
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): July 16, 2007

QUESTCOR PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of
incorporation)

001-14758

(Commission File Number)

33-0476164

(IRS Employer Identification
No.)

3260 Whipple Road Union City, California

(Address of principal executive offices)

94587

(Zip Code)

Registrant's telephone number, including area code: **(510) 400-0700**

(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 (see General Instruction A.2. below):

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

On July 16, 2007, the Board of Directors of Questcor Pharmaceuticals, Inc. (the “Company”) approved a Severance Agreement between the Company and David Medeiros, the Company’s Senior Vice President, Pharmaceutical Operations to provide that, in the event (i) Mr. Medeiros’ employment is terminated by the Company other than (x) for cause (as defined in the agreement) or (y) as a result of Mr. Medeiros’ permanent and total disability, or (ii) Mr. Medeiros resigns his employment upon 30 days’ prior written notice to the Company for good reason (as defined in the agreement), he will be entitled to salary continuation at his then current salary for a period of 12 months following the date of such termination or resignation.

Item 8.01 Other Events.

On July 16, 2007, Virgil Thompson was named Chairman of the Company’s Board of Directors, replacing Albert Hansen in this capacity. Mr. Hansen remains a member of the Board. Also on July 16, 2007, David Young was named Chairman of the Compensation Committee of the Company’s Board of Directors, replacing Mr. Thompson in this capacity. Mr. Thompson remains a member of the Compensation Committee.

Item 9.01 Financial Statements and Exhibits.

(c) [Exhibits](#).

<u>Exhibit No.</u>	<u>Exhibit Description</u>
10.1	Severance Agreement between the Company and David J. Medeiros dated July 16, 2007

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.

Questcor Pharmaceuticals, Inc.

Date: July 20, 2007

By: /s/ George M. Stuart

George Stuart
Senior Vice President, Finance and
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit Description</u>
10.1	Severance Agreement between the Company and David J. Medeiros dated July 16, 2007

July 16, 2007

David Medeiros
3260 Whipple Road
Union City, California 94587

RE: Severance Agreement

Dear David:

In addition to the terms and conditions of your employment with Questcor Pharmaceuticals, Inc. (the "Company") which are set forth in your Offer Letter dated May 6, 2003, and Change-in-Control Agreement dated February 13, 2007, which are incorporated herein, the Company agrees to provide you severance in the event that the following conditions are met. This Severance Agreement supersedes the original severance agreement dated July 10, 2003 which agreement is hereby terminated and of no further force or effect.

In the event (1) your employment is terminated by the Company other than (a) for Cause (as defined below) or (b) as a result of your permanent and total disability within the meaning of Section 422(c)(6) of the Internal Revenue Service Code of 1986, as amended (the "Code"), or (c) you resign your employment upon 30 days' prior written notice to the Company for Good Reason (as defined below), you will receive severance compensation totaling twelve (12) months of base salary.

As a condition precedent to receiving severance compensation, you will be required to execute a general release (in a form prepared by counsel for the Company) of claims against the Company and its officers, directors, agents and shareholders. Such general release will not include rights to vested options or claims for any compensation earned (including, without limitation, accrued vacation), or reimbursement of expenses incurred, through the date of termination. Severance compensation will be paid in accordance with normal payroll procedures. If you are reemployed at any time during the severance period, all further severance compensation payments shall immediately cease.

"Cause" will mean termination of your employment for any one or more of the following: (a) habitual or material neglect of your assigned duties (other than by reason of disability) or intentional refusal to perform your assigned duties (other than by reason of disability) which continues uncured for 30 days following receipt of written notice of such deficiency or "Cause" event from the Board of Directors, specifying in detail the scope and nature of the deficiency or the "Cause" event; (b) an act of dishonesty intended to result in your gain or personal enrichment; (c) personally engaging in illegal conduct which causes material harm to the reputation of the Company or its affiliates; (d)

committing a felony or gross misdemeanor directly relating to, an act of dishonesty or fraud against, or a misappropriation of property belonging to, the Company or its affiliates; (e) personally engaging in any act of moral turpitude that causes material harm to the reputation of the Company; (f) intentionally breaching in any material respect the terms of any nondisclosure agreement with the Company; or (g) commencement of employment with another Company while an employee of the Company without the prior consent of the Board of Directors. Any determination of "Cause" as used herein will be made only in good faith by the Board of Directors.

"Good Reason" will mean the removal of your title of Senior Vice President, Pharmaceutical Operations without your written consent; provided, however, that Good Reason shall not exist as a result of any reduction of your authority, duties or responsibilities so long as you retain the title of Senior Vice President, Pharmaceutical Operations of the Company.

This letter, your Offer Letter, your Change-in-Control Agreement, your existing stock option grants, and any future stock option grants or stock awards, constitute the entire agreement between you and the Company regarding the terms and conditions of your employment with the Company and supersede any other agreement or promises made to you by anyone, whether oral or written, express or implied.

This Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of Sections 409A of the Code, and the Treasury Regulations there under.

Please sign and date this letter, and return it to me as soon as possible acknowledging your understanding and acceptance of the terms and conditions set forth above.

Sincerely,

/s/ Don Matthew Bailey

Don Matthew Bailey
Interim President

Date: July 16, 2007

Agreed:

/s/ David J. Medeiros

David J. Medeiros
Senior Vice President, Pharmaceutical Operations

Date: July 17, 2007