

Recro Pharma, Inc.
Form 424B3
December 23, 2015

**Filed Pursuant to Rule 424(b)(3)
Registration Statement No. 333-201841**

Prospectus Supplement No. 25

to Prospectus dated February 26, 2015

2,500,000 Shares

Common Stock

This Prospectus Supplement No. 25 supplements and amends our prospectus dated February 26, 2015 (the Prospectus), relating to the sale, from time to time, of up to 2,500,000 shares of our common stock by Aspire Capital Fund, LLC.

This prospectus supplement is being filed to include the information set forth in our Current Report on Form 8-K filed with the Securities and Exchange Commission on December 23, 2015. This prospectus supplement should be read in conjunction with the Prospectus and any amendments or supplements thereto, which are to be delivered with this prospectus supplement, and is qualified by reference to the Prospectus, except to the extent that the information in this prospectus supplement updates or supersedes the information contained in the Prospectus, including any amendments or supplements thereto.

Our common stock trades on the NASDAQ Capital Market under the ticker symbol REPH. On December 22, 2015, the last reported sale price per share of our common stock was \$8.75 per share.

Investing in our common stock involves risk. Please read carefully the section entitled Risk Factors beginning on page 8 of the Prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if the Prospectus or this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus Supplement No. 25 is December 23, 2015.

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): December 23, 2015

Recro Pharma, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction

of incorporation)

001-36329
(Commission

File Number)

26-1523233
(I.R.S. Employer

Identification No.)

490 Lapp Road,

19355

Malvern, Pennsylvania
(Address of principal executive offices) **(Zip Code)**
Registrant's telephone number, including area code: (484) 395-2470

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))

Item 1.01 Entry into a Material Definitive Agreement.

On December 23, 2015, Recro Pharma, Inc. (the Company), through its wholly-owned subsidiary, Recro Gainesville LLC (Gainesville), entered into an Amendment (the Amendment) to the Asset Transfer and License Agreement (the Agreement), dated April 10, 2015, between Alkermes Pharm Ireland Limited (APIL) and Gainesville (as successor to DV Technology LLC).

The Amendment provides that ownership of U.S. Patent No. 9,132,096, related to Zohydro ER and previously licensed to Gainesville under the Agreement (the Transferred Patent), and related applications are transferred to Gainesville. The Amendment also grants back to APIL a license under the Transferred Patent and related applications subject to certain limitations set forth in the Amendment and the Agreement.

The Transferred Patent is subject to two paragraph IV certifications, filed in November 2015 by Actavis plc (Actavis) and in December 2015 by Alvogen Pine Brook, Inc. (Alvogen), respectively. These certification notices allege that the Transferred Patent will not be infringed by Actavis or Alvogen's proposed products, is invalid and/or is unenforceable. Under the Company's license agreement with Pernix Therapeutics Holdings, Inc. (Pernix), the Company has the right to control the enforcement of patents and related proceedings involving Zohydro ER and any prospective generic entrant, and Pernix has the obligation to reimburse the Company for all reasonable costs of such actions. The Company intends to vigorously enforce the intellectual property rights relating to Zohydro ER and prosecute the Transferred Patent.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by the terms and conditions of the Amendment, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Document
10.1	Amendment to Asset Transfer and License Agreement, dated December 23, 2015, between Alkermes Pharma Ireland Limited and Recro Gainesville LLC

SIGNATURE

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.

Date: December 23, 2015

Recro Pharma, Inc.

By: /s/ Gerri A. Henwood

Name: Gerri A. Henwood

Title: Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Document
10.1	Amendment to Asset Transfer and License Agreement, dated December 23, 2015, between Alkermes Pharma Ireland Limited and Recro Gainesville LLC

Exhibit 10.1

AMENDMENT TO ASSET TRANSFER AND LICENSE AGREEMENT

This AMENDMENT (the Amendment) is dated as of December 23, 2015 (the Amendment Effective Date) to the Asset Transfer and License Agreement (the Agreement) dated as of April 10, 2015 between Alkermes Pharma Ireland Limited, a private limited company incorporated in Ireland (registered number 448848) whose registered address is Connaught House, 1 Burlington Road, Dublin 4, Ireland (APIL), and Recro Gainesville LLC, a Massachusetts limited liability company (successor to DV Technology LLC, Purchaser, and Purchaser shall include, after the Amendment Effective Date, any entity possessing the obligations of Purchaser set forth in the Agreement). Defined terms used but not defined herein shall have the meaning ascribed to such terms in the Agreement.

RECITALS:

WHEREAS, APIL and DV Technology LLC entered into the Agreement pursuant to which APIL sold and assigned and Purchaser purchased and acquired certain assets of APIL, and DV Technology was granted a license to certain intellectual property of APIL;

WHEREAS, DV Technology was merged with and into Purchaser, and Purchaser succeeded the obligations of DV Technology under the Agreement; and

WHEREAS, pursuant to this Amendment, APIL and Purchaser desire that APIL transfer and assign to Purchaser certain of the intellectual property of APIL that was previously licensed to Purchaser;

NOW, THEREFORE, in consideration of the respective premises, mutual covenants and agreements of the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. Definition of Zogenix Patents. As of the Amendment Effective Date, the definition of Zogenix Patents shall be replaced with the following:

Zogenix Patents shall mean Abuse Resistant Patents and all patents and patent applications licensed by APIL to Zogenix as of the Effective Date pursuant to the Zogenix Agreements, including those listed in Exhibit A-4 hereto.

2. Deletion of Section 3(c) and Addition of Section 2(f). As of the Amendment Effective Date, Section 3(c) shall be deleted in its entirety and a new Section 2(f) shall be added to the Agreement which shall read as follows:

Abuse Resistant Patents License. Notwithstanding the foregoing and subject to the terms and conditions of the Agreement, effective the Amendment Effective Date, Purchaser hereby grants back to APIL an exclusive, worldwide, fully-paid-up, perpetual license under the Abuse Resistant Patents, with the right to sublicense (through multiple tiers), to develop, make, have made, use, sell, offer to sell and import pharmaceutical products for the treatment of any human disease, disorder or condition, subject to the Zogenix Agreements and the Paladin Agreements. Notwithstanding anything to the contrary contained in this Amendment or the Agreement, the parties hereby agree that this license shall extend until the expiration or invalidation of all Abuse Resistant Patents.

3. Addition to Section 2(e). The following paragraph shall be added to Section 2(e) of the Agreement: Notwithstanding the foregoing, to the extent that Purchaser declines to Enforce any issued patent within the Abuse Resistant Patents with respect to an infringing activity within the scope of the exclusive license granted to APIL pursuant to Section 2(f), APIL shall have the option to Enforce such patent, at its own cost and expense, provided that APIL can demonstrate to Purchaser's reasonable satisfaction that (i) permitting such infringing activity would have a materially adverse effect on APIL's and its sublicensees' sales of the product exclusively licensed under such patent, and (ii) based on a due care determination, including obtaining competent legal advice, the infringing activity exists. In such cases, APIL will have sole control of such enforcement at its cost and expense. To the extent necessary, Purchaser will cooperate with APIL, at APIL's cost and expense, to carry out such enforcement, including joining as a party. Purchaser shall also have the right, at its option and its cost and expense, to join in any such enforcement action taken by APIL, subject to APIL's right to control such action. For any recovery from an enforcement action involving a patent within the Abuse Resistant Patents, Purchaser shall be entitled to fifty percent (50%) of such recovery, provided however, that fifty percent (50%) of the legal fees, costs and expenses of such enforcement action incurred by APIL shall be deducted from Purchaser's portion of the recovery. APIL shall not enter into any settlement agreement regarding the Abuse Resistant Patents without Purchaser's prior written consent which shall not be unreasonably withheld, delayed or conditioned.

4. Replacement of Section 3(f). As of the Amendment Effective Date, Section 3(f) shall be replaced with the following:
Prosecution. APIL shall have the right to Prosecute any issued patent or pending patent application within the Nanotechnology Patents and the OCR Patents at its sole discretion and cost and expense. APIL shall keep Purchaser reasonably informed of all activities during the course of such prosecution and provide Purchaser with copies of material correspondence and filings relating to such activities. At APIL's request and expense, Purchaser will cooperate to Prosecute the Nanotechnology Patents and the OCR Patents.

If in addition to APIL's activities to Prosecute the Nanotechnology Patents, Purchaser wishes with respect to any Nanotechnology Patent listed in subsection A-2.6 of Exhibit A-1 to have a divisional, continuation or continuation-in-part application filed that solely claims a compound, composition, method of making or method of using compounds or compositions within the scope of Purchaser's exclusive license hereunder, then Purchaser shall notify APIL and, subject to APIL's approval, which shall not unreasonably withheld, delayed or conditioned, APIL will use commercially reasonable efforts to Prosecute such patent

application, at Purchaser's cost and expense. Promptly upon receipt, APIL will provide Purchaser with all patent office documents relating to such prosecution, and will also provide drafts of responses to office actions and other substantive filings with any patent office regarding such patent application sufficiently in advance of their submission to enable review and comment by Purchaser. APIL will consider in good faith all comments timely made by Purchaser.

5. Replacement of Section 3(g). As of the Amendment Effective Date, Section 3(g) shall be replaced with the following:

Enforcement. APIL shall have the first right to Enforce any issued patent within the Nanotechnology Patents and the OCR Patents. To the extent necessary, Purchaser will cooperate with APIL, at APIL's cost and expense, to carry out such enforcement, including joining as a party. All costs and expenses of such enforcement action will be borne by APIL, and APIL shall retain any recovery from such an enforcement action. Notwithstanding the foregoing, Purchaser may voluntarily join such enforcement action if the action pertains to an Infringing Activity (as defined below), subject to APIL's right to control such action. Where Purchaser so joins such an enforcement action, Purchaser and APIL will share all costs and expenses thereof equally and will also share any recovery from such action equally. APIL shall not enter into any settlement agreement that would materially harm Purchaser's rights pursuant to this Agreement without Purchaser's prior written consent, which shall not be unreasonably withheld, delayed or conditioned. Both APIL and Purchaser shall promptly notify the other party, as applicable, of any infringing activity of which they are aware with respect to any of the Nanotechnology Patents and OCR Patents within the scope of an exclusive license granted to Purchaser pursuant to this Agreement to the Meloxicam Parenteral Formulation, Meloxicam IV/IM, the BiDil Products, the Focalin Products, the Ritalin Products, the Paladin Products, the Verapamil Products or the Zogenix Products (an Infringing Activity).

To the extent that APIL declines to Enforce any such issued patent within the Nanotechnology Patents and the OCR Patents with respect to an Infringing Activity, Purchaser shall have the option to Enforce such patent, at its own cost and expense, provided that Purchaser can demonstrate to APIL's reasonable satisfaction that (i) Purchaser is contractually obligated under a Transferred Agreement to Enforce, or to allow the counterparty to such Transferred Agreement to Enforce, such patent with respect to such Infringing Activity or (ii) (A) permitting the Infringing Activity would have a materially adverse effect on Purchaser's and its sublicensees' sales of the product exclusively licensed under such patent, and (B) based on a due care determination, including obtaining competent legal advice, the Infringing Activity exists. In such cases, Purchaser will have sole control of such enforcement at its cost and expense. To the extent necessary, APIL will cooperate with Purchaser, at Purchaser's cost and expense, to carry out such enforcement, including joining as a party. APIL shall also have the right, at its option and its cost and expense, to join in any such enforcement action taken by Purchaser, subject to Purchaser's right to control such action. For

any recovery from an enforcement action involving a patent within the Nanotechnology Patents or OCR Patents, APIL shall be entitled to fifty percent (50%) of such recovery, provided however, that fifty percent (50%) of the legal fees, costs and expenses of such enforcement action incurred by Purchaser shall be deducted from APIL's portion of the recovery. Purchaser shall not enter into any settlement agreement regarding the Nanotechnology Patents and OCR Patents without APIL's prior written consent which shall not be unreasonably withheld, delayed or conditioned.

The Parties agree that with respect to Purchaser's obligations to Zogenix, Inc. under the Zogenix Agreements the Abuse Resistant Patents shall be deemed to be Elan Patents (pursuant to clause (d) of the definition of Elan Patents under the License Agreement between APIL and Zogenix, Inc. dated November 27, 2007, as amended).

6. Assignment of Abuse Resistant Patents. After the Amendment Effective Date, APIL shall execute, or procure the execution of, such formal documents of sale and/or assignment as are required consistent with the terms and conditions of the Agreement to formally record the change of title to the Abuse Resistant Patents to Purchaser in a timely manner.
7. BeadTek Trademark. As of the Amendment Effective Date, the BeadTek application shall be deemed to be included within the Transferred Trademarks and shall no longer be deemed to be a Licensed Trademark. After the Amendment Effective Date, APIL shall execute, or procure the execution of, such formal documents of sale and/or assignment as are required consistent with the terms and conditions of the Agreement to formally record the change of title to the BeadTek application to Purchaser in a timely manner.
8. Integration. Except as amended herein, the Agreement shall remain in full force and effect in accordance with its terms. In the event of a conflict between the provisions of the Agreement and those of this Amendment, this Amendment shall control. This Amendment, together with the Agreement, represents the entire agreement between the parties regarding the subject matter hereof. No amendment or modification of the terms and conditions of this Amendment shall be binding on either party unless reduced to a writing referencing this Amendment and signed by an authorized representative of the party to be bound.
9. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any principles, statutory provisions or other rules of choice of law that would require the application of the laws of a different state or country.
10. Counterparts. For the convenience of the parties, this Amendment may be executed by facsimile and in counterparts, each of which shall be deemed to be an original, and both of which taken together shall constitute one agreement binding on both parties.

IN WITNESS WHEREOF, each of the parties hereto has caused its duly authorized representative to execute this Amendment as of the date first set forth above.

ALKERMES PHARMA IRELAND LIMITED

By: /s/ Richard Paul

Name: Richard Paul

Title: Director

RECRO GAINESVILLE LLC

By: /s/ Randall J. Mack

Name: Randall J. Mack

Title: SVP, Development