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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 6, 2013

ENZON PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

0-12957
(Commission File Number)

22-2372868
(IRS Employer Identification No.)

20 Kingsbridge Road, Piscataway, New Jersey
(Address of principal executive offices)

08854
(Zip Code)

(732) 980-4500
(Registrant's telephone number, including area code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Compensatory Arrangements of Certain Officers

On February 12, 2013, Enzon Pharmaceuticals, Inc. (the “Company”) and Timothy G. Daly entered into a General Severance Agreement (the “Severance Agreement”), which is effective during the remainder of the term of his employment with the Company and, if applicable, for a period of twelve months following any “Change in Control” of the Company (as defined in the Severance Agreement).

The Severance Agreement provides that, in the event the Company terminates Mr. Daly’s employment without “Cause,” or in the event of a termination by Mr. Daly for “Good Reason,” and either such termination occurs within the period that commences ninety (90) days before and ends one year after a “Change in Control,” then Mr. Daly will be entitled to receive: (i) his base salary through the date of termination; (ii) a pro-rated portion of his target bonus which would have been payable to him for the fiscal year in which termination occurs; (iii) a cash payment equal to one times his base salary at the time of termination; (iv) any deferred compensation and other unpaid amounts and benefits earned and vested prior to termination; (v) reimbursement for the total applicable premium cost for continued medical and dental coverage under COBRA for Mr. Daly and his family for a period of up to twelve months following termination; and (vi) executive outplacement assistance, as determined by the Company in its discretion. The agreement also provides that in the event of a “Change in Control,” all options, restricted stock and restricted stock units held by Mr. Daly will become fully vested and, if applicable, exercisable immediately prior to the effective date of the “Change in Control”.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the complete text of the Severance Agreement, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 5.03 Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year

On February 6, 2013, the Board of Directors (the “Board”) of the Company approved an amendment to the Company’s Second Amended and Restated By-Laws (the “By-Laws”) that will become effective on February 15, 2013. Upon effectiveness of this amendment, in order to bring business before, or nominate candidates for election to the Board at, the 2013 Annual Meeting, a stockholder will be required to deliver notice to the Company as required by the By-Laws not earlier than the date on which public disclosure of the date of the 2013 Annual Meeting is made nor later than the 10th day after the date of such public disclosure.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the complete text of the amendment to the By-Laws, a copy of which is attached as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
3.1	Amendment No. 1 to the Second Amended and Restated By-Laws of Enzon Pharmaceuticals, Inc. (effective February 15, 2013)
10.1	General Severance Agreement, dated as of February 12, 2013, by and between Timothy G. Daly and Enzon Pharmaceuticals, Inc.

SIGNATURES

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

ENZON PHARMACEUTICALS, INC.

(Registrant)

Date: February 12, 2013

By: /s/ Andrew Rackear

Name: Andrew Rackear

Title: Vice President and General Counsel

EXHIBIT INDEX

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AMENDMENT NO. 1 TO THE SECOND AMENDED AND RESTATED BY-LAWS OF THE ENZON PHARMACEUTICALS, INC.

(EFFECTIVE FEBRUARY 15, 2013)

(additions are underlined and deletions are struck through)

Section 2.15 Notifications of Nominations and Proposed Business.

No business may be transacted at an annual meeting of Stockholders (an “**Annual Meeting**”), other than business that is either (a) specified in the notice of such meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof), (b) otherwise properly brought before the Annual Meeting by or at the direction of the Board (or any duly authorized committee thereof), or (c) otherwise properly brought before the Annual Meeting by any Stockholder (i) who is a Stockholder of record on the date of the giving of the notice provided for in this Section 2.15 and on the record date for the determination of Stockholders entitled to notice of and to vote at such Annual Meeting, and (ii) who complies with the notice procedures set forth in this Section 2.15.

