UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2004

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 0-17999

ImmunoGen, Inc.

Massachusetts	**04-2726691**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

128 Sidney Street, Cambridge, MA 02139
(Address of principal executive offices, including zip code)

(617) 995-2500
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 under the Exchange Act).

Yes ☒ No o

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Shares of common stock, par value $.01 per share 40,853,385 shares outstanding as of February 7, 2005

IMMUNOGEN, INC.
TABLE OF CONTENTS

IMMUNOGEN, INC.
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2004 AND JUNE 30, 2004
(UNAUDITED)

	December 31, 2004	June 30, 2004
ASSETS		
Cash and cash equivalents	$ 6,925,763	$ 6,768,055
Marketable securities	86,409,853	87,841,505
Accounts receivable	1,084,929	4,865,522
Unbilled revenue	6,057,787	5,649,877
Inventory, net	3,964,999	6,638,066
Prepaid and other current assets	672,185	824,012
Total current assets	105,115,516	112,587,037
Property and equipment, net	9,928,471	9,709,627
Other assets	312,946	333,700
Total assets	$ 115,356,933	$ 122,630,364
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 1,673,579	$ 2,145,805
Accrued compensation	1,698,700	572,051
Other current accrued liabilities	932,604	1,364,203
Current portion of deferred revenue	4,386,084	7,203,225
Total current liabilities	8,690,967	11,285,284
Deferred revenue	13,750,860	13,943,535
Other long term liabilities	423,193	264,664
Total liabilities	22,865,020	25,493,483
Commitments and Contingencies (Note D)		
Stockholders' equity:		
Common stock, $.01 par value; authorized 75,000,000 shares; issued 44,502,136 shares and 44,462,221 shares as of December 31, 2004 and June 30, 2004, respectively	445,021	444,622
Additional paid-in capital	317,848,497	317,704,432
Deferred compensation	(94,112)	(63,498)
Treasury stock	(11,071,417)	(11,071,417)
Accumulated deficit	(214,455,379)	(209,775,495)
Accumulated other comprehensive loss	(180,697)	(101,763)
Total stockholders' equity	92,491,913	97,136,881
Total liabilities and stockholders' equity	$ 115,356,933	$ 122,630,364

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2004 AND 2003
(UNAUDITED)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2004	2003	2004	2003
Revenues:				
Research and development support	$ 4,065,955	$ 3,886,386	$ 8,154,963	$ 5,094,067
License fees and milestone payments	1,033,839	1,050,507	2,576,011	1,696,833

Clinical materials reimbursement	3,637,099	226,827	6,502,682	2,175,527
Development fees	310,325	—	820,088	87,476
Total revenues	9,047,218	5,163,720	18,053,744	9,053,903
Expenses:				
Cost of clinical materials reimbursed	3,042,421	226,826	5,536,358	1,985,635
Research and development	6,616,745	5,194,770	14,471,841	9,966,137
General and administrative	2,033,973	1,412,206	3,526,975	3,246,429
Total expenses	11,693,139	6,833,802	23,535,174	15,198,201
Loss from operations	(2,645,921)	(1,670,082)	(5,481,430)	(6,144,298)
Interest income, net	457,176	353,305	821,123	732,677
Net realized losses on investments	(1,005)	(35,542)	(4,111)	(57,415)
Other income	—	30,000	7,034	30,593
Loss before income tax expense	(2,189,750)	(1,322,319)	(4,657,384)	(5,438,443)
Income tax expense	19,628	10,290	22,500	20,580
Net loss	$ (2,209,378)	$ (1,332,609)	$ (4,679,884)	$ (5,459,023)
Basic and diluted net loss per common share	$ (0.05)	$ (0.03)	$ (0.11)	$ (0.13)
Basic and diluted weighted average common shares outstanding	40,800,073	40,597,674	40,794,703	40,593,343

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2004 AND 2003
(UNAUDITED)

	Six months ended December 31,	
	2004	2003
Cash flows from operating activities:		
Net loss	$ (4,679,884)	$ (5,459,023)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	1,019,206	551,537
Loss on sale of marketable securities	4,111	57,415
Compensation for stock options, stock and stock units	179,646	42,711
Deferred rent	2,404	2,404
Changes in operating assets and liabilities:		
Accounts receivable	3,780,593	(31,902)
Unbilled revenue	(407,910)	(5,101,619)
Inventory	2,673,067	(1,289,551)
Prepaid and other current assets	154,026	452,678
Accounts payable	(472,226)	1,082,449
Accrued compensation	1,126,649	763,752
Other current accrued liabilities	(431,599)	(598,079)
Deferred revenue	(3,009,816)	10,166,583
Net cash (used in) provided by operating activities	(61,733)	639,355
Cash flows from investing activities:		
Proceeds from maturities or sales of marketable securities	468,360,843	163,446,911
Purchases of marketable securities	(467,012,236)	(163,579,395)
Capital expenditures	(1,238,050)	(1,204,555)
Other assets	18,555	—
Net cash provided by (used in) investing activities	129,112	(1,337,039)
Cash flows from financing activities:		
Proceeds from stock options exercised	90,329	98,717
Net cash provided by financing activities	90,329	98,717
Net change in cash and cash equivalents	157,708	(598,967)
Cash and cash equivalents, beginning balance	6,768,055	10,132,389
Cash and cash equivalents, ending balance	$ 6,925,763	$ 9,533,422

Supplemental disclosure:		
Cash paid for income taxes	$ 29,250	$ —

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2004

A. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements at December 31, 2004 and June 30, 2004 and for three and six months ended December 31, 2004 and 2003 include the accounts of ImmunoGen, Inc. (the Company) and its wholly-owned subsidiary, ImmunoGen Securities Corp. Although the consolidated financial statements are unaudited, they include all of the adjustments, consisting only of normal recurring adjustments, which management considers necessary for a fair presentation of the Company's financial position in accordance with accounting principles generally accepted in the United States for interim financial information. Certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. The preparation of interim financial statements requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenditures during the reported period. The results of the interim periods are not necessarily indicative of the results for the entire year. Accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2004.

Revenue Recognition

The Company enters into out-licensing and development agreements with collaborative partners for the development of monoclonal antibody-based cancer therapeutics. The Company follows the provisions of the Securities and Exchange Commission's Staff Accounting Bulletin No. 104 (SAB No. 104), *Revenue Recognition* and EITF 00-21 *Accounting for Revenue Arrangements with Multiple Elements*. In accordance with SAB No. 104 and EITF 00-21, the Company recognizes revenue related to research activities as they are performed, as long as there is persuasive evidence of an arrangement, the fee is fixed or determinable, and collection of the related receivable is probable. The terms of the Company's agreements contain multiple elements which typically include non-refundable license fees, payments based upon the achievement of certain milestones and royalties on product sales. The Company evaluates such arrangements to determine if the deliverables are separable into units of accounting and then applies applicable revenue recognition criteria to each unit of accounting.

At December 31, 2004, the Company has the following three types of collaborative contracts with the counterparties identified below:

- License to a single target antigen (single target license):

  Biogen Idec, Inc.

  Boehringer Ingelheim International GmbH

  Centocor, Inc., a wholly-owned subsidiary of Johnson & Johnson

  Genentech, Inc.

  Millennium Pharmaceuticals, Inc.

- Broad option agreements to acquire rights to a limited number of targets over a specified time period (broad license):

  Abgenix, Inc.

  Genentech, Inc.

  Millennium Pharmaceuticals, Inc.

- Broad agreement to discover, develop and commercialize antibody-based anticancer products:

  Aventis, part of sanofi-aventis

All of these collaboration agreements provide that the Company will (i) manufacture preclinical and clinical materials for its collaborators, at the collaborator's request and cost, (ii) receive payments upon the collaborators' achievements of certain milestones and (iii) receive royalty payments, generally until the later of the last applicable patent expiration or 12 years after product launch. The Company is required to provide technical training and any process improvements and know-how to its collaborators during the term of the collaboration agreements. Practically, once a collaborator receives U. S. Food and Drug Administration (FDA) approval for any drug and the manufacturing process used to produce the drug, the collaborator will not be able to incorporate

any process improvements or know-how into its manufacturing process without additional testing and review by the FDA. Accordingly, the Company believes that it is very unlikely that its collaborators will require the Company's services subsequent to FDA approval.

Generally, upfront payments on single target licenses are deferred over the period of the Company's substantial involvement during development. ImmunoGen employees are available to assist the Company's collaborators during the development of their products. The Company estimates this development phase to begin at the inception of the contract and conclude when the product receives FDA approval. The Company believes this period of involvement is, on average, six years. At each reporting period, the Company analyzes individual product facts and circumstances and reviews the estimated period of its substantial involvement to determine whether a significant change in its estimates has occurred and adjusts the deferral period accordingly to reflect any such change. In the event that a single target license were terminated, the Company would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue at the date of such termination.

The Company defers upfront payments received from its broad license agreements over the period during which the collaborator may elect to receive a license. These periods are specific to each collaboration agreement, but are between seven and 12 years. If a collaborator selects an option to acquire a license under these agreements, any option fee is deferred and recorded over the life of the option, generally 12 to 18 months. If a collaborator exercises an option and the Company grants a single target license to the collaborator, the Company defers the license fee and accounts for the fee as it would an upfront payment on a single target collaboration agreement, as discussed above. In the event that a broad option agreement were terminated, the Company would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue at the date of such termination.

The Company's discovery, development and commercialization agreement with Aventis provided for an upfront payment of $12.0 million that Aventis paid to ImmunoGen in August 2003. The Company deferred the upfront payment and recognizes it as revenue ratably over the period of the Company's substantial involvement. The Company estimates this period to be five years, which includes the term of the collaborative research program of three years and two 12-month extensions that Aventis may exercise. The discovery, development and commercialization agreement also provides that ImmunoGen will receive committed research funding over a three-year period. The committed funding is based upon resources that ImmunoGen is required to contribute to the collaboration. The Company records the research funding as it is earned based upon its actual resources utilized in the collaboration.

When milestone payments are specifically tied to a separate earnings process, revenue is recognized when the milestone is achieved. In addition, when appropriate, the Company recognizes revenue from certain research payments based upon the level of research services performed during the period of the research contract. Deferred revenue represents amounts received under collaborative agreements and not yet earned pursuant to these policies. Where the Company has no continuing involvement, the Company will record non-refundable license fees as revenue upon receipt and will record milestone revenue upon achievement of the milestone by the collaborative partner.

The Company may produce preclinical and clinical materials for its collaborators and, at the collaborators' request, may perform process development work. The Company also produces preclinical material for potential collaborators under material transfer agreements. Generally, the Company is reimbursed for its fully burdened cost of producing these materials or providing these services. The Company recognizes revenue on preclinical and clinical materials when it has shipped the materials, the materials have passed all quality testing required for collaborator acceptance and title has transferred to the collaborator. The Company recognizes revenue on process development services as those services are performed.

Marketable Securities

In accordance with the Company's investment policy, surplus cash is invested in investment-grade corporate and U.S. Government debt securities, asset-backed and United States government agency securities, banknotes and commercial paper,

typically with maturity dates of less than two years. The Company designates its marketable securities as available-for-sale securities. The Company classifies all such securities as current assets since the Company has the ability to use such securities to satisfy current liabilities. Marketable securities are carried at their fair value with unrealized gains and losses included in Accumulated Other Comprehensive (Loss) Income. Realized gains and losses and declines in value judged to be other than temporary, if any, on available-for-sale securities are reported as realized gains or losses on investments. In determining realized gains or losses on the sale of marketable securities, the cost of securities sold is based on the specific identification method.

Unbilled Revenue

The majority of the Company's Unbilled Revenue at December 31, 2004 represents (i) committed research funding earned based on actual resources utilized under the Company's discovery, development and commercialization agreement with Aventis; (ii) reimbursable expenses incurred under the Company's discovery, development and commercialization agreement with Aventis that the Company has not yet invoiced; (ii) clinical materials that have passed quality testing, that the Company has shipped and title has transferred to the collaborator, but the Company has not yet invoiced; and (iii) costs the Company has incurred in completing process development work on behalf of its collaborators but has not yet invoiced.

Inventory

Inventory costs primarily relate to clinical trial materials being manufactured for the Company's collaborators. Inventory is stated at the lower of cost or market as determined on a first-in, first-out (FIFO) basis.

Inventory at December 31, 2004 and June 30, 2004 is summarized below:

	December 31, 2004	June 30, 2004
Raw materials, net	$ 1,238,155	$ 2,801,431
Work in process	2,635,572	3,702,515
Finished goods, net	91,272	134,120
Total	$ 3,964,999	$ 6,638,066

Inventory cost is stated net of a valuation allowance of $2.6 million and $1.6 million as of December 31, 2004 and June 30, 2004, respectively. The valuation allowance represents the cost of DM1 and DM4 (collectively DMx) that the Company considers to be excess based on current collaborator firm fixed orders and projections.

DM1 and DM4, the Company's two most advanced small molecule effector agents, are the cytotoxic agents used in TAP product candidates in preclinical and clinical testing, and are the subject of its collaborations. One of the primary components required to manufacture both DM1 and DM4 is their precursor, ansamitocin P3. Once manufactured, the ansamitocin P3 may then be converted to DM1 or DM4.

In fiscal 2002, the Company entered into several agreements with two outside vendors to perform large-scale manufacture of DMx and ansamitocin P3. Under the terms of these agreements, these two vendors, together with the Company, would improve the fermentation and conversion processes used to generate ansamitocin P3 and DMx, respectively. Pursuant to these agreements, the two outside vendors will also manufacture, under current Good Manufacturing Processes, large-scale batches of ansamitocin P3 and DMx to be used in the manufacture of both the Company's and its collaborators' products. Once manufactured, the ansamitocin P3 is delivered from one vendor to the other vendor for conversion to DMx.

The actual amount of ansamitocin P3 and DMx that will be produced is highly uncertain. The Company currently anticipates that a significant amount of ansamitocin P3 and DMx will be manufactured for the Company for the foreseeable future at these or other manufacturers. If the Company's and the manufacturers' process development efforts are successful, the amount of ansamitocin P3 and/or DMx produced could be higher than expected and more than is required to support the development of the Company's and its collaborators' products. Such excess product would be charged to research and development expense. The Company anticipates that its investment in ansamitocin P3 and DMx will be significant.

The Company produces preclinical and clinical materials for its collaborators either in anticipation of or in support of clinical trials, or for process development and analytical purposes. Under the terms of supply agreements with four of its collaborators, the Company generally receives rolling six-month firm fixed orders for conjugate that the Company is required to manufacture, and rolling 12-month manufacturing projections for the quantity of conjugate the collaborator expects to need in any given 12-month period. The Company's other collaborative agreements do not require that the collaborators provide advance firm fixed

manufacturing orders, although the collaborators provide the Company with their projected conjugate requirements. The amount of clinical material produced is directly related to the number of on-going clinical trials for which the Company is producing clinical material for its collaborators, the speed of enrollment in those trials and the dosage schedule of each clinical trial. As a result, the actual amount of conjugate that the Company manufactures can differ significantly from the collaborators' projections. To the extent that a collaborator has provided the Company with a firm fixed order, the collaborator is contractually required to reimburse the Company the full cost of the conjugate, and any margin thereon, even if the collaborator subsequently cancels the manufacturing run.

The Company accounts for the DMx and ansamitocin P3 inventory as follows:

a) That portion of the DMx and/or ansamitocin P3 that the Company intends to use in the production of its own products is expensed as incurred;

b) To the extent that the Company has firm fixed orders or collaborator projections for no more than 12 months, the Company capitalizes the value of DMx and ansamitocin P3 that will be used in the production of conjugate subject to these firm fixed orders and/or projections;

c) The Company considers more than a 12-month supply of ansamitocin P3 and/or DMx that is not supported by collaborators' firm fixed orders to be excess. The Company establishes a reserve to reduce to zero the value of any such excess ansamitocin P3 or DMx inventory with a corresponding charge to research and development expense; and

d) The Company also considers any other external factors and information of which it becomes aware and assesses the impact of such factors or information on the net realizable value of the DMx and ansamitocin P3 inventory at each reporting period.

At December 31, 2004, the Company's supply of DMx and ansamitocin P3 (including $2.3 million of DMx on-hand and $1.7 million of ansamitocin P3 held at its third party manufacturers) represented more than a 12-month supply based upon current collaborator firm fixed orders and projections. In the six-month period ended December 31, 2004, the Company recorded as research and development expense $980,000 of ansamitocin P3 and DMx that the Company has identified as excess based upon the Company's inventory policy and $82,000 to write down certain batches of ansamitocin P3 and DMx to its net realizable value. Any changes to the Company's collaborators' projections could result in significant changes in the Company's estimate of the net realizable value of DMx and ansamitocin P3 inventory. Reductions in collaborators' projections could indicate that the Company has additional excess DMx and/or ansamitocin P3 inventory and the Company would then evaluate the need to record further valuation allowances, included as charges to research and development expense, to reduce the DMx and/or ansamitocin P3 inventory to its estimated net realizable value.

Computation of Net Loss Per Common Share

Basic net loss per common share is calculated based upon the weighted average number of common shares outstanding during the period. Diluted net loss per common share incorporates the dilutive effect of stock options, warrants and other convertible securities. The total number of options, warrants and other securities convertible into ImmunoGen Common Stock and ImmunoGen Common Stock equivalents, as calculated in accordance with the treasury-stock accounting method, are included in the following table:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2004	2003	2004	2003
Options, warrants and other securities convertible into Common Stock	5,737,106	5,185,211	5,737,106	5,185,211
Common Stock equivalents	1,903,689	1,520,802	1,695,631	1,460,556

ImmunoGen Common Stock equivalents have not been included in the calculations of dilutive net loss per common share calculations for the three and six months ended December 31, 2004 and 2003 because their effect is anti-dilutive due to the Company's net loss position.

Comprehensive Loss

The Company presents comprehensive income (loss) in accordance with Statement of Financial Accounting Standards (SFAS) No. 130, "Reporting Comprehensive Income." For the three and six months ended December 31, 2004, total comprehensive loss equaled $2.3 million and $4.8 million, respectively. For the three and six months ended December 31, 2003, total comprehensive loss equaled $1.3 million and $5.5 million, respectively. Comprehensive loss was comprised entirely of the Company's net loss and the change in its unrealized gains and losses on its available-for-sale marketable securities.

Stock-Based Compensation

In accounting for its stock-based compensation plans, the Company applies Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25), and related interpretations for all awards granted to employees. Under APB 25, when the exercise price of options granted to employees under these plans equals the market price of the common stock on the date of grant, no compensation expense is recorded. When the exercise price of options granted to employees under these plans is less than the market price of the common stock on the date of grant, compensation expense is recognized over the vesting period. For stock options granted to non-employees, the Company recognizes compensation expense in accordance with the requirements of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock Based Compensation" (SFAS 123). SFAS 123 requires that companies recognize compensation expense based on the estimated fair value of options granted to non-employees over their vesting period, which is generally the period which services are rendered by such non-employees.

Had compensation costs for the Company's stock based employee compensation been determined based on the fair value at the grant dates as calculated in accordance with SFAS 123, as amended by SFAS No. 148, "Accounting for Stock-Based Compensation — Transition and Disclosure," the Company's basic and diluted net loss per common share for the three and six months ended December 31, 2004 and 2003 would have been adjusted to the pro forma amounts indicated below:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2004	2003	2004	2003
Net loss, as reported	$ (2,209,378)	$ (1,332,609)	$ (4,679,884)	$ (5,459,023)
Add: Total stock-based compensation expense determined under the intrinsic value method for all employee awards	58,034	3,250	61,277	6,714
Deduct: Total stock-based compensation expense determined under the fair value method for all employee awards	(748,724)	(1,617,623)	(1,483,295)	(3,233,140)
Pro forma net loss	$ (2,900,068)	$ (2,946,982)	$ (6,101,902)	$ (8,685,449)
Basic and diluted net loss per common share, as reported	$ (0.05)	$ (0.03)	$ (0.11)	$ (0.13)
Basic and diluted net loss per common share, pro forma	$ (0.07)	$ (0.07)	$ (0.15)	$ (0.21)

The fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2004	2003	2004	2003
Dividend	None	None	None	None
Volatility	93.13%	94.72%	93.13%	94.72%
Risk-free interest rate	3.07%	3.35%	3.28%	3.30%
Expected life (years)	5.5	5.5	5.5	5.5

Using the Black-Scholes option-pricing model, the weighted average grant date fair value of options granted during the three months ended December 31, 2004 and 2003 was $5.51 and $3.62, respectively, and $4.14 and $3.58 for options granted during the six months ended December 31, 2004 and 2003, respectively.

The Black-Scholes option-pricing model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models, including the Black-Scholes model, require the use of highly subjective assumptions, such as the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective assumptions can materially affect the fair value estimates, in management's opinion, the Black-Scholes and other existing models do not necessarily provide a reliable single measure of the fair value of its employee stock-based compensation.

Reclassifications

Certain prior year balances have been reclassified to conform to current year presentation.

Segment Information

During the three and six months ended December 31, 2004, the Company continued to operate in one reportable business segment under the management approach of SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information," which is the business of discovery of monoclonal antibody-based cancer therapeutics.

Revenues from Aventis accounted for approximately 54% and 87% of revenues for the three months ended December 31, 2004 and 2003, respectively, and 57% and 65% for the six months ended December 31, 2004 and 2003, respectively. Revenues from Boehringer Ingelheim accounted for approximately 23% and 1% of revenues for the three months ended December 31, 2004 and 2003, respectively, and 20% and 15% for the six months ended December 31,

2004 and 2003, respectively. Revenues from Millennium accounted for 16% and 2% of revenues for the three months ended December 31, 2004 and 2003, respectively, and 14% and 11% for the six months ended December 31, 2004 and 2003, respectively. There were no other significant customers in the three and six months ended December 31, 2004 and 2003.

Recent Accounting Pronouncements

On December 16, 2004, the Financial Accounting Standards Board ("FASB") issued FASB Statement No. 123 (revised 2004), Share-Based Payment, which is a revision of Statement of FASB Statement No. 123, *Accounting for Stock-Based Compensation*. Statement 123(R) supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and amends FASB Statement No. 95, *Statement of Cash Flows*. Generally, the approach in Statement 123(R) is similar to the approach described in Statement 123. However, Statement 123(R) *requires* all share-based payments to employees, including grants of employee stock options, to be expensed based on their fair values. Pro forma disclosure is no longer an alternative. Statement 123(R) must be adopted in the first interim or annual period beginning after June 15, 2005, irrespective of the entity's fiscal year. Early adoption will be permitted in periods in which financial statements have not yet been issued. The Company expects to adopt Statement 123(R) on July 1, 2005.

Statement 123(R) permits public companies to adopt its requirements using one of two methods: "modified prospective method" in which compensation cost is recognized beginning with the effective date (a) based on the requirements of Statement 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of Statement 123 for all awards granted to employees prior to the effective date of Statement 123(R) that remain unvested on the effective date or a "modified retrospective" method, which includes the requirements of the modified prospective method described above, but also permits entities to restate based on the amounts previously recognized under Statement 123 for purposes of pro forma disclosures

either (a) all prior periods presented or (b) prior interim periods of the year of adoption. The Company is evaluating which method of adoption it will apply for Statement 123(R).

