the SEC's rules. Our Board of Directors has determined that Mr. Kaye is an audit committee financial expert, as the SEC defines that term, and is an independent member of our Board of Directors and our Audit Committee. Please see Mr. Kaye's biography on page 6 for a description of his relevant experience.

The report of the Audit Committee can be found on page 13 of this proxy statement.

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Compensation Committee

The Compensation Committee held three meetings and took six actions by unanimous written consent during the fiscal year ended December 31, 2014. The Compensation Committee currently consists of Kevin Cameron, Wyche Fowler, Jr. and Michael Tarnok. The duties and responsibilities of the Compensation Committee are set forth in the Charter of the Compensation Committee. A copy of the Charter of the Compensation Committee is available on our website, located at www.keryx.com. As discussed in its charter, among other things, the duties and responsibilities of the Compensation Committee include evaluating the performance of the Chief Executive Officer, Chief Financial Officer and other executive officers of the Company, determining the overall compensation of the Chief Executive Officer, Chief Financial Officer and other executive officers of the Company and administering all executive compensation programs, including, but not limited to, our incentive and equity-based plans. The Compensation Committee evaluates the performance of the Chief Executive Officer, Chief Financial Officer and other executive officers of the Company on an annual basis and reviews and approves on an annual basis all compensation programs and awards relating to such officers. The Compensation Committee applies discretion in the determination of individual executive compensation packages to ensure compliance with the Company's compensation philosophy. The Chief Executive Officer makes recommendations to the Compensation Committee with respect to the compensation packages for officers other than himself. The Compensation Committee may delegate its authority to grant awards to certain employees, and within specified parameters under the Company's 2013 Incentive Plan, to a special committee consisting of one or more directors who may but need not be officers of the Company. On October 4, 2013, the Compensation Committee delegated such authority to the Chairman of the Compensation Committee, Kevin Cameron.

Nasdaq has established rules and regulations regarding the composition of compensation committees and the qualifications of compensation committee members. Our Board of Directors has examined the composition of our Compensation Committee and the qualifications of our Compensation Committee members in light of the current rules and regulations governing compensation committees. Based upon this examination, our Board of Directors has determined that each member of our Compensation Committee is independent and is otherwise qualified to be a member of our Compensation Committee in accordance with such rules.

The report of the Compensation Committee can be found on page 22 of this proxy statement. Additional information regarding the Compensation Committee's processes and procedures for consideration of executive compensation can be found in the Compensation Discussion and Analysis on page 15 of this proxy statement.

Research and Development Committee

The Research and Development Committee held two meetings during the fiscal year ended December 31, 2014. The Research and Development Committee currently consists of Joseph Feczko, M.D., Daniel Regan and Michael Tarnok. The duties and responsibilities of the Research and Development Committee are set forth in the Charter of the Research and Development Committee. A copy of the Charter of the Research and Development Committee is available on our website, located at www.keryx.com. As discussed in its charter, among other things, the duties and responsibilities of the Research and Development Committee include assisting our Board of Directors in understanding any evolving issues around the conduct of our clinical trials programs, assisting our Board of Directors in understanding the status of and progress towards completion of manufacturing requirements, advising our management, as needed, on aspects of clinical trial, manufacturing process development and regulatory strategies, and providing our management with advice regarding potential licensing opportunities (both in- and out-licensing).

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Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee was formed in June 2014 and is chaired by Senator Wyche Fowler and consists additionally of Messrs. Cameron, Regan and Tarnok. The committee did not meet during 2014. Under its charter, the committee:

Shall consist of at least three independent members of the Board of Directors who satisfy the independence requirements of The Nasdaq Stock Market;

Shall be appointed by the Board of Directors and serve at their discretion; and

Shall meet not less than twice per year.

The committee's charter is available on our website. The charter sets forth the committee's responsibilities, which include establishing procedures for identifying and evaluating potential nominees for director and for recommending to the Board potential nominees for election and periodically reviewing and reassessing the adequacy of our corporate governance practices and policies to determine whether any changes are appropriate and recommending any such changes to the Board for its approval. The candidates proposed for election in Proposal No. 1 of this Proxy Statement were unanimously recommended by the committee to the Board.

The committee identifies potential nominees to serve as directors through a variety of business contacts, including current executive officers, directors, community leaders and stockholders. The committee may, to the extent they deem appropriate, retain a professional search firm and other advisors to identify potential nominees.

The committee will also consider candidates recommended by stockholders for nomination to our Board of Directors. A stockholder who wishes to recommend a candidate for nomination to our Board of Directors must submit such recommendation to our Corporate Secretary, Brian Adams, at our offices located at 750 Lexington Avenue, New York, New York 10022. Any recommendation must be received not less than 60 calendar days nor more than 90 calendar days before the anniversary date of the previous year's annual meeting. All stockholder recommendations of candidates for nomination for election to our Board of Directors must be in writing and must set forth the following: (i) the candidate's name, age, business address, and other contact information, (ii) the number of shares of Keryx common stock beneficially owned by the candidate, (iii) a complete description of the candidate's qualifications, experience, background and affiliations, as would be required to be disclosed in the proxy statement pursuant to Schedule 14A under the Exchange Act, (iv) a sworn or certified statement by the candidate in which he or she consents to being named in the proxy statement as a nominee and to serve as director if elected, and (v) the name and address of the stockholder(s) of record making such a recommendation.

We believe that our Board of Directors as a whole should encompass a range of talent, skill, and expertise enabling it to provide sound guidance with respect to our operations and interests. The committee evaluates all candidates to our Board of Directors by reviewing their biographical information and qualifications. If the independent directors determine that a candidate is qualified to serve on our Board of Directors, such candidate is interviewed by the committee and our Chief Executive Officer. Other members of the Board of Directors also have an opportunity to interview qualified candidates. The committee then determines, based on the background information and the information obtained in the interviews, whether to recommend to the Board of Directors that the candidate be nominated for approval by the stockholders to fill a directorship. With respect to an incumbent director whom the committee is considering as a potential nominee for re-election, the independent directors review and consider the incumbent director's service during his or her term, including the number of meetings attended, level of participation, and overall contribution to the Board of Directors. The manner in which the committee evaluates a potential nominee will not differ based on whether the candidate is recommended by our directors or stockholders.

We consider the following qualifications, among others, when making a determination as to whether a person should be nominated to our Board of Directors: the independence of the director nominee; the nominee's

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character and integrity; financial literacy; level of education and business experience, including experience relating to biopharmaceutical companies; whether the nominee has sufficient time to devote to our Board of Directors; and the nominee's commitment to represent the long-term interests of our stockholders. We review candidates in the context of the current composition of the Board of Directors and the evolving needs of our business. We believe that each of the current members of our Board of Directors (who are also our director nominees) has the requisite business, biopharmaceutical, financial and/or managerial experience to serve as a member of the Board of Directors, as described above in their biographies under the heading Our Board of Directors. We also believe that each of the current members of our Board of Directors has other key attributes that are important to an effective board, including integrity, high ethical standards, sound judgment, analytical skills, and the commitment to devote significant time and energy to service on the Board of Directors and its committees.

We do not have a formal policy in place with regard to the consideration of diversity in considering candidates for our Board of Directors, but the Board of Directors strives to nominate candidates with a variety of complementary skills so that, as a group, the Board of Directors will possess the appropriate talent, skills and expertise to oversee our business.

Code of Ethics

We have adopted a Code of Conduct and Ethics, or the Code, which applies to all of our directors and employees, including our principal executive officer and principal financial officer. The Code includes guidelines dealing with the ethical handling of conflicts of interest, compliance with federal and state laws, financial reporting, and our proprietary information. The Code also contains procedures for dealing with and reporting violations of the Code. We have posted our Code of Conduct and Ethics on our website, located at www.keryx.com.

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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FEES AND OTHER MATTERS

UHY LLP (UHY), the independent registered public accounting firm that audited our financial statements for the years ended December 31, 2014 and December 31, 2013, has served as our independent registered public accounting firm since 2009. We expect a representative of UHY to be present at the Annual Meeting. The representative will have an opportunity to make a statement and will be available to answer your questions.

Our Board of Directors has asked the stockholders to ratify the selection of UHY as our independent registered public accounting firm. See Proposal Two: Ratification of Appointment of UHY as Our Independent Registered Public Accounting Firm on page 40 of this proxy statement. The Audit Committee has reviewed the fees described below and concluded that the payment of such fees is compatible with maintaining UHY's independence. All proposed engagements of UHY, whether for audit services, audit-related services, tax services, or permissible non-audit services, were pre-approved by our Audit Committee.

Audit Fees

For the fiscal years ended December 31, 2014 and December 31, 2013, UHY billed us an aggregate of approximately \$329,871 and \$287,299, respectively, in fees for the professional services rendered in connection with the audits of our annual financial statements included in our Annual Reports on Form 10-K for those two fiscal years, the review of our financial statements included in our Quarterly Reports on Form 10-Q during those two fiscal years, and our registration statement filings.

Audit-Related Fees

During the fiscal years ended December 31, 2014 and December 31, 2013, we were not billed by UHY for any fees for audit-related services reasonably related to the performance of the audits and reviews for those two fiscal years, in addition to the fees described above under the heading Audit Fees.

Tax Fees

During the fiscal years ended December 31, 2014 and December 31, 2013, we were not billed by UHY for any fees for professional services rendered for tax compliance, tax advice, and tax planning services.

All Other Fees

During the fiscal years ended December 31, 2014 and December 31, 2013, we were not billed by UHY for any fees for services, other than those described above, rendered to us and our affiliates for those two fiscal years.

Pre-Approval of Services

Our Audit Committee has established a policy setting forth the procedures under which services provided by our independent registered public accounting firm will be pre-approved by our Audit Committee. The potential services that might be provided by our independent registered public accounting firm fall into two categories:

Services that are permitted, including the audit of our annual financial statements, the review of our quarterly financial statements, related attestations, benefit plan audits and similar audit reports, financial and other due diligence on acquisitions, and federal, state, and non-US tax services; and

Services that may be permitted, subject to individual pre-approval, including compliance and internal-control reviews, indirect tax services such as transfer pricing and customs and duties, and forensic auditing.

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Services that our independent registered public accounting firm may not legally provide include such services as bookkeeping, certain human resources services, internal audit outsourcing, and investment or investment banking advice.

All proposed engagements of our independent registered public accounting firm, whether for audit services or permissible non-audit services, are pre-approved by the Audit Committee. We jointly prepare a schedule with our independent registered public accounting firm that outlines services that we reasonably expect we will need from our independent registered public accounting firm, and categorize them according to the classifications described above. Each service identified is reviewed and approved or rejected by the Audit Committee.

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REPORT OF THE AUDIT COMMITTEE

In monitoring the preparation of our financial statements, the Audit Committee met with both management and UHY LLP, our independent registered public accounting firm for the year ended December 31, 2014, to review and discuss all financial statements prior to their issuance and to discuss any and all significant accounting issues. Management and our independent registered public accounting firm advised the Audit Committee that each of the financial statements were prepared in accordance with generally accepted accounting principles. The Audit Committee's review included a discussion of the matters required to be discussed pursuant to Auditing Standard No. 16., Communications with Audit Committees, and SEC Regulation S-X Rule 207, Communication with Audit Committees, which requires our independent registered public accounting firm to discuss with the Audit Committee, among other things, the following:

Methods used to account for significant or unusual transactions;

The effect of any accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus;

The process used by management to formulate sensitive accounting estimates and the basis for the independent registered public accounting firm's conclusion regarding the reasonableness of any such estimates; and

Any disagreements with management over the application of accounting principles, the basis for management's accounting estimates and the disclosures necessary in the financial statements.

The Audit Committee has discussed the independence of UHY LLP, including the written disclosures made by UHY LLP to the Audit Committee, as required PCAOB Rule 3526, Communication with Audit Committees Concerning Independence. PCAOB Rule 3526 requires the independent registered public accounting firm to (i) disclose in writing all relationships that, in the independent registered public accounting firm's professional opinion, may reasonably be thought to bear on independence, (ii) confirm their perceived independence, and (iii) engage in a discussion of independence with the Audit Committee.

Finally, the Audit Committee continues to monitor the scope and adequacy of our internal controls and other procedures, including any and all proposals for adequate staffing and for strengthening internal procedures and controls where appropriate and necessary.

On the basis of these reviews and discussions, the Audit Committee recommended to the Board of Directors that it approve the inclusion of our audited financial statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, for filing with the SEC.

The Audit Committee reviewed its written charter previously adopted by our Board of Directors. Following this review, the Audit Committee determined that no changes needed to be made with respect to the Audit Committee charter at this time.

By the Audit Committee of the Board of Directors

Jack Kaye, Chairperson

Michael P. Tarnok

Joseph Feczko, M.D.

Dated February 26, 2015

Table of Contents**OUR EXECUTIVE OFFICERS****Executive Officers**

Our current executive officers are as follows:

Name	Age	Position
Gregory P. Madison	47	Chief Executive Officer, President and Director
James F. Oliviero	39	Chief Financial Officer and Treasurer
Brian Adams	41	General Counsel and Corporate Secretary
John F. Neylan	62	Chief Medical Officer

No executive officer is related by blood, marriage or adoption to any other director or executive officer. The biography of Mr. Madison is presented in connection with Corporate Governance beginning on page 4 of this proxy statement.

James F. Oliviero, CFA, 39, has served as our Chief Financial Officer since April 2009 and previously served as our Vice President, Finance since March 2008. From May 2003 until March 2008, Mr. Oliviero served as Keryx's Controller, where he was involved in all capital raising, licensing and acquisition transactions. Since joining Keryx, Mr. Oliviero has also been in charge of leading Keryx's compliance with SEC rules and regulations and other corporate governance matters, as well as assisting with all clinical development, regulatory, business development and legal matters. From August 1999 until May 2003, Mr. Oliviero served as Director of Finance for ACCESS Oncology, Inc., a privately-held biotechnology company. From July 1997 to August 1999, Mr. Oliviero was an investment banker at ING Barings Furman Selz in New York City, where he worked on various mergers and acquisitions and equity and debt transactions. Mr. Oliviero is a CFA charterholder and holds a B.B.A. in Finance with Highest Distinction from Emory University's Goizueta Business School.

Brian Adams, JD, 41, has served as our General Counsel since April 2014. Mr. Adams joined the Company from Algeta ASA, where he served as its General Counsel, with oversight of all global legal matters, corporate governance, alliance management and strategic transactions, including the launch of Xofigo® in prostate cancer, resulting in a \$2.9B acquisition bid for Algeta by Bayer AG. Prior to joining Algeta in 2012, Mr. Adams spent six years as an in-house counsel for Genzyme Corporation and AVEO Oncology. Throughout his career, Mr. Adams has provided domestic and international legal support for product development, operations, commercialization, securities, healthcare compliance and licensing/M&A transactions. Prior to joining Genzyme, Mr. Adams practiced in the Boston office of Bingham McCutchen LLP, where he advised private equity sponsors, biotech and other emerging technology companies on a broad range of corporate matters and financing transactions. Mr. Adams received a BA from Harvard University and a law degree (JD) from the Catholic University of America's Columbus School of Law.

John F. Neylan, MD, 62, has served as our Chief Medical Officer since April 2015. Dr. Neylan has more than ten years of experience in clinical development and biopharmaceutical corporate governance. Dr. Neylan was formerly Senior Vice President, Clinical Development of Genzyme Corporation, a company focused on the development and delivery of transformative therapies for patients affected by rare and debilitating diseases from May 2008 to April 2015. Prior to joining Genzyme Corporation, Dr. Neylan served as Vice President, Research & Development of Wyeth Research, where he was responsible for clinical development of various therapeutics from October 2000 to May 2008. Prior to this, Dr. Neylan served as a professor of medicine at Emory University in Atlanta, Georgia. Dr. Neylan holds a degree in medicine from Rush Medical School and an undergraduate degree from Duke University.

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COMPENSATION DISCUSSION AND ANALYSIS

In the paragraphs that follow, we give an overview and analysis of our compensation program and policies, the material compensation decisions we have made under those programs and policies with respect to our executive officers, and the material factors that we considered in making those decisions. Later in this proxy statement under the heading *Executive Compensation*, you will find a series of tables containing specific information about the compensation earned or paid in 2014 to the following individuals, whom we refer to as our named executive officers, or NEOs:

Ron Bentsur, who served as our Chief Executive Officer during 2014;

James F. Oliviero, our Chief Financial Officer and Treasurer; and

Gregory P. Madison, who served as our Executive Vice President and Chief Operating Officer during 2014 and recently has been appointed as our President and Chief Executive Officer.

Compensation Philosophy and Objectives

Our compensation programs are designed to motivate our employees to work toward achievement of our corporate mission to create long-term sustained stockholder value by acquiring, developing and commercializing pharmaceutical products for the treatment of renal disease. Attaining our key business and strategic goals depends on attracting, retaining and motivating quality employees in an exceptionally competitive environment. Our industry is highly scientific, regulated, scrutinized and dynamic, and as a result, we require employees that are highly educated, dedicated and experienced. The driving philosophy and objectives behind our executive compensation programs are:

to attract, retain, motivate and reward outstanding employees;

to align employees' interests with those of our stockholders by creating a strong focus on stock ownership and basing pay on performance measures that drive long-term stockholder value;

to incentivize our employee to achieve our business goals; and

to reflect our pay for performance culture.

Determining Executive Compensation

Role of the Compensation Committee

The Compensation Committee oversees our executive compensation program, including approving incentive programs, granting equity awards, and determining appropriate levels of compensation for our NEOs. Information about the Compensation Committee and its composition and responsibilities can be found on page 8 under the caption *Compensation Committee*.

Role of the Executives

Our Chief Executive Officer develops recommendations regarding the compensation levels for our other executives based upon a subjective assessment of their individual performance during the prior year and overall trends in the marketplace. In addition, each year, management delivers to the Compensation Committee a set of proposed corporate goals and objectives that management believes are essential to the achievement of the Company's mission and long-term goals and objectives. These recommendations and proposed goals and objectives are reviewed, modified if deemed appropriate, and approved by the Compensation Committee.

Role of the Compensation Consultant

From time to time, the Compensation Committee has engaged independent compensation consultants and advisors. In general, these consultants and advisors have been asked to provide compensation benchmarking and analytical data and have rendered advice to the Compensation Committee regarding our executive compensation program. The Compensation Committee has direct access to consultants and control over their engagement.

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In January 2014, the Compensation Committee engaged Radford, an Aon Hewitt Company, to conduct a comparative analysis of our executive compensation program. The Compensation Committee evaluated the independence of Radford in light of SEC rules and Nasdaq listing standards, which require consideration of the following factors:

whether any other services are provided to the Company by the consultant;

the fees paid by the Company as a percentage of the consulting firm's total revenue;

the policies or procedures maintained by the consulting firm that are designed to prevent a conflict of interest;

any business or personal relationships between the individual consultants involved in the engagement and a member of the Committee;

any company stock owned by the individual consultants involved in the engagement; and

any business or personal relationships between our executive officers and the consulting firm or the individual consultants involved in the engagement.

The Compensation Committee discussed these considerations and concluded that the engagement of Radford and the services provided to the Compensation Committee by Radford did not raise any conflict of interest.

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Elements of Compensation

Our executive compensation program for 2014 consisted of the following components:

Compensation Element	Purpose
Base salary	Base salary represents the fixed portion of an executive's annual compensation and is intended to recognize the executive's value to the Company based on skills and experience relative to the responsibilities of his position.
Annual cash incentive awards	Annual cash incentive awards represent the portion of an executive's compensation that is intended to vary as a direct reflection of Company and individual performance for the year. Mr. Bentsur's maximum annual incentive award was equal to 65% of his base salary, and Mr. Madison's annual incentive award was equal to 50% of his base salary. Mr. Oliviero's annual incentive award was determined in connection with the Company's annual incentive bonus pool, as described below.
Long-term equity awards	Long-term equity awards are intended to reward performance over a multi-year period, link the interests of executives to those of the stockholders, and encourage retention. Restricted stock and stock options generally are issued based upon achievement of corporate goals and objectives in the prior year. In addition, Mr. Bentsur is eligible to receive grants of restricted stock pursuant to the performance thresholds provided in his employment agreement, with additional time-based vesting requirements. A portion of Mr. Madison's stock options vest upon achievement of performance milestones, as well.
Health and welfare plans and retirement plan	These benefits are intended to provide competitive levels of medical and disability coverage, and retirement benefits under our 401(k) plan. Our executives participate in the same programs offered to all of our eligible employees.
Severance benefits	During 2014, Mr. Bentsur and Mr. Madison each had an employment agreement that provided for severance benefits in certain circumstances, and Mr. Oliviero had a change-in-control agreement that provided for severance benefits in the event of a qualifying termination following a change in control of the Company. Mr. Bentsur's employment agreement recently terminated, and Mr. Madison and Mr. Oliviero have entered into new employment agreements, which are described below under 2015 Executive Compensation.

No specific formula is used in regard to the allocation of the various elements within our executive compensation program. The Compensation Committee retains the discretion to reduce or eliminate a payment that otherwise might be payable to our executives based upon unforeseen events occurring during the year or its assessment of the Company's or our executives' performance in general.

In order to maximize the incentive effect of our compensation program, we have structured our performance-based compensation to involve a mix of value opportunities and performance measures.

Our annual cash incentive awards and our annual equity awards are based partially upon the Company's performance against pre-set corporate goals and objectives and partially upon the Compensation Committee's assessment of each individual executive's contribution to the Company's performance.

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The ultimate realized value of our equity awards (stock options and restricted stock awards) is tied to our stock price, in alignment with our stockholders.

Consideration of Last Year’s Advisory Stockholder Vote on Executive Compensation

At the 2014 Annual Meeting of Stockholders, approximately 82% of the shares represented and entitled to vote at the annual meeting were voted to approve the compensation of the Company’s named executive officers, as discussed and disclosed in the 2014 Proxy Statement. In considering the results of this advisory vote on executive compensation, the Compensation Committee concluded that the compensation paid to our named executive officers and the Company’s overall pay practices enjoy stockholder support.

In light of this support, the Compensation Committee decided to retain the core design of our executive compensation program, with an emphasis on short and long-term incentive compensation that rewards our senior executives when they successfully achieve our corporate goals and objectives and, in turn, deliver value for our shareholders. As described below, in 2014 the Compensation Committee increased our executives’ salaries and decreased Mr. Bentsur’s target incentive percentage, which it believes provided a more competitive pay package when compared to the market median. Going forward, future advisory votes on executive compensation will serve as an additional tool to guide the Board of Directors and the Compensation Committee in evaluating the alignment of the Company’s executive compensation program with the interests of the Company and its stockholders.

At the 2011 Annual Meeting of Stockholders, our stockholders expressed a preference that advisory votes on executive compensation be held on an annual basis. Consistent with this preference, the Board of Directors determined to implement an advisory vote on executive compensation on an annual basis until the next required vote on the frequency of stockholder votes on the compensation of executive officers, which is scheduled to occur at the 2017 annual meeting.

2014 Executive Compensation

Benchmarking and Peer Group

In 2014, the Compensation Committee engaged Radford, an Aon Hewitt Company, to conduct a comparative analysis of our executive compensation program. Radford’s review of executive compensation included a comparison of salary, bonus and other forms of compensation, including stock based compensation, for a peer group of 21 publicly-traded companies in the biotechnology industry that were identified by Radford as being comparable to the Company in size, stage of development, location and operation. Radford also considered competitive market data from a proprietary broad survey of life science companies with less than 150 employees and a market capitalization between \$500 million and \$3 billion.

The peer group members included:

Acadia Pharmaceuticals	Aegerion Pharmaceuticals	AMAG Pharmaceuticals
Anacor Pharmaceuticals	Cadence Pharmaceuticals	Cell Therapeutics
Celldex Therapeutics	Dyax	Exelixis
Halozyme Therapeutics	Immunogen	InterMune
Ligand Pharmaceuticals	Momenta Pharmaceuticals	Neurocrine Biosciences
NPS Pharmaceuticals	Osiris Therapeutics	Raptor Pharmaceuticals
Receptos	Synageva BioPharma	VIVUS

Radford concluded that total compensation for the Company’s executive officers was significantly below median in comparison to the peer group, due primarily to the fact that there had been no salary increases for the

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CEO and CFO for the last several years. After considering this analysis, the Compensation Committee approved the following changes to Mr. Bentsur's and Mr. Oliviero's compensation for 2014, which were intended to make their total direct compensation more competitive with the peer group median:

Effective March 1, 2014, Mr. Bentsur's base salary was increased from \$300,000 to \$530,000, and his target cash incentive award for 2014 was reduced to be equal to up to 65% of his base salary; and

Effective March 1, 2014, Mr. Oliviero's base salary was increased from \$265,000 to \$365,000.

2014 Corporate Performance Goals

Our 2014 annual incentive awards (both cash and equity) were based, in large part, upon the achievement of corporate performance goals, which included a combination of clinical and regulatory goals related to our products as well as other corporate goals, and were achieved at an aggregate level of 100.0%. The corporate performance goals and objectives used to determine annual incentive awards in 2014 were as follows:

Various goals related to regulatory (US new drug application approval, EU marketing authorization application acceptance of filing, and the US commercial launch for Auryxia) 55.0% maximum potential weighting (55.0% achieved);

Various goals related to Auryxia manufacturing 35.0% maximum potential weighting (35.0% achieved); and

Goal related to the initiation of a Phase 3 pre-dialysis CKD study 10.0% maximum potential weighting (10.0% achieved).

The Compensation Committee considered performance against these goals in determining the amounts paid as annual incentive awards in 2014, as well as its subjective assessment of our executives' contributions to Company performance.

Base Salary

As noted above, Mr. Bentsur's and Mr. Oliviero's base salaries for 2014 were increased to \$530,000 and \$365,000, respectively. Mr. Madison's base salary was set at \$400,000 when he joined the Company in February 2014.

Cash Incentive Awards

In 2014, Mr. Bentsur was eligible to earn an annual cash incentive of up to 65% of his increased base salary. Mr. Madison was eligible to earn an annual cash incentive of up to 50% of his base salary, per the terms of his employment agreement. Mr. Oliviero's annual incentive award was determined in connection with the Company's annual incentive bonus pool, as described below. The executives' annual cash incentive awards were based upon the Company's performance against pre-established corporate goals and objectives, which are discussed above, and each executive's individual performance based upon subjective performance reviews. The actual amounts paid to the executives pursuant to their annual cash incentive awards are reported in the Summary Compensation Table as non-equity incentive plan compensation.

Mr. Bentsur's and Mr. Madison's 2014 Annual Cash Incentive Awards. As noted above, in 2014, Mr. Bentsur was eligible to earn an annual cash incentive of up to 65% of his base salary, and Mr. Madison was eligible to earn an annual cash incentive of up to 50% of his base salary pro-rated from his start date in 2014 (\$358,356), per the terms of his employment agreement. Both Mr. Bentsur's and Mr. Madison's annual cash incentives were based on achievement of the corporate goals and objectives (80% and 60% weighting, respectively), which was achieved at the 100% level, and on individual performance, based upon a subjective review by the Compensation Committee (20% and 40% weighting, respectively), which was achieved at the 100% level, resulting in a cash incentive payment to Mr. Bentsur and Mr. Madison of \$344,500 and \$179,178, respectively (the maximum amount).

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Annual Cash Incentive Award Pool, Quarterly Incentive Compensation Plan and Mr. Oliviero's 2014 Annual Cash Incentive Award. In 2014, our employees, other than Mr. Bentsur and Mr. Madison and our sales and payer access teams, were eligible for annual cash incentives based on an overall annual cash incentive award pool calculated as the sum of each of our employees' salaries multiplied by a maximum bonus percentage attributed to each employee for such year, resulting in a maximum cash incentive pay pool in 2014 of \$2,404,874. For our employees, a component of their annual cash incentive is based on corporate goals and objectives and a component is based on individual performance. At the lowest level, employees' cash incentive is primarily weighted towards the individual component. For 2014, the Compensation Committee did not use its discretion to increase the overall cash incentive award pool, and an aggregate of \$2,381,074 was distributed to employees, including Mr. Oliviero.

Our sales and payer access teams were eligible to receive quarterly cash incentives based on either a maximum bonus percentage of salary or maximum bonus dollar amount in accordance with our incentive compensation plans for such teams. For 2014, an aggregate of \$1,032,261 was distributed to the sales and payer access teams under this plan.

Mr. Oliviero's maximum 2014 annual cash incentive was determined to be 40% of his base salary. His award was based on achievement of the corporate goals and objectives (60% weighting), which was achieved at the 100% level, and on individual performance, based upon a subjective review by the Chief Executive Officer and the Compensation Committee (40% weighting), which was achieved at the 100% level, resulting in a \$146,000 cash incentive payment (the maximum amount).

Long-Term Equity Incentive Awards

Mr. Bentsur. After consideration of our 2013 corporate goals and objectives, which were achieved at a 100% level, and a subjective consideration of Mr. Bentsur's individual performance during 2013, the Compensation Committee granted Mr. Bentsur, on January 2, 2014, an option to purchase 62,092 shares of our common stock and an award of 26,611 shares of restricted stock.

In addition, Mr. Bentsur's employment agreement provided that he had the opportunity to receive certain restricted stock awards upon the achievement of performance milestones. He received the first two restricted stock awards in 2009 and 2010, which we refer to as the Bentsur¹ Milestone Award and the Bentsur² Milestone Award, respectively. Upon achievement of the second milestone, the Bentsur¹ Milestone Award was immediately vested. Mr. Bentsur did not receive any milestone awards in 2011 or 2012. On October 4, 2013, Mr. Bentsur received a third restricted stock award, which we refer to as the Bentsur³ Milestone Award, in connection with our filing of an accepted new drug application with the U.S. Food and Drug Administration for Auryxia. On December 22, 2014, Mr. Bentsur received a fourth restricted stock award, which we refer to as the Bentsur⁴ Milestone Award, in connection with our first commercial sale of Auryxia in the U.S. off an approved new drug application, whereby, Mr. Bentsur received an award of 500,000 shares of restricted stock that vested immediately on the grant date. In addition, upon achievement of the fourth milestone, the Bentsur³ Milestone Award was immediately vested.

Mr. Bentsur's employment agreement, as amended, which terminated on April 30, 2015, provides that, until July 30, 2015, he has the opportunity to earn milestone awards of 100,000 shares of restricted stock, vesting upon grant, upon each event of our outlicensing Auryxia in a foreign market, other than Japan, resulting in a greater than \$10 million non-refundable cash payment to us with a gross deal value to us of at least \$50 million.

Mr. Madison. Upon Mr. Madison's employment in February 2014, and pursuant to the terms of his employment agreement that was in place in 2014, he was granted 80,000 stock options that will vest over three years, and 85,000 shares of restricted stock, 25,000 of which vested immediately and the remaining 60,000 shares vesting over three years. In addition, Mr. Madison was granted 115,000 stock options, which we refer to as the

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Madison Milestone Options. The Madison Milestone Options vested or will vest as follows, provided that Mr. Madison remains employed by us during such vesting period and subject to other terms and conditions in the award agreement:

15,000 options vested on December 22, 2014 upon the first commercial sale of Auryxia.

30,000 options will vest upon reported net sales for Auryxia of \$25 million or more in a calendar quarter.

30,000 options will vest upon reported net sales for Auryxia of \$50 million or more in a calendar quarter.

30,000 options will vest upon reported net sales for Auryxia of \$75 million or more in a calendar quarter.

The Madison Milestone Options will vest in full upon a change in control of the company, as defined in his employment agreement.

Annual Equity Award Pool and Mr. Oliviero. In 2014, based upon performance during 2013, our employees, other than Mr. Bentsur and Mr. Madison, were eligible to receive long-term equity awards based on an overall annual equity award pool of 525,416 shares, calculated based upon 0.61% of an adjusted fully-diluted shares outstanding figure (86,520,600). Each employee was allocated a portion of the annual equity award pool which represented such employee's maximum potential grant. For most of our employees, a component of their annual equity award is based on corporate goals and objectives and a component is based on individual performance. At the lowest level, employees primarily have an individual component. For 2014 (based upon performance during 2013), the Compensation Committee used its discretion to increase the overall equity award pool, and options to purchase 365,956 shares of our common stock and awards of 173,846 shares of restricted stock were granted to employees from the annual equity award pool, including grants of 53,062 stock options and 22,741 restricted shares to Mr. Oliviero.

For additional information regarding our named executive officers' stock grants, see the Summary Compensation Table, the Grants of Plan-Based Awards Table and the Outstanding Equity Awards at 2014 Fiscal Year End table. Awards based upon consideration of 2014 performance were granted on January 4, 2015. Pursuant to SEC rules, these awards will appear in next year's proxy statement.

Perquisites and Other Executive Benefits

We do not offer our NEOs any perquisites or other executive benefits.

Severance Benefits

The employment agreements that were in place in 2014 for Mr. Bentsur and Mr. Madison provided for, among other things, payment and benefits upon certain terminations of employment. We believe these agreements were an important component in our effort to recruit and retain these executives, particularly for a company at our stage of development and in our relatively high-risk industry. By its terms, Mr. Bentsur's employment agreement was scheduled to terminate on May 20, 2015, and Mr. Madison's employment agreement was scheduled to terminate on February 15, 2017. Mr. Bentsur's employment agreement terminated on April 30, 2015, and as noted below, Mr. Madison entered into a new employment agreement in 2015.

On October 31, 2011, we entered into a change-in-control agreement with Mr. Oliviero that provides certain payments and benefits upon his involuntary termination of employment within 12 months following a change in control. Mr. Oliviero's change-in-control agreement was scheduled to terminate on October 31, 2015. As noted below, Mr. Oliviero entered into a new employment agreement in 2015.

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The Board of Directors believes that the change in control benefits described above were in the best interests of the Company and its stockholders to assure that the Company had the continued dedication of the NEOs, notwithstanding the possibility, threat or occurrence of a change in control of the Company.

For more information on these agreements, see the **Potential Payments upon Termination or Change-in-Control** section beginning on page 28 of this proxy statement. For more information on Mr. Madison's and Mr. Oliviero's new employment agreements see the **2015 Executive Compensation** section below.

2015 Executive Compensation

On January 11, 2015, the Company announced that the Chief Executive Officer role would be transitioning from Mr. Bentsur to Mr. Madison prior to the expiration of Mr. Bentsur's employment contract on May 20, 2015. On March 10, 2015, the Compensation Committee approved a new employment agreement for Mr. Madison, pursuant to which he will assume the role of the Company's CEO by May 20, 2015. Under this agreement, Mr. Madison's base salary increased to \$525,000 per year on March 10, 2015 and Mr. Madison received retroactive pay for the increase in salary from January 11, 2015 through March 10, 2015, and his annual cash incentive opportunity will be up to 60% of his base salary, conditioned on achievement against performance goals established by the Compensation Committee. The Compensation Committee may increase Mr. Madison's salary in future years in its sole discretion. His agreement also provides for cash severance payments if the Company terminates his employment without cause, or if he resigns for good reason, as such terms are defined in the agreement, equal to (i) twelve (12) months of pay based on his base salary as of the date of termination, and (ii) a severance bonus equal to a portion of the target annual bonus, pro-rated based on the period of his employment in the terminal year of employment through the date of termination. In connection with Mr. Madison's promotion to CEO, he was granted 550,000 shares of restricted stock that vest upon certain performance-based milestones, conditioned upon Mr. Madison's continued employment. He was also granted 400,000 options that vest according to the following schedule: one-third on January 11, 2016, and one-twelfth will vest on each of April 11, 2016, July 11, 2016, October 11, 2016, January 11, 2017, April 11, 2017, July 11, 2017, October 11, 2017, and January 11, 2018.

On February 27, 2015, the Company announced a planned consolidation of its finance and accounting function into its Boston office and that Mr. Oliviero will be leaving Keryx by October 2015. Mr. Oliviero will continue to manage the Company's finance and accounting team during the remainder of his tenure and will assist in the transition of his duties to the new Chief Financial Officer.

In connection with this transition, the Company entered into an employment agreement with Mr. Oliviero on February 26, 2015. The employment agreement will terminate on October 1, 2015, but may be extended upon the mutual agreement of the parties. Under the employment agreement, Mr. Oliviero will receive an annualized base salary of \$365,000 and will be entitled to participate in the Company's incentive and other benefit programs during the remainder of his employment with the Company. At the conclusion of his employment period, or upon his earlier termination by the Company without cause, or resignation for good reason, he will be entitled to receive a lump sum cash severance payment equal to 12 months' base salary, plus an amount equal to 12 months' premiums under the Company's group healthcare plan. In addition, his options and restricted stock awards will accelerate in full, and his options will remain exercisable for a period of nine months, or if earlier, the normal expiration date of the options. In the event that a change in control occurs and within one year Mr. Oliviero's employment is terminated by the Company without cause, or Mr. Oliviero resigns for good reason, his severance payment would be equal to 12 months' base salary, plus an amount equal to his annual bonus for the prior year and an amount equal to 12 months' premiums under the Company's group healthcare plan. This employment agreement replaced the Company's change-in-control agreement with Mr. Oliviero.

Report of the Compensation Committee

The Compensation Committee of the Board of Directors has reviewed and discussed with management the Compensation Discussion and Analysis set forth above. Based on the review and discussions noted above, the

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Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, for filing with the SEC.

By the Compensation Committee of the Board of Directors

Kevin Cameron, Chairperson

Wyche Fowler, Jr.

Michael Tarnok

RISK ASSESSMENT OF COMPENSATION PROGRAMS

The Compensation Committee has reviewed with management the design and operation of our incentive compensation arrangements for all employees, including executive officers, for the purpose of determining whether such programs might encourage inappropriate risk-taking that could have a material adverse effect on the Company. Management and the Compensation Committee reviewed the Company's incentive compensation arrangements for the purpose of identifying any aspects of such programs that might encourage behaviors that could exacerbate business risks. In conducting this assessment, the Compensation Committee considered, among other things, the performance objectives used in connection with these incentive awards and the features of the Company's compensation program that are designed to mitigate compensation-related risk. The Compensation Committee concluded that any risks arising from the Company's compensation plans, policies and practices are not reasonably likely to have a material adverse effect on the Company.

Table of Contents**EXECUTIVE COMPENSATION****Summary Compensation Table**

The following table sets forth the cash and other compensation that we paid to our named executive officers (NEOs) or that was otherwise earned by our NEOs for their services in all capacities during 2012, 2013 and 2014. For a description of the individual amounts indicated below, please see our Compensation Discussion and Analysis beginning on page 15 of this proxy statement.

Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Bonus (\$) ⁽²⁾	Stock Awards (\$) ⁽³⁾	Option Awards (\$) ⁽³⁾	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Ron Bentsur	2014	491,667		7,686,097	639,113	344,500		9,161,377
Former Chief Executive Officer	2013	300,000	175,000	4,205,500	144,525	225,000		5,050,025
	2012	300,000		83,490	124,084	202,500		710,074
James F. Oliviero	2014	348,333		732,219	546,167	146,000		1,772,719
Chief Financial Officer and Treasurer	2013	265,000	140,000	1,644,186	107,654	106,000		2,262,840
	2012	265,000		70,840	101,860	106,000		543,700
Gregory Madison	2014	358,333		1,292,850	1,170,970	179,178		3,001,331
President and Chief Executive Officer								

- (1) Reflects salary increases for Mr. Bentsur and Mr. Oliviero to \$530,000 and \$365,000, respectively, as of March 1, 2014, as described in our Compensation Discussion and Analysis. Reflects a \$400,000 salary for Mr. Madison from his date of hire (February 8, 2014).
- (2) Reflects a \$100,000 bonus paid to Mr. Bentsur and Mr. Oliviero in 2013 upon the first FDA acceptance of a New Drug Application submission, and an additional discretionary bonus in recognition of each of their contributions to the Company's performance during 2013. Please see our Compensation Discussion and Analysis in our Proxy Statement for the 2014 Annual Meeting of Stockholders for more information.
- (3) Reflects the aggregate grant date fair value of stock and option awards granted by the Company as computed under FASB ASC Topic 718. The grant date fair value of the stock awards is based on the fair market value of the underlying shares on the date of grant and does not take into account any estimated forfeitures. The grant date fair value of the stock awards also does not take into account any stock awards which vest upon certain corporate milestones when the measurement date for accounting purposes for such awards has not yet occurred and the fair value is uncertain. For such awards, stock-based compensation is measured and recorded if and when a milestone occurs, and the compensation for such awards are reflected in the table in such year the compensation is recorded. The assumptions made in the valuation of the option awards are contained in Note 11 to our consolidated financial statements for 2014, 2013 and 2012, which are included in our Annual Report on Form 10-K for the fiscal year 2014, 2013 and 2012, respectively.

Table of Contents**Grants of Plan-Based Awards For Fiscal Year 2014**

The following table below sets forth the individual grants of awards made to each of our NEOs during 2014. For a description of the individual amounts indicated below, please see our Compensation Discussion and Analysis beginning on page 15 of this proxy statement.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			All Other Stock Awards: Number of Shares of Stock or Units (#) ⁽²⁾	All Other Option Awards: Number of Securities Underlying Options (#) ⁽³⁾	Exercise or Base Price of Option Awards (\$/sh)	Grant Date Fair Value of Awards (\$) ⁽⁴⁾
		Threshold (\$)	Target (\$)	Maximum (\$)				
Mr. Bentsur			344,500					
	01/02/14				26,611		336,097	
	01/02/14					62,092	639,113	
Mr. Oliviero	12/22/14				500,000		7,350,000	
			146,000					
	01/02/14				22,741		287,219	
Mr. Madison	01/02/14					53,062	546,167	
			179,178					
	02/08/14				85,000		1,292,850	
	02/08/14					80,000	\$ 15.21 986,080	
	02/08/14					115,000	\$ 15.21 184,890	

- (1) Represents target payout values for 2014 cash performance awards. At the Compensation Committee's discretion, payouts can be zero. The actual amount earned by each NEO in 2014 is reported under the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table on page 24 of this proxy statement.
- (2) Award of time-vesting and milestone-based restricted stock under the 2004 Long-Term Incentive Plan, or the 2004 Plan, and the 2013 Incentive Plan, or the 2013 Plan.
- (3) Award of time-vesting and milestone-based stock options under the 2004 Plan and 2013 Plan.
- (4) Reflects the aggregate grant date fair value of stock and option awards granted by the Company during 2014 as computed under FASB ASC Topic 718. The grant date fair value of the stock awards is based on the fair market value of the underlying shares on the date of grant and does not take into account any estimated forfeitures. The grant date fair value of the stock awards also does not take into account any stock awards which vest upon certain corporate milestones when the measurement date for accounting purposes has not yet occurred and the fair value is uncertain. For such awards, stock-based compensation is measured and recorded if and when a milestone occurs. The assumptions made in the valuation of the option awards are contained in Note 11 to our consolidated financial statements for 2014, which are included in our Annual Report on Form 10-K for the fiscal year 2014.

For a description of the vesting schedules of the equity awards, please see the Outstanding Equity Awards at 2014 Fiscal Year End Table below.

Table of Contents**Outstanding Equity Awards at 2014 Fiscal Year End**

The following table provides information concerning equity awards that are outstanding as of December 31, 2014 for each of our NEOs.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ⁽²³⁾ (\$)
Mr. Bentsur	600,000 ⁽¹⁾		0.35	05/20/19		
	123,840 ⁽²⁾		2.50	01/02/20		
	75,000 ⁽³⁾		4.58	01/02/21		
	61,417 ⁽⁴⁾	5,583 ⁽⁴⁾	2.53	01/02/22		
	43,750 ⁽⁵⁾	31,250 ⁽⁵⁾	2.78	01/02/23		
		62,092 ⁽⁶⁾	12.63	01/02/24		
					2,750 ⁽¹⁶⁾	38,913
					10,414 ⁽¹⁷⁾	147,358
					26,611 ⁽¹⁸⁾	376,546
Mr. Oliviero	50,000 ⁽⁷⁾		14.64	01/02/16		
	50,000 ⁽⁸⁾		14.64	01/02/16		
	25,000 ⁽⁹⁾		13.30	12/31/16		
	18,000 ⁽¹⁰⁾		8.56	12/30/17		
	13,750 ⁽¹¹⁾	4,583 ⁽¹¹⁾	2.53	01/02/22		
	13,967 ⁽¹²⁾	23,277 ⁽¹²⁾	2.78	01/02/23		
	53,062 ⁽¹³⁾	12.63	01/02/24			
					2,328 ⁽¹⁹⁾	32,941
					13,964 ⁽²⁰⁾	197,591
					22,741 ⁽²¹⁾	321,785
Mr. Madison		80,000 ⁽¹⁴⁾	15.21	02/08/24		
	15,000 ⁽¹⁵⁾	100,000 ⁽¹⁵⁾	15.21	02/08/24		
					60,000 ⁽²²⁾	849,000

- (1) Stock options awarded to executive on May 20, 2009, under the 2009 CEO Incentive Plan, which we refer to as the Initial Option Grant. The stock options vested as to 150,000 of the options in equal installments on each of May 20, 2010, May 20, 2011, May 20, 2012 and May 20, 2013. The Initial Option Grant was issued as an inducement award for Mr. Bentsur to join our company in accordance with Nasdaq Marketplace Rule 5635(c)(4) and was not granted under our stockholder-approved incentive plan.
- (2) Stock options awarded to executive on January 2, 2010, under the 2007 Plan. The stock options vested as to 41,280 of the options on January 2, 2011, and the remaining options vested in equal installments on a quarterly basis through January 2, 2013.
- (3) Stock options awarded to the executive on January 2, 2011, under the 2004 Plan. The stock options vested as to 25,000 of the options on January 2, 2012, and the remaining options vested in equal installments on a quarterly basis through January 2, 2014.
- (4) Stock options awarded to the executive on January 2, 2012, under the 2004 Plan. The stock options vested as to 22,333 of the options on January 2, 2013, and the remaining options vest in equal installments on a quarterly basis through January 2, 2015.

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- (5) Stock options awarded to the executive on January 2, 2013, under the 2004 Plan. The stock options vested as to 25,000 of the options on January 2, 2014, and the remaining options vest in equal installments on a quarterly basis through January 2, 2016.
- (6) Stock options awarded to the executive on January 2, 2014, under the 2004 Plan. The stock options vest as to 20,697 of the options on January 2, 2015, and the remaining options vest in equal installments on a quarterly basis through January 2, 2017.
- (7) Stock options awarded to the executive on January 2, 2006, under the 2004 Plan. The stock options vested as to 12,500 options on January 2, 2007, and the remaining options vested in equal installments on a quarterly basis through January 2, 2010.
- (8) Stock options awarded to the executive on January 2, 2006, under the 2004 Plan. The stock options vested in 2006 due to the achievement of a certain financial milestone.
- (9) Stock options awarded to the executive on December 31, 2006, under the 2004 Plan. The stock options vested as to 6,256 options on December 31, 2007, and the remaining options vested in equal installments on a quarterly basis through December 31, 2010.
- (10) Stock options awarded to the executive on December 30, 2007, under the 2007 Plan. The stock options vested as to 4,500 options on December 30, 2008, and the remaining options vested in equal installments on a quarterly basis through December 30, 2011.
- (11) Stock options awarded to the executive on January 2, 2012, under the 2004 Plan. The stock options vested as to 18,333 of the options on January 2, 2013, and the remaining options vest in equal installments on a quarterly basis through January 2, 2015.
- (12) Stock options awarded to the executive on January 2, 2013, under the 2004 Plan. The stock options vest as to 18,622 of the options on January 2, 2014, and the remaining options vest in equal installments on a quarterly basis through January 2, 2016.
- (13) Stock options awarded to the executive on January 2, 2014, under the 2004 Plan. The stock options vest as to 17,687 of the options on January 2, 2015, and the remaining options vest in equal installments on a quarterly basis through January 2, 2017.
- (14) Stock options awarded to the executive on February 8, 2014, under the 2013 Plan. The stock options vest as to 26,667 of the options on February 8, 2015, and the remaining options vest in equal installments on a quarterly basis through February 8, 2017.
- (15) Stock options awarded to the executive on February 8, 2014, under the 2013 Plan. 15,000 of the stock options vested upon the first commercial sale of Auryxia on December 22, 2014, with the remaining stock options vesting upon the achievement of certain sales milestones.
- (16) Restricted stock granted to the executive on January 2, 2012, under the 2004 Plan, which vest in equal installments on a quarterly basis through January 2, 2015.
- (17) Restricted stock granted to the executive on January 2, 2013, under the 2004 Plan, which vested as to 8,333 shares on January 2, 2014, and the remaining shares vest in equal installments on a quarterly basis through January 2, 2016.
- (18) Restricted stock granted to the executive on January 2, 2014, under the 2004 Plan, which vest as to 8,870 shares on January 2, 2015, and the remaining shares vest in equal installments on a quarterly basis through January 2, 2017.
- (19) Restricted stock granted to the executive on January 2, 2012, under the 2004 Plan, which vested as to 9,333 shares on January 2, 2013, and the remaining shares vest in equal installments on a quarterly basis through January 2, 2015.
- (20) Restricted stock granted to the executive on January 2, 2013, under the 2004 Plan, which vest as to 11,173 shares on January 2, 2014, and the remaining shares vest in equal installments on a quarterly basis through January 2, 2016.
- (21) Restricted stock granted to the executive on January 2, 2014, under the 2004 Plan, which vest as to 7,580 shares on January 2, 2015, and the remaining shares vest in equal installments on a quarterly basis through January 2, 2017.
- (22) Restricted stock granted to the executive on February 8, 2014, under the 2013 Plan, which vested as to 25,000 shares on February 8, 2014, and 60,000 shares vest as to 20,000 shares on February 8, 2015 and the remaining shares vesting in equal installments on a quarterly basis through February 8, 2017.
- (23) Based on the closing price of our stock on December 31, 2014 (\$14.15), the last trading day of the 2014 fiscal year.

Table of Contents**Option Exercises and Stock Vested in Fiscal Year 2014**

The following table provides information regarding the number of shares acquired upon the exercise of stock options and/or the vesting of shares for our NEOs during 2014.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) ⁽¹⁾	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$) ⁽²⁾
Mr. Bentsur			927,668	13,818,467
Mr. Oliviero	129,039	1,327,362	280,245	4,690,031
Mr. Madison			25,000	380,250

- (1) Represents the aggregate value of the shares of common stock received upon exercise of stock options during 2014, based upon the difference between the exercise price and the fair market value of our common stock on the exercise date.
- (2) Represents the aggregate value of restricted stock vesting in 2014, based upon the fair market value of our common stock on the applicable vesting date.

Potential Payments upon Termination or Change in Control

During 2014, Mr. Bentsur and Mr. Madison each had an employment agreement with the Company that provided certain compensation and benefits in the event of the termination of employment under certain conditions. In addition, during 2014, Mr. Oliviero had a change-in-control agreement that provided certain compensation and benefits in the event of his qualifying termination in connection with a change in control. In addition, our equity plans provide certain benefits in connection with a change in control.

Equity Plans

Pursuant to the terms of the 2004 Plan, upon the occurrence of a change in control, any awards outstanding under such plan will become fully-vested. Pursuant to the terms of the 2007 Plan and the 2013 Plan, upon the occurrence of a change in control of the Company in which awards are not assumed by the surviving entity or otherwise equitably converted or substituted in connection with the change in control, all outstanding awards under such plan will become fully vested. The 2007 Plan and the 2013 Plan also provide that, with respect to awards assumed by the surviving entity or otherwise equitably converted or substituted in connection with a change in control, if within two years after the effective date of the change in control, a participant's employment is terminated without Cause or the participant resigns for Good Reason, then all outstanding awards under such plan will become fully-vested. For purposes of the 2007 Plan and the 2013 Plan, Good Reason generally means (i) a material diminution in the participant's duties, or the assignment to the participant of duties materially inconsistent with his or her authority, responsibilities and reporting requirements; or (ii) a material breach by the Company of its obligations to the participant under any written employment agreement or arrangement. For purposes of the 2007 Plan and the 2013 Plan, Cause generally means (i) a material breach of the terms of the participant's restrictive covenants with the Company; (b) a material breach by the participant of any provision of his or her employment arrangement; (c) the habitual neglect or gross failure by the participant to adequately perform his or her duties; (d) any act of moral turpitude or criminal action connected to the participant's employment with the Company; or (e) the participant's repetitive refusal to comply with, or his or her violation of lawful instructions of, the Chief Executive Officer, Chief Financial Officer or the Board of Directors.

Table of Contents**Ron Bentsur**

The table below summarizes the value of potential payments and benefits that Mr. Bentsur would receive if his employment was terminated on December 31, 2014 under the circumstances shown, or if a change in control of the Company occurred on December 31, 2014. The table excludes amounts that would be paid in the normal course of continued employment, such as accrued but unpaid salary. Actual amounts to be paid can only be determined at the time of such termination of service.

Type of Payment	Termination Other Than For Cause; Resignation For Good Reason (Prior to a Change in Control) (\$)		Death or Disability (\$)	Termination of Employment in Connection With Expiration of Employment Period (\$)	Termination Other Than For Cause; Resignation For Good Reason (Following a Change in Control) (\$)		Change in Control (Absent Termination) ⁽³⁾ (\$)
Cash Severance	530,000				909,485		
Value of Accelerated Equity ⁽¹⁾		⁽²⁾	⁽²⁾	⁽²⁾	1,077,383		1,087,383
Total	530,000				1,986,868		1,087,383

- (1) Represents the fair market value of shares underlying outstanding stock options and restricted shares that would be vested upon the event, based on the closing price of our stock on December 31, 2014 (\$14.15), the last trading day of the most recently completed fiscal year (less the exercise price, in the case of the stock options). For purposes of this calculation, outstanding stock options having an exercise price equal to or more than the closing price of our common stock on such date have a value of \$0.
- (2) Assumes that the Unearned Milestone Opportunity (as defined below) was not achieved during the 3, 6 or 12-month period, as applicable, following termination.
- (3) Assumes that the equity awards are not assumed by the surviving entity or otherwise equitably converted or substituted in connection with the change in control.

Termination Other than for Cause: Termination for Good Reason. If we terminated Mr. Bentsur under his 2014 employment agreement for any reason other than for Cause or disability, or if he terminates his employment for Good Reason, then he would have been entitled to the following benefits:

a lump sum cash severance payment equal to 100% of his then-current base salary;

any vested portion of the Initial Option Grant will remain exercisable for a period of one year;

any outstanding shares of restricted stock granted to Mr. Bentsur as a milestone award by reason of the achievement of a milestone (as described earlier in this proxy statement) (the Earned Milestone Awards) prior to the date of termination will become fully vested and non-forfeitable as of the date of termination; and

his opportunity to earn milestone awards with respect to any milestone condition which has not been met as of the date of termination (the Unearned Milestone Opportunity) will continue for a period of six or twelve months (depending on the particular milestone) after the date of termination and, to the extent that a milestone is achieved during such six or twelve-month periods, as applicable, the stock relating to such milestone will be issued to Mr. Bentsur as fully-vested shares, rather than restricted stock, or, in our sole discretion, we may pay Mr. Bentsur an amount in cash equal to the value of such shares.

The employment agreement also provided that if any payments or benefits would be subject to the excise tax imposed on parachute payments under Section 4999 of the Internal Revenue Code, the payments will be limited to the maximum amount that could be paid without triggering the

excise tax, provided that such cut-back would produce a greater net benefit to Mr. Bentsur than if he had paid the excise tax.

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Under Mr. Bentsur's employment agreement, "Cause" generally means the executive is: (i) conviction of, pleading guilty to, or confession to a felony or any crime involving any act of dishonesty, fraud, misappropriation or embezzlement; (ii) misconduct or gross negligence in connection with the performance of his duties; (iii) engaging in any fraudulent, disloyal or unprofessional conduct which is, or is likely to be, injurious to the Company, its financial condition, or its reputation; (iv) failure to perform his duties with the Company; (v) failure to meet agreed-upon, written performance standards; or (vi) breach of the covenants in the agreement, or material breach of any other provisions of this Agreement.

"Good Reason" generally means (i) a reduction in his base salary of more than 10% in the aggregate (i.e., in excess of \$53,000); (ii) a material diminution in his authority, duties, or responsibilities; (iii) a requirement that he report to a corporate officer or employee instead of reporting directly to the Board of Directors; (iv) relocation of his principal office to location that is more than 50 miles away from the current location of the Company's principal office; or (v) any other material breach by the Company of the employment agreement.

Death; Disability; Termination of Employment in Connection With Expiration of Employment Period. If Mr. Bentsur's employment had been terminated by reason of his death or disability, or if we terminated his employment upon the normal expiration of the employment period, then he would have received his accrued obligations and any vested portion of the Initial Stock Option would have remained exercisable for a period of one year following his date of termination. His outstanding Earned Milestone Awards would have become fully vested and non-forfeitable. In addition, any Unearned Milestone Opportunity would have continued for a period of six or twelve months (depending on the particular milestone) following his termination and, to the extent that a milestone is achieved during such three-month period, the stock relating to such milestone would have been issued to Mr. Bentsur or his estate, as the case may be, as fully-vested shares, rather than restricted stock, or, in our sole discretion, we may have paid Mr. Bentsur an amount in cash equal to the value of such shares.

Change in Control. Mr. Bentsur's employment agreement provided that, if, within one year after the effective date of a change in control, Keryx or its successor terminated Mr. Bentsur's employment without cause, or Mr. Bentsur resigned for good reason, then Mr. Bentsur would have received (i) a lump sum cash payment equal to the sum of (A) his then-current annual base salary or, if higher, his base salary in effect immediately prior to the change in control, and (B) the annual bonus earned by Mr. Bentsur for the fiscal year immediately prior to the year in which his date of termination occurs, if any; and (ii) a lump sum cash payment equal to the total monthly premium payment (both the Keryx portion and Mr. Bentsur's portion of such premium) under the Keryx group healthcare plan multiplied by twelve (12).

Upon the occurrence of a change in control:

the Initial Option Grant would have immediately vested and become fully exercisable;

any Earned Milestone Awards would have become fully vested and non-forfeitable; and

any Unearned Milestone Opportunity would expire without consideration.

For purposes of Mr. Bentsur's employment agreement, as well as the 2004 Plan, 2007 Plan and 2013 Plan, "Change in Control" generally means: (i) the incumbent Board of Directors of the Company ceases to constitute a majority of the Board of Directors; (ii) the acquisition by any person of 30% or more ownership interest in the outstanding common stock or combined voting power of the then outstanding securities of the Company (with certain limited exceptions); or (iii) the consummation of a merger, consolidation, reorganization, recapitalization or share exchange or a sale or other disposition of all or substantially all of the assets of the Company, unless (a) the beneficial owners of the Company's stock immediately prior to the transaction continue to own 50% or more of the outstanding common stock and combined voting power of the then outstanding securities of the Company and (b) no person acquires a 30% or more ownership interest in the then outstanding common stock or combined voting power of the then outstanding securities of the Company.

Restrictive Covenants. During the one-year period after his termination of employment, Mr. Bentsur is prohibited from soliciting protected customers or employees of the Company, competing with the Company, and disclosing any of the Company's confidential information or trade secrets.

Table of Contents**Gregory P. Madison**

The table below summarizes the value of potential payments and benefits that Mr. Madison would receive if his employment was terminated on December 31, 2014 under the circumstances shown, or if a change in control of the Company occurred on December 31, 2014. The table excludes amounts that would be paid in the normal course of continued employment, such as accrued but unpaid salary. Actual amounts to be paid can only be determined at the time of such termination of service. Additionally, as noted above, Mr. Madison entered into a new employment agreement on March 10, 2015.

Type of Payment	Termination Other Than For Cause; Resignation For Good Reason (Prior to a Change in Control)	Death or Disability	Termination of Employment in Connection With Expiration of Employment Period	Termination Other Than For Cause; Resignation For Good Reason (Following a Change in Control)	Change in Control (Absent Termination) ⁽³⁾
	(\$)	(\$)	(\$)	(\$)	(\$)
Cash Severance	400,000			654,137	
Value of Accelerated Equity ⁽¹⁾	(2)	(2)	(2)	849,000	
Total	400,000			1,503,137	

- (1) Represents the fair market value of shares underlying outstanding stock options and restricted shares that would be vested upon the event, based on the closing price of our stock on December 31, 2014 (\$14.15), the last trading day of the most recently completed fiscal year (less the exercise price, in the case of the stock options). For purposes of this calculation, outstanding stock options having an exercise price equal to or more than the closing price of our common stock on such date have a value of \$0.
- (2) Assumes that the milestones which would vest any Madison Milestone Options (as defined below) were not achieved during the 3-month period following termination.
- (3) Assumes that the equity awards are not assumed by the surviving entity or otherwise equitably converted or substituted in connection with the change in control.

Termination Other than for Cause; Termination for Good Reason. If we terminated Mr. Madison for any reason other than for Cause, or if he terminated his employment for Good Reason, then he would have been entitled to the following benefits:

cash severance equal to 100% of his then-current base salary, to be paid over a 12-month period;

any vested portion of the stock options granted to Mr. Madison by the Company would have remained exercisable for a period of one year; and

his opportunity to vest in any Madison Milestone Options would continue for a period of three months after the date of termination and, to the extent that a milestone is achieved during such three-month period, the options relating to such milestone would vest and remain exercisable for a period of one year after the date of termination.

The employment agreement also provided that if any payments or benefits would be subject to the excise tax imposed on parachute payments under Section 4999 of the Internal Revenue Code, the payments would be limited to the maximum amount that could be paid without triggering the excise tax, provided that such cut-back would produce a greater net benefit to Mr. Madison than if he had paid the excise tax.

Under Mr. Madison's 2014 employment agreement, Cause had the same meaning as provided in Mr. Bentsur's employment agreement, which is described above. Good Reason generally meant (i) a reduction in his base salary of more than 15% in the aggregate (i.e., in excess of \$60,000); (ii) a material diminution in his authority, duties, or responsibilities, or not reporting directly to the CEO; (iii) a delay in marketing approval of

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Auryxia by the FDA of greater than nine months from June 7, 2014; (iv) relocation of his principal office to location that is more than 35 miles away from the current location of the Company's office in Boston, Massachusetts; or (v) any other material breach by the Company of the employment agreement.

Death; Disability; Termination of Employment in Connection With Expiration of Employment Period. If Mr. Madison's employment was terminated by reason of his death or disability, or if we terminated his employment upon the normal expiration of the employment period, then he would have received his accrued obligations and any vested portion of his stock options would remain exercisable for a period of one year following his date of termination. His opportunity to vest in any Madison Milestone Options would continue for a period of three months after the date of termination and, to the extent that a milestone is achieved during such three-month period, the options relating to such milestone would vest and remain exercisable for a period of one year after the date of termination.

Change in Control. Mr. Madison's 2014 employment agreement provided that, if, within one year after the effective date of a change in control, Keryx or its successor terminated Mr. Madison's employment without cause, or Mr. Madison resigned for good reason, then Mr. Madison would have received (i) a lump sum cash payment equal to the sum of (A) 150% of his then-current annual base salary or, if higher, his base salary in effect immediately prior to the change in control, and (B) 150% of the annual bonus earned by Mr. Madison for the fiscal year immediately prior to the year in which his date of termination occurs, if any; and (ii) a lump sum cash payment equal to the total monthly premium payment (both the Keryx portion and Mr. Madison's portion of such premium) under the Keryx group healthcare plan multiplied by eighteen (18).

For purposes of Mr. Madison's 2014 employment agreement, "Change in Control" has the same meaning as provided in Mr. Bentsur's employment agreement, which is described above.

Restrictive Covenants. During the one-year period after his termination of employment, Mr. Madison is prohibited from soliciting protected customers or employees of the Company, competing with the Company, and disclosing any of the Company's confidential information or trade secrets.

James F. Oliviero

The table below summarizes the value of potential payments and benefits that Mr. Oliviero would receive if his employment was terminated on December 31, 2014 under the circumstances shown, or if a change in control of the Company occurred on December 31, 2014. The table excludes amounts that would be paid in the normal course of continued employment, such as accrued but unpaid salary. Actual amounts to be paid can only be determined at the time of such termination of service. As noted above, Mr. Oliviero entered into a new employment agreement on February 26, 2015.

Type of Payment	Termination without Cause or Resignation for Good Reason Following a Change in Control (\$)	Change in Control (Absent Termination) ⁽²⁾ (\$)
Cash Severance	545,550	
Value of Accelerated Equity ⁽¹⁾	975,110	975,110
Total	1,520,660	975,110

- (1) Represents the fair market value of shares underlying outstanding stock options and restricted shares that would be vested upon the event, based on the closing price of our stock on December 31, 2014 (\$14.15), the last trading day of the most recently completed fiscal year, less the exercise price of the stock option. For purposes of this calculation, outstanding options having an exercise price equal to or more than the closing price of our common stock on such date have a value of \$0.

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(2) Assumes that that the equity awards are not assumed by the surviving entity or otherwise equitably converted or substituted in connection with the change in control.

Qualifying Termination in Connection with a Change in Control. Mr. Oliviero's change-in-control agreement provided that in the event that Mr. Oliviero's employment with the Company (or any successor entity) was terminated either by the Company (or any successor entity) without cause or by Mr. Oliviero for good reason, in each case, on, or within 12 months after, the effective date of a change in control, he would receive (subject to his execution of a general release of claims against the Company and its affiliates): (i) a lump sum cash payment equal to the sum of (A) his base salary, and (B) the annual bonus earned by him for the fiscal year immediately prior to the year in which his date of termination occurs, if any, and (ii) a lump sum cash payment equal to the total monthly premium payment (both the Company and employee portion of such premium) under the Company's group healthcare plan multiplied by twelve (12).

Under the terms of the agreement, if it was determined that any payment or benefit would constitute a parachute payment under Section 280G of the Code, and would be subject to the excise tax imposed by Section 4999 of the Code, then such payments or benefits would be reduced to the extent necessary (but not below zero) so that no portion thereof shall be subject to the excise tax imposed by Section 4999 of the Code.

In the event that a change in control did not occur on or prior to October 31, 2015, the agreement would automatically terminate on such date and have no force or effect. If Mr. Oliviero's employment with Keryx (or any successor entity) is terminated for any reason other than as described above, he would not have been entitled to receive any benefits under the agreement.

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DIRECTOR COMPENSATION

Cash Compensation. Our non-employee directors receive the following cash compensation:

From January 1, 2014 to May 31, 2014:

- (i) \$50,000 annual retainer;
- (ii) \$20,000 additional annual retainer for service as Chairman of the Board; and
- (iii) \$20,000 additional retainer for service as Chairman of the Audit Committee.

After June 1, 2014:

- (i) \$60,000 annual retainer;
- (ii) \$25,000 additional annual retainer for service as Chairman of the Board;
- (iii) \$20,000 additional retainer for service as Chairman of the Audit Committee; and
- (iv) \$12,500 additional retainer for service as Chairman of the Compensation Committee, R&D Committee, or Nominating and Corporate Governance Committee.

Each non-employee director receives reimbursement for reasonable travel expenses incurred in attending meetings of our Board of Directors and meetings of committees of our Board of Directors.

Equity Compensation. Our non-employee directors receive the following equity compensation under the Directors Equity Compensation Plan, which is currently a subplan of the 2013 Plan.

Initial Option Grant. Non-employee directors receive options to purchase 50,000 shares of our common stock upon initial election or appointment to the Board of Directors. The initial options vest in equal annual installments over three years, beginning on the first anniversary of the date of grant.

Re-Election Option Grant. Non-employee directors receive options to purchase 30,000 shares of our common stock upon each re-election to the Board of Directors (up from 25,000 shares in prior years). Each non-employee director received a re-election option grant in 2014. Such options vest in equal annual installments over three years, beginning on the first anniversary of the date of grant.

Re-Election Stock Grant. Non-employee directors receive a restricted stock award of 10,000 shares of our common stock upon each re-election to the Board of Directors (down from 15,000 shares in prior years). Each non-employee director received a re-election restricted stock award in 2014. Such restricted stock vest in equal annual installments over three years, beginning on the first anniversary of the date of grant.

2014 Director Compensation

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The following table sets forth the cash and other compensation paid by the Company to the non-employee members of the Board of Directors for all services in all capacities during 2014.

Name	Fees Earned or Paid in Cash (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Option Awards (\$) ⁽²⁾	Total (\$)
Kevin Cameron	66,875	150,400	361,230	578,505
Joseph Feczko	66,875	150,400	361,230	578,505
Wyche Fowler	66,875	150,400	361,230	578,505
Jack Kaye	77,500	150,400	361,230	589,130
Michael Tarnok	81,250	150,400	361,230	592,880
Daniel Regan	57,500	150,400	361,230	569,130

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- (1) Represents cash retainer for serving on our Board and committees of the Board.
- (2) Reflects the aggregate grant date fair value of stock and option awards granted by the Company as computed under FASB ASC Topic 718. The grant date fair value of the stock awards is based on the fair market value of the underlying shares on the date of grant. The assumptions made in the valuation of the option awards are contained in Note 11 to our consolidated financial statements for 2014, which are included in our Annual Report on Form 10-K for the fiscal year 2014.

The following table shows the number of stock and option awards granted to each director during 2014, and the grant date fair value for each award (determined in accordance with FASB ASC Topic 718):

Name	Grant Date	Stock Awards (#)	Stock Options (#)	Grant Date Fair Value of Awards (\$)
Kevin Cameron	6/24/14	10,000		150,400
	6/24/14		30,000	361,230
Joseph Feczko	6/24/14	10,000		150,400
	6/24/14		30,000	361,230
Wyche Fowler	6/24/14	10,000		150,400
	6/24/14		30,000	361,230
Jack Kaye	6/24/14	10,000		150,400
	6/24/14		30,000	361,230
Michael Tarnok	6/24/14	10,000		150,400
	6/24/14		30,000	361,230
Daniel Regan	6/24/14	10,000		150,400
	6/24/14		30,000	361,230

The following table reflects the aggregate number of unvested stock awards and unexercised vested and unvested option awards that were held by each of our non-employee directors as of December 31, 2014.

Name	Stock Awards (#)	Option Awards (#)
Kevin Cameron	25,000	240,000
Joseph Feczko	25,000	155,000
Wyche Fowler	25,000	240,000
Jack Kaye	25,000	240,000
Michael Tarnok	25,000	230,000
Daniel Regan	16,666	80,000

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The current members of our Compensation Committee are Kevin Cameron, Wyche Fowler, Jr. and Michael Tarnok. No member of our Compensation Committee during fiscal year 2014 or as of the date of this proxy statement, is or has been an officer or employee of Keryx or any of our subsidiaries, nor has any member of our Compensation Committee had any relationship with Keryx requiring further disclosure.

During the last fiscal year, none of our executive officers served as a director or member of the Compensation Committee (or other committee serving an equivalent function) of any other entity, whose executive officers either served as a member of our Compensation Committee or our Board of Directors.

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SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers and persons who own more than 10% of the shares of our common stock to file an initial report of ownership on Form 3 and changes in ownership on Form 4 or Form 5 with the SEC. Such officers, directors and 10% stockholders are also required by SEC rules to furnish us with copies of any Forms 3, 4 or 5 that they file. The SEC rules require us to disclose late filings of initial reports of stock ownership and changes in stock ownership by our directors, executive officers and 10% stockholders. Based solely on a review of copies of the Forms 3, 4 and 5 furnished to us by reporting persons and any written representations furnished by certain reporting persons, we believe that during the fiscal year ended December 31, 2014, all Section 16(a) filing requirements applicable to our directors, executive officers and 10% stockholders were completed in a timely manner.

RELATED-PERSON TRANSACTIONS

Policy

Our Board of Directors has determined that the Audit Committee is best suited to review and approve transactions with related persons, and they do so under the terms of our Related Person Transactions Policy, which is available on our website, located at www.keryx.com. According to our Related Person Transactions Policy, prior to entering into a transaction with a related person, (a) the director, executive officer, nominee or significant holder who has a material interest (or whose immediate family member has a material interest) in the transaction or (b) the business unit or function/department leader responsible for the potential transaction with a related person is required to provide notice to the Chairman of the Audit Committee of the Company (Committee Chairman) of the material facts and circumstances of the potential transaction with a related person and such information concerning the transaction as the Committee Chairman may reasonably request. If the Committee Chairman determines that the proposed transaction is a related person transaction, the proposed related person transaction must be submitted to the Audit Committee for consideration at the next Audit Committee meeting or, in those instances in which the Committee Chairman determines that it is not practicable or desirable for the Company to wait until the next Audit Committee meeting, the Committee Chairman possesses delegated authority to act between Committee meetings.

The Audit Committee will consider all of the relevant facts and circumstances available to the Audit Committee, including (if applicable) but not limited to: (a) the benefits to the Company; (b) the availability of other sources for comparable products or services; (c) the terms of the transaction; and (d) the terms available to unrelated third parties or to employees generally. No member of the Audit Committee will participate in any review, consideration or approval of any related person transaction if such member, or any of his or her immediate family members, is the related person. The Audit Committee or Chairperson, as applicable, will convey the approval or disapproval of the transaction to the Chief Executive Officer or Secretary, who will convey the decision to the appropriate persons within the Company. The Chairperson of the Audit Committee will report to the Audit Committee at the next Audit Committee meeting any approval under this policy made by the chairperson pursuant to delegated authority.

In the event we become aware of a related person transaction that has not been previously approved or previously ratified under this policy, and such transaction is pending or ongoing, it will be submitted to the Audit Committee or Chairperson, as applicable, promptly, and the Audit Committee or Chairperson will consider all of the relevant facts and circumstances available to the Audit Committee or the Chairperson as provided above. Based on the conclusions reached, the Audit Committee or Chairperson, as applicable, will evaluate all options, including but not limited to, ratification, amendment or termination of the related person transaction.

Related Person Transactions

We did not have any related person transactions in 2014, and none are currently proposed.

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**STOCK OWNERSHIP OF OUR DIRECTORS, EXECUTIVE OFFICERS,
AND 5% BENEFICIAL OWNERS**

The following table shows information, as of April 20, 2015, concerning the beneficial ownership of our common stock by:

each person we know to be the beneficial owner of more than 5% of our common stock;

each of our current directors;

each of our NEOs shown in our Summary Compensation Table; and

all current directors and NEOs as a group.

As of April 20, 2015, there were 103,596,271 shares of our common stock outstanding. In order to calculate a stockholder's percentage of beneficial ownership, we include in the calculation those shares underlying options or warrants beneficially owned by that stockholder that are vested or that will vest within 60 days of April 20, 2015. Shares of restricted stock are deemed to be outstanding. Options or warrants held by other stockholders that are not attributed to the named beneficial owner are disregarded in this calculation. Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the shares of our common stock. Unless we have indicated otherwise, each person named in the table below has sole voting power and investment power for the shares listed opposite such person's name, except to the extent authority is shared by spouses under community property laws. Shares owned and percentage of ownership relating to 5% stockholders is based solely on their most recent 13G filing.

Name and Address of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership	Percentage of Shares Outstanding
Ron Bentsur ⁽²⁾	1,725,171	1.65%
Kevin J. Cameron ⁽³⁾	333,332	*
Joseph M. Feczko, M.D. ⁽⁴⁾	218,332	*
Wyche Fowler, Jr. ⁽⁵⁾	358,332	*
Jack Kaye ⁽⁶⁾	268,332	*
Gregory P. Madison ⁽⁷⁾	158,376	*
James F. Oliviero ⁽⁸⁾	376,458	*
Daniel P. Regan ⁽⁹⁾	36,667	*
Michael P. Tarnok ⁽¹⁰⁾	501,932	*
All current directors and named executive officers as a group ⁽¹¹⁾	3,976,932	3.76%
5% Stockholders:		
Baupost Group, L.L.C. ⁽¹²⁾	18,300,000	19.93%
BlackRock Inc. ⁽¹³⁾	5,074,858	5.50%
Franklin Resources, Inc. ⁽¹⁴⁾	5,170,396	5.60%
The Vanguard Group ⁽¹⁵⁾	5,690,238	6.18%

* Less than 1% of outstanding common stock

(1) The address of each of the directors and officers listed is c/o Keryx Biopharmaceuticals, Inc., 750 Lexington Avenue, New York, New York 10022.

(2) Includes 947,962 shares of our common stock issuable upon the exercise of options.

(3) Includes 193,332 shares of our common stock issuable upon the exercise of options.

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- (4) Includes 108,332 shares of our common stock issuable upon the exercise of options.
- (5) Includes 193,332 shares of our common stock issuable upon the exercise of options.
- (6) Includes 193,332 shares of our common stock issuable upon the exercise of options.
- (7) Includes 48,333 share of our common stock issuable upon the exercise of options.
- (8) Includes 206,720 shares of our common stock issuable upon the exercise of options.
- (9) Includes 16,667 shares of our common stock issuable upon the exercise of options.

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- (10) Includes 183,332 shares of our common stock issuable upon the exercise of options.
- (11) Includes 2,091,342 shares of our common stock issuable upon the exercise of options.
- (12) The address of Baupost Group, L.L.C. is 10 St. James Avenue, Suite 1700, Boston, Massachusetts 02116. Baupost Group, L.L.C. beneficially owns 18,300,000 shares of Keryx common stock as a parent holding company or control person in accordance with Rule 13d-1(b) (1) (ii) (G). This information is based solely on a Schedule 13G/A filed on October 9, 2014.
- (13) The address of BlackRock Inc. is 40 East 52nd Street, New York, New York 10022. BlackRock Inc. beneficially owns 5,074,858 shares of Keryx common stock as a parent holding company or control person in accordance with Rule 13d-1(b) (1) (ii) (G). This information is based solely on a Schedule 13G/A filed on February 2, 2015.
- (14) The address of Franklin Resources, Inc. is One Franklin Parkway, San Mateo, CA 94403-1906. Franklin Resources, Inc. beneficially owns 5,344,500 shares of Keryx common stock as a parent holding company or control person in accordance with Rule 13d-1(b) (1) (ii) (G). This information is based solely on a Schedule 13G filed on February 9, 2015.
- (15) The address of the Vanguard Group is 100 Vanguard Blvd., Malvern, PA 19355. The Vanguard Group beneficially owns 5,690,238 shares of Keryx common stock as a parent holding company or control person in accordance with Rule 13d-1(b) (1) (ii) (G). This information is based solely on a Schedule 13G filed on February 10, 2015.

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PROPOSAL ONE:

ELECTION OF DIRECTORS; NOMINEES

Our Amended and Restated Bylaws provide that the Board of Directors shall consist of one or more members, as determined from time to time by resolution of the Board of Directors. Our Board of Directors currently consists of seven members. All of our current directors have been nominated for re-election at the 2015 Annual Meeting of Stockholders by all of our independent directors. The nominated directors are: Kevin J. Cameron, Joseph M. Feczko, M.D., Wyche Fowler, Jr., Jack Kaye, Gregory P. Madison, Daniel P. Regan and Michael P. Tarnok. For information about each of the nominees and our Board of Directors generally, please see Corporate Governance-Our Board of Directors beginning on page 4. If elected, the nominees will hold office until the next annual meeting and until a respective successor is elected and has been qualified, or until such director resigns or is removed from office. Management expects that each of the nominees will be available for re-election, but if any of them is unable to serve at the time the election occurs, your proxy will be voted for the election of another nominee to be designated by a majority of the independent directors serving on our Board of Directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF ALL OF THE NOMINEES FOR DIRECTORS. IF A CHOICE IS SPECIFIED ON THE PROXY BY THE STOCKHOLDER, THE SHARES WILL BE VOTED AS SPECIFIED. IF NO SPECIFICATION IS MADE, THE SHARES WILL BE VOTED FOR ALL OF THE NOMINEES. THE AFFIRMATIVE VOTE OF THE HOLDERS OF A PLURALITY OF THE SHARES OF COMMON STOCK REPRESENTED AND ENTITLED TO VOTE AT THE ANNUAL MEETING AT WHICH A QUORUM IS PRESENT IS REQUIRED FOR THE ELECTION OF THE NOMINEES.

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PROPOSAL TWO:

**RATIFICATION OF APPOINTMENT OF UHY LLP AS OUR
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors is submitting the selection of UHY LLP as our independent registered public accounting firm to the stockholders for ratification at our Annual Meeting. Stockholder ratification of our independent registered public accounting firm is not required by our Amended and Restated Bylaws or otherwise. If UHY LLP is not ratified as our independent registered public accounting firm by a majority of the shares present or represented by proxy, the Audit Committee will review its future selection of independent registered public accounting firm. UHY LLP will still serve as our independent registered public accounting firm for the year ending December 31, 2015, if it is not ratified by our stockholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF UHY LLP AS KERYX S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING DECEMBER 31, 2015. PROXIES SOLICITED BY THE BOARD OF DIRECTORS WILL BE SO VOTED UNLESS THE STOCKHOLDER SPECIFIES OTHERWISE. THE AFFIRMATIVE VOTE OF THE HOLDERS OF A MAJORITY OF THE SHARES OF COMMON STOCK REPRESENTED AND ENTITLED TO VOTE AT THE ANNUAL MEETING AT WHICH A QUORUM IS PRESENT IS REQUIRED FOR RATIFICATION OF THE APPOINTMENT OF UHY LLP.

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PROPOSAL THREE:

ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) requires that our stockholders approve, on a non-binding, advisory basis, the compensation of our named executive officers as disclosed in accordance with the executive compensation disclosure rules contained in Item 402 of the SEC's Regulation S-K. In accordance with the stockholders' recommendation at the 2011 annual meeting, Keryx has determined that the frequency of an advisory vote on the compensation of the named executive officers of the Company will be conducted every year. Accordingly, we are seeking input from our stockholders with this advisory vote on the compensation of our named executive officers. The vote on this proposal is not intended to address any specific element of compensation; rather, the vote relates to the compensation of our named executive officers as disclosed in the Compensation Discussion and Analysis section and the accompanying executive compensation tables and narrative discussion contained in this proxy statement. We are providing this vote as required pursuant to Section 14A of the Securities Exchange Act of 1934.

As an advisory vote, this proposal is not binding on Keryx, the Board of Directors, or the Compensation Committee. However, the Board of Directors and Compensation Committee intend to carefully review the results of all stockholder votes and take them into consideration when making future decisions regarding executive compensation.

We believe our executive compensation program as a whole is well suited to promote our objectives in both the short and long term. As described above in the Compensation Discussion and Analysis section of this proxy statement, the Compensation Committee has designed our executive compensation program to reflect its philosophy that executive compensation should be directly linked to corporate performance with the ultimate objective of increasing long-term stockholder value. The driving philosophy and objectives behind our executive compensation programs are:

to attract, retain, motivate and reward outstanding employees;

to align employees' interests with those of our stockholders by creating a strong focus on stock ownership and basing pay on performance measures that drive long-term stockholder value;

to incentivize our employees to achieve our business goals; and

to reflect our pay for performance culture.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THE COMPENSATION DISCUSSION AND ANALYSIS SECTION AND THE ACCOMPANYING COMPENSATION TABLES AND NARRATIVE DISCUSSION CONTAINED IN THIS PROXY STATEMENT.

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ADDITIONAL INFORMATION

Householding of Annual Meeting Materials

Some banks, brokers and other nominee record holders may be participating in the practice of householding proxy statements and annual reports. This means that only one copy of our proxy statement and annual report may have been sent to multiple stockholders in your household. We will promptly deliver a separate copy of either document to you if you contact us at: Keryx Biopharmaceuticals, Inc., 750 Lexington Avenue, New York, New York 10022, Attn: Brian Adams. You may also contact us at (212) 531-5965.

If you want to receive separate copies of the proxy statement and annual report in the future, or if you are receiving multiple copies and would like to receive only one copy for your household, you should contact your bank, broker, or other nominee record holder, or you may contact us at the above address or phone number.

Stockholder Proposals for Our 2016 Annual Meeting

Only proper proposals under Rule 14a-8 of the Exchange Act which are timely received will be included in the proxy materials for our next annual meeting. In order to be considered timely, such proposal must be received by our Corporate Secretary, Brian Adams, at 750 Lexington Avenue, New York, New York 10022, no later than December 31, 2016. We suggest that stockholders submit any stockholder proposal by certified mail, return receipt requested.

Our Amended and Restated Bylaws require stockholders to provide advance notice to the Company of any stockholder director nomination(s) and any other matter a stockholder wishes to present for action at an annual meeting of stockholders (other than matters to be included in our proxy statement, which are discussed in the previous paragraph). In order to properly bring business before an annual meeting, our Amended and Restated Bylaws require, among other things, that the stockholder submit written notice thereof complying with our Amended and Restated Bylaws to Brian Adams, our Corporate Secretary, at the above address, not less than 60 days nor more than 90 days prior to the anniversary of the preceding year's annual meeting. Therefore, Keryx must receive notice of a stockholder proposal submitted other than pursuant to Rule 14a-8 (as discussed above) no sooner than March 18, 2016, and no later than April 17, 2016. If a stockholder fails to provide timely notice of a proposal to be presented at our 2016 Annual Meeting of Stockholders, the proxy designated by our Board of Directors will have discretionary authority to vote on any such proposal that may come before the meeting.

Other Matters

Our Board of Directors does not know of any other matters that may come before the meeting. However, if any other matters are properly presented to the meeting, it is the intention of the person named in the accompanying proxy card to vote, or otherwise act, in accordance with their judgment on such matters.

Solicitation of Proxies

We will bear the cost of solicitation of proxies. In addition to the solicitation of proxies by mail, our officers and employees may solicit proxies in person or by telephone. We may reimburse brokers or persons holding stock in their names, or in the names of their nominees, for their expenses in sending proxies and proxy material to beneficial owners.

Incorporation of Information by Reference

The Compensation Committee Report and the Audit Committee Report contained in this proxy statement are not deemed filed with the SEC and shall not be deemed incorporated by reference into any prior or future filings made by us under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate such information by reference.

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VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: x
KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY
THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

For All To withhold authority to vote for any individual nominee(s), mark **For All Except** and write the number(s) of the nominee(s) on the line below.

FOR the following:

1. Election of Directors Nominees

- | | | | |
|---------------------|------------------------|----------------------|---------|
| 01 Kevin J. Cameron | 02 Joseph Feczko, M.D. | 03 Wyche Fowler, Jr. | 04 Jack |
| Kaye | 05 Gregory P. Madison | | |
| 06 Daniel Regan | 07 Michael P. Tarnok | | |

The Board of Directors recommends you vote FOR proposals 2 and 3.

For Against Abstain

- | | | | |
|---|----|----|----|
| 2 The ratification of appointment of UHY LLP as independent registered public accounting firm for the year ending December 31, 2015. | .. | .. | .. |
| 3 The approval of the compensation of our named executive officers as disclosed in our proxy statement. | .. | .. | .. |

NOTE: Such other business as may properly come before the meeting or any adjournment thereof.

For address change/comments, mark here. **Yes No**
 (see reverse for instructions)
 Please indicate if you plan to attend this meeting

Investor Address Line 1
Investor Address Line 2
Investor Address Line 3

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name, by authorized officer.

Investor Address Line 4

Investor Address Line 5

John Sample

1234 ANYWHERE STREET

ANY CITY, ON A1A 1A1

SHARES
CUSIP #

JOB #

SEQUENCE #

Signature [PLEASE SIGN WITHIN BOX]

Signature (Joint Owners)

Date

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice & Proxy Statement and Annual Report is/are available at www.proxyvote.com.

**KERYX BIOPHARMACEUTICALS, INC.
SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

ANNUAL MEETING OF STOCKHOLDERS

JUNE 16, 2015

The undersigned stockholder of Keryx Biopharmaceuticals, Inc. hereby appoints Gregory P. Madison, our Chief Executive Officer, James Oliviero, our Chief Financial Officer and Treasurer, and Brian Adams, our General Counsel and Corporate Secretary, with the power of substitution, as proxies to vote the shares of our common stock that the undersigned could vote if personally present at the Annual Meeting of Stockholders of Keryx Biopharmaceuticals, Inc. to be held at the offices of our legal counsel, Alston & Bird LLP, at 90 Park Avenue New York, NY 10016, and any adjournment or postponement thereof.

Our Board of Directors hopes that stockholders will attend the 2015 Annual Meeting of Stockholders. Whether or not you plan to attend, you are urged to complete, date, sign and return the enclosed proxy card in the accompanying envelope. A prompt response will greatly facilitate arrangements for the Annual Meeting and your cooperation will be appreciated. Stockholders who attend the Annual Meeting may vote their stock personally, even though they have sent in their proxy card.

Address change/comments:

(If you noted any Address Changes and/or Comments above, please mark corresponding box on the reverse side.)

Continued and to be signed on reverse side