Only persons who are nominated in accordance with the following procedures shall be eligible for election as Directors, except as may be otherwise provided in the Certificate of Incorporation with respect to the right of holders of preferred stock of the Corporation to nominate and elect a specified number of Directors in certain circumstances. Nominations of persons for election as Directors may be made at any Annual Meeting, or at any special meeting of Stockholders (a “**Special Meeting**”) called for the purpose of electing Directors, (a) by or at the direction of the Board (or any duly authorized committee thereof) or (b) by any Stockholder (i) who is a Stockholder of record on the date of the giving of the notice provided for in this Section 2.15 and on the record date for the determination of Stockholders entitled to notice of and to vote at such Annual Meeting or Special Meeting, and (ii) who complies with the notice procedures set forth in this Section 2.15.

In addition to any other applicable requirements, for (a) business to be properly brought before an Annual Meeting by a Stockholder or (b) a nomination to be made at any Annual Meeting or Special Meeting by a Stockholder, such Stockholder must have given timely notice thereof in proper written form to the Secretary.

To be timely, a Stockholder’s notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation (a) in the case of an Annual Meeting that is held during calendar year 2013, not earlier than the date on which public disclosure of the date of such Annual Meeting is made nor later than the close of business on the tenth (10th) day following the day on which public disclosure of the date of such Annual Meeting is made; ~~(ab)~~ in the case of an Annual Meeting (other than an Annual Meeting that is held during calendar year 2013), not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the immediately preceding Annual Meeting of Stockholders; provided, however, that in the event that the Annual Meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the Stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which notice of the date of the Annual Meeting was mailed or public disclosure of the date of the Annual Meeting was made, whichever first occurs; and ~~(bc)~~ in the case of nominations of persons for election as Directors at a Special Meeting called for the purpose of electing Directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the Special Meeting was mailed or public disclosure of the date of the Special Meeting was made, whichever first occurs.

With respect to matters proposed to be brought before an Annual Meeting, to be in proper written form, a Stockholder’s notice to the Secretary must set forth as to each matter (i) a brief description of the business desired to be brought before the Annual Meeting and the reasons for conducting such business at the Annual Meeting, (ii) the name and record address of such Stockholder, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such Stockholder, (iv) a description of all arrangements or understandings between such Stockholder and any other person or persons (including their names) in connection with the proposal of such business by such Stockholder and any material interest of such Stockholder in such business and (v) a representation that such Stockholder intends to appear in person or by proxy at the Annual Meeting to bring such business before the meeting.

With respect to each person proposed to be nominated for election as a Director, to be in proper written form, a Stockholder's notice to the Secretary must set forth (a) as to each person, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder and (v) a statement whether such person, if elected, intends to tender, promptly following such person's election or re-election, an irrevocable resignation effective upon such person's failure to receive the required vote for re-election at the next annual meeting at which such person would face re-election, in accordance with the Corporation's Board Resignation Policy; and (b) as to the Stockholder giving the notice, (i) the name and record address of such Stockholder, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such Stockholder, (iii) a description of all arrangements or understandings between such Stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such Stockholder, (iv) a representation that such Stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (v) all other information relating to such Stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a Director if elected.

No business shall be conducted at any Annual Meeting except business brought before such Annual Meeting in accordance with the procedures set forth in this Section 2.15; provided, however, that, once business has been properly brought before such Annual Meeting in accordance with such procedures, nothing in this Section 2.15 shall be deemed to preclude discussion by any Stockholder of any such business. No person shall be eligible for election as a Director unless nominated in accordance with the procedures set forth in this Section 2.15. If (i) the chairman of any Annual Meeting determines that business was not properly brought before the Annual Meeting or (ii) the chairman of any Annual Meeting or Special Meeting determines that a nomination was not made in accordance with the foregoing procedures, the chairman shall declare to the meeting that the business was not properly brought before the meeting or that the nomination was defective, as applicable, and such business shall not be transacted and such defective nomination shall be disregarded.

GENERAL SEVERANCE AGREEMENT

This General Severance Agreement (the "Agreement") is made as of the 12 day of February, 2013, between Enzon Pharmaceuticals, Inc., a Delaware corporation, with offices in Piscataway, New Jersey (the "Company"), and **Timothy G. Daly** ("Executive"), a resident of [REDACTED].

BACKGROUND

A. This Agreement is intended to specify, among other things, the financial arrangements that the Company will provide to the Executive upon Executive's separation from employment with the Company under any of the circumstances described herein.

B. Executive is employed by the Company in the capacity of **Vice President, Controller and Chief Accounting Officer**, and, as such, is a key executive of the Company.

C. This Agreement is entered into by the Company in the belief that it is in the best interests of the Company and its shareholders to provide stable conditions of employment for Executive notwithstanding the possibility of, among other things, a threat or occurrence of certain types of change in control, thereby enhancing the Company's ability to attract and retain highly qualified people.

D. The Company believes that it is important that it receive certain assurances with respect to its Confidential Information, proprietary information, intellectual property, trade secrets and Executive's work product, and that the Company receive certain protections with respect to Executive's activities following termination of Executive's employment, and the Company is willing to offer Executive the compensation, bonuses and other benefits set forth in this Agreement in order to obtain such assurances and protections.

TERMS

To assure the Company that it will have the continued dedication of Executive notwithstanding the possibility, threat or occurrence of a bid to take over control of the Company, and to induce Executive to remain in the employ of the Company, in consideration of the foregoing premises and for other good and valuable consideration, the Company and Executive agree as follows:

1. **Term of Agreement.** The term of this Agreement ("Term") shall commence on the date hereof as first written above and shall continue through the term of Executive's employment with the Company; **provided that** in the event that there occurs, during the Term, a Change in Control, as defined in Section 7(c) hereof, this Agreement shall continue in effect for a period of 12 months beyond the date of such Change in Control.

(a) The terms of the offer letter sent by the Company to the Executive dated **November 22, 2011** (the "Offer Letter"), shall be incorporated by reference into this Agreement and shall be an integral part hereof. The compensation payable to Executive during each fiscal year of the Company beginning after the date of commencement of Executive's employment shall be established by the Chief Executive Officer following an annual performance review, but in no event shall the annual rate of Base Salary or the Target Bonus set forth in the Offer Letter for any successive year of the Term be less than the highest annual rate of Base Salary or Target Bonus, as applicable, in effect during the previous year of the Term.

2. Severance upon Termination without Cause or Termination by Executive for Good Reason in Connection with Change in Control. Subject to the limitation set forth in Section 3 hereof, in the event the Company terminates Executive's employment without Cause or in the event of a Termination by Executive for Good Reason, and either such termination occurs within the period which commences 90 days before and ends one (1) year following a Change in Control as defined in Section 7(c):

(a) Executive shall receive his Base Salary through the date of termination;

(b) Executive shall receive a pro rated portion of the Target Bonus (based on the Base Salary at the time of such termination) which would have been payable to Executive for the fiscal year during which such termination occurs;

(c) Executive shall receive cash payments equal to **one (1) times** his Base Salary at the time of such termination;

(d) Executive shall continue to be entitled to any deferred compensation and other unpaid amounts and benefits earned and vested prior to Executive's termination;

(e) if Executive and Executive's Family Members have medical and dental coverage on the date of such termination under a group health plan sponsored by the Company, the Company will reimburse Executive for the total applicable premium cost for medical and dental coverage under COBRA for Executive and Executive's Family Members for a period of **twelve (12) months**, commencing on the date of such termination; provided, that the Company shall have no obligation to reimburse Executive for the premium cost of COBRA coverage as of the date Executive and Executive's Family Members become eligible to obtain comparable benefits from a subsequent employer;

(f) the Company shall provide Executive outplacement assistance, as determined by the Company in its discretion.

3. Effect of Change in Control. In the event of a Change in Control as defined in Section 7(c), in addition to any other consequences provided for in this Agreement,

(a) all options to acquire shares of the Company held by the Executive shall become fully vested immediately prior to the effective date of the Change in Control. Executive shall have a reasonable opportunity to exercise all or any portion of such options prior to the effective date of the Change in Control, and any options not exercised prior to the effective date of the Change in Control shall terminate as of the effective date of the Change in Control and will be of no further force or effect. To the extent that this section 3(a) is inconsistent with the provisions of the relevant plan and granting instruments under which such options were issued, the Company and Executive agree that such inconsistent provisions are hereby superseded and the provisions of this Section 3(a) shall govern; and

(b) all shares of restricted stock and/or restricted stock units awarded to Executive shall fully vest immediately prior to the Change in Control.

4. Limitation

(a) Anything in this Agreement to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") and the applicable regulations thereunder (the "Total Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, the following provisions shall apply:

(i) If the Total Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes payable by Executive on the amount of the Total Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, Executive shall be entitled to the full benefits payable under this Agreement.

(ii) If the Threshold Amount is less than (x) the Total Payments, but greater than (y) the Total Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Total Payments which are in excess of the Threshold Amount, then the Total Payments shall be reduced (but not below zero) to the extent necessary so that the sum of all Total Payments shall not exceed the Threshold Amount. In such event, the Total Payments shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(b) For the purposes of this Section 4, "Threshold Amount" shall mean three times Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar (\$1.00); and "Excise Tax" shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by Executive with respect to such excise tax.

(c) The determination as to which of the alternative provisions of this Section 4 shall apply to Executive shall be made by a nationally recognized accounting firm selected by the Company (the "Accounting Firm"), which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the date of termination, if applicable, or at such earlier time as is reasonably requested by the Company or Executive. For purposes of determining which of the alternative provisions of this Section 4 shall apply, Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of Executive's residence on the date of termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and Executive.

5. Time of Payments. Subject to Section 6, all payments made to Executive under any of the subsections of Section 2 which are based upon Executive's Base Salary or Target Bonus shall be paid in a lump sum on the first payroll date that occurs 30 days after the date of termination of employment; provided, however, that in the event that the termination of employment occurs prior to a Change in Control, no payments will be made until the consummation of the Change in Control. Upon the consummation of a Change in Control, such payments will be made within 30 days thereafter.

6. Release. Notwithstanding anything else herein to the contrary, Executive shall not be entitled to realize or receive any termination related benefits provided for under this Agreement, including, without limitation, all post-termination payments and the acceleration of option or restricted stock or restricted stock unit vesting schedules, unless Executive shall have executed and delivered to the Company a full release (reasonably satisfactory to the Executive and the Company's counsel) of all claims against the Company and its affiliates, successors and assigns no later than 21 days after his date of termination.

7. Definitions

(a) "Base Salary" means Executive's annual base salary as established by the Board of Directors of the Company ("Board") or the Compensation Committee from time to time. Executive's initial Base Salary is as set forth in the Offer Letter

(b) "Cause" means:

(i) the willful engaging by Executive in illegal conduct or gross misconduct which is demonstrably and materially injurious to the Company; or

(ii) Executive's willful refusal or inability to perform the duties of his position as an executive employed by the Company (other than any such failure resulting from illness or incapacity), which refusal is demonstrably and materially injurious to the Company; or

(iii) Executive's material breach of his obligations under this Agreement or any employment agreement between the Company and Executive, which breach is demonstrably and materially injurious to the Company; or

(iv) Executive's failure, where applicable, to maintain Executive's immigration status with the U.S. Immigration and Naturalization Service or the Executive's failure to maintain valid employment authorization to provide services to the Company.

For purposes of this Section 7(b), no act or failure to act on Executive's part shall be deemed "willful" unless done, or omitted to be done, by Executive not in good faith and without reasonable belief that Executive's action of omission was in the best interest of the Company. Notwithstanding the foregoing, with respect to the definitions of Cause set forth in clauses (i)-(iii) above, Executive shall not be deemed to have been terminated for Cause unless and until the Company delivers to Executive a notice of such termination for Cause. Such notice shall be in writing, addressed to Executive, labeled "Personal and Confidential," and sent to the address for Executive set forth in Section 10(i) hereof. Any such notice shall describe, with particularity, the conduct of Executive forming the basis for such termination of employment. Any such notices shall become effective on the 30th day following delivery thereof to Executive if Executive has not cured the conduct identified in such notice to the satisfaction of the Company, provided, however, that the Company may elect to make such termination effective immediately, in which case Executive's employment shall terminate immediately upon delivery of the notice of termination, but the Company shall continue to pay Executive his salary during such 30-day period and the last day of such 30-day period shall be deemed to be the date of termination of his employment for purposes of any pro rata calculations and determination of post-termination periods under this agreement.

(c) "Change in Control" means the following:

(i) "Board Change" which, for purposes of this Agreement, shall have occurred if, over any twenty-four month period, a majority of the seats (other than vacant seats) on the Company's Board were to be occupied by individuals who were neither (A) nominated by at least one-half (1/2) of the directors then in office (but excluding, for purposes of determining directors then in office, any director whose initial assumption of office occurs as a result of either an actual or threatened election contest, or other actual or threatened solicitation of proxies or consents by or on behalf of a Person (as defined herein) other than the Company or its board of directors); nor (B) appointed by directors so nominated, or

(ii) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act"), (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the then outstanding voting securities of the Company; provided, however, that the following acquisitions shall not constitute a Change of Control: (1) any acquisition by the Company, or (2) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (3) any acquisition pursuant to any public offering or private placement by the Company of its voting securities; or

(iii) a consolidation of the Company with another entity, or a merger of the Company with another entity in which neither the Company nor a corporation that, prior to the merger, was a subsidiary of the Company shall be the surviving entity; or

(iv) a merger of the Company following which either the Company or a corporation that, prior to the merger, was a subsidiary of the Company shall be the surviving entity and a majority of the then outstanding voting securities of the Company is beneficially owned (within the meaning of beneficial owner, as specified below) by a Person or Persons who were not “beneficial owners,” as defined in Rule 13d-3 of the Exchange Act, of a majority of the voting securities of the Company outstanding immediately prior to such merger; or

(v) a voluntary or involuntary liquidation of the Company;

(vi) a sale or disposition by the Company of at least 80% of its assets in a single transaction or a series of transactions (other than a sale or disposition of assets to a subsidiary of the Company in a transaction not otherwise involving a Change in Control or a change in control of such subsidiary).

Transactions in which the Executive is part of the acquiring group do not constitute a Change in Control.

(d) “Good Reason” means:

(i) any material adverse change in Executive’s status or position as an officer of the Company, including, without limitation, any diminution in Executive’s duties, responsibilities or authority as of the Effective Date or the assignment to Executive of any duties or responsibilities that are inconsistent with Executive’s status or position; provided, however, that none of the foregoing shall be deemed to have occurred by virtue of a change in Executive’s reporting relationship as long as Executive maintains his then current duties and responsibilities;

(ii) a material reduction in Executive’s then current Base Salary or Target Bonus;

(iii) a material change in the geographic location at which Executive provides services to the Company; or

(iv) a breach by the Company of any of its material obligations under this Agreement.

Prior to Executive being permitted to terminate his employment for Good Reason hereunder, Executive must first notify the Company in writing of the first occurrence of the good reason condition within 60 days of the first occurrence of such condition and the Company shall have failed to cure any alleged condition described in subparagraphs (i) – (iii) above within the “Cure Period” (defined below). For purposes of this Paragraph 7(d), the term “Cure Period” means the period commencing on the date of receipt of Executive’s notice referred to in the preceding sentence and ending on the earlier of (A) 60 days thereafter or (B) two weeks prior to the first anniversary of the relevant Change in Control.

(e) “Target Bonus” means the performance based cash bonus as determined under the Company’s bonus plan for management (and any successor bonus plan covering management). The amount of Executive’s annual Target Bonus is determined by the Board in its discretion following consultation between the Chief Executive Officer and Executive prior to, or within 60 days after the commencement of, each fiscal year. Executive’s initial Target Bonus is as set forth in the Offer Letter.

8. Indemnification. The Company shall indemnify Executive and hold him harmless from and against any claim, liability and expense (including, without limitation, reasonable attorney fees) made against or incurred by him in connection with his employment by the Company. Such indemnification shall be provided in a manner and to an extent that is not less favorable to the Executive as the indemnification protection that is afforded by the Company to any other officer of comparable title and that is consistent with industry custom and standards.

9. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of Executive’s separation from service within the meaning of Section 409A of the Code, the Company determines that Executive is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive’s separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive’s separation from service, or (B) Executive’s death.

(b) To the extent that any payment or benefit described in this Agreement constitutes “non-qualified deferred compensation” under Section 409A of the Code, and to the extent that such payment or benefit is payable upon Executive’s termination of employment, then such payments or benefits shall be payable only upon the Executive’s “separation from service.” The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(c) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(d) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

10. Miscellaneous.

(a) No Funding of Severance. Nothing contained in this Agreement or otherwise shall require the Company to segregate, earmark or otherwise set aside any funds or other assets to provide for any payments required to be made under Section 2 hereof, and the rights of Executive to any benefits hereunder shall be solely those of a general, unsecured creditor of the Company.

(b) Beneficiaries. In the event of Executive's death, any amount or benefit payable or distributable to Executive pursuant to this Agreement shall be paid to the beneficiary designated by Executive for such purpose in the last written instrument received by the Company prior to Executive's death, if any, or, if no beneficiary has been designated, to Executive's estate, but such designation shall not be deemed to supersede any beneficiary designation under any benefit plan of the Company.

(c) Entire Agreement. This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes any prior understandings, agreements or representations, written or oral, relating to the subject matter hereof.

(d) Counterparts. This Agreement may be executed in separate counterparts, each of which will be an original and all of which taken together shall constitute one and the same agreement, and any party hereto may execute this Agreement by signing any such counterpart.

(e) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law but if any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law or rule, the validity, legality and enforceability of the other provision of this Agreement will not be affected or impaired thereby.

(f) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives and, to the extent permitted by Section 10(g), successors and assigns. The Company will require its successors to expressly assume its obligations under this Agreement.

(g) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable (including by operation of law) by either party without the prior written consent of the other party to this Agreement.

(h) Modification, Amendment, Waiver or Termination. No provision of this Agreement may be modified, amended, waived or terminated except by an instrument in writing signed by the parties to this Agreement. No course of dealing between the parties will modify, amend, waive or terminate any provision of this Agreement or any rights or obligations of any party under or by reason of this Agreement. No delay on the part of the Company in exercising any right hereunder shall operate as a waiver of such right. No waiver, express or implied, by the Company of any right or any breach by Executive shall constitute a waiver of any other right or breach by Executive.

(i) Notices. All notices, consents, requests, instructions, approvals or other communications provided for herein shall be in writing and delivered by personal delivery, overnight courier, mail, electronic facsimile or e-mail addressed to the receiving party at the address set forth herein. All such communications shall be effective when received.

Address for the Executive:

Timothy G. Daly
[REDACTED]

Address for the Company:

Enzon Pharmaceuticals, Inc.
20 Kingsbridge Road
Piscataway, NJ 08854
Attn: General Counsel

Any party may change the address set forth above by notice to each other party given as provided herein.

(j) Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

(k) Governing Law. ALL MATTERS RELATING TO THE INTERPRETATION, CONSTRUCTION, VALIDITY AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW JERSEY, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW PROVISIONS THEREOF.

(l) Arbitration. Any claim or controversy arising out of or relating to this Agreement or the breach hereof shall be settled by arbitration in accordance with the laws of the State of New Jersey. Such arbitration shall be conducted in the State of New Jersey in accordance with the rules then existing of the American Arbitration Association. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. In the event of any dispute arising under this Agreement, the respective parties shall be responsible for the payment of their own legal fees and disbursements.

(m) Third-Party Benefit. Nothing in this Agreement, express or implied, is intended to confer upon any third party any rights, remedies, obligations or liabilities of any nature whatsoever.

(n) Withholding Taxes. The Company may withhold from any benefits payable under this Agreement or any other agreement all federal, state, city or other taxes as shall be required pursuant to any law or governmental regulation or ruling. Executive hereby agrees to indemnify and hold harmless the Company should the Company fail to withhold tax from any such payment from which tax is required to be withheld.

(o) No Right to Continued Employment. Executive understands that this Severance Agreement is not an employment contract and nothing contained herein creates any right to continuous employment with the Company, or to employment by the Company for any specified period of time.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

ENZON PHARMACEUTICALS, INC.

By: /s/ Andrew D. Rackear
Andrew D. Rackear
Vice President and General Counsel

/s/ Timothy G. Daly
TIMOTHY G. DALY