As permitted by Statement 123, the Company currently accounts for share-based payments to employees using Opinion 25's intrinsic value method and, as such, generally recognizes no compensation cost for employee stock options. Accordingly, the adoption of Statement 123(R) fair value method will have a significant impact on our result of operations, although it will have no impact on our overall financial position. The impact of adoption of Statement 123(R) cannot be predicted at this time because it will depend on levels of share-based payments granted in the future. However, had we adopted Statement 123(R) in prior periods, the impact of that standard would have approximated the impact of Statement 123 as described in the disclosure of pro forma net loss per share in Note A to our consolidated financial statements.

B. Agreements

Aventis Pharmaceuticals, Inc.

In August 2004, Aventis completed its merger with Sanofi-Synthelabo; the combined entity is now sanofi-aventis. The Company does not know yet the effect, if any, that this merger will have on its collaboration with Aventis. Additionally, in September 2004, Aventis confirmed that one of the product candidates under its agreement with the Company had achieved a certain milestone. The achievement of this milestone, under the terms of the Aventis agreement, triggered a payment of $500,000 from Aventis to ImmunoGen. This milestone payment is included in license fee and milestone payments for the six months ended December 31, 2004.

Biogen Idec, Inc.

On October 1, 2004, the Company entered into a development and license agreement with Biogen Idec, Inc. Under the terms of this agreement, Biogen Idec will receive exclusive rights to develop and commercialize anticancer therapeutics that comprise an antibody developed by Biogen Idec that binds to an undisclosed tumor cell target and a maytansinoid cell-killing agent developed by ImmunoGen. Biogen Idec will be responsible for the research, development, manufacturing, and marketing of any products resulting from the license. Under the terms of the agreement, the Company received an upfront payment of $1 million upon execution of the agreement. This upfront amount is subject to credit, as defined, if Biogen Idec does not submit certain regulatory filings by June 30, 2008. As a result, the Company will defer the entire upfront payment until this deadline lapses or upon the occurrence of an IND filing. Thereafter, the Company will recognize the fee over the estimated remaining period of substantial involvement. In addition to royalties on future product sales, when and if such sales commence, the terms of the agreement include certain other payments upon Biogen Idec's achievement of milestones. Assuming all benchmarks are met, ImmunoGen will receive approximately $42 million of milestone payments under this agreement.

Centocor, Inc.

On December 23, 2004, the Company entered into a development and license agreement with Centocor, Inc., a wholly-owned subsidiary of Johnson & Johnson. Under the terms of this agreement, Centocor will receive exclusive worldwide rights to develop and commercialize anticancer therapeutics that comprise an antibody developed by Centocor that binds to an undisclosed cancer target and a maytansinoid cell-killing agent developed by ImmunoGen. Centocor will be responsible for the research, development, manufacturing, and marketing of any products resulting from the license. Under the terms of the agreement, the Company received a non-refundable upfront payment of $1 million upon execution of the agreement. The Company has deferred the upfront payment and will recognize this amount as revenue over the period of the Company's substantial involvement, which is estimated to be six years. In addition to royalties on future product sales, when and if such sales commence, the terms of the agreement include certain other payments upon Centocor's achievement of milestones. Assuming all benchmarks are met, ImmunoGen will receive approximately $42.5 million of milestone payments under this agreement.

The Company has agreements with other companies with respect to its compounds, as described elsewhere in this Quarterly Report and in its Annual Report on Form 10-K.

C. Capital Stock

The Company recorded approximately $83,200 and $73,500 in compensation expense during the three and six months ended December 31, 2004 related to stock units issued under the Company's 2001 Non-Employee Director Stock Plan.

Under the Company's 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, approved in June 2004, the Company recorded approximately $32,100 and $44,900 in compensation expense related to the issuance of 10,169 stock units for director services rendered during the three and six months ended December 31, 2004.

During the three and six months ended December 31, 2004, the Company recorded approximately $55,000 of compensation expense related to the modification of certain outstanding common stock options.

During the six months ended December 31, 2004, holders of options issued under the Company's Restated Stock Option Plan exercised their rights to acquire an aggregate of 38,505 shares of common stock at prices ranging from $0.84 to $3.95 per share. The total proceeds from these option exercises were approximately $90,300.

D. Commitments and Contingencies

On September 15, 2004, the Company entered into an agreement to sublease 6,864 square feet of space at 64 Sidney Street, Cambridge, Massachusetts for general and administrative purposes. Under the terms of the agreement, the annual rent is $152,000 and the Company is required to pay its allocable share of operating and tax expenses related to the premises. The sublease expires on March 31, 2008.

Minimum rental commitments, including real estate taxes and other expenses, under all non-cancelable operating lease agreements are the following for the next five fiscal years ended June 30,

2005 (remaining six months)	1,682,114
2006	3,364,228
2007	3,394,228
2008	2,868,073
2009	698,700
Thereafter	931,600
Total minimum lease payments	$ 12,938,943

E. Subsequent Event

On February 7, 2005, Boehringer Ingelheim notified the Company that development of bivatuzumab mertansine has been discontinued. Bivatuzumab mertansine consists of a Boehringer Ingelheim anti-CD44v6 antibody and ImmunoGen's DM1. In 2001, Boehringer Ingelheim licensed the right to use ImmunoGen's DM1 Tumor-Activated Prodrug (TAP) technology with antibodies that target CD44. Under the 2001 agreement, Boehringer Ingelheim can use ImmunoGen's DM1 to create an anticancer compound to a different antigen target in the event that Boehringer Ingelheim chooses to discontinue development of an anti-CD44 TAP compound at an early stage. Boehringer Ingelheim retains its right to use ImmunoGen's DM1 TAP technology to create an anticancer compound to a different antigen target.

As a result, the Company anticipates that Boehringer Ingelheim will have no projected demand for conjugate material in the near future. The Company believes this reduction in demand will result in a supply of DM1 and P3 in excess of 12 months. In accordance with the Company's inventory reserve policy for excess inventory, a non-cash charge of up to $650,000 could be incurred in the three month period ended March 31, 2005 to reserve for such excess quantities.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

Since the Company's inception, we have been principally engaged in the development of antibody-based anticancer therapeutics and novel treatments in the field of oncology. The combination of our expertise in antibodies and cancer has resulted in the generation of both proprietary product candidates and technologies. Our tumor-activated prodrug, or TAP, technology combines extremely potent, small molecule cytotoxic agents with monoclonal antibodies that recognize and bind specifically to tumor cells. Our technology uses the antibody to deliver the cytotoxic agent specifically to cancer cells, and the cytotoxic agent is used to kill the cancer cell. Currently, the cytotoxic agent used in each TAP in preclinical or clinical testing is either DM1 or DM4 (collectively DMx), derivatives of a naturally occurring substance called maytansine. We also use our expertise in antibodies and cancer to develop other types of therapeutics, such as naked antibody anticancer products.

We have entered into collaborative agreements that allow companies to use our TAP technology to develop commercial products containing their antibodies and our cytotoxic agents. We have also used our TAP technology in conjunction with our in-house antibody expertise to develop our own anticancer product candidates. Under the terms of our collaborative agreements, we are entitled to upfront fees, milestone payments, and royalties on the commercial sales of any resultant product. In July 2003, we announced a discovery, development and commercialization collaboration with Aventis Pharmaceuticals, Inc. Under the terms of the agreement, Aventis gained commercialization rights to three compounds that were in our preclinical pipeline and commercialization rights to certain new products developed during the research program portion of the collaboration. This collaboration allows us to access Aventis' cancer targets and their clinical development and commercialization capabilities. Under the terms of the Aventis agreement, we also are entitled to receive committed research funding of approximately $50.7 million during the three-year research program. Should Aventis elect to exercise its contractual right to extend the term of the research program, we will receive additional research funding. In August 2004, Aventis completed its merger with Sanofi-Synthelabo; it is now sanofi-aventis. We do not know yet what effect, if any, the merger will have on our collaboration with Aventis.

Under certain collaborative agreements, we receive our fully burdened cost to manufacture preclinical and clinical materials plus a profit margin. Currently, our collaborative partners include Abgenix, Inc., Aventis, Biogen Idec, Boehringer Ingelheim International GmbH, Centocor, Inc., Genentech, Inc., and Millennium Pharmaceuticals, Inc. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements.

To date, we have not generated revenues from commercial product sales and we expect to incur significant operating losses over the foreseeable future. As of December 31, 2004, we had approximately $93.3 million in cash and marketable securities. We anticipate that our current capital resources and future collaboration payments, including the committed research funding due to us under the Aventis agreement over the remainder of the three-year research program, will enable us to meet our operational and capital expenditures for at least the next three to five fiscal years.

We anticipate that the increase in our total cash expenditures will be partially offset by collaboration-derived proceeds including milestone payments and the committed research funding we will receive pursuant to the Aventis collaboration. Accordingly, period-to-period operational results may fluctuate dramatically. We believe that our established collaborative agreements, while subject to specified milestone achievements, will provide funding to assist us in meeting obligations under our collaborative agreements while also allowing for the development of our own product candidates and technologies. However, we can give no assurances that such collaborative agreement funding will, in fact, be realized. Should we or our partners not meet some or all of the terms and conditions of our various collaboration agreements, we may be required to pursue additional strategic partners, secure alternative financing arrangements, and/or defer or limit some or all of our research, development and/or clinical projects.

Critical Accounting Policies

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to our collaborative agreements and inventory. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition

We estimate the period of our significant involvement during development for each of our collaborative agreements. We recognize any upfront fees received from our collaborators ratably over this estimated period of significant involvement. We generally believe our period of significant involvement occurs between the date we sign a collaboration agreement and projected FDA approval of our collaborators' product that is the subject of the collaboration agreement. We estimate that this time period is generally six years. The actual period of our involvement could differ significantly based upon the results of our collaborators' preclinical and clinical trials, competitive products that are introduced into the market and the general uncertainties surrounding drug development. Any difference between our estimated period of involvement during development and our actual period of involvement could have a material effect upon our results of operations.

We recognize the $12 million upfront fee we received from Aventis ratably over our estimated period of significant involvement of five years. This estimated period includes the term of the collaborative research program and two 12-month extensions that Aventis may exercise. In the event our period of involvement is less than we estimated, the remaining deferred balance of the upfront fee will be recognized over this shorter period.

Inventory

We review our estimates of the net realizable value of our inventory at each reporting period. Our estimate of the net realizable value of our inventory is subject to judgment and estimation. The actual net realizable value of our inventory could vary significantly from our estimates and could have a material effect on our financial condition and results of operations in any reporting period. We consider quantities of DM1 and DM4, or related maytansinoid effector molecules, collectively referred to as DMx, or ansamitocin P3 in excess of 12 months' projected usage that is not supported by collaborators' firm fixed orders to be excess. We fully reserve any such material identified as excess with a corresponding charge to research and development expense. Our estimate of 12 months' usage of DMx and ansamitocin P3 material inventory is based upon our collaborators' estimates of their future clinical material requirements. Our collaborators' estimates of their clinical material requirements are based upon expectations of their clinical trials, including the timing, size, dosing schedule and maximum tolerated dose of each clinical trial. Our collaborators' actual requirements for clinical materials may vary significantly from their projections. Significant differences between our collaborators' actual manufacturing orders and their projections could result in our actual 12-months-usage of DMx and ansamitocin P3 varying significantly from our estimated usage at an earlier reporting period. During the six months ended December 31, 2004, we recorded as research and development expense $980,000 of ansamitocin P3 and DMx that we have

identified as excess based upon our inventory policy, and $82,000 to write down certain P3 and DMx batches to their net realizable value.

RESULTS OF OPERATIONS

Comparison of Three Months ended December 31, 2004 and 2003

Revenues

Our total revenues for the three months ended December 31, 2004 were $9.0 million compared with $5.2 million for the three months ended December 31, 2003. The $3.9 million increase in revenues in the quarter ended December 31, 2004 compared to the same period in the prior year is primarily attributable to higher clinical materials reimbursement, as well as an increase in research and development support revenue and development fees.

Research and development support revenue was $4.1 million and $3.9 million in the three months ended December 31, 2004 and 2003, respectively. These amounts represent committed research funding earned based on actual resources utilized under our discovery, development and commercialization agreement with Aventis. The agreement provides that we will receive a minimum of $50.7 million of committed research funding during a three-year research program. We entered into the agreement with Aventis in July 2003; initiation of the committed research funding began September 1, 2003.

Revenues from license fees and milestone payments for the three months ended December 31, 2004 decreased $17,000 from $1.1 million in the three month period ended December 31, 2003 to $1.0 million in the same period ended December 31, 2004. Total revenue from license fees and milestone payments recognized from each of our collaborative partners in the three month periods ended December 31, 2004 and 2003 is included in the following table:

	Three months ended December 31,	
	2004	2003
Collaborative Partner:		
Aventis	$ 600,000	$ 600,000
Genentech	160,704	160,704
Abgenix	120,833	137,500
Millennium	110,635	110,636
Boehringer Ingelheim	41,667	41,667
Total	$ 1,033,839	$ 1,050,507

Deferred revenue of $18.1 million as of December 31, 2004 represents payments received from our collaborators pursuant to our license and supply agreements which we have yet to earn pursuant to our revenue recognition policy.

Clinical materials reimbursement increased $3.4 million to $3.6 million in the three months ended December 31, 2004, compared to $227,000 in the three months ended December 31, 2003. During the three months ended December 31, 2004, we shipped clinical materials in support of bivatuzumab mertansine and MLN2704 clinical trials as well as preclinical materials in support of the development efforts of other collaborators. The increase in clinical materials reimbursement in the three months ended December 31, 2004 as compared to the three months ended December 31, 2003 is primarily related to the advancement of the clinical trials of bivatuzumab mertansine and MLN2704. In addition, during the three months ended December 31, 2004, we shipped and released one clinical batch of an anti-CD33 TAP compound to Aventis. The cost of clinical materials reimbursed for the three months ended December 31, 2004 and 2003 was $3.0 million and $227,000, respectively. Under certain collaborative agreements, we are reimbursed for our fully burdened cost to produce clinical materials plus a profit margin. The amount of clinical materials reimbursement we earn, and the related cost of clinical materials reimbursed, is directly related to (i) the number of on-going clinical trials for which we are producing clinical material for our collaborators, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and (ii) our production of clinical grade material on behalf of our collaborators, either in anticipation of clinical trials, or for process development and analytical purposes. As such, the amount of clinical materials reimbursement and the related cost of clinical materials reimbursed may vary from quarter to quarter and annually.

We had development fees of $310,000 in the three months ended December 31, 2004 compared to none during the same period in 2003. Development fees represent the fully burdened reimbursement of costs incurred in producing research-grade materials and developing antibody-specific conjugation processes on behalf of our collaborators during the early evaluation and preclinical testing stages of product development. The amount of development fees we earn is directly related to the number of our

collaborators or potential collaborators, the stage of development of our collaborators' products and the resources our collaborators allocate to the development effort. As such, the amount of development fees may vary from quarter to quarter and year to year.

Research and Development Expenses

We report research and development expense net of certain reimbursements we receive from our collaborators that do not qualify as revenue under the guidelines of EITF 99-19, Reporting Revenue Gross as Principal versus Net as an Agent. Our net research and development expenses consist of (i) research to identify and evaluate new targets and to develop and evaluate new antibodies and cytotoxic drugs, (ii) preclinical testing and clinical trials of our own and, in certain instances, preclinical testing of our collaborators' product candidates, and (iii) development related to improving clinical and commercial manufacturing processes. Our research efforts are primarily focused in the following areas:

- Our activities pursuant to our discovery, development and commercialization agreement with Aventis;
- Our contributions to the clinical development of huN901-DM1 and huC242-DM4;
- Process improvements related to clinical and commercial production of the huN901 antibody and huN901-DM1 conjugate;
- Process improvements related to clinical and commercial production of the huC242 antibody and huC242-DM4 conjugate;
- Process improvement related to the production of DM1, DM4 and related maytansinoid cytotoxic agents and strain development of their precursor, ansamitocin P3;
- Operation, maintenance and expansion of our pilot scale manufacturing plant;
- Process improvements to our TAP technology;
- Preclinical development of our own potential products;
- Identification and evaluation of potential antigen targets;
- Evaluation of internally-developed and in-licensed antibodies; and
- Development and evaluation of additional cytotoxic agents.

Our TAP technology involves the attachment of a highly potent cell-killing agent to antibodies that target cancer cells to achieve targeted killing of cancer cells. The cytotoxic agents we currently use in the manufacture of our collaborators' and our own conjugates are made from a precursor compound, ansamitocin P3, which is produced by fermentation. We have devoted substantial resources to improve the strain of the microorganism that produces ansamitocin P3 to enhance manufacturing yields and expect to continue to devote considerable resources to further improvement of the manufacturing processes for our effector molecules.

On January 8, 2004, we announced that pursuant to the terms and conditions of the termination agreement between Vernalis and ourselves, Vernalis relinquished its rights to develop and commercialize huN901-DM1. As a result, we regained the rights to develop and commercialize huN901-DM1. Vernalis agreed to complete the Study 002 Phase I study that was initiated in the United Kingdom by its predecessor, British Biotech. Effective July 1, 2004, we assumed responsibility for the weekly dosing Phase I/II clinical study, Study 001. We are currently taking steps to expedite the patient enrollment in Study 001. Additionally, we currently plan to initiate a clinical trial of huN901-DM1 in the United States for a CD56-positive hematological malignancy, specifically multiple myeloma. We expect to incur external expenses of approximately $400,000 related to clinical development of this product during the remainder of the current fiscal year. During the six months ended December 31, 2004, we have incurred approximately $100,000 of external costs related to this product candidate. We intend to evaluate whether to out license all or part of the development and commercial rights to this compound after the clinical trial is completed.

In January 2004, we announced our intention to advance cantuzumab mertansine, or a modified version of the compound, into a clinical trial that we plan to manage. In October 2004 we decided to move forward with a modified version of cantuzumab mertasine called huC242-DM4. We currently expect that a Phase I clinical trial will be initiated with huC242-DM4 in the calendar year 2005. We estimate that we will incur external expenses of approximately $1.5 million during the remainder of the current fiscal year related to

clinical development of this product candidate. During the six months ended December 31, 2004, we have incurred approximately $500,000 in external costs related to this product candidate. We intend to evaluate whether to out license all or part of the development and commercial rights to this compound after the clinical trial is completed.

We licensed our three most advanced preclinical product candidates to Aventis in 2003 under the terms of our discovery, development, and commercialization collaboration. These three product candidates are an anti CD33 TAP compound for acute myeloid leukemia, an anti-IGF-IR antibody and a TAP compound for certain B-cell malignancies. During the quarter, Aventis filed an Investigational New Drug Application (IND) for the anti CD33 TAP compound. We currently expect Aventis to initiate clinical testing of the anti CD33 TAP compound in the near future.

Anti-IGF-IR antibody is a naked antibody directed against a target found on various solid tumors including certain breast, lung and prostate cancers, as well as some hematological malignancies. At December 31, 2004, pursuant to our collaboration research program with Aventis, we continued to perform preclinical experiments to evaluate candidate antibodies, identified a lead antibody product candidate, and several alternate product candidates. The third potential product candidate is directed at certain B-cell malignancies, including non-Hodgkin's lymphoma.

The cost to develop new products to the IND stage can be significant. Under the terms of our discovery, development and commercialization collaboration with Aventis, they licensed three of our most advanced preclinical product candidates. With the exception of those antibodies or antibody targets that are the subject of our preexisting or future collaboration and license agreements, during the term of our collaborative research program, we are required to propose for inclusion in the collaborative research program certain antibody or antibody targets that we believe will have utility in oncology. Aventis then has the right to either include in or exclude from the collaborative research program these proposed antibodies and antibody targets. Aventis may only include a certain number of antibody targets in the research program at any one time. Aventis must therefore exclude any proposed antibody or antibody target in excess of this number. Over the original, three-year term of the research program, we will receive a minimum of $50.7 million of committed research funding and will devote a significant amount of our internal research and development resources to advancing the collaborative research program. Under the terms of the agreement, we may advance any TAP compound, antibody or antibody target that Aventis has elected not to either initially include or later advance in the research program.

At present, the potential product candidates, except for huN901-DM1 and huC242-DM4, in our pipeline that are not part of the Aventis collaboration are in an early stage of discovery research and we are unable to accurately estimate which potential products, if any, will eventually move into our internal preclinical research program. We are unable to reliably estimate the costs to develop our potential products as a result of the uncertainties related to discovery research efforts as well as preclinical and clinical testing. Our decision to move a product candidate into the clinical development phase is predicated upon the results of preclinical tests. We cannot accurately predict which, if any, of the discovery research stage product candidates will advance from preclinical testing and move into our internal clinical development program. The costs to take a product through clinical trials is dependent upon, among other things, the medical indications, the timing, size and dosing schedule of each clinical trial, the number of patients enrolled in each trial, and the speed at which patients are enrolled and treated. In many cases, we are unable to determine what, if any, indication a particular product candidate will treat until we have completed extensive preclinical studies. Given the uncertainties related to new drug development, we are currently unable to estimate when, if ever, our research stage product candidates will generate revenues and cash flows.

We believe that our research and development costs by project are confidential and the disclosure of such costs could have a material negative effect on our ability to negotiate with our suppliers, collaborators and potential collaborators and, accordingly, do not disclose our individual project research and development expenses.

Research and development expenses for the three months ended December 31, 2004 increased $1.4 million to $6.6 million from $5.2 million for the three months ended December 31, 2003. The increase was substantially the result of hiring additional staff for our research and development programs. The number of research and development personnel increased to 133 at December 31, 2004 compared to 99 at December 31, 2003. As a result, research and development compensation and benefits increased by $1.1 million in the three months ended December 31, 2004 compared to the three months ended December 31, 2003. In addition, during the three months ended December 31, 2004, depreciation expense increased $236,000 as compared to the same period in the prior year. The increase in depreciation expense is of the result of placing into service two manufacturing suites in September and October 2004.

General and Administrative Expenses

General and administrative expenses for the three months ended December 31, 2004 increased $622,000 to $2.0 million from $1.4 million for the three months ended December 31, 2003. The increase was substantially the result of hiring additional staff. The number of general and administrative personnel

increased to 22 at December 31, 2004 compared to 15 at December 31, 2003.

As a result, general and administrative compensation and benefits expense increased by $399,000 in the three months ended December 31, 2004 compared to the three months ended December 31, 2003. Related to the increase in personnel, recruiting fees increased $61,000 during the three month period ended December 31, 2004 compared to the same period in the prior year. In addition, professional fees increased $100,000 during the three months ended December 31, 2004 due to consulting work performed related to Sarbanes Oxley Section 404 compliance.

Interest Income

Interest income for the three months ended December 31, 2004 increased $104,000 to $457,000 from $353,000 for the three months ended December 31, 2003. The difference is due to higher rates of return resulting from improved market conditions.

Net Realized Losses on Investments

Net realized losses on investments were $1,000 and $36,000 for the three months ended December 31, 2004 and 2003, respectively. The difference is attributable to market conditions and the timing of investment sales.

Comparison of Six Months ended December 31, 2004 and 2003

Revenues

Our total revenues for the six months ended December 31, 2004 were $18.1 million compared with $9.1 million for the six months ended December 31, 2003. The $9.0 million increase in revenues in the six months ended December 31, 2004 compared to the same period in the prior year is primarily attributable to an increase in committed research funding earned under our discovery, development and commercialization agreement with Aventis, and increased clinical materials reimbursement revenue.

Research and development support revenue was $8.2 million and $5.1 million in the six months ended December 31, 2004 and 2003, respectively. These amounts represent committed research funding earned based on actual resources utilized under our discovery, development and commercialization agreement with Aventis. The agreement provides that we will receive a minimum of $50.7 million of committed research funding during a three-year research program. We entered into the agreement with Aventis in July 2003. However, no resources were utilized under the agreement until September 2003.

Revenues from license fees and milestone payments for the six months ended December 31, 2004 increased $879,000 to $2.6 million in the six month period ended December 31, 2004 compared to $1.7 million in the six month period ended December 31, 2003. Total revenue from license fees and milestone payments recognized from each of our collaborative partners in the six month periods ended December 31, 2004 and 2003 is included in the following table:

	Six months ended December 31,	
	2004	2003
Collaborative Partner:		
Aventis	$ 1,700,000	$ 800,000
Genentech	321,408	321,408
Abgenix	250,000	270,834
Millennium	221,269	221,257
Boehringer Ingelheim	83,334,	83,334
Total	$ 2,576,011	$ 1,696,833

Clinical materials reimbursement increased $4.3 million to $6.5 million in the six months ended December 31, 2004, compared to $2.2 million in the six months ended December 31, 2003. During the six months ended December 31, 2004, we shipped clinical materials in support of bivatuzumab mertansine and MLN2704 clinical trials as well as preclinical materials in support of the development efforts of other collaborators. The increase in clinical materials reimbursement in the six months ended December 31, 2004 as compared to the six months ended December 31, 2003 is primarily related to the advancement of the clinical trials of bivatuzumab mertansine and MLN2704. In addition, during the six months ended December 31, 2004, we shipped and released one clinical batch of AVE9633 to Aventis in addition to material produced for Aventis for preclinical purposes. The cost of clinical materials reimbursed for the three months ended December 31, 2004 and 2003 was $5.5 million and $2.0 million, respectively. Under certain collaborative agreements, we are reimbursed for our fully burdened cost to produce clinical materials plus a profit margin. The amount of clinical materials reimbursement we earn, and the related cost of clinical materials reimbursed, is directly related to (i) the number of on-going clinical trials for which we are producing clinical material for our collaborators, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and (ii) our production of clinical grade material on behalf of our

collaborators, either in anticipation of clinical trials, or for process development and analytical purposes. As such, the amount of clinical materials reimbursement and the related cost of clinical materials reimbursed may vary from quarter to quarter and annually.

We had development fees of $820,000 in the six months ended December 31, 2004 compared to $87,000 during the same period in 2003. Development fees represent the fully burdened reimbursement of costs incurred in producing research-grade materials and developing antibody-specific conjugation processes on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of product development. The amount of development fees we earn is directly related to the number of our collaborators or potential collaborators, the stage of development of our collaborators' products and the resources our collaborators allocate to the development effort. As such, the amount of development fees may vary from quarter to quarter and annually.

Research and Development Expenses

Research and development expenses for the six months ended December 31, 2004 increased $4.5 million to $14.5 million from $10.0 million for the six months ended December 31, 2003. The increase in research and development expense is primarily the result of hiring additional staff for our research and development programs as well as costs associated with the manufacture of P3 and DMx and the write-off of amounts determined to be excess based on our inventory policy. The number of research and development personnel increased to 133 at December 31, 2004 compared to 99 at December 31, 2003. As a result, research and development compensation and benefits increased by $1.6 million in the six months ended December 31, 2004 compared to the six months ended December 31, 2003. During the six months ended December 31, 2004, we incurred approximately $1.3 million in P3 and DMx production, compared to $927,000 during the same period in the prior year. We also recorded as research and development expense $980,000 of ansamitocin P3 and DMx that we have identified as excess based upon our inventory policy and $82,000 to write down certain batches of ansamitocin P3 and DMx to its net realizable value during the six months ended December 31, 2004. During the same period in the prior year, we recorded only $20,000 in similar expenses. Contributing to the increase in research and development expense was a $343,000 increase in contract service expense and a $579,000 increase in facility allocation and depreciation expense. The increase in depreciation expense is primarily due to the addition of two manufacturing suites that were placed into service in September and October 2004.

General and Administrative Expenses

General and administrative expenses for the six months ended December 31, 2004 increased $281,000 to $3.5 million from $3.2 million for the six months ended December 31, 2003. General and administrative compensation and benefits expense increased by $321,000 in the six months ended December 31, 2004 compared to the six months ended December 31, 2003 as a result of hiring additional staff. The number of general and administrative personnel increased to 22 at December 31, 2004 compared to 15 at December 31, 2003.

Interest Income

Interest income for the six months ended December 31, 2004 increased $88,000 to $821,000 from $733,000 for the six months ended December 31, 2003. The difference is due to higher rates of return resulting from improved market conditions.

Net Realized Losses on Investments

Net realized losses on investments were $4,000 and $57,000 for the six months ended December 31, 2004 and 2003, respectively. The difference is attributable to market conditions and the timing of investment sales.

LIQUIDITY AND CAPITAL RESOURCES

We require cash to fund our operating expenses, including the conduct of our clinical programs, and to make capital expenditures. Historically, we have funded our cash requirements primarily through equity financings in public markets and payments from our collaborators, including equity investments, license fees, milestone payments and research funding. As of December 31, 2004, we had approximately $93.3 million in cash and marketable securities. Net cash used for operations during the six months ended December 31, 2004 was $62,000 compared to net cash provided by operations of $639,000 during the six months ended December 31, 2003. This decrease in operational cash in fiscal 2005 is a result of the upfront fee of $12.0 million received in August 2003 pursuant to the terms of the Aventis collaboration, offset by higher working capital requirements in the six months ended December 31, 2003 compared to the same period in the current year.

Net cash provided by investing activities during the six months ended December 31, 2004 was $129,000 compared to net cash used for investing activities of $1.3 million during the six months ended December 31, 2003. Cash flows from investing activities in

the six months ended December 31, 2004 and 2003 primarily reflects the proceeds of sales and maturities of marketable securities, purchases of marketable securities and capital expenditures. In the six months ended December 31, 2003, purchases of marketable securities include the investment of the Aventis upfront payment in marketable securities. Capital expenditures were $1.2 million for both six month periods ended December 31, 2004 and 2003. Capital expenditures for the six months ended December 31, 2004 consisted primarily of machinery and equipment for the build-out of our existing Norwood, Massachusetts development and pilot manufacturing facility, while capital expenditures for the six months ended December 31, 2003 consisted primarily of costs associated with the renovation of the laboratory and office space we have leased at 148 Sidney Street as well as the purchase of new equipment.

Net cash provided by financing activities was $90,000 for the six months ended December 31, 2004 compared to net cash provided by financing activities of $99,000 for the six months ended December 31, 2003. For the six months ended December 31, 2004, net cash provided by financing activities reflects the proceeds to the Company from the exercise of 38,505 stock options at prices ranging from $0.84 to $3.95 per share. For the six months ended December 31, 2003, net cash provided by financing activities reflects the proceeds to the Company from the exercise of 25,279 stock options at prices ranging from $2.53 to $3.95 per share.

We currently anticipate that our existing capital resources and future payments from our collaborators, including committed research funding that we expect to receive from Aventis pursuant to the terms of our collaboration agreement, will enable us to meet our current and projected operational expenses and capital expenditures for at least the next three to five fiscal years. We currently believe that our existing capital resources in addition to our established collaborative agreements will provide funding sufficient to allow us to meet our obligations under all collaborative agreements while also allowing us to develop product candidates and technologies not covered by collaborative agreements. However, we cannot provide assurance that such collaborative agreement funding will, in fact, be realized. Should we not meet some or all of the terms and conditions of our various collaboration agreements, we may be required to pursue additional strategic partners, secure alternative financing arrangements, and/or defer or limit some or all of our research, development and/or clinical projects.

Contractual Obligations

On September 15, 2004, the Company entered into an agreement to sublease 6,864 square feet of space at 64 Sidney Street, Cambridge, Massachusetts for general and administrative purposes. Under the terms of the agreement, the annual rent is $152,000 and the Company is required to pay its allocable share of operating and tax expenses related to the premises. The sublease expires on March 31, 2008. There have been no other significant changes in our contractual obligations since June 30, 2004.

Minimum rental commitments, including real estate taxes and other expenses, under all non-cancelable operating lease agreements are the following for the next five fiscal years ended June 30,

2005 (remaining six months)	1,682,114
2006	3,364,228
2007	3,394,228
2008	2,868,073
2009	698,700
Thereafter	931,600
Total minimum lease payments	$ 12,938,943

Risk Factors

THE RISKS AND UNCERTAINTIES DESCRIBED BELOW ARE THOSE THAT WE CURRENTLY BELIEVE MAY MATERIALLY AFFECT OUR COMPANY. ADDITIONAL RISKS AND UNCERTAINTIES THAT WE ARE UNAWARE OF OR THAT WE CURRENTLY DEEM IMMATERIAL ALSO MAY BECOME IMPORTANT FACTORS THAT AFFECT OUR COMPANY.

If our TAP technology does not produce safe, effective and commercially viable products, our business will be severely harmed.

Our TAP technology is a novel approach to the treatment of cancer. None of our TAP product candidates has obtained regulatory approval and all of them are in early stages of development. Our TAP product candidates may not prove to be safe, effective or commercially viable treatments for cancer and our TAP technology may not result in any meaningful benefits to our current or potential collaborative partners. Furthermore, we are aware of only one antibody-drug conjugate that has obtained FDA approval and is based on technology similar to our TAP technology. If our TAP technology fails to generate product candidates

that are safe, effective and commercially viable treatments for cancer, and fails to obtain FDA approval, our business is likely to be severely harmed.

Clinical trials for our product candidates will be lengthy and expensive and their outcome is uncertain.

Before obtaining regulatory approval for the commercial sale of any product candidates, we and/or our collaborative partners must demonstrate through preclinical testing and clinical trials that our product candidates are safe and effective for use in humans. Conducting clinical trials is a time-consuming, expensive and uncertain process and may take years to complete. Our most advanced product candidates are only in the Phase I or Phase I/II stage of clinical trials. Historically, the results from preclinical testing and early clinical trials often have not been predictive of results obtained in later clinical trials. Frequently, drugs that have shown promising results in preclinical or early clinical trials subsequently fail to establish sufficient safety and efficacy data necessary to obtain regulatory approval. At any time during the clinical trials, we, our collaborative partners, or the FDA might delay or halt any clinical trials for our product candidates for various reasons, including:

- ineffectiveness of the product candidate;
- discovery of unacceptable toxicities or side effects;
- development of disease resistance or other physiological factors;
- delays in patient enrollment; or
- other reasons that are internal to the businesses of our collaborative partners, which reasons they may not share with us.

The results of clinical trials may fail to demonstrate the safety or effectiveness of our product candidates to the extent necessary to obtain regulatory approval or that commercialization of our product candidates is worthwhile. Any failure or substantial delay in successfully completing clinical trials and obtaining regulatory approval for our product candidates could severely harm our business.

If our collaborative partners fail to perform their obligations under our agreements, or determine not to continue with clinical trials for particular product candidates, our ability to develop and market potential products could be severely limited.

Our strategy for the development and commercialization of our product candidates depends, in large part, upon the formation of collaborative arrangements. Collaborations allow us to:

- generate cash flow and revenue;
- offset some of the costs associated with our internal research and development, preclinical testing, clinical trials and manufacturing;
- seek and obtain regulatory approvals faster than we could on our own;
- successfully commercialize existing and future product candidates; and
- develop antibodies for additional product candidates, and discover additional cell surface markers for antibody development.

If we fail to secure or maintain successful collaborative arrangements, our development and marketing activities may be delayed or scaled back. In addition, we may be unable to negotiate other collaborative arrangements or, if necessary, modify our existing arrangements on acceptable terms. The

development, regulatory approval and commercialization of our product candidates depend primarily on the efforts of collaborative partners.

We have entered into collaborations with Abgenix, Aventis, Biogen Idec, Boehringer Ingelheim, Centocor, Genentech and Millennium.We cannot control the amount and timing of resources our partners may devote to our products. Our partners may separately pursue competing products, therapeutic approaches or technologies to develop treatments for the diseases targeted by us or our collaborative efforts. Even if our partners continue their contributions to the collaborative arrangements, they may

nevertheless determine not to actively pursue the development or commercialization of any resulting products. Also, our partners may fail to perform their obligations under the collaborative agreements or may be slow in performing their obligations. Our partners can terminate our collaborative agreements under certain conditions. The decision to advance a product that is covered by a collaborative agreement through clinical trials and ultimately to commercialization is in the sole discretion of our collaborative partners. If any collaborative partner were to terminate or breach our agreements, or fail to complete its obligations to us in a timely manner, our anticipated revenue from the agreement and development and commercialization of our products could be severely limited. If we are not able to establish additional collaborations or any or all of our existing collaborations are terminated and we are not able to enter into alternative collaborations on acceptable terms, we may be required to undertake product development, manufacture and commercialization of our products ourselves, and we may not have the funds or capability to do this. If our collaborators fail to successfully develop and commercialize TAP compounds, our business will be severely harmed.

We depend on a small number of collaborators for a substantial portion of our revenue. The loss of, or a material reduction in activity by, any one of these collaborators could result in a substantial decline in our revenue.

We have and will continue to have collaborations with a limited number of companies. As a result, our financial performance depends on the efforts and overall success of these companies. The failure of any one of our collaborative partners to perform its obligations under its agreement with us, including making any royalty, milestone or other payments to us, could have a material adverse effect on our financial condition. Further, any material reduction by any one of our collaborative partners in its level of commitment of resources, funding, personnel, and interest in continued development under its agreement with us could have a material adverse effect on our financial condition. Also, if consolidation trends in the healthcare industry continue, the number of our potential collaborators could decrease, which could have an adverse impact on our development efforts. If a present or future collaborator of ours were to be involved in a business combination, their continued pursuit and emphasis on our product development program could be delayed, diminished or terminated. For example, our collaborative agreement with Vernalis was terminated in January 2004, after British Biotech merged with Vernalis. Vernalis elected to relinquish its rights to develop and commercialize huN901-DM1, the product candidate subject to the collaborative agreement. In addition, Aventis has completed its merger with Sanofi-Synthelabo; the combined entity is now sanofi-aventis. We do not know yet what effect, if any, this will have on our collaboration with Aventis.

If our collaborators' requirements for clinical product that we manufacture for them are significantly lower than we have estimated, our financial results and condition could be significantly harmed.

We procure certain components of finished conjugate including ansamitocin P3, DM1, DM4, related small molecule effector drugs, and linker on behalf of our collaborators. In order to meet our commitments to our collaborators, we are required to enter into agreements with third parties to produce these components well in advance of our production of clinical materials on behalf of our collaborators. If our collaborators do not require as much clinical material as we have contracted to produce, we may not be able to recover our investment in these components and we may suffer significant losses.

In addition, we run a pilot manufacturing facility. A significant portion of the cost of operating this facility, including the cost of manufacturing personnel, is charged to the cost of producing clinical materials on behalf of our collaborators. If we produce fewer batches of clinical materials for our collaborators, less of the cost of operating the pilot manufacturing facility will be charged to our collaborators and our financial condition could be significantly harmed.

We have a history of operating losses and expect to incur significant additional operating losses.

We have generated operating losses since our inception. As of December 31, 2004, we had an accumulated deficit of $214.5 million. For the six months ended December 31, 2004 and the fiscal years ended June 30, 2004, 2003 and 2002, we generated losses of $4.7 million, $5.9 million, $20.0 million and $14.6 million, respectively. We may never be profitable. We expect to incur substantial additional operating expenses over the next several years as our research, development, preclinical testing, clinical studies and collaborator support activities increase. We intend to continue to invest significantly in our product candidates and bring more of the product development process in-house, which will be a time-consuming and expensive process. Further, we expect to invest significant resources supporting our existing collaborators as they work to develop, test and commercialize TAP and other antibody compounds, and we or our collaborators may encounter technological or regulatory difficulties as part of this development and commercialization process that we cannot overcome or remedy. We may also incur substantial marketing and other costs in the future if we decide to establish marketing and sales capabilities to commercialize our product candidates. None of our product candidates has generated any commercial revenue and our only revenues to date have been primarily from upfront and milestone payments, research and development support and clinical materials reimbursement from our collaborative partners. We do not expect to generate revenues from the commercial sale of our product candidates in the foreseeable future, and we may never generate revenues from the commercial sale of products. Even if we do successfully develop products that can be marketed and sold commercially, we will need to generate significant revenues from those products to achieve

and maintain profitability. Even if we do become profitable, we may not be able to sustain or increase profitability on a quarterly or annual basis.

We and our collaborative partners are subject to extensive government regulations and we and our collaborative partners may not be able to obtain necessary regulatory approvals.

We or our collaborative partners may not receive the regulatory approvals necessary to commercialize our product candidates, which could cause our business to be severely harmed. Our product candidates are subject to extensive and rigorous government regulation. The FDA regulates, among other things,

the development, testing, manufacture, safety, record-keeping, labeling, storage, approval, advertising, promotion, sale and distribution of pharmaceutical products. If our potential products are marketed abroad, they will also be subject to extensive regulation by foreign governments. None of our product candidates has been approved for sale in the United States or any foreign market. The regulatory review and approval process, which includes preclinical studies and clinical trials of each product candidate, is lengthy, complex, expensive and uncertain. Securing FDA approval requires the submission of extensive preclinical and clinical data and supporting information to the FDA for each indication to establish the product candidate's safety and efficacy. Data obtained from preclinical and clinical trials are susceptible to varying interpretation, which may delay, limit or prevent regulatory approval. The approval process may take many years to complete and may involve ongoing requirements for post-marketing studies. In light of the limited regulatory history of monoclonal antibody-based therapeutics, regulatory approvals for our products may not be obtained without lengthy delays, if at all. Any FDA or other regulatory approvals of our product candidates, once obtained, may be withdrawn. The effect of government regulation may be to:

- delay marketing of potential products for a considerable period of time;
- limit the indicated uses for which potential products may be marketed;
- impose costly requirements on our activities; and
- provide competitive advantage to other pharmaceutical and biotechnology companies.

We may encounter delays or rejections in the regulatory approval process because of additional government regulation from future legislation or administrative action or changes in FDA policy during the period of product development, clinical trials and FDA regulatory review. Failure to comply with applicable FDA or other applicable regulatory requirements may result in criminal prosecution, civil penalties, recall or seizure of products, total or partial suspension of production or injunction, as well as other regulatory action against our product candidates or us. Outside the United States, our ability to market a product is contingent upon receiving clearances from the appropriate regulatory authorities. This foreign regulatory approval process includes similar risks to those associated with the FDA approval process. In addition, we are, or may become, subject to various federal, state and local laws, regulations and recommendations relating to safe working conditions, laboratory and manufacturing practices, the experimental use of animals and the use and disposal of hazardous substances, including radioactive compounds and infectious disease agents, used in connection with our research work. If we fail to comply with the laws and regulations pertaining to our business, we may be subject to sanctions, including the temporary or permanent suspension of operations, product recalls, marketing restrictions and civil and criminal penalties.

Our product candidates will remain subject to ongoing regulatory review even if they receive marketing approval. If we fail to comply with continuing regulations, we could lose these approvals and the sale of our products could be suspended.

Even if we receive regulatory approval to market a particular product candidate, the approval could be conditioned on us conducting additional costly post-approval studies or could limit the indicated uses included in our labeling. Moreover, the product may later cause adverse effects that limit or prevent its widespread use, force us to withdraw it from the market or impede or delay our ability to obtain regulatory approvals in additional countries. In addition, the manufacturer of the product and its facilities will continue to be subject to FDA review and periodic inspections to ensure adherence to applicable regulations. After receiving marketing approval, the manufacturing, labeling, packaging, adverse event reporting, storage, advertising, promotion and record keeping related to the product will remain subject to extensive regulatory requirements. We may be slow to adapt, or we may never adapt, to changes in existing regulatory requirements or adoption of new regulatory requirements.

If we fail to comply with the regulatory requirements of the FDA and other applicable U.S. and foreign regulatory authorities or previously unknown problems with our products, manufacturers or manufacturing processes are discovered, we could be subject to administrative or judicially imposed sanctions, including:

- restrictions on the products, manufacturers or manufacturing processes;

- warning letters;
- civil or criminal penalties;
- fines;
- injunctions;
- product seizures or detentions;
- import bans;
- voluntary or mandatory product recalls and publicity requirements;
- suspension or withdrawal of regulatory approvals;
- total or partial suspension of production; and
- refusal to approve pending applications for marketing approval of new drugs or supplements to approved applications.

Unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives applicable to our product candidates could limit our potential product revenue.

The regulations governing drug pricing and reimbursement vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed and, in many of these countries, the pricing review period begins only after approval is granted. In some countries, prescription drug pricing remains subject to continuing governmental control even after initial approval is granted. Although we monitor these regulations, our product candidates are currently in the development stage and we will not be able to assess the impact of price regulations for at least several years. As a result, we may obtain regulatory approval for a product in a particular country, but then be subject to price regulations that delay the commercial launch of the product and may negatively impact the revenues we are able to derive from sales in that country.

Successful commercialization of our products will also depend in part on the extent to which coverage and adequate payment for our products will be available from government health administration authorities, private health insurers and other third-party payors. If we succeed in bringing a product candidate to the market, it may not be considered cost-effective and reimbursement to the patient may not be available or sufficient to allow us to sell it at a

satisfactory price. Because our product candidates are in the development stage, we are unable at this time to determine their cost-effectiveness. We may need to conduct expensive studies in order to demonstrate cost-effectiveness. Moreover, third-party payors frequently require that drug companies provide them with predetermined discounts from list prices and are increasingly challenging the prices charged for medical products. Because our product candidates are in the development stage, we do not know the level of reimbursement, if any, we will receive for any products that we are able to successfully develop. If the reimbursement for any of our product candidates is inadequate in light of our development and other costs, our ability to achieve profitability could be affected.

We believe that the efforts of governments and third-party payors to contain or reduce the cost of healthcare will continue to affect the business and financial condition of pharmaceutical and biopharmaceutical companies. A number of legislative and regulatory proposals to change the healthcare system in the United States and other major healthcare markets have been proposed and adopted in recent years. For example, the U.S. Congress enacted a limited prescription drug benefit for Medicare recipients as part of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. While the program established by this statute may increase demand for any products that we are able to successfully develop, if we participate in this program, our prices will be negotiated with drug procurement organizations for Medicare beneficiaries and are likely to be lower than prices we might otherwise obtain. Non-Medicare third-party drug procurement organizations may also base the price they are willing to pay on the rate paid by drug procurement organizations for Medicare beneficiaries. In addition, ongoing initiatives in the United States have and will continue to increase pressure on drug pricing. The announcement or adoption of any such initiative could have an adverse effect on potential revenues from any product candidate that we may successfully develop.

We may be unable to establish the manufacturing capabilities necessary to develop and commercialize our potential products.

Currently, we only have one in-house pilot scale manufacturing facility for the manufacture of conjugated compounds necessary for preclinical and clinical testing. We do not have sufficient manufacturing capacity to manufacture all of our product candidates in quantities necessary for commercial sale. In addition, our manufacturing capacity may be insufficient to complete all clinical trials contemplated by us or our collaborators over time. We intend to rely in part on third-party contract manufacturers to produce sufficiently large quantities of drug materials that are and will be needed for clinical trials and commercialization of our potential products. Third-party manufacturers may not be able to meet our needs with respect to timing, quantity or quality of materials. If we are unable to contract for a sufficient supply of needed materials on acceptable terms, or if we should encounter delays or difficulties in our relationships with manufacturers, our clinical trials may be delayed, thereby delaying the submission of product candidates for regulatory approval and the market introduction and subsequent commercialization of our potential products. Any such delays may lower our revenues and potential profitability.

We may develop our manufacturing capacity in part by expanding our current facilities or building new facilities. Either of these activities would require substantial additional funds and we would need to hire and train significant numbers of employees to staff these facilities. We may not be able to develop manufacturing facilities that are sufficient to produce drug materials for clinical trials or commercial use. We and any third-party manufacturers that we may use must continually adhere to current Good Manufacturing Practices regulations enforced by the FDA through its facilities inspection program. If our facilities or the facilities of third-party manufacturers cannot pass a pre-approval plant inspection, the FDA will not grant approval to our product candidates. In complying with these regulations and foreign regulatory requirements, we and any of our third-party manufacturers will be obligated to expend time, money and effort on production, record-keeping and quality control to assure that our potential products meet applicable specifications and other requirements. If we or any third-party manufacturer with whom we may contract fail to maintain regulatory compliance, we or the third party may be subject to fines and/or manufacturing operations may be suspended.

We have only one in-house pilot manufacturing facility and any prolonged and significant disruption at that facility could impair our ability to manufacture products for clinical testing.

Currently, we are contractually obligated to manufacture Phase I and non-pivotal Phase II clinical products for certain of our collaborators. We manufacture this material in a pilot scale manufacturing facility. We only have one such manufacturing facility in which we can manufacture clinical products. Our current manufacturing facility contains highly specialized equipment and utilizes complicated production processes developed over a number of years that would be difficult, time-consuming and costly to duplicate. Any prolonged disruption in the operations of our manufacturing facility would have a significant negative impact on our ability to manufacture products for clinical testing on our own and would cause us to seek additional third-party manufacturing contracts, thereby increasing our development costs. Even though we carry manufacturing interruption insurance policies, we may suffer losses as a result of business interruptions that exceed the coverage available under our insurance policies. Certain events, such as natural disasters, fire, political disturbances, sabotage or business accidents, which could impact our current or future facilities, could have a significant negative impact on our operations by disrupting our product development efforts until such time as we are able to repair our facility or put in place third-party contract manufacturers to assume this manufacturing role.

We rely on single source suppliers to manufacture the primary component for our small molecule effector drug and DM1 itself and other maytansinoid cytotoxic agents. Any problems experienced by either supplier could negatively affect our operations.

We rely on third-party suppliers for some of the materials used in the manufacturing of TAP product candidates and cytotoxic agents. Our small molecule effector agents include DM1 and DM4 (collectively DMx). DM1 and DM4 are used in our TAP product candidates in preclinical and clinical testing and the subject of most of our collaborations. One of the primary components required to manufacture DM1 and DM4 is their precursor, ansamitocin P3. Currently, only one vendor manufactures and is able to supply us with this material. Any problems experienced by this vendor could result in a delay or interruption in the supply of ansamitocin P3 to us until this vendor cures the problem or until we locate an alternative source of supply. Any delay or interruption in our supply of ansamitocin P3 would likely lead to a delay or interruption in our manufacturing operations and preclinical and clinical trials of our product candidates, which could negatively affect our business. We also have an agreement with only one vendor to convert ansamitocin P3 to DMx. Any problems experienced by this vendor could result in a delay or interruption in the supply of DMx to us until this vendor cures the problem or until we locate an alternative source of supply. Any delay or interruption in our supply of DMx could lead to a delay or interruption in our manufacturing operations and preclinical and clinical trials of our product candidates or our collaborators' product candidates, which could negatively affect our business.

Any inability to license from third parties their proprietary technologies or processes which we use in connection with the development and manufacture of our product candidates may impair our business.

Other companies, universities and research institutions have or may obtain patents that could limit our ability to use, manufacture, market or sell our product candidates or impair our competitive position. As a result, we would have to obtain licenses from other parties before we could continue using, manufacturing, marketing or selling our potential products. Any necessary licenses may not be available on commercially acceptable terms, if at all. If we do

not obtain required licenses, we may not be able to market our potential products at all or we may encounter significant delays in product development while we redesign products or methods that could infringe on the patents held by others.

We may be unable to establish sales and marketing capabilities necessary to successfully commercialize our potential products.

We currently have no direct sales or marketing capabilities. We anticipate relying on third parties to market and sell most of our primary product candidates. If we decide to market our potential products through a direct sales force, we would need to either

hire a sales force with expertise in pharmaceutical sales or contract with a third party to provide a sales force to meet our needs. We may be unable to establish marketing, sales and distribution capabilities necessary to commercialize and gain market acceptance for our potential products and be competitive. In addition, co-promotion or other marketing arrangements with third parties to commercialize potential products could significantly limit the revenues we derive from these potential products, and these third parties may fail to commercialize our potential products successfully.

If our or our collaborators' product candidates do not gain market acceptance, our business will suffer.

Even if clinical trials demonstrate the safety and efficacy of our product candidates and the necessary regulatory approvals are obtained, our product candidates may not gain market acceptance among physicians, patients, healthcare payors and the medical community. The degree of market acceptance of any product candidates that we develop will depend on a number of factors, including:

- the degree of clinical efficacy and safety;
- cost-effectiveness of our product candidates;
- their advantage over alternative treatment methods;
- reimbursement policies of government and third-party payors; and
- the quality of our or our collaborative partners' marketing and distribution capabilities for our product candidates.

Physicians will not recommend therapies using any of our future products until such time as clinical data or other factors demonstrate the safety and efficacy of those products as compared to conventional drug and other treatments. Even if the clinical safety and efficacy of therapies using our products is established, physicians may elect not to recommend the therapies for any number of other reasons, including whether the mode of administration of our products is effective for certain conditions, and whether the physicians are already using competing products that satisfy their treatment objectives. Physicians, patients, third-party payors and the medical community may not accept and use any product candidates that we, or our collaborative partners, develop. If our products do not achieve significant market acceptance, we will not be able to recover the significant investment we have made in developing such products and our business would be severely harmed.

We may be unable to compete successfully.

The markets in which we compete are well established and intensely competitive. We may be unable to compete successfully against our current and future competitors. Our failure to compete successfully may result in pricing reductions, reduced gross margins and failure to achieve market acceptance for our potential products. Our competitors include pharmaceutical companies, biotechnology companies, chemical companies, academic and research institutions and government agencies. Many of these organizations have substantially more experience and more capital, research and development, regulatory, manufacturing, sales, marketing, human and other resources than we do. As a result, they may:

- develop products that are safer or more effective than our product candidates;
- obtain FDA and other regulatory approvals or reach the market with their products more rapidly than we can, reducing the potential sales of our product candidates;
- devote greater resources to market or sell their products;
- adapt more quickly to new technologies and scientific advances;
- initiate or withstand substantial price competition more successfully than we can;
- have greater success in recruiting skilled scientific workers from the limited pool of available talent;
- more effectively negotiate third-party licensing and collaboration arrangements; and
- take advantage of acquisition or other opportunities more readily than we can.

A number of pharmaceutical and biotechnology companies are currently developing products targeting the same types of cancer that we target, and some of our competitors' products have entered clinical trials or already are commercially available. In addition, our product candidates, if approved and commercialized, will compete against well-established, existing, therapeutic products that are currently reimbursed by government health administration authorities, private health insurers and health maintenance organizations. We face and will continue to face intense competition from other companies for

collaborative arrangements with pharmaceutical and biotechnology companies, for relationships with academic and research institutions, and for licenses to proprietary technology. In addition, we anticipate that we will face increased competition in the future as new companies enter our markets and as scientific developments surrounding antibody-based therapeutics for cancer continue to accelerate. While we will seek to expand our technological capabilities to remain competitive, research and development by others may render our technology or product candidates obsolete or noncompetitive or result in treatments or cures superior to any therapy developed by us.

If we are unable to protect our intellectual property rights adequately, the value of our technology and our product candidates could be diminished.

Our success depends in part on obtaining, maintaining and enforcing our patents and other proprietary rights and our ability to avoid infringing the proprietary rights of others. Patent law relating to the scope of claims in the biotechnology field in which we operate is still evolving, is surrounded by a great deal of uncertainty and involves complex legal, scientific and factual questions. To date, no consistent policy has emerged regarding the breadth of claims allowed in biotechnology patents. Accordingly, our pending patent applications may not result in issued patents. Although we own several patents, the issuance of a patent is not conclusive as to its validity or enforceability. Through litigation, a third party may challenge the validity or enforceability of a patent after its issuance. Also, patents and applications owned or licensed by us may become the subject of interference proceedings in the United States Patent and Trademark Office to determine priority of invention that could result in substantial cost to us. An adverse decision in an interference proceeding may result in our loss of rights under a patent or patent application. It is unclear how much protection, if any, will be given to our patents if we attempt to enforce them and they are challenged in court or in other proceedings. A competitor may successfully challenge our patents or a challenge could result in limitations of the patents' coverage. In addition, the cost of litigation or interference proceedings to uphold the validity of patents can be substantial. If we are unsuccessful in these proceedings, third parties may be able to use our patented technology without paying us licensing fees or royalties. Moreover, competitors may infringe our patents or successfully avoid them through design innovation. To prevent infringement or unauthorized use, we may need to file infringement claims, which are expensive and time-consuming. In an infringement proceeding a court may decide that a patent of ours is not valid. Even if the validity of our patents were upheld, a court may refuse to stop the other party from using the technology at issue on the ground that its activities are not covered by our patents. Policing unauthorized use of our intellectual property is difficult, and we may not be able to prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the United States.

In addition to our patent rights, we also rely on unpatented technology, trade secrets, know-how and confidential information. Third parties may independently develop substantially equivalent information and techniques or otherwise gain access to or disclose our technology. We may not be able to effectively protect our rights in unpatented technology, trade secrets, know-how and confidential information. We require each of our employees, consultants and corporate partners to execute a confidentiality agreement at the commencement of an employment, consulting or collaborative relationship with us. However, these agreements may not provide effective protection of our information or, in the event of unauthorized use or disclosure, they may not provide adequate remedies.

If we are forced to litigate or undertake other proceedings in order to enforce our intellectual property rights, we may be subject to substantial costs and liability or be prohibited from commercializing our potential products.

Patent litigation is very common in the biotechnology and pharmaceutical industries. Third parties may assert patent or other intellectual property infringement claims against us with respect to our technologies, products or other matters. Any claims that might be brought against us relating to infringement of patents may cause us to incur significant expenses and, if successfully asserted against us, may cause us to pay substantial damages and limit our ability to use the intellectual property subject to these claims. Even if we were to prevail, any litigation would be costly and time-consuming and could divert the attention of our management and key personnel from our business operations. Furthermore, as a result of a patent infringement suit, we may be forced to stop or delay developing, manufacturing or selling potential products that incorporate the challenged intellectual property unless we enter into royalty or license agreements. There may be third-party patents, patent applications and other intellectual property relevant to our potential products that may block or compete with our products or processes. In addition, we sometimes undertake research and development with respect to potential products even when we are aware of third-party patents that may be relevant to our potential products, on the basis that such patents may be challenged or licensed by us. If our subsequent challenge to such patents were not to prevail, we may not be able to commercialize our potential products after having already incurred significant expenditures unless we are able to license the intellectual property on commercially reasonable terms. We may not be able to obtain royalty or license agreements on terms acceptable to us, if at all. Even if we were able to obtain

licenses to such technology, some licenses may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. Ultimately, we may be unable to commercialize some of our potential products or may have to cease some of our business operations, which could severely harm our business.

We use hazardous materials in our business, and any claims relating to improper handling, storage or disposal of these materials could harm our business.

Our research and development activities involve the controlled use of hazardous materials, chemicals, biological materials and radioactive compounds. We are subject to federal, state and local laws and regulations governing the use, manufacture, storage, handling and disposal of these materials and certain waste products. Although we believe that our safety procedures for handling and disposing of these materials comply with the standards prescribed by applicable laws and regulations, we cannot completely eliminate the risk of accidental contamination or injury from these materials. In the event of such an accident, we could be held liable for any resulting damages, and any liability could exceed our resources. We may be required to incur significant costs to comply with these laws in the future. Failure to comply with these laws could result in fines and the revocation of permits, which could prevent us from conducting our business.

We face product liability risks and may not be able to obtain adequate insurance.

The use of our product candidates during testing or after approval entails an inherent risk of adverse effects, which could expose us to product liability claims. Regardless of their merit or eventual outcome, product liability claims may result in:

- decreased demand for our product;
- injury to our reputation and significant media attention;

- withdrawal of clinical trial volunteers;
- costs of litigation;
- distraction of management; and
- substantial monetary awards to plaintiffs.

We may not have sufficient resources to satisfy any liability resulting from these claims. We currently have $5.0 million of product liability insurance for products which are in clinical testing. This coverage may not be adequate in scope to protect us in the event of a successful product liability claim. Further, we may not be able to maintain our current insurance or obtain general product liability insurance on reasonable terms and at an acceptable cost if we or our collaborative partners begin commercial production of our proposed product candidates. This insurance, even if we can obtain and maintain it, may not be sufficient to provide us with adequate coverage against potential liabilities.

We depend on our key personnel and we must continue to attract and retain key employees and consultants.

We depend on our key scientific and management personnel. Our ability to pursue the development of our current and future product candidates depends largely on retaining the services of our existing personnel and hiring additional qualified scientific personnel to perform research and development. We will also need to hire personnel with expertise in clinical testing, government regulation, manufacturing, marketing and finance. Attracting and retaining qualified personnel will be critical to our success. We may not be able to attract and retain personnel on acceptable terms given the competition for such personnel among biotechnology, pharmaceutical and healthcare companies, universities and non-profit research institutions. Failure to retain our existing key management and scientific personnel or to attract additional highly qualified personnel could delay the development of our product candidates and harm our business.

If we are unable to obtain additional funding when needed, we may have to delay or scale back some of our programs or grant rights to third parties to develop and market our products.

We will continue to expend substantial resources developing new and existing product candidates, including costs associated with research and development, acquiring new technologies, conducting preclinical and clinical trials, obtaining regulatory approvals and manufacturing products as well as providing certain support to our collaborators in the development of their products. We believe that our current working capital and future payments, if any, from our collaboration arrangements, including committed research funding that we expect to receive from Aventis pursuant to the terms of our collaboration agreement, will be sufficient to

meet our current and projected operating and capital requirements for at least the next three to five years. However, we may need additional financing sooner due to a number of factors including:

- if either we or any of our collaborators incur higher than expected costs or experience slower than expected progress in developing product candidates and obtaining regulatory approvals;
- lower revenues than expected under our collaboration agreements; or
- acquisition of technologies and other business opportunities that require financial commitments.

Additional funding may not be available to us on favorable terms, or at all. We may raise additional funds through public or private financings, collaborative arrangements or other arrangements. Debt financing, if available, may involve covenants that could restrict our business activities. If we are unable to raise additional funds through equity or debt financing when needed, we may be required to delay, scale back or eliminate expenditures for some of our development programs or grant rights to develop and market product candidates that we would otherwise prefer to internally develop and market. If we are required to grant such rights, the ultimate value of these product candidates to us may be reduced.

Fluctuations in our quarterly revenue and operating results may cause our stock price to decline.

Our operating results have fluctuated in the past and are likely to continue to do so in the future. Our revenue is unpredictable and may fluctuate due to the timing of non-recurring licensing fees, decisions of our collaborative partners with respect to our agreements with them, reimbursement for manufacturing services, the achievement of milestones and our receipt of the related milestone payments under new and existing licensing and collaboration agreements. Revenue historically recognized under our prior collaboration agreements may not be an indicator of revenue from any future collaborations. In addition, our expenses are unpredictable and may fluctuate from quarter-to-quarter due to the timing of expenses, which may include obligations to manufacture or supply product or payments owed by us under licensing or collaboration agreements. It is possible that our quarterly operating results will not meet the expectations of securities analysts or investors, causing the market price of our common stock to decline. We believe that quarter-to-quarter comparisons of our operating results are not a good indicator of our future performance and should not be relied upon to predict the future performance of our stock price.

We do not intend to pay cash dividends on our common stock.

We have not paid cash dividends since our inception and do not intend to pay cash dividends in the foreseeable future. Therefore, shareholders will have to rely on appreciation in our stock price, if any, in order to achieve a gain on an investment.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

We maintain an investment portfolio in accordance with our Investment Policy. The primary objectives of our Investment Policy are to preserve principal, maintain proper liquidity to meet operating needs and maximize yields. Although our investments are subject to credit risk, our Investment Policy specifies credit quality standards for our investments and limits the amount of credit exposure from any single issue, issuer or type of investment. Our investments are

also subject to interest rate risk and will decrease in value if market interest rates increase. However, due to the conservative nature of our investments and relatively short duration, interest rate risk is mitigated. We do not own derivative financial instruments in our investment portfolio.

Accordingly, we do not believe that there is any material market risk exposure with respect to derivative or other financial instruments that would require disclosure under this item.

ITEM 4. Controls and Procedures

(a) *Evaluation of Disclosure Controls and Procedures*

As of the end of the period covered by this report, the Company's principal executive officer and principal financial officer evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have concluded, based on such evaluation, that the design and operation of the Company's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Company, including its consolidated subsidiaries, was made known to them by others within those entities, particularly during the period in which this Quarterly Report on Form 10-Q was being prepared.

(b) *Changes in Internal Controls*

There were no changes, identified in connection with the evaluation described above, in the Company's internal controls over financial reporting or in other factors that could significantly affect those controls that have materially affected or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 2. Changes in Securities and Use of Proceeds.

During the six months ended December 31, 2004, holders of options issued under the Company's Restated Stock Option Plan exercised their rights to acquire an aggregate of 38,505 shares of common stock at prices ranging from $0.84 to $3.95 per share. The total proceeds from these option exercises, approximately $90,300, will be used to fund current operations.

ITEM 4. Submission of Matters to a Vote of Security Holders.

The 2004 Annual Meeting of Shareholders of the Company was held at 10:00 a.m., Boston time, on Tuesday, November 9, 2004. At the Annual Meeting, six members were elected to the Board of Directors. The Company also sought and received shareholder approval of a proposal to increase the aggregate shares for which stock options may be granted under the Company's Restated Stock Option Plan from 7,350,000 to 8,550,000.

Subsequent to the shareholder vote the following directors' terms of office continued after the Annual Meeting: Mitchel Sayare, the Chairman of the Board, Walter A. Blättler, David W. Carter, Stuart F. Feiner, Mark Skaletsky, and Joseph J. Villafranca.

DIRECTOR	FOR	WITHHELD
Mitchell Sayare, Ph. D.	36,946,733	1,753,354
Walter A. Blattler, Ph. D.	36,939,905	1,760,182
David W. Carter	35,158,536	3,541,551
Stuart F. Feiner	36,861,674	1,838,413
Mark Skaletsky	35,606,087	3,094,000
Joseph J. Villafranca, Ph. D.	35,620,733	3,079,354

To approve the proposal to the Company's Restated Stock Option Plan:

FOR:	17,801,395	76.56%
AGAINST:	5,370,461	23.10%
ABSTAIN:	80,617	0.35%
NO VOTE:	15,447,614	

ITEM 5. Other Information.

On November 9, 2004, as noted above, the stockholders of the Company approved amendments to the Restated Stock Option Plan to increase the aggregate shares for which stock options may be granted under the Company's Restated Option Plan from 7,350,000 to 8,550,000. The Plan was also amended to ensure that non-qualified options issued under the Plan do not have a price per share less than fair market value on the date of grant. Further, the Plan was similarly amended to require shareholder approval of material amendments to the Plan.

ITEM 6. Exhibits.

(a) Exhibits

10.1*	Development and license agreement with Biogen Idec., Inc. dated October 1, 2004.
10.2*	Development and license agreement with Centocor dated December 23, 2004
31.1	Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Principal Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.

32. Certifications of Chief Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.

99.1 ImmunoGen, Inc. Restated Stock Option Plan as amended February 2, 2005 (Exhibit 99.1 to the Registration Statement on Form S-8, as filed with the SEC on February 4, 2005 and incorporated herein by reference).

* Confidential treatment requested as to certain portions of the document, which portions have been omitted and filed separately with the Securities and Exchange Commission.

SIGNATURES

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

ImmunoGen, Inc.

Date: February 9, 2005

By: /s/ Mitchel Sayare
Mitchel Sayare
President and Chief Executive Officer
(principal executive officer)

Date: February 9, 2005

By: /s/ Karleen M. Oberton
Karleen M. Oberton
Senior Corporate Controller
(principal financial and accounting officer)

DEVELOPMENT AND LICENSE AGREEMENT

This Development and License Agreement (this "Agreement") is made effective as of October 1, 2004 (the "Effective Date") by and between Biogen Idec MA Inc., a Massachusetts corporation with its principal place of business at 14 Cambridge Center, Cambridge, Massachusetts 02142 ("Biogen Idec"), and ImmunoGen, Inc., a Massachusetts corporation with its principal place of business at 128 Sidney Street, Cambridge, Massachusetts 02139 ("ImmunoGen"). Biogen Idec and ImmunoGen are sometimes each hereinafter referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, Biogen Idec is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to certain **[***]** Antibodies (as defined below); and

WHEREAS, ImmunoGen is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to or otherwise useful in the conjugation of maytansine derivatives to binding proteins; and

WHEREAS, pursuant to the terms and conditions set forth herein, Biogen Idec desires to obtain from ImmunoGen, and ImmunoGen desires to grant to Biogen Idec, a license under certain of ImmunoGen's technology and/or intellectual property rights to develop and commercialize one or more Licensed Products (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

Whenever used in the Agreement with an initial capital letter, the terms defined in this Section 1 shall have the meanings specified.

1.1. "**Adverse Drug Experience"** is defined in 21 CFR 310.305, 21 CFR 314.80, and 21 CFR 600.80, as amended, or any replacements thereof.

1.2. "**Affiliate**" shall mean any corporation, firm, limited liability company, partnership or other entity which directly or indirectly controls or is controlled by or is under common control with a Party to this Agreement. For purposes of this Section 1.2, "control" means ownership, directly or indirectly through one or more Affiliates, of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interests in the case of any other type of legal entity, or status as a general partner in the case of any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body or management of a corporation or other entity.

1.3. "**Agreement**" shall mean this Development and License Agreement between the Parties, dated as of the Effective Date, including any exhibits, schedules or other attachments hereto and incorporated herein, as any of the foregoing may be validly amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of any exhibits, schedules or other attachments incorporated herein, unless the Parties expressly agree otherwise in writing, the terms of this Agreement shall govern.

1.4. "**Antibody**" shall mean a composition comprising a whole antibody or fragment thereof (whether polyclonal or monoclonal, multiple or single chain, recombinant, transgenic animal derived or naturally occurring, and any constructs thereof) or having been derived from nucleotide sequences encoding, or amino acid sequences of, such an antibody or fragment.

1.5. **"[**********]"** shall mean any Program Technology that is a structural modification, formulation, method of use, administration or delivery of an **[***] [***]** or other **[***]** not **[***]** to a **[***] [**********]**.

1.6. "**[***] Antibody**" shall mean any Antibody that is Controlled by Biogen Idec and that binds with a protein encoded by any gene within the **[***]** Gene Family.

1.7. "**Biogen Idec Background Technology**" means any Technology used by Biogen Idec, or provided by Biogen Idec for use, in the Research Program that is useful in the Field and that is (a) Controlled by Biogen Idec as of the Effective Date or (b) Controlled by Biogen Idec and developed or conceived by employees of, or consultants to, Biogen Idec on and after the Effective Date in the conduct of activities outside the Research Program and without the use of any Licensed Technology, Licensed Patent Rights or Joint Program Technology.

1.8. "**Biogen Idec Patent Rights**" shall mean all Patent Rights with respect to Biogen Idec Background Technology.

1.9. "**Biogen Idec Program Technology**" shall mean any Program Technology made solely by employees of, or agents or others obligated to assign inventions to, Biogen Idec or a Biogen Idec Affiliate.

1.10. **"BLA**" shall mean a biologics license application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed with the FDA seeking Regulatory Approval to market and sell any Licensed Product in the United States for a particular indication within the Field.

1.11. "**Clinical Materials**" shall mean any MAY Compound and/or **[*****]**-MAY Conjugates supplied by ImmunoGen to Biogen Idec pursuant to Section 4.3 and/or the Supply Agreement for use in human clinical testing.

1.12. "**Collaboration Committee**" shall mean the committee with representatives of each Party established as set forth in Section 3.4.

1.13. "**Combination Product**" shall mean a product containing both a Licensed Product and one or more other active ingredients in addition to the Licensed Product that are not covered by the Licensed Patent Rights or do not incorporate Licensed Technology where the other active ingredients have independent, additive or synergistic diagnostic, prophylactic or therapeutic effect in the disease or indication for which the Combination Product is labeled, whether the Licensed Product and the other active ingredients are together in a physical mixture or packaged and priced together as a single product.

1.14. "**Commercialization**" or "**Commercialize**" shall mean any and all activities constituting importing, marketing, distributing, offering for sale, selling, making, having made, exporting, having exported and supporting the Licensed Product in the Territory for use in the Field. Commercialization shall include, but not be limited to, promotion as well as post-approval clinical trial and regulatory activities, including Adverse Drug Experience reporting. When used as a verb, Commercialize shall mean to engage in Commercialization.

1.15. "**Confidential Information**" shall mean, with respect to a Party (the "receiving Party"), all information which is disclosed by the other Party (the "disclosing Party") to the receiving Party hereunder or to any of its employees, consultants, Affiliates or Sublicensees,

except to the extent that the receiving Party can demonstrate by written record or other suitable physical evidence that such information, (a) prior to the disclosure is demonstrably known to the receiving Party or its Affiliates other than by virtue of a prior confidential disclosure to such Party or its Affiliates; (b) as of the date of disclosure is in, or subsequently enters, the public domain, through no fault or omission of the receiving Party; (c) is obtained from a Third Party having a lawful right to make such disclosure free from any obligation of confidentiality to the disclosing Party; or (d) is independently developed by or for the receiving Party without reference to or reliance upon any Confidential Information of the Disclosing Party. For purposes of clarity, subject to the exceptions in the preceding sentence or as otherwise set forth in this Agreement, (a) any technical or financial information of a disclosing Party disclosed at any meeting of the Collaboration Committee, or disclosed through an audit or other report shall constitute Confidential Information of such disclosing Party, (b) the terms of this Agreement, to the extent not disclosed in a public filing or press release permitted under Section 6 of this Agreement, shall constitute Confidential Information of each Party unless otherwise specified, (c) all know-how and trade secrets disclosed by ImmunoGen to Biogen Idec in connection with the licenses set forth in Section 2.1 of this Agreement shall constitute Confidential Information of ImmunoGen, and (d) all know-how and trade secrets disclosed by Biogen Idec to ImmunoGen in connection with the license set forth in Section 2 of this Agreement shall constitute Confidential Information of Biogen Idec.

1.16. "**Consumer Price Index or CPI"** shall mean the CPI for All Urban Consumers published from time to time by the Bureau of Labor Statistics of the United States Department of Labor.

1.17. "**Contract Year**" shall mean the period beginning on the Effective Date and ending on December 31, 2004 and each succeeding calendar year thereafter during the Term.

1.18. "**Control**" or "**Controlled**" shall mean, with respect to any Patent Rights Technology or Proprietary Materials (including, without limitation, any MAY Compound, **[***]** Antibody or other proprietary biologic material covered under this Agreement), the possession by a Party of the ability to grant a license or sublicense (other than by rights granted in this Agreement) of such Patent Rights or Technology and the rights thereto or to supply such

Proprietary Materials as provided for in this Agreement without violating the terms of any arrangement or agreement between such Party or its Affiliates and any Third Party.

1.19. "**Cost**" shall mean, with respect to any Preclinical Materials or Clinical Materials manufactured and QC tested by ImmunoGen, ImmunoGen's fully-burdened costs (including the costs associated with product testing and release activities) of producing and packaging such Preclinical or Clinical Materials, including the sum of the following components: (a) direct costs, including (1) materials directly used in producing and packaging such Preclinical Materials or Clinical Materials and (2) with respect to any Preclinical Materials or Clinical Materials obtained by ImmunoGen from a Third Party and supplied to Biogen Idec without modification, the amount paid by ImmunoGen to such Third Party for the same; (b) an allocation of manufacturing overhead costs, including manufacturing and quality labor and manufacturing and quality supervisory services, operating and administrative costs of the

manufacturing and quality departments and occupancy costs which are allocable to company departments based on space occupied or headcount, or another activity-based method; (c) any other reasonable out-of-pocket costs borne by ImmunoGen for the testing, transport, customs clearance, duty, insurance and/or storage of such Preclinical Materials or Clinical Materials; and (d) ImmunoGen's general and administrative costs, including purchasing, human resources, payroll, information system and accounting, which are allocable to its departments based on space occupied or headcount or another activity-based method, according to GAAP. Manufacturing overhead costs under the foregoing clause (b) and administrative costs under the foregoing clause (d) are allocable to each batch of Preclinical Material and/or Clinical Material produced based upon the **[***]** of **[***]**, or any portion of a **[***]**, that a manufacturing **[***]** is **[***]** to the **[***]** (including **[******]** and **[********]**) of **[***]**-MAY Conjugate at ImmunoGen's facilities. Notwithstanding the foregoing, Cost shall not include the cost of purchasing any Dedicated Equipment pursuant to Section 4.4 of this Agreement.

1.20. "**[***] Gene Family**" shall mean the family of human **[***]** genes that encode the proteins known as, **[*****]** or **[**********]** (**[***]**) **[***]**, the polypeptide sequences which are set forth on Schedule C attached hereto, any polynucleotide encoding an amino acid sequence at least **[***]**% identical to the aforementioned polypeptide sequences.

1.21. "**[***]-MAY Conjugate**" shall mean any conjugate of an **[***]** Antibody with a MAY Compound.

1.22. "**Dedicated Equipment**" shall mean any equipment, instrument or machinery used by ImmunoGen exclusively in the manufacturing of Preclinical Materials or Clinical Materials.

1.23. "**Development**" and "**Develop**" shall mean, with respect to any Licensed Product, all activities with respect to such Licensed Product relating to research and development in connection with seeking, obtaining and/or maintaining any Regulatory Approval for such Licensed Product in the Field in the Territory, including without limitation, all pre-clinical research and development activities, test method development and stability testing, toxicology, formulation, process development, manufacturing scale-up, development-stage manufacturing, quality assurance/quality control development and performance, all activities relating to developing the ability to manufacture any Licensed Product or any component thereof (including, without limitation, process development work), and all other activities relating to seeking, obtaining and/or maintaining any Regulatory Approvals from the FDA and/or any Foreign Regulatory Authority and Adverse Drug Experience reporting.

1.24. "**Drug Approval Application**" shall mean any application for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Licensed Product in any country or jurisdiction in the Territory, including, without limitation, (a) any BLA, NDA or other regulatory application filed with the FDA prior to any commercial sale or use of a Licensed Product in the United States, and (b) any MAA or other equivalent regulatory application filed with any Foreign Regulatory Authority for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Licensed Product in any other country or jurisdiction in the Territory.

1.25. "**Effective Date**" shall mean the date first written above in the introductory paragraph to this Agreement.

1.26. "**EMEA**" shall mean the European Medicines Agency and any successor agency or authority thereto.

1.27. "**FDA**" shall mean the United States Food and Drug Administration and any successor agency or authority thereto.

1.28. "**Field**" shall mean all human therapeutic, diagnostic and prophylactic uses.

1.29. "**First Commercial Sale**" shall mean the date of the first commercial transfer or disposition to a Third Party of a Licensed Product by or on behalf of Biogen Idec or any Affiliate or Sublicensee of Biogen Idec.

1.30. "**Foreign Regulatory Authority**" shall mean the EMEA and any other applicable supranational, national, federal, state or local regulatory agency, department, bureau or other governmental entity of any country or jurisdiction in the Territory (other than the FDA in the United States), having responsibility in such country or jurisdiction for any Regulatory Approvals of any kind in such country or jurisdiction, and any successor agency or authority thereto.

1.31. "**Full Time Equivalent**" or "**FTE**" shall mean the equivalent of one person-year of work on the Research Program, consisting of **[*****]** or **[**********]**, and which is carried out by employees, contractors or agents of ImmunoGen having the appropriate scientific expertise to conduct such activities. For the purposes of this Agreement, **[***]** person **[***]** be **[***]** as **[***]** than **[***]** **[***]** in any given year.

1.32. "**FTE Cost**" shall mean, for any period during the Term of this Agreement, the FTE Rate multiplied by the number of FTEs expended over such period.

1.33. "**FTE Rate**" shall mean, for the **[***]** **[***]** **[***]** Contract Year commencing on the Effective Date, **[***]**; and, for each Contract Year thereafter, the result obtained by multiplying **[***]** by the sum of (1+CPI) where CPI is a fraction, the numerator of which is the difference between the

Consumer Price Index as of the last month of the immediately preceding Contract Year and the Consumer Price Index as of the month immediately preceding the Effective Date and the denominator of which is the Consumer Price Index as of the month immediately preceding the Effective Date.

1.34. "**GMPs**" shall mean all good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.35. "**Gross Sales**" shall mean the gross amount invoiced by Biogen Idec or its Affiliates or Sublicensees for sales of a Licensed Product to Third Parties in the Territory, including sales to distributors. Note for purposes of clarification, Gross Sales will include Biogen Idec's revenue from distributors, and not revenue of the distributors themselves. A sale

or transfer of a Licensed Product by Biogen Idec to one of its Affiliates or Sublicensees shall not be considered a sale to a Third Party for the purpose of this provision but the resale of such Licensed Product by such Affiliate or Sublicensee to a Third Party shall be a sale for such purposes. In the event the Licensed Product is sold in the form of a Combination Product, Gross Sales will be determined by multiplying actual Gross Sales of such Combination Product by the fraction A/(A + B), where A is the invoice price of the Licensed Product, if sold separately, and B is the invoice price of any other active component or components in the combination, if sold separately, in each case in the same country and in the same class, purity and dosage as in the Combination Product. If, on a country-by-country basis, the other active component or components in the combination are not sold separately in such country, Gross Sales shall be calculated by multiplying actual Gross Sales of such Combination Product by the fraction A/C where A is the invoice price of the Licensed Product if sold separately, and C is the invoice price of the Combination Product, in each case in the same country and in the same class, purity and dosage as in the Combination Product. If, on a country-by-country basis, the Licensed Product component of the Combination Product is not sold separately in such country, but the other active component or components are sold separately, Gross Sales shall be calculated by multiplying actual Gross Sales of such Combination Product by the fraction (C-B)/C where B is the invoice price of the other active component or components, if sold separately, and C is the invoice price of the Combination Product, in each case in the same country and in the same class, purity and dosage as in the Combination Product. If, on a country-by-country basis, neither the Licensed Product nor the other active component or components of the Combination Product is sold separately in such country, Gross Sales, for such Combination Product shall be determined by the Parties in good faith.

1.36. "**ImmunoGen Materials**" shall mean any Proprietary Materials Controlled by ImmunoGen and used by ImmunoGen, or provided by ImmunoGen for use, in the Research Program. ImmunoGen Materials shall include, without limitation, any MAY Compound.

1.37. "**ImmunoGen Program Technology**" shall mean any Program Technology made solely by employees of, or agents or others obligated to assign inventions to, ImmunoGen or an ImmunoGen Affiliate.

1.38. "**Improvements**" shall mean, collectively, **[**********]**, Licensed Technology Improvements, **[**********]** and MAY Compound Improvements.

1.39. "**IND**" shall mean an investigational new drug application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed or to be filed with the FDA with regard to any Licensed Product.

1.40. "**Indemnitees**" and "**Indemnifying Party**" shall have the meanings set forth in Section 9.

1.41. "**Joint Program Technology**" shall mean any Program Technology made jointly by at least one employee or agent to, or other person obligated to assign inventions to, ImmunoGen or an ImmunoGen Affiliate, and by at least on employee or agent to, or other person obligated to assign inventions to, Biogen Idec or a Biogen Idec Affiliate.

1.42. "**Licensed Patent Rights**" shall mean any Patent Rights which are Controlled by ImmunoGen or its Affiliates as of the Effective Date or become Controlled by ImmunoGen or its Affiliates during the Term (including without limitation ImmunoGen's interest in any Improvements Controlled by ImmunoGen or an ImmunoGen Affiliate, and ImmunoGen Program Technology and Joint Program Technology covered by Patent Rights), to the extent necessary or useful to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any **[***]**-MAY Conjugate in the Field in the Territory. Certain Licensed Patent Rights existing as of the Effective Date are set forth in Schedule A attached hereto and incorporated herein by reference.

1.43. "**Licensed Product**" shall mean any product (a) that incorporates, is comprised of, or is otherwise derived from Licensed Technology, or (b) the Development, Commercialization, manufacture, use, sale, offer for sale, importation or exportation of which would, but for the license granted herein, infringe a Valid Claim of the Licensed Patent Rights.

1.44. "**Licensed Technology**" shall mean any Technology which is Controlled by ImmunoGen or its Affiliates as of the Effective Date or becomes Controlled by ImmunoGen of its Affiliates during the Term (including without limitation ImmunoGen's interest in any Improvements Controlled by ImmunoGen or its Affiliates, ImmunoGen Program Technology and Joint Program Technology), which is necessary or useful for the Development,

Commercialization, manufacture, use, sale, offer for sale, import or export of any **[***]**-MAY Conjugate in the Field in the Territory.

1.45. "**Licensed Technology Improvements**" shall mean any Technology (including without limitation any Program Technology), other than **[*******] [***]**, MAY Compound Improvements or **[*****] [*****]**, conceived or reduced to practice in the course of Development of Licensed Products as a result of the use of Licensed Technology or Licensed Patent Rights or ImmunoGen Materials, that is an enhancement, improvement or modification to the Licensed Technology or to an invention claimed in the Licensed Patent Rights. Licensed Technology Improvements does not include modifications related to humanization or other structural modifications, formulation, method of use, administration or delivery of an Antibody.

1.46. **"[**********]"** shall mean any Program Technology that is an **[***]**, **[***]** or **[***]** to **[***]** useful for **[***]** a **[***]** or **[********]**, such as a **[*******]**, to **[***]** or other **[**********]**.

1.47. "**MAA**" shall mean an application filed with the EMEA to market and sell any Licensed Product in the European Union or any country or territory therein for a particular indication within the Field.

1.48. "**MAY Compound**" shall mean any and all maytansinoid compounds, including, without limitation (a) $N^{2'}$-deacetyl-$N^{2'}$-(3-mercapto-1-oxopropyl)-maytansine (CAS No. 139504-50-0) (commonly referred to as DM1); (b) $N^{2'}$-deacetyl-N^{2}-(4-mercapto-1-oxopentyl)-maytansine (commonly referred as DM3); and (c) $N^{2'}$-deacetyl-N^{2}-(4-mercapto-4-methyl-1-oxopentyl)-maytansine (commonly referred as DM4), and all fragments, variants and derivatives of such maytansinoid compounds.

1.49. **"MAY Compound Improvements"** shall mean any Technology (including without limitation any Program Technology) conceived or reduced to practice in the course of Development of Licensed Products, that is an enhancement, improvement or modification of a MAY Compound, and any compositions or methods useful for the manufacture of such MAY Compound.

1.50. **"MTA"** shall mean that certain Material Transfer and Evaluation Agreement between Biogen, Inc. and ImmunoGen dated **[***]**, **[***]**, as amended by amendments dated **[***]**, **[***]**, **[***]**, **[***]**, **[***]**, **[***]** and **[***]**, **[***]**.

1.51. "**NDA**" shall mean a new drug application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed with the FDA seeking Regulatory Approval to market and sell any Licensed Product in the United States for a particular indication within the Field.

1.52. "**Net Sales**" shall mean Gross Sales of a Licensed Product less applicable Sales Returns and Allowances.

1.53. "**Patent Rights**" shall mean the rights and interests in and to any and all issued patents and pending patent applications (including inventor's certificates, applications for inventor's certificates, statutory invention registrations, applications for statutory invention registrations, utility models, and any foreign equivalents thereof) in any country or jurisdiction in the Territory, including any and all provisionals, non-provisionals, substitutions, continuations, continuations-in-part, divisionals and other continuing applications, supplementary protection certificates, renewals, and all letters patent on any of the foregoing, and any and all reissues, reexaminations, extensions, confirmations, registrations and patents of addition on any of the foregoing.

1.54. "**Phase II Clinical Trial**" shall mean, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety, dose ranging and efficacy of such Licensed Product for such indication, which is prospectively designed to generate sufficient data (if successful) to commence a Pivotal Clinical Trial of such Licensed Product for such indication.

1.55. "**Pivotal Clinical Trial**" shall mean, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety and efficacy of such Licensed Product for such indication, which is prospectively designed to demonstrate statistically whether such Licensed Product is safe and effective for use in such indication in a manner sufficient to file an NDA or BLA to obtain Regulatory Approval to market and sell that Licensed Product in the United States or in any other country in the Territory for the indication under investigation in such study.

1.56. "**Preclinical Materials**" shall mean any MAY Compound and/or **[***]**-MAY Conjugates supplied by ImmunoGen to Biogen Idec under Section 4.2 for the purpose of conducting research activities and/or preclinical testing with respect to a Licensed Product.

1.57. "**Program Technology**" shall mean any Technology, whether or not patentable, conceived or reduced to practice in the conduct of the Research Program, or during manufacture of Preclinical Material or Clinical Material.

1.58. "**Proprietary Materials**" shall mean any tangible chemical, biological or physical research materials that are furnished by or on behalf of one Party to the other Party in connection with this Agreement, regardless of whether such materials are specifically designated as proprietary by the transferring Party.

1.59. "**Regulatory Approval**" shall mean any and all approvals (including pricing and reimbursement approvals), product and establishment licenses, registrations or authorizations of any kind of any Regulatory Authority necessary for the development, pre-clinical and/or human clinical testing, manufacture, quality testing, supply, use, storage, importation, export, transport, marketing and sale of a Licensed Product (or any component thereof) for use in the Field in any country or other jurisdiction in the Territory.

1.60. "**Regulatory Authority**" shall mean the FDA and/or a Foreign Regulatory Authority.

1.61. "**Research Plan**" shall mean the written plan describing the research activities to be carried out by each Party pursuant to this Agreement.

1.62. "**Research Program**" shall mean the research activities in the Field commencing after the Effective Date to be conducted by the Parties pursuant to Section 3.1 of this Agreement and reflected in the Research Plan.

1.63. "**Sales Returns and Allowances**" shall mean the sum of (a) and (b), where: (a) is a provision, determined by Biogen Idec under U.S. GAAP for sales of Licensed Product in the Territory for (i) trade, cash and quantity discounts on Licensed Product (other than price discounts granted at the time of invoicing and which are already included in the determination of Gross Sales), (ii) credits or allowances given or made for rejection or return of previously sold Licensed Product or for rebates or retroactive price reductions (including Medicare, Medicaid and similar types of rebates and chargebacks), (iii) taxes, duties or other governmental charges levied on or measured by the billing amount for Licensed Product, as adjusted for rebates and refunds (excluding income and franchise taxes), (iv) charges for freight and insurance directly related to the distribution of Licensed Product, to the extent included in Gross Sales, and (v)

credits for allowances given or made for wastage replacement, indigent patient and any other sales programs for Licensed Product to the extent the sale of the Licensed Product was included in Gross Sales and the credit is applied against such Gross Sales; and (b) is a periodic adjustment of the provision determined in (a) to reflect amounts actually incurred by Biogen Idec in the Territory for items (i), (ii), (iii), (iv) and (v) in clause (a).

1.64. "**Sublicensee**" shall mean any Third Party expressly sublicensed by Biogen Idec in accordance with Section 2.1(a)(ii) of this Agreement. A Sublicensee shall not include (a) a distributor or other Third Party who purchases Licensed Products for the sole purpose of selling such Licensed Products but not to make, have made or formulate Licensed Product (other than a license to perform final packaging of Licensed Product) or (b) a Third Party who primarily performs sales and/or marketing activities with respect to such Licensed Products.

1.65. "**Target**" shall mean any antigen with which a particular Antibody interacts, and any fragment, peptide or epitope thereof.

1.66. "**Technology**" shall mean and include any and all unpatented proprietary ideas, trade secrets, inventions, discoveries, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, know-how, technical information (including, without limitation, structural and functional information), process information, pre-clinical information, clinical information, and any and all proprietary biological, chemical, pharmacological, toxicological, pre-clinical, clinical, assay, control and manufacturing data and materials.

1.67. "**Term**" shall mean the period commencing on the Effective Date and continuing until the expiration or termination of this Agreement in accordance with the terms hereof.

1.68. "**Territory**" shall mean all countries and jurisdictions of the world.

1.69. "**Third Party**", as to a Party, shall mean any entity other than the Party and its respective Affiliates.

1.70. "**Third Party Payments**" shall have the meaning set forth in Section 5.3(b).

1.71. "**Upfront Fee**" shall have the meaning set forth in Section 5.1(a).

1.72. "**Valid Claim**" shall mean a claim (i) of any issued, unexpired patent within the Licensed Patent Rights that (a) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, or (b) has not been revoked, held invalid, or declared unpatentable or unenforceable in a decision of a court or other

body of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal, or (c) has not been rendered unenforceable through disclaimer or otherwise, or (d) is not lost through an interference proceeding; or (ii) of any patent application within the Licensed Patent Rights that shall not have been (a) cancelled, withdrawn, abandoned, or (b) been pending for more than **[***]** (**[***]**) years.

2. GRANT OF RIGHTS

2.1 License Grants.

(a) Commercialization License.

(i) License to Biogen Idec. Subject to the terms and conditions of this Agreement, ImmunoGen hereby grants to Biogen Idec an exclusive, royalty-bearing license, including the right to grant sublicenses as described in Section 2.1(a)(ii) below, under the Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported Licensed Products in the Field in the Territory. Biogen Idec shall have the full and unrestricted right to extend the licenses granted under this Section 2.1(a)(i) and elsewhere under this Agreement to its Affiliates. Biogen Idec shall promptly advise ImmunoGen in writing of any such extension to its Affiliates. **[***]** shall be responsible for paying any royalty obligations that ImmunoGen may have to any of its Affiliates or to any Third Party under agreements between ImmunoGen and such Affiliates or Third Parties in effect as of the Effective Date arising from the license grant herein.

(ii) Right to Sublicense. Biogen Idec shall have the right freely to grant sublicenses to all or any portion of its rights under the license rights granted pursuant to Section 2.1(a)(i) hereof to any Third Party; provided, however, that (1) ImmunoGen shall be notified in writing of each such sublicense, (2) any and all sublicenses shall be consistent with the terms and conditions of this Agreement, and (3) Biogen Idec shall remain obligated for the payment to ImmunoGen of all of its payment obligations hereunder, including, without limitation, the payment of any milestones and royalties described in Section 5 hereof.

(b) Research Licenses.

(i) Research License to Biogen Idec. Subject to the terms and conditions of this Agreement, during the Term of this Agreement, ImmunoGen hereby grants to Biogen Idec a fully paid up, non-exclusive, royalty free, worldwide license, without the right to grant sublicenses, under the Licensed Technology and Licensed Patent Rights for the sole purpose of conducting the activities required in the performance of its obligations hereunder as part of the Research Program.

(ii) Research License to ImmunoGen. Subject to the terms and conditions of this Agreement, during the Term of this Agreement, Biogen Idec hereby grants to ImmunoGen a paid-up, non-exclusive, royalty-free, worldwide license, without the right to grant sublicenses, under the Biogen Idec Background Technology and Biogen Idec Patent Rights and Biogen Idec's interest in any Improvements Controlled by Biogen Idec or its Affiliates, Biogen Idec Program Technology and Joint Program Technology, for the sole purpose of conducting the activities required in the performance of its obligations hereunder as part of the Research Program.

2.2 Retained Rights and Covenants.

(a) Retained Rights. Subject to the other terms of this Agreement (including, without limitation, Sections 2.2(b) and 2.3), ImmunoGen retains the right to use the Licensed Technology and Improvements Controlled by ImmunoGen and practice the Licensed Patent Rights (i) to perform its obligations under this Agreement (including without limitation its obligation to manufacture Preclinical Materials and Clinical Materials in accordance with Section 4 of this Agreement) (ii) to develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any product that does not contain a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family, and (iii) for any and all uses outside of the Field.

(b) Covenants. Notwithstanding anything to the contrary contained in this Agreement, ImmunoGen hereby agrees during the Term of this Agreement, that it shall not (i) grant to any Third Party any license or other right under any Patent Rights, Improvements or Technology Controlled by ImmunoGen or its Affiliates to develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for

sale, import, have imported, export and have exported any product containing a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family, or (ii) outside the performance of its obligations under this Agreement, develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any products containing a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family.

2.3 Improvement Licenses.

(a) License to ImmunoGen. Biogen Idec hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free license, including, except as set forth below, the right to grant sublicenses, (i) under Biogen Idec's interest in Improvements Controlled by Biogen Idec or its Affiliates to manufacture Clinical Materials or Preclinical Materials pursuant to the terms of this Agreement, and/or each applicable Supply Agreement, (ii) under Biogen Idec's interest in **[**********]**, MAY Compound Improvements, and Licensed Technology Improvements, Controlled by Biogen Idec or its Affiliates, to develop, have developed, commercialize, have commercialized, make, have made, use, sell, have sold, offer for sale, import, have imported, export, and have exported any product that is conjugated to a MAY Compound that is not a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family, and (iii) under Biogen Idec's interest in MAY Compound Improvements and Licensed Technology Improvements Controlled by Biogen Idec or its Affiliates to exploit such MAY Compound Improvements and Licensed Technology Improvements for any and all uses outside of the Field. The licenses granted under Biogen Idec's interest in Improvements Controlled by Biogen Idec or its Affiliates are limited to such Improvements only. Notwithstanding the foregoing, ImmunoGen shall only be permitted to sublicense rights to Improvements granted by Biogen Idec under this Section 2.3(a) to any Third Party which has entered into an agreement with ImmunoGen involving the license to such Third Party of ImmunoGen's Technology used in the conjugation of maytansine derivatives to binding proteins ("ImmunoGen MAY Technology")

and which contains Substantially Similar Grant Back Rights (as defined below) (each such Third Party, a "Qualified ImmunoGen MAY Licensee"). For purposes of this Agreement, "Substantially Similar Grant Back Rights" shall mean the grant by a Qualified ImmunoGen MAY Licensee to ImmunoGen of a non-exclusive license to MAY Improvement Patent Rights (as defined below) with the right to sublicense to all other Qualified ImmunoGen MAY Licensees, the grant by a Qualified ImmunoGen MAY Licensee of a non-exclusive license to MAY Improvement Patent Rights (as defined below) to all other Qualified ImmunoGen MAY Licensees, or the ownership by ImmunoGen of MAY Improvement Patent Rights, which ownership results in ImmunoGen Controlling such MAY Improvement Patent Rights. For purposes of the foregoing, "MAY Improvement Patent Rights" shall mean Patent Rights which are (a) discovered by (or on behalf of) such Qualified ImmunoGen MAY Licensee through the use of ImmunoGen MAY Technology and (b) which represent an enhancement or improvement to ImmunoGen MAY Technology. Nothing in this Agreement or the course of dealings between the Parties or usage or custom in the industry or trade shall be construed to confer any other rights or licenses to any other intellectual property Controlled by Biogen Idec or its Affiliates by implication, estoppel or otherwise.

(b) Licenses to Biogen Idec. ImmunoGen hereby grants to Biogen Idec (i) a perpetual, worldwide, non-exclusive, fully paid, irrevocable, royalty-free license, including the right to **[*******],** under ImmunoGen's interest in **[**********]** Controlled by ImmunoGen or its Affiliates to develop, have developed, commercialize, have commercialized, make, have made, use, sell, have sold, offer for sale, import, have imported, export and have exported **[**********]** for **[***]** and **[***]** and (ii) a **[**********]** (even as to ImmunoGen) **[**********]**, under ImmunoGen's interest in **[*****]** Controlled by ImmunoGen or its Affiliates, to develop, have developed, commercialize, have commercialized, make, have made, use, sell, have sold, offer for sale, import, have imported, export and have exported **[********]** for **[***]** and **[***]**. The licenses granted under ImmunoGen's interest in Improvements Controlled by ImmunoGen or its Affiliates are limited to such Improvements only. Nothing in this Agreement or the course of dealings between the Parties or usage or custom in the industry or trade shall be construed to

confer any other rights or licenses to any other intellectual property Controlled by ImmunoGen or its Affiliates by implication, estoppel or otherwise.

2.4 Right to [**********]. In accordance with and subject to this Section 2.4, Biogen Idec shall have the right, at any time during the period commencing on the Effective Date and continuing until **[***], **[***]** (the "**[**********]**") to **[***]** that ImmunoGen **[***]** into an **[**********]** on **[**********]** to the **[***]** set forth in this **[***]** (each, an "**[**********]**") with respect to any Antibody (other than an **[***]** Antibody) and Target (each, a "**[********]**") by providing a written notice to ImmunoGen, which notice shall specify in reasonable detail the **[********]** that it wishes to be the subject of an **[**********]** (the "**[**********]**"). ImmunoGen shall provide a written notice to Biogen Idec within **[***]** (**[***]**) days of its receipt of any **[**********]** specifying whether or not it wishes to **[***]** into an **[**********]** with respect to the **[******]** (the "**[**********]**"). In the event that ImmunoGen indicates in its **[**********]** that it **[***]** to the **[***]** of an **[**********]** with respect to the **[******]** described in the **[**********]**, the Parties shall negotiate in good faith an **[**********]** in the form of **[*****]** with respect to the **[*****]**. If in the **[**********]**, ImmunoGen indicates that it does not wish to **[***]** into an **[**********]** with respect to the **[*****]** described in the **[**********]**, ImmunoGen shall have no further obligations to Biogen Idec under this Section 2.4 with respect to the **[*****]** described in the **[**********]**. Notwithstanding anything to the contrary set forth in this Agreement, the Parties hereby agree that (a) on and after the expiration of the **[**********]**, ImmunoGen shall have no further obligations to Biogen Idec under this Section 2.4 and (b) Biogen Idec shall have the right to select and maintain no more than **[***]** (**[***]**) **[**********]** (in addition to **[******]**).

3. RESEARCH PROGRAM; DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS

3.1 Research Program.

(a) Implementation of Research Program. As soon as practicable after the Effective Date, the Parties shall prepare a Research Plan which shall set forth with reasonable specificity the research objectives and tasks to be conducted by the Parties under the Research

Program, which shall be designed to facilitate the selection of the appropriate **[***]** Antibodies and MAY Compound to be used in preparing the **[***]**-MAY Conjugate. Without limiting the foregoing, to the extent that Biogen Idec requests that ImmunoGen manufacture Preclinical Materials and Clinical Materials, ImmunoGen shall, in consultation with Biogen Idec, as part of the Research Program, conduct all process development activities as ImmunoGen determines in its discretion are reasonably necessary to produce the quantities of Preclinical Materials and Clinical Materials so ordered, which process development activities shall be **[***]** within the **[***]** of **[***]** to be **[***]** by Biogen Idec pursuant to Sections 4.2 and 4.3 of this Agreement, provided that **[******]** shall have **[***]**-**[***]** the **[***]** for such **[******]** activities. The Parties acknowledge and agree that Biogen Idec shall have the final decision making authority with respect to the establishment of, additions to and modifications of the Research Plan, provided that allocation of activities specifically to ImmunoGen under the Research Plan, including any amendments or updates to such activities, shall be subject to ImmunoGen's prior written consent, which consent shall not be unreasonably withheld. Each Party agrees that the activities assigned to it in the Research Plan shall be conducted diligently and in good scientific manner in accordance with accepted laboratory practices and in compliance with any and all laws, regulations and bioethical conventions applicable to the jurisdiction in which those activities take place.

(b) Collaborative Efforts and Reports. The Parties agree that the successful execution of the Research Program will require the collaborative use of both Parties' areas of expertise. The Parties shall keep the Collaboration Committee and each other fully informed about the status of the Research Program. Scientists at ImmunoGen and Biogen Idec shall cooperate in the performance of the Research Program and, subject to any confidentiality obligations to Third Parties, shall exchange information and materials in a mutually acceptable secure manner as necessary to carry out the Research Program, but subject to the provisions of Section 6 hereof. The Parties expect that such exchange of information and materials may involve short-term on-site visits (up to a few weeks) by scientists of each Party to the facilities of the other Party.

(c) Additional Obligations of ImmunoGen. Subject to the other terms of this Agreement, ImmunoGen may, **[***] [***] [***] [***]**, conduct such additional research

activities that ImmunoGen determines, in its sole discretion are necessary or useful for the Development of Licensed Products. ImmunoGen shall provide Biogen Idec with all information and materials Controlled by ImmunoGen resulting from such research activities. Without limiting the generality of the foregoing, at Biogen Idec's request, ImmunoGen shall from time to time, provide Biogen Idec with technical assistance within ImmunoGen's area of expertise (or its subcontractors) concerning the Development of Licensed Products, provided that such technical assistance and expertise is within the scope of the Licensed Technology and/or Licensed Patent Rights covered under this Agreement. Such technical assistance and expertise shall include, but not be limited to, visits by ImmunoGen personnel to Biogen Idec and visits by Biogen Idec personnel to ImmunoGen (or its subcontractors), at Biogen Idec's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties.

(d) Supply of Proprietary Materials. From time to time during the Research Program, either Party (the "transferring Party") may supply the other Party (the "recipient Party") with its Proprietary Materials for use in the Research Program. In connection therewith, the recipient Party hereby agrees that (i) it shall not use Proprietary Materials for any purpose other than exercising any rights specifically granted to it or reserved by it hereunder; (ii) it shall use the Proprietary Materials only in compliance with all applicable, federal, state, and local laws and regulations; (iii) it shall not transfer any Proprietary Materials to any Third Party without the prior written consent of the transferring Party, except as expressly permitted hereby or by Article 6; (iv) the transferring Party shall retain full ownership of all such Proprietary Materials; and (v) upon the expiration or termination of this Agreement, the recipient Party shall at the instruction of the transferring Party either destroy or return any Proprietary Materials which are not the subject of the grant of a continuing license hereunder.

(e) Transition of Services Being Provided by ImmunoGen. In the event that ImmunoGen fails to carry out its material obligation(s) under Section 3.1(a), 3.2(b) 4.2 or 4.3 of this Agreement, (i) Biogen Idec shall provide ImmunoGen with written notice which shall identify such material obligation(s) and (ii) solely to the extent ImmunoGen fails to remedy such failure on or before **[***]** (**[***]**) days of receipt of such notice, Biogen Idec may, in addition to other remedies available to it under this Agreement at law and in equity, assume such obligations which ImmunoGen has failed to carry out under such Sections or assign them to a Third Party.

ImmunoGen agrees to reasonably cooperate with Biogen Idec in the transition of its activities under this Section 3.1(e) to Biogen Idec or a Third Party as contemplated by the preceding sentence, such cooperation to include without limitation using commercially reasonable efforts to **[**********]** of **[********]** to permit Biogen Idec or a Third Party to carry out the activities transitioned under this Section 3.1(e). Upon completion of the transition of activities set forth above, the Parties shall negotiate in good faith an **[**********]** to any provisions related to **[***]** and **[***]** from Biogen Idec to ImmunoGen under this Agreement to **[***]** for the **[***]** of such services.

3.2 Development and Commercialization.

(a) Responsibility. Subject to Section 3.3 of this Agreement, on and after the Effective Date, Biogen Idec shall have sole control and authority over the Development and Commercialization of Licensed Products in the Field in the Territory, including, without limitation, (i) research and all pre-clinical Development activities (including the assessment of alternative designs for the **[***]**-MAY Conjugate, the selection of the final **[***]** Antibody and MAY Compound to be used in the **[***]**-MAY Conjugate and the selection of the **[***]**-MAY Conjugate to be Developed as a Licensed Product, all preclinical and IND-enabling studies, including toxicology testing, any pharmaceutical development work on formulations or process development relating to any such Licensed Product), (ii) all activities related to human clinical trials (including any Phase II Clinical Trials and/or Pivotal Trials), (iii) subject to Section 4 of this Agreement, all activities relating to manufacture and supply of all **[***]** Antibodies, all MAY Compounds, all **[***]**-MAY Conjugates and all Licensed Products, to the extent such activities relate to the Development and Commercialization of Licensed Products (including all required process development and scale up work with respect thereto), (iv) all Commercialization, activities relating to any Licensed Product, and (v) all activities relating to any regulatory filings, registrations, applications and Regulatory Approvals relating to any of the foregoing (including any INDs or foreign equivalents, any manufacturing facility validation and/or licensure, any Drug Approval Applications and any

other Regulatory Approvals). Biogen Idec shall own all Technology arising from any such activities under this Agreement as well as all regulatory filings, registrations, applications and Regulatory Approvals relating to Licensed Products (including any INDs or foreign equivalents, any Drug Approval Applications and any other Regulatory Approvals), and all of the foregoing Technology, filings, registrations, applications and Regulatory Approvals relating to Licensed Products shall be considered Confidential Information solely owned by Biogen Idec. Notwithstanding the foregoing, ImmunoGen shall own all Technology arising from ImmunoGen's activities relating to the manufacture and supply of MAY Compounds and Licensed Products to Biogen Idec, and all such Technology shall be considered Confidential Information solely owned by ImmunoGen. All activities relating to Development and Commercialization of Licensed Products under this Agreement shall be undertaken at Biogen Idec's sole cost and expense, except as otherwise expressly provided in this Agreement.

(b) Licensed Technology and Information – Regulatory Authorities and Manufacturing. ImmunoGen shall disclose and make available to Biogen Idec in a timely manner all Licensed Technology requested by Biogen Idec for use by Biogen Idec, its Affiliates and Sublicensees in connection with Development and Commercialization activities and filings with Regulatory Authorities including, without limitation, the Licensed Technology relating to the manufacture and supply of MAY Compounds and Licensed Products owned by ImmunoGen under Section 3.2(a) and other Confidential Information and Proprietary Materials of ImmunoGen. Upon request by Biogen Idec and at Biogen Idec's expense, ImmunoGen shall transfer to Biogen Idec (and/or a Third Party designated by Biogen Idec) all manufacturing-related Licensed Technology (including without limitation Confidential Information, Proprietary Materials, batch records, assays and SOPs) necessary or useful for Biogen Idec and/or its designee to manufacture and supply Licensed Product and related materials (including without limitation, the MAY Compound and the **[***]**-MAY Conjugate, Preclinical Materials and Clinical Materials) and ImmunoGen shall use commercially reasonable efforts to ensure that such transfer of Licensed Technology is completed promptly following each such Biogen Idec request.

(c) Due Diligence. Biogen Idec will use commercially reasonable efforts to Develop Licensed Products, and to undertake investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products, in the Field and in the Territory and, if approved, to Commercialize Licensed Products, such commercially reasonable efforts to be in accordance with the efforts and resources Biogen Idec would use for a compound

owned by it or to which it has rights, which is of similar market potential at a similar stage in development as the applicable Licensed Product, taking into account the proprietary position of the Licensed Product, the relative potential safety and efficacy of the Licensed Product, the regulatory requirements involved in its Development, Commercialization and Regulatory Approval, the cost of goods and availability of capacity to manufacture and supply the Licensed Product at commercial scale, and other relevant factors including, without limitation, technical, legal, scientific or medical factors.

3.3 Updates and Reports; Notification of Milestones; Exchange of Adverse Drug Experience Information.

(a) Updates and Reports. Biogen Idec shall keep ImmunoGen reasonably informed of the progress of Biogen Idec's efforts to Develop and Commercialize Licensed Products in the Field in the Territory by providing ImmunoGen with brief written reports no less frequently than on or about December 31 of each year during the Term of this Agreement (other than December 31, 2004) which shall summarize Biogen Idec's efforts to so Develop and Commercialize Licensed Products hereunder, identify the Drug Approval Applications with respect to any Licensed Product that Biogen Idec and its Affiliates and Sublicensees have filed, sought or obtained in the prior twelve (12)-month period, and any they reasonably expect to make, seek or attempt to obtain in the following twelve (12)-month period.

(b) Notification of Milestone Achievement. Biogen Idec shall provide ImmunoGen with prompt written notice of the occurrence of any event giving rise to an obligation to make a milestone payment to ImmunoGen under Section 5.1(b), which shall in any event be no later than ten (10) business days after the occurrence of such event, and shall provide ImmunoGen with prompt written notice of the occurrence of the First Commercial Sale of any particular Licensed Product. In the event that, notwithstanding the fact that Biogen Idec has not given any such notice, ImmunoGen believes any such milestone event has occurred, it shall so notify Biogen Idec in writing, and shall provide to Biogen Idec the data and information demonstrating that the conditions for payment have been achieved. Within ten (10) business days of its receipt of such notice, the Parties shall meet to review the data and information and shall agree in good faith whether or not the conditions for payment have been achieved.

(c) Adverse Drug Experiences. The Parties agree to negotiate in good faith a safety data exchange agreement within a commercially reasonable period of time before the commencement of a first human clinical trial with Licensed Products, such agreement to cover, among other things, information sharing between the Parties regarding Adverse Drug Experiences relating to Licensed Products; provided, that, the Parties hereby acknowledge and agree that the failure of the Parties to negotiate such agreement foregoing shall in no way limit or otherwise affect the Parties' respective obligations to provide the other Party with any and all Adverse Drug Experiences in its Control relating to Licensed Products or other MAY Compound-conjugated products as is reasonably necessary to ensure the safe use of MAY Compound-conjugated products by the Parties.

(d) Review of Correspondence for Licensed Products. Biogen Idec shall use reasonable commercial efforts to provide ImmunoGen with at least **[***]** (**[***]**) days advance notice of any material meeting with the FDA which is for the purpose of obtaining Regulatory Approval for any Licensed Product and Biogen Idec shall provide to ImmunoGen the minutes of any such meeting communicated to or from the Regulatory Authority within **[***]** (**[***]**) days from the date on which the meeting minutes were submitted to, or received from such Regulatory Agency.

(e) Confidential Information. All information, reports, updates, Adverse Drug Experience, product complaint and other information provided by the disclosing Party to the receiving Party under this Agreement (including under this Section 3.3), shall be considered Confidential Information of the disclosing Party, subject to the terms, exceptions and permitted disclosures of Section 6.

3.4 Collaboration Committee.

(a) Mandate and Establishment of Committee. Promptly after the Effective Date, the Parties shall form a Collaboration Committee to serve as a forum for coordination and communication between the Parties with respect to the Research Program and/or the Development of manufacturing processes applicable to any MAY Compound or Licensed Product covered by this Agreement (including, without limitation, all process science and process development work, formulation work, and quality control/assurance work hereunder), and to assist Biogen Idec in the exercise of its rights to make or have made Licensed Products

under this Agreement. The Collaboration Committee shall solely serve as a forum for coordination and communication and shall not have any authority to make decisions. Within a reasonable period of time after the Effective Date, the Parties shall each nominate representatives (which shall be no less than two (2) and no more than five (5) each) for membership on the Collaboration Committee. Each representative shall be an individual of suitable authority and seniority who has sufficient experience in biopharmaceutical drug research, development, manufacturing or commercialization. Each Party may change its representative(s) as it deems appropriate by notice to the other Party.

(b) Chair of Committee; Meetings. The chair of the Collaboration Committee shall be one of the Biogen Idec representatives on the Collaboration Committee, as designated by Biogen Idec. The Collaboration Committee shall meet on a semi-annual basis or other schedule agreed upon by the Parties, unless at least thirty (30) days in advance of any meeting the chair of the Collaboration Committee determines that there is no need for a meeting. In such instance, the next Collaboration Committee meeting shall also be scheduled as agreed upon by the Parties. The location of meetings of the Collaboration Committee shall alternate between ImmunoGen's offices in the United States and Biogen Idec's offices in the United States, unless otherwise agreed by the Parties. As agreed upon by the Parties, Collaboration Committee meetings may be face-to-face or may be conducted through teleconferences and/or videoconferences. In addition to its Collaboration Committee representatives, each Party shall be entitled to have other employees attend such meetings to present and participate. Each Party shall bear all costs and expenses, including travel and lodging expense, that may be incurred by its Collaboration Committee representatives or other of its attendees at Collaboration Committee meetings, as a result of such meetings hereunder. Minutes of each Collaboration Committee meeting will be transcribed and issued to members of the Collaboration Committee by the chair within thirty (30) days after each meeting, and such minutes shall be reviewed and modified as mutually required to obtain approval of such minutes promptly thereafter.

4. SUPPLY AND MANUFACTURING OBLIGATIONS

4.1 Supply of Preclinical Materials, Clinical Materials and Licensed Product. Biogen Idec shall be responsible, at its sole cost, for manufacturing or having manufactured any materials (including without limitation, the **[***]** Antibody, the MAY Compound and the **[***] [***]**-MAY Conjugate) as may be required for all preclinical and clinical studies necessary to obtain Regulatory Approval of Licensed Products and any materials and/or quantities of each Licensed Product as may required for all preclinical and clinical studies applicable to such Licensed Product and for Commercialization of such Licensed Product.

4.2 Supply of Preclinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1, during the Term of this Agreement, ImmunoGen shall, at Biogen Idec's request, use reasonable commercial efforts to supply Biogen Idec with such quantities of Preclinical Materials as may be reasonably ordered by Biogen Idec in connection with the conduct of pre-clinical Development activities (including, without limitation, toxicology testing) relating to Licensed Products. Biogen Idec shall order all amounts of Preclinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with advance ordering timeframes and delivery timeframes, and in accordance with specifications, to be agreed upon by the Parties. To the extent Biogen Idec requests ImmunoGen to manufacture any **[***]**-MAY Conjugate, Biogen Idec shall supply ImmunoGen with quantities of **[***]** Antibody sufficient to enable ImmunoGen to produce such **[***]**-MAY Conjugate. ImmunoGen shall use commercially reasonable efforts to deliver such amounts of Preclinical Materials ordered in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, to the extent such Preclinical Materials are **[***]**-MAY Conjugates, ImmunoGen's obligations shall be contingent on the Parties' mutual agreement as to specifications and ImmunoGen's receipt of the required quantities of **[***]** Antibody from Biogen Idec. In connection with any ordering of Preclinical Materials by Biogen Idec, ImmunoGen shall provide Biogen Idec promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Preclinical Materials. ImmunoGen's price to supply Preclinical Materials to Biogen Idec shall equal **[**********] ([***])** for such Preclinical Materials. In connection with such supply, Biogen Idec hereby agrees that (a) it shall

not use the Preclinical Materials in any human subject, (b) it shall use the Preclinical Materials in compliance with all applicable federal, state and local laws and regulations, and (c) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the use, storage and disposal of any Preclinical Materials, unless such liability results from the negligence or willful misconduct of ImmunoGen or its Affiliates or their respective employees or agents. Biogen Idec shall be entitled to transfer Preclinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Preclinical Materials except in compliance with the foregoing clauses (a) and (b) of this Section 4.2.

4.3 Supply of Clinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1, during the Term of this Agreement, ImmunoGen shall, at Biogen Idec's request, use reasonable commercial efforts to supply Biogen Idec with such quantities of Clinical Materials as may be reasonably ordered by Biogen Idec in connection with human clinical testing of such Clinical Materials through the completion of any Phase II Clinical Trials deemed necessary by Biogen Idec. Should Biogen Idec determine in good faith that it plans to request ImmunoGen to manufacture Clinical Materials as provided in the foregoing sentence, ImmunoGen and Biogen Idec shall enter into a separate agreement detailing the terms of supply for any Clinical Materials that ImmunoGen may be so requested to supply to Biogen Idec for the purpose of conducting clinical trials, which supply agreement shall include, without limitation, the terms set forth on Schedule B attached hereto and the remainder of this Section 4.3 (the "Supply Agreement"). The Supply Agreement will provide that Biogen Idec shall (a) provide ImmunoGen with a non-binding forecast of the quantity of Clinical Materials it reasonably expects to order over the succeeding **[***]** (**[***]**) month period and (b) supply ImmunoGen with quantities of bulk **[***]** Antibody sufficient to enable ImmunoGen to produce the quantity of Clinical Materials so requested. Subject to the foregoing, Biogen Idec shall order all amounts of Clinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with forecasting parameters, advance ordering timeframes and delivery timeframes to be agreed upon by the Parties in the Supply Agreement. The Supply Agreement further shall provide that ImmunoGen shall use commercially reasonable efforts to deliver such amounts of Clinical Materials ordered in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, ImmunoGen's obligations shall be contingent on ImmunoGen's

receipt of the required quantities of **[***]** Antibody from Biogen Idec. In connection with any ordering of Clinical Materials by Biogen Idec, ImmunoGen shall provide Biogen Idec promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Clinical Materials. The Supply Agreement shall provide that ImmunoGen's price to supply Clinical Materials to Biogen Idec shall equal **[**********]** (**[***]) [***]** for such Clinical Materials. Biogen Idec hereby agrees that (a) it shall use the Clinical Materials in compliance with all applicable federal, state and local laws, and (b) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the use, storage and disposal of such Clinical Materials, unless such liability results from the gross negligence or willful misconduct of ImmunoGen or its Affiliates or their respective employees or agents. Biogen Idec shall be entitled to transfer Clinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Clinical Materials except in compliance with the foregoing clauses (a) and (b) of this Section 4.3 and the Supply Agreement.

4.4 Purchase of Dedicated Equipment.

(a) If, during the Term of this Agreement, ImmunoGen determines in good faith that it is necessary or advisable to purchase Dedicated Equipment in order to perform any of its obligations to manufacture Preclinical Materials and Clinical Materials under Sections 4.2 or 4.3 of this Agreement,

then ImmunoGen shall provide Biogen Idec with written notice of such determination, along with the estimated price for such purchase and quality parameters for the Dedicated Equipment, for Biogen Idec's written approval of such purchase and the price and features of such Dedicated Equipment. Promptly after the consummation of such purchase, ImmunoGen shall provide Biogen Idec with a copy of the invoice or invoices reflecting such purchase, and, provided that Biogen Idec has provided ImmunoGen with prior written approval of the purchase, Biogen Idec shall reimburse ImmunoGen for the purchase of all such approved equipment hereunder within thirty (30) days of its receipt of such invoice from ImmunoGen; provided, however, that no costs reimbursed by Biogen Idec hereunder (or depreciation of such purchased equipment or instruments) shall be included within the calculation of any Costs under this Agreement.

(b) Title to the Dedicated Equipment shall at all times remain with Biogen Idec. The Dedicated Equipment shall be and remain the personal property of Biogen Idec.

ImmunoGen shall cause the Dedicated Equipment to be marked with the name of Biogen Idec as owner and shall execute such documents and take such actions as Biogen Idec may from time to time reasonably deem necessary to maintain or protect Biogen Idec's ownership interest in the Dedicated Equipment. ImmunoGen shall not change the location of the Dedicated Equipment without the prior written consent of Biogen Idec and agrees to maintain the Dedicated Equipment free and clear of any liens and encumbrances.

(c) ImmunoGen shall use the Dedicated Equipment solely to perform any of its obligations to manufacture Preclinical Materials and Clinical Materials under Sections 4.2 or 4.3 of this Agreement. ImmunoGen shall use the Dedicated Equipment in a manner consistent with its intended purposes. ImmunoGen shall, **[*******]**, cause the Dedicated Equipment to be kept and maintained as recommended by the manufacturer in as good an operating condition as when installed, ordinary wear and tear resulting from proper use excepted, and ImmunoGen will, at Biogen Idec's expense, provide all service, repair and replacements necessary for such purpose.

(d) Upon Biogen Idec's request and/or upon termination or expiration of the manufacturing and supply obligations of ImmunoGen under this Agreement, ImmunoGen shall deliver the Dedicated Equipment to Biogen Idec (or a Third Party designated by Biogen Idec) within a reasonable period of time after Biogen Idec's request and/or termination or expiration of ImmunoGen's manufacturing and supply obligations at Biogen Idec's sole expense.

(e) BIOGEN IDEC EXPRESSLY DISCLAIMS AND MAKES TO IMMUNOGEN NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR AGAINST LATENT DEFECTS OR OTHERWISE WITH RESPECT TO THE DEDICATED EQUIPMENT. All assignable warranties made by the manufacturer or supplier relating to the Dedicated Equipment are hereby assigned to ImmunoGen so long as ImmunoGen (or one of its Affiliates is in possession of the Dedicated Equipment and ImmunoGen agrees to resolve any claims directly with the manufacturer or supplier. BIOGEN IDEC IS NOT RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES OF IMMUNOGEN OR ANY THIRD PARTY RESULTING FROM

THE INSTALLATION, OPERATION OR USE BY IMMUNOGEN OF THE DEDICATED EQUIPMENT.

5. PAYMENTS AND ROYALTIES

5.1 Milestone Payments for Licensed Products.

(a) Upfront Fee. In consideration of the grant of the license described in Section 2.1 hereof, Biogen Idec hereby agrees to pay ImmunoGen an upfront fee (the "Upfront Fee") in the amount of $1,000,000 payable in immediately available funds within ten (10) business days of the Effective Date. The Upfront Fee shall be **[***]** only to the extent provided in Section 5.1(c) below.

(b) Milestones. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, Biogen Idec will make the following nonrefundable, noncreditable payments to ImmunoGen within **[***]** (**[***])** days after the first occurrence of each of the milestones set forth below:

Milestone	Milestone Payment
[******] for a **[**********]**	$ [******]
[**********] of **[***]** **[**********]** in **[*****]** for a **[**********]**	$ [******]
[**********] of **[**********]** for a **[**********]**	$ [******]

[**********] or **[********]** for a **[********]**	$	[******]
[**********] of **[***]** or **[***]** or other **[********]** **[*****]** by the **[***]** for a **[**********]**	$	[******]
[**********] of an **[***]** or other **[***]** **[********]** by the **[***]** for a **[**********]**	$	[******]
[**********] of a **[**********]** for a **[**********]** in **[***]**	$	[******]

[**********] of **[**********]** **[**********]**	$	[******]
[**********] of **[**********]** **[**********]**	$	[******]

It is hereby acknowledged and agreed that any milestone payment shall be made only once, with respect to the first achievement of the relevant milestone regardless of how many times such milestone is achieved and how many Licensed Products achieve such milestone under this Agreement. Biogen Idec shall notify ImmunoGen of the achievement of each milestone hereunder as provided in Section 3.3(b) above.

(c) **[*********] of [******]**. In the event that an **[**********]**, Biogen Idec shall give ImmunoGen written notice of same and Biogen Idec shall be entitled to **[***]** a **[***]** of the **[***]** pursuant to Section **[***]** above towards the **[***]** included in any **[***]** that may be **[***]** by the Parties in accordance with Section 2.4 which covers a **[***]** of an **[***]** by Biogen Idec and a **[***]**, as follows:

[******] of [***] of [****] [******] Under Section [***]	**[*********] of [*********] That Can Be [***]**
From **[******]** to **[***]**, **[***]**	**[***]**
From **[***]**, **[***]** to , **[***]**	**[***]**
From **[***]**, **[***]** to **[***]**, **[***]**	**[***]**
From **[***]**, **[***]** to **[***]**, **[***]**	**[***]**
On and after **[***]**, **[***]** and **[***]**	**[***]**

Notwithstanding the above, the Parties hereby acknowledge and agree that ImmunoGen shall be under no obligation to **[***]** into any **[**********]** with Biogen Idec.

5.2 Research Funding. In consideration of the performance by ImmunoGen of the Research Program, Biogen Idec will pay ImmunoGen for all FTEs used by ImmunoGen in such Research Program, as described in the Research Plan and/or agreed to by the Parties, at a rate per FTE equal to the FTE Rate. From time to time after the Effective Date, the Parties shall agree in writing upon the number of FTEs required of ImmunoGen for agreed-upon portions of the Research Program and Biogen Idec shall pay the FTE Cost for the FTEs who perform the

approved activities but **[***]** to **[***]** the **[***]** of **[***]** reflected in such written agreement. If, at any time during the Term of this Agreement, ImmunoGen determines that the actual number of FTEs for a particular period agreed to by the Parties is **[***]** to **[***]** the **[***]** set forth in such written agreement for such period, ImmunoGen shall give Biogen Idec prompt written notice of same and the Parties shall discuss in good faith whether to **[***]** the **[***]** of such **[******]** **[***]** or to **[***]** the **[***]** to be **[***]**, such that such **[***]** are **[***]**.

5.3 Payment of Royalties; Royalty Rates.

(a) **Royalty Payments**. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, commencing on the first date of First Commercial Sale of Licensed Products in any country or jurisdiction in the Territory, Biogen Idec shall

pay to ImmunoGen the following royalties (subject to Sections 5.3(b) and 5.5), based on Net Sales of all Licensed Products sold by Biogen Idec, its Affiliates and/or Sublicensees, on an incremental basis in each calendar year during the royalty term specified in Section 5.5, at the following rates:

For Annual Worldwide Net Sales of Licensed Products	**Royalty Rate (% of Annual Net Sales)**
Above $**[***]** and up to $**[******]**	**[***]**%
Above $**[******]** and up to $**[******]**	**[***]**%
Above $**[******]**	**[***]**%

(b) **Third Party Royalty Offset**. In the event that Biogen Idec determines that, in order to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export or have exported Licensed Products in any country in the Territory, it must make and actually does make royalty payments to any Third Party ("Third Party Payments") (a) pursuant to a license to an issued patent or patents or patent applications, in the absence of which the MAY Compound portion of a Licensed Product could not or, in the case of patent applications, if a patent or patents issued from such an application, would not be able to be developed, manufactured or sold in such country and/or (b) pursuant to a license to an issued patent or patents specific to the Licensed Technology, in the absence of which any of the Licensed Technology reasonably necessary to conjugate MAY Compound to an **[***]** Antibody as part of Licensed Product could

not or, in the case of patent applications, if a patent or patents issued from such an application, would not be able to be practiced, then the royalties due to ImmunoGen for such Licensed Product may be reduced by **[***]** percent (**[***]**%) of the amount of such Third Party Payments in such country. Notwithstanding the foregoing, in the event that any license referred to in (a) or (b) above is to a patent application or applications that do not result in an issued patent on or before **[***]** (**[***]**) years from the date of filing (calculated from the latest date of filing in the case of a license involving multiple patent applications), then (1) any adjustment to the royalties relating to such license under this Section 5.3(b) shall be immediately suspended unless and until such time as a patent is issued and (2) except with respect to licenses to a patent application or applications from a Third Party or its Affiliates excepted from the representation made by ImmunoGen under Section 9.1(i), Biogen Idec shall as promptly as possible make a one-time payment to ImmunoGen in an amount equal to the difference between the adjusted royalty that was paid by Biogen Idec as a result of such patent application license and the amount of the royalty that would have been paid to ImmunoGen if no such adjustment had been made. In no event shall the reductions under this Section 5.3 and the reductions under Sections 5.5 and 7.5 reduce the royalty for any Licensed Product payable under Section 5.3(a) to less than **[***]** percent (**[***]**%) of Net Sales in any country. Furthermore, in the event Biogen Idec determines that it is necessary or useful for the Development or Commercialization of Licensed Products to obtain a license to Technology or Patent Rights owned or controlled by a Third Party, ImmunoGen agrees to take reasonable action to assist Biogen Idec in obtaining such a license upon request by Biogen Idec and at Biogen Idec's sole expense but without **[*********]** to Biogen Idec (other than such expense) or such Third Party. Such action by ImmunoGen may include providing reasonable assistance to Biogen Idec to the extent it seeks to execute, or have executed by ImmunoGen, any documents that may be reasonably necessary to remove contractual impediments placed on such Third Party by ImmunoGen restricting such Third Party from granting such a license to Biogen Idec.

5.4 **One Royalty**. Only one royalty, calculated in accordance with this Section 5, shall be payable to ImmunoGen hereunder for each sale of a Licensed Product.

5.5 **Royalty Term; Royalty Rate for Net Sales for Licensed Products not covered by a Valid Claim of the Licensed Patent Rights**. Biogen Idec shall pay royalties with respect

to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until the later of (a) **[***]** (**[***]**) years from the First Commercial Sale of such Licensed Product in such country and (b) the expiration of the last to expire Valid Claim of the Licensed Patent Rights which, but for the license granted to Biogen Idec herein, would be infringed by the manufacture, use, sale, offer for sale, or importation of the Licensed Product in such country (the "Royalty Term"). Following such Royalty Term, Biogen Idec shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported such Licensed Product in such country. Notwithstanding the foregoing, if, during the Royalty Term, the use or sale of a Licensed Product by Biogen Idec, its Affiliates or Sublicensees in a country in which the Licensed Product is sold is not covered by a Valid Claim of the Licensed Patent Rights covering the Licensed Product in such country, the royalties payable with respect to Net Sales in such country shall be reduced by **[***]** percent (**[***]**%) of the amounts otherwise due under Section 5.3(a).

5.6 **Payment Terms**.

(a) Payment of Milestones; Payment of Royalties. Biogen Idec shall make any milestone payments owed to ImmunoGen hereunder in United States Dollars, using the wire transfer provisions of Section 5.6(d) within **[***]** (**[***]**) days after the occurrence of the applicable milestone. Biogen

Idec shall make any royalty payments owed to ImmunoGen in United States Dollars, quarterly within **[***]** (**[***]**) days following the end of each calendar quarter for which sales giving rise to such royalties are deemed to occur (as provided in the next sentence), using the wire transfer provisions of Section 5.6(d). For purposes of determining when a sale of any Licensed Product occurs under this Agreement, the sale shall be deemed to occur on the earlier of (i) the date the Licensed Product is received by the third party purchaser or (ii) the date of the invoice to the purchaser of the Licensed Product. Each royalty payment shall be accompanied by a report for each country in the Territory in which sales of Licensed Products occurred in the calendar quarter covered by such statement in substantially the form attached hereto as Schedule D.

(b) Accounting. All payments hereunder shall be made in the United States in United States dollars. Conversion of foreign currency to United States dollars shall be made at the conversion rate existing in the United States (as reported in *The Wall Street Journal*) on the last business day of the applicable calendar quarter to which payment relates. If *The Wall Street Journal* ceases to be published, then the rate of exchange to be used shall be that reported in such other business publication of national circulation in the United States as the Parties reasonably agree.

(c) Tax Withholding; Restrictions on Payment. All payments hereunder shall be made free and clear of any taxes, duties, levies, fees or charges, except for withholding taxes (to the extent applicable). Biogen Idec shall make any applicable withholding payments due on behalf of ImmunoGen and shall promptly provide ImmunoGen with written documentation of any such payment sufficient to satisfy the requirements of the United States Internal Revenue Service relating to an application by ImmunoGen for a foreign tax credit for such payment. If by law, regulations or fiscal policy of a particular country in the Territory, remittance of royalties in United States Dollars is restricted or forbidden, written notice thereof shall promptly be given to ImmunoGen, and payment of the royalty shall be made by the deposit thereof in local currency to the credit of ImmunoGen in a recognized banking institution designated by ImmunoGen by written notice to Biogen Idec. When in any country in the Territory the law or regulations prohibit both the transmittal and the deposit of royalties on sales in such country, royalty payments shall be suspended for as long a such prohibition is in effect and as soon as such prohibition ceases to be in effect, all royalties that Biogen Idec would have been under an obligation to transmit or deposit but for the prohibition shall forthwith be deposited or transmitted, to the extent allowable.

(d) Wire Transfers. All payments hereunder shall be made to ImmunoGen by bank wire transfer in immediately available funds to the account designated by ImmunoGen by written notice to Biogen Idec from time to time.

5.7 Overdue Payments. Subject to the other terms of this Agreement, royalties or milestones not paid within the time period set forth in this Section 5 shall bear interest at a rate of **[***]** percent (**[***]**%) plus three-month LIBOR (London Interbank Offering Rate) from the delinquency date until paid in full, provided that in no event shall such annual rate exceed the

maximum interest rate permitted by law in regard to such payments. Such royalty or milestone payment when made shall be accompanied by all interest so accrued. Such interest and the payment and acceptance thereof shall not negate or waive the right of ImmunoGen to any other remedy, legal or equitable, to which it may be entitled because of the delinquency of the payment.

5.8 Records Retention; Audit.

(a) Royalties. Commencing as of the date of First Commercial Sale of the first Licensed Product, Biogen Idec and its Affiliates and Sublicensees shall keep for at least **[***]** (**[***]**) years from the end of the calendar year to which they pertain complete and accurate records of sales by Biogen Idec or its Affiliates or Sublicensees, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the royalties to be confirmed.

(b) Audit. Subject to the other terms of this Section 5.8(b), at the request of ImmunoGen, upon at least **[***]** (**[***]**) business days' prior written notice, and at its sole expense (except as otherwise provided herein), Biogen Idec shall permit an independent certified public accountant reasonably selected by ImmunoGen and reasonably acceptable to Biogen Idec to inspect (during regular business hours) the relevant records required to be maintained by Biogen Idec under Section 5.8(a). At ImmunoGen's request (which shall not be made more frequently than once per calendar year), the accountant shall be entitled to audit the then-preceding **[***]** (**[***]**) years of Biogen Idec's records for purposes of verifying Biogen Idec's royalty calculations; provided, that no year shall be audited more than once. At Biogen Idec's request, the accountant shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 5.8. Results of any such audit shall be made available to both Parties and shall be binding on both Parties. ImmunoGen agrees to treat the results of any such accountant's review of Biogen Idec's records under this Section 5.8 as Confidential Information of Biogen Idec subject to the terms of Section 6. If any such audit reveals a deficiency in the calculation of royalties resulting from any underpayment by Biogen Idec, Biogen Idec shall promptly pay ImmunoGen the amount remaining to be paid (plus interest thereon at the rate provided in Section 5.7 above), and if such underpayment is by **[***]** percent (**[***]**%) or more, Biogen Idec

shall pay the costs and expenses of the audit. If such audit reveals overpayments by Biogen Idec in any year, such amounts shall be refunded by ImmunoGen to Biogen Idec.

6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidential Information. ImmunoGen and Biogen Idec each recognize that the other Party's Confidential Information constitutes highly valuable and proprietary confidential information. For a period of **[***]** (**[***]**) years after the receipt of any such Confidential Information from the disclosing Party hereunder, subject to the terms of this Section 6, the receiving Party shall keep confidential and not disclose (by publication or otherwise) such Confidential Information of the disclosing Party, and shall not use, publish or otherwise disclose Confidential Information of the disclosing Party for any purpose other than those purposes contemplated by this Agreement. Each receiving Party shall take such action, and shall cause its Affiliates or Sublicensees to take such action, to preserve the confidentiality of the disclosing Party's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information, using, in all such circumstances, not less than reasonable care. Each receiving Party, upon the request of the disclosing Party, will return all the Confidential Information disclosed or transferred to it by the disclosing Party pursuant to this Agreement other than Confidential Information that was included in a filing with a Regulatory Authority, including all copies and extracts of documents and all manifestations in whatever form, within **[***]** (**[***]**) days of the termination or expiration of this Agreement; provided however, that a receiving Party may retain (a) any Confidential Information of the disclosing Party relating to any license which expressly survives termination and (b) one (1) copy of all other Confidential Information in inactive archives solely for the purpose of establishing the contents thereof.

6.2 Permitted Disclosures; Publications.

(a) Disclosures to Certain Employees, Agents and Third Parties. Each receiving Party shall be entitled to disclose Confidential Information of the disclosing Party to employees of the receiving Party, provided that such employees are bound by obligations of confidentiality to the receiving Party, and also to Affiliates, Sublicensees, potential Sublicensees, consultants, agents, Third Parties (other than Regulatory Authorities) for any purpose provided for in this Agreement, provided that any such Affiliate, Sublicensee, potential Sublicensee,

consultant, agent or other Third Party (other than Regulatory Authorities) has first agreed to confidentiality restrictions and obligations at least as protective as this Section 6, in each case for any purpose contemplated by this Agreement (including without limitation Development and Commercialization of Licensed Products and as reasonably necessary for a Party to exercise any of its rights or perform any obligations under this Agreement).

(b) Disclosures to Regulatory Authorities. Biogen Idec shall be entitled to disclose Confidential Information of ImmunoGen to Regulatory Authorities in connection with Licensed Products free of any obligation to obtain agreement or an understanding from any Regulatory Authority that it will maintain the confidentiality of such Confidential Information.

(c) Other Permitted Disclosures. Notwithstanding the foregoing, Confidential Information of a disclosing Party may be disclosed by the receiving Party to the extent such disclosure is reasonably necessary for (i) filing or prosecuting patent applications or maintaining patents, (ii) prosecuting or defending litigation, enforcing rights and/or obligations under this Agreement, or (iii) complying with applicable laws, regulations or court order; provided, that, if a receiving Party is required by applicable law, regulation or court order to make such disclosure of the disclosing Party's Confidential Information, it will give reasonable advance notice of the need for such disclosure and will use its commercially reasonable efforts to secure confidential treatment (if available) of such disclosing Party's Confidential Information required to be disclosed.

(d) Review of Publications. Each receiving Party shall consult with the disclosing Party prior to the submission of any manuscript for publication if the publication will contain any Confidential Information of the disclosing Party, unless applicable laws and regulations prohibit such consultation. Such consultation shall include providing a copy of the proposed manuscript to the disclosing Party at least **[***]** (**[***]**) days prior to the proposed date of submission to a publisher, incorporating appropriate changes proposed by the disclosing Party regarding its Confidential Information into the manuscript submission and deleting all Confidential Information of the disclosing Party as it may request; provided, however, that the disclosing Party's review hereunder shall be deemed completed at the end of such **[***]** (**[***]**)-day period. Notwithstanding the foregoing, ImmunoGen shall not present or publish results of

any research or other activities under this Agreement related to Licensed Products (including under the Research Program) without the prior written consent of Biogen Idec.

6.3 Use of Names; Press Releases.

(a) Use of Names. A Party may not use the name of the other Party (or any trademarks or trade names of the other Party) in any publicity or advertising without the prior written consent of the other Party.

(b) Press Releases. Neither Party may issue a press release or otherwise publicize or disclose the terms or conditions of this Agreement or its activities under this Agreement, without the prior written consent of the other Party; provided, however, that (i) either Party may make such a disclosure to the extent required by law or by the requirements of any nationally recognized securities exchange, quotation system or over-the-counter market on which such Party has its securities listed or traded, (ii) either Party may make such a disclosure to any investors, prospective investors, lenders and other potential financing sources who are obligated to keep such information confidential, and (iii) Biogen Idec may make disclosures about its Development and Commercialization of Licensed Products under this Agreement without the prior written consent of ImmunoGen; provided, that, if any such disclosure includes a description of any Technology and/or Patent Rights Controlled by ImmunoGen, Biogen Idec shall confirm the accuracy of such information with ImmunoGen prior to releasing such disclosure and if any such disclosure includes patentable subject matter not covered by the Licensed Patent Rights, Biogen Idec shall obtain the prior written consent of ImmunoGen to such disclosure. In the event of any disclosure under (i) or (ii), the disclosing Party shall make reasonable efforts to provide the other Party with notice beforehand and to coordinate with the other Party with respect to the wording and timing of any such disclosure which consent shall not be unreasonably withheld. The Parties shall mutually agree on the text of any press release announcing the execution of this Agreement. Once any written text is approved (as applicable) for disclosure by both Parties as provided herein, either Party may make subsequent or repeated public disclosures of the contents thereof without the further approval of the other Party.

6.4 Integration; Survival. As to the subject matter of this Agreement, this Section 6 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the confidentiality provisions of the MTA, and of that certain Confidentiality

Agreement effective **[***]**, **[***]**. Any confidential information of a Party under any such agreement shall be treated as Confidential Information of such Party hereunder, subject to the terms of this Section 6. Section 6 shall survive termination or expiration of this Agreement.

7. PROVISIONS CONCERNING THE FILING, PROSECUTION AND MAINTENANCE OF PATENT RIGHTS

7.1 Ownership of Intellectual Property.

(a) Solely-Owned Technology. Subject to the licenses granted hereunder, ImmunoGen shall own (i) the Licensed Patent Rights, the Licensed Technology, the ImmunoGen Materials, (ii) all ImmunoGen Program Technology and (iii) all inventions (including, without limitation, Improvements) conceived and reduced to practice solely by employees of or agents or others obligated to assign inventions to ImmunoGen or an ImmunoGen Affiliate ("ImmunoGen Inventions"). Subject to the licenses granted hereunder, Biogen Idec shall own (i) the Biogen Idec Background Technology, the Biogen Idec Patent Rights and the Biogen Idec Proprietary Materials, (ii) all Biogen Idec Program Technology and (iii) all inventions (including, without limitation, Improvements) conceived and reduced to practice solely by employees of or agents or others obligated to assign inventions to Biogen Idec or a Biogen Idec Affiliate ("Biogen Idec Inventions"). Subject to the licenses granted to Biogen Idec under this Agreement, the Party solely owning any Technology hereunder shall be the sole owner of any inventorship certificate(s), patent application(s) and patent(s) thereon. All determinations of inventive contribution shall be as determined by United States laws of inventorship. Subject to the terms of Section 7.2 below relating to Improvements, the Party solely owning an invention hereunder will be solely responsible, at its own cost and expense and in its sole discretion, for the filing, prosecution and maintenance of any inventorship certificate(s), patent application(s) and patent(s) thereon.

(b) Joint Technology. Subject to the licenses granted hereunder, all Joint Program Technology shall be jointly owned by ImmunoGen and Biogen Idec. All determinations of inventive contribution shall be as determined by United States laws of inventorship. The Parties shall also jointly own any inventorship certificate(s), patent application(s) and patent(s) on any inventions related to Joint Program Technology and

Improvements jointly conceived and reduced to practice hereunder by at least one employee of or agent or other person obligated to assign inventions to ImmunoGen or an ImmunoGen Affiliate and by at least one employee of or agent or other person obligated to assign inventions to Biogen Idec or a Biogen Idec Affiliate ("Joint Inventions"). The terms of Section 7.2 below relating to Joint Program Technology shall apply to any inventorship certificate(s), patent application(s) and patent(s) thereon.

(c) Disclosure. As regards any Program Technology hereunder, each Party shall provide to the other Party any invention disclosure made during the course of performance of this Agreement and relating to activities carried out hereunder within **[***]** (**[***]**) days after such Party receives such disclosure from its employees, agents or others obligated to assign inventions to such Party.

7.2 Patent Filing, Prosecution and Maintenance.

(a) ImmunoGen Rights – Solely-Owned Technology. Subject to the other terms of this Section 7.2, ImmunoGen shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights including all Patent Rights covering ImmunoGen Program Technology and ImmunoGen Inventions. ImmunoGen will keep Biogen Idec reasonably informed of the status of each such filing covering

Licensed Patent Rights and Patent Rights covering ImmunoGen Program Technology and ImmunoGen Inventions that are Improvements licensed to Biogen Idec under Section 2.3, and the prosecution and maintenance thereof, including, without limitation, by using reasonable commercial efforts to (i) provide Biogen Idec with a copy of any such proposed patent application covering ImmunoGen Program Technology and/or ImmunoGen Inventions that are Improvements licensed to Biogen Idec under Section 2.3 for review and comment reasonably in advance of filing, and (ii) provide Biogen Idec a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s), or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction and supporting documentation, including without limitation, relevant portions of the underlying prosecution file history so that Biogen Idec has a reasonable opportunity to review and comment. If ImmunoGen fails to undertake the filing(s) of any patent application with respect to any

invention under such Licensed Patent Rights or such Patent Rights covering such ImmunoGen Program Technology or ImmunoGen Improvements within **[***]** (**[***]**) days after receipt of written notice from Biogen Idec that Biogen Idec believes filing of such an application by ImmunoGen is appropriate, Biogen Idec may undertake such filing(s) at its own expense.

(b) Biogen Idec Rights. Biogen Idec shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Patent Rights covering Biogen Idec Background Technology, Biogen Idec Program Technology and Biogen Idec Inventions. Biogen Idec will keep ImmunoGen reasonably informed of the status of each such filing covering Biogen Idec Inventions that are Improvements licensed to ImmunoGen under Section 2.3, and the prosecution and maintenance thereof, including, without limitation, by using reasonable commercial efforts to (i) provide ImmunoGen with a copy of any such proposed patent application covering Biogen Idec Program Technology and/or Biogen Idec Inventions that are Improvements licensed to ImmunoGen under Section 2.3 for review and comment reasonably in advance of filing, and (ii) provide ImmunoGen a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction and supporting documentation, including without limitation, relevant portions of the underlying prosecution file history so that ImmunoGen has a reasonable opportunity to review and comment. If Biogen Idec fails to undertake the filing(s) of any patent application with respect to any invention under such Biogen Idec Improvement within **[***]** (**[***]**) days after receipt of written notice from ImmunoGen that ImmunoGen believes filing of such an application by Biogen Idec is appropriate, ImmunoGen may undertake such filing(s) at its own expense.

(c) Joint Program Technology. As regards any Patent Rights claiming Joint Program Technology and Joint Inventions, the Party from whom the majority of the data underlying any such Joint Program Technology or Joint Inventions arose (the “controlling Party”) will have the first right, but not the obligation, to undertake filing(s), prosecution and maintenance of inventorship certificate(s), patent application(s) and patent(s) thereon. In connection with any such filing(s), the controlling Party will use patent counsel mutually

acceptable to each Party (in its reasonable determination) and the Parties will, prior to filing of the patent application, agree on mutually acceptable sharing of the costs and expenses of such filing(s), prosecution and maintenance. In any case the controlling Party (i) will provide the non-controlling Party with a copy of any such proposed patent application for review and comment reasonably in advance of filing, and (ii) will keep the non-controlling Party reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, by using reasonable commercial efforts to (A) provide the non-controlling Party with copies of all communications received from or filed in patent office(s) with respect to such filing, and (B) provide the non-controlling Party, a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that the non-controlling Party has a reasonable opportunity to review and comment. If the controlling Party fails to undertake the filing(s) of any such patent application with respect to any such Joint Program Technology or Joint Inventions within **[***]** (**[***]**) days after receipt of written notice from the other Party that the other Party believes filing(s) of such an application by such Party is appropriate, such other Party may undertake such filing(s) at its own expense, in which case the non-filing Party will assign all of its rights to such Joint Program Technology or Joint Inventions to the filing Party and any subsequently issued patent thereon will be owned solely by the filing Party. Subject to the licenses granted under this Agreement, either Party may assign its rights hereunder to any Joint Program Technology or Joint Inventions, inventorship certificate, patent application or patent to the other Party, who will then have the right, in its discretion, to assume the filing, prosecution and/or maintenance thereof as the sole owner thereof and at its sole cost and expense.

7.3 Notice of Infringement. If, during the Term of this Agreement, either Party learns of any actual, alleged or threatened infringement by a Third Party of any Licensed Patent Rights under this Agreement, such Party shall promptly notify the other Party and shall provide such other Party with available evidence of such infringement.

7.4 Infringement of Patent Rights.

(a) ImmunoGen Rights to Control. ImmunoGen shall have the first right (but not the obligation), at its own expense, to bring and control the suit (or take other appropriate legal action) against any actual, alleged or threatened infringement of the Licensed Patent Rights including Patent Rights covering ImmunoGen Improvements, with legal counsel of its own choice. Biogen Idec shall have the right, at its own expense, to be represented in any such action by ImmunoGen by counsel of Biogen Idec's own choice; provided, however, that under no circumstances shall the foregoing affect the right of ImmunoGen to bring and control the suit as described in the first sentence of this Section 7.4(a). If ImmunoGen does not file any action or proceeding against such infringement within **[*********]** (**[***]**) days after the later of (i) ImmunoGen's notice to Biogen Idec under Section 7.3 above, (ii) Biogen Idec's notice to ImmunoGen under Section 7.3 above, or (iii) a written request from Biogen Idec to take action with respect to such infringement, then Biogen Idec shall have the right (but not the obligation), at its own expense, to bring suit (or take other appropriate legal action) against such actual, alleged or threatened infringement, with legal counsel of its own choice. ImmunoGen shall have the right, at its own expense, to be represented in any such action by Biogen Idec by counsel of ImmunoGen's own choice. Any damages, monetary awards or other amounts recovered, whether by judgment or settlement, pursuant to any suit, proceeding or other legal action taken under this Section 7.4(a) attributable to the development, manufacture, sale or importation of Licensed Products under this Agreement, shall first be applied to reimburse the costs and expenses (including attorneys' fees) of the Party bringing such suit or proceeding or taking such other legal action, then to the costs and expenses (including attorneys' fees), if any, of the other Party and second, to Biogen Idec in reimbursement for lost sales associated with Licensed Products and to ImmunoGen in reimbursement for lost royalties owing hereunder based on such lost sales. Any other damages, awards or amounts recovered (including for punitive damages) shall be allocated as follows: (A) if Biogen Idec is the Party bringing such suit or proceeding or taking such other legal action, **[***]** percent (**[***]**%) to Biogen Idec, and **[***]** percent (**[***]**%) to ImmunoGen, (B) if ImmunoGen is the Party bringing such suit or proceeding or taking such other legal action, **[***]** percent (**[***]**%) to ImmunoGen and (C) if the suit is brought jointly, **[***]** percent (**[***]**%) to each Party. If a Party brings any such action or proceeding hereunder, the other Party agrees to be joined as party plaintiff if necessary to

prosecute such action or proceeding, and to give the Party bringing such action or proceeding reasonable assistance and authority to file and prosecute the suit; provided, however, that neither Party shall be required to transfer any right, title or interest in or to any property to the other Party or any Third Party to confer standing on a Party hereunder.

(b) Infringement of Joint Program Technology. As to any actual, alleged or threatened infringement of any Patent Rights jointly owned by ImmunoGen and Biogen Idec under this Agreement, including actions against any alleged infringer, the Parties hereto will consult with each other in good faith regarding the best manner in which to proceed. The Parties agree as a basic principle that in the case of such actions against infringers, the expenses incurred and damages awarded shall be for the account of the Party or Parties who take such actions to the extent of their financial participation therein.

(c) Biogen Idec Rights to Control. Biogen Idec shall have the sole right (but not the obligation), at its own expense, to bring suit (or take other appropriate legal action) against any actual, alleged or threatened misappropriation or infringement of the Biogen Idec Background Technology and Biogen Idec Improvements, with legal counsel of its own choice.

7.5 Third Party Patents. If any Third Party claims that a patent it owns or controls claims any aspect of a Licensed Product or its manufacture, use, sale, offer for sale, or importation, the Party with notice of such claim shall notify the other Party promptly. In such circumstances, Biogen Idec shall have the sole right (but not the obligation), at its own expense, to defend or bring suit (or take other appropriate legal action) using legal counsel of its own choice. ImmunoGen shall have the right, at its own expense, to be represented in any such action by Biogen Idec by counsel of ImmunoGen's own choice; provided, however, that under no circumstances shall the foregoing affect the right of Biogen Idec to control the suit as described in the first sentence of Section 7.4(c). Biogen Idec shall have the sole control and authority over how to respond to and defend against such Third Party claims and whether and how to bring any counterclaims and will keep ImmunoGen reasonably informed of the status of the claims. In the event that pursuant to any suit, proceeding or other legal action taken under this Section 7.5, a court of competent jurisdiction orders the payment of any damages, monetary awards or other amounts by Biogen Idec to such Third Party and such court determines that all or a portion of such damages, monetary award or other award is attributable to the development, manufacture,

sale or importation of the MAY Compound portion of a Licensed Product, Biogen Idec shall be entitled to offset **[***]** percent (**[***]**%) of the applicable portion of such damages, monetary award or other amounts against any royalties then owed or which become due thereafter under this Agreement to ImmunoGen. Notwithstanding the foregoing, in no event shall the reductions under Sections 5.3 and 5.5 and this Section 7.5 reduce the royalty for any Licensed Product payable under Section 5.3(a) to less than **[***]** percent (**[***]**%) of Net Sales in any country. In the event further manufacture, use, sale, offer for sale or importation of the Licensed Product is enjoined as a result of a judgment in any suit, proceeding or other legal action taken under this Section 7.5 the Parties shall cooperate with each other reasonably and in good faith to comply with such judgment.

7.6 Trademarks. All Licensed Products shall be sold under one or more trademarks and trade names selected and owned by Biogen Idec in the Territory. Biogen Idec shall control the preparation, prosecution and maintenance of applications related to all such trademarks and trade names in the

Territory, at its sole cost and expense and at its sole discretion. ImmunoGen shall notify Biogen Idec promptly upon learning of any actual, alleged or threatened infringement of a trademark or trade name applicable to a Licensed Product in the Territory, or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses in the Territory. All of the costs, expenses and legal fees in bringing, maintaining and prosecuting any action to maintain, protect or defend any trademark owned by Biogen Idec hereunder, and any damages or other recovery, shall be Biogen Idec's sole responsibility, and taken in its sole discretion.

7.7 **Integration**. This Section 7 supersedes any agreement between the Parties as to the subject matter hereof, including, without limitation, any provisions of the MTA relating to inventions, patent applications and patents.

8. TERM AND TERMINATION

8.1 **Term; Expiration**. The term of this Agreement (the "Term") shall, unless earlier terminated, expire on a country-by-country basis upon the expiration of the final royalty payment obligation with respect to the final Licensed Product under Section 5.3(a) above. Upon the expiration of the Term of this Agreement, Biogen Idec shall have a fully paid-up, irrevocable,

freely transferable and sublicensable license under the Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any and all Licensed Products in the Territory.

8.2 **Termination**. Subject to the other terms of this Agreement:

(a) Voluntary Termination by Biogen Idec. Biogen Idec shall have the right to terminate this Agreement at anytime upon providing at least **[***]** (**[***]**) days prior written notice to ImmunoGen.

(b) Breach. A Party may terminate this Agreement and the licenses granted herein, effective upon written notice to the other Party, upon any breach by the other Party of any material obligation or condition of this Agreement, which material breach remains uncured **[***]** (**[***]**) days after the non-breaching Party gives a first written notice to the other Party describing such breach in reasonable detail; provided, however, that in the event of a payment breach by Biogen Idec under this Agreement, the applicable cure period shall be **[***]** (**[***]**) days (in lieu of **[***]** (**[***]**) days) but the other terms of this Section 8.2(b) shall apply to termination in connection with any such payment breach. Notwithstanding anything set forth herein, if the asserted material breach is cured or shown to be non-existent within the applicable cure period, the first notice of breach hereunder shall be deemed automatically withdrawn and of no effect.

(c) Bankruptcy. A Party may terminate this Agreement, effective on written notice to the other Party, in the event the other Party shall have become insolvent or bankrupt, or shall have made an assignment for the benefit of its creditors, or there shall have been appointed a trustee or receiver of the other Party or for all or a substantial part of its property, or any case or proceeding shall have been commenced or other action taken by or against the other Party in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts or any other relief under any bankruptcy, insolvency, reorganization or other similar act or law of any jurisdiction now or hereafter in effect, or there shall have been issued a warrant of attachment, execution, distraint or similar process against any substantial part of the property of the other Party, and any such foregoing events shall have continued for **[***]** (**[***]**) days undismissed, unbonded and undischarged. All rights and

licenses granted under this Agreement are, and shall be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the United States Bankruptcy Code. The Parties agree that in the event of the commencement of a bankruptcy proceeding by or against one Party hereunder under the United States Bankruptcy Code, the other Party shall be entitled to complete access to any such intellectual property, and all embodiments of such intellectual property, pertaining to the rights granted in the licenses hereunder of the Party by or against whom a bankruptcy proceeding has been commenced, subject, however, to payment of the milestone amounts and royalties set forth in this Agreement through the effective date of any termination hereunder.

8.3 **Effects of Termination**. Upon any termination of this Agreement by ImmunoGen under Section 8.2(b), as of the effective date of such termination, all relevant licenses and sublicenses granted by ImmunoGen to Biogen Idec hereunder shall terminate automatically. Notwithstanding the foregoing, (a) no such termination of this Agreement shall be construed as a termination of any valid sublicense of any Sublicensee hereunder, and thereafter each such Sublicensee shall be considered a direct licensee of ImmunoGen, provided, that, (i) such Sublicensee is then in full compliance with all terms and conditions of its sublicense, (ii) all accrued payments obligations to ImmunoGen have been paid, and (iii) such Sublicensee agrees to assume all obligations of Biogen Idec under this Agreement within ten (10) business days of ImmunoGen having given notice to the Sublicensee of such termination and of all obligations of Biogen Idec under this Agreement, and (b) Biogen Idec and its Sublicensees shall have the right, for **[***]** (**[***]**) months or such longer time period (if any) on which the Parties mutually agree in writing, to sell or otherwise dispose of all inventoried Licensed Products then on hand, with royalties to be paid to ImmunoGen on all Net Sales of such Licensed Products as provided for in this Agreement.

8.4 **Remedies**. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 8 are in addition to any other relief and remedies available to either Party at law.

8.5 **Surviving Provisions**. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 2.3, 3.3(e), 4.5(b), 4.5(c), 4.5(d), 5.9(b), 6, 7.2, 7.4, 7.5, 8.1, 8.3, 8.4, 8.5, 9.3, 10 and 11 as well as any rights or obligations otherwise

accrued hereunder (including any accrued payment obligations), shall survive the expiration or termination of the Term of this Agreement. Without limiting the generality of the foregoing, Biogen Idec shall have no obligation to make any milestone or royalty payment to ImmunoGen that has not accrued prior to the effective date of any termination of this Agreement, but shall remain liable for all such payment obligations accruing prior to the effective date of such termination.

9. REPRESENTATIONS AND WARRANTIES

9.1 **ImmunoGen Representations**. ImmunoGen represents and warrants to Biogen Idec that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate ImmunoGen corporate action; (b) this Agreement is a legal and valid obligation binding upon ImmunoGen and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which ImmunoGen is a party or by which it is bound; (c) ImmunoGen has the full right and legal capacity to grant the licenses and rights to Biogen Idec pursuant to Section 2 above without violating the rights of any Third Party or any agreements between ImmunoGen or its Affiliates and any Third Party; (d) to ImmunoGen's knowledge, no Patent Rights within the Licensed Patent Rights are invalid or unenforceable and as of the Effective Date no patents within the Licensed Patent Rights have expired; (e) to ImmunoGen's knowledge, it has disclosed to Biogen Idec all facts known to ImmunoGen as of the Effective Date that ImmunoGen believes to be materially relevant to the patentability, validity and enforceability of the Licensed Patent Rights; (f) during the Term of the Agreement, ImmunoGen will not take any action that it reasonably believes would in any material way prevent it from granting the rights granted to Biogen Idec under this Agreement with respect to Licensed Patent Rights or Licensed Technology Controlled by ImmunoGen after the Effective Date; (g) to ImmunoGen's knowledge, but without conducting any independent patent search of any kind, it is not aware of any issued patents claiming inventions relating to Licensed Technology or Licensed Patent Rights owned or controlled by an ImmunoGen Affiliate or a Third Party which would be infringed by the use of Licensed Patents to manufacture, sell, use or import Licensed Products as contemplated by this

Agreement, and as of the Effective Date, ImmunoGen is not aware of any infringement by a Third Party of the Licensed Patent Rights; (h) ImmunoGen has not received any notice from any Third Party claiming that patents owned or controlled by such Third Party are being infringed by it in the course of its conduct in substantially the same activities under Licensed Patent Rights as are contemplated in the research, Development and Commercialization of Licensed Products under this Agreement; and, (i) except as otherwise disclosed by ImmunoGen to Biogen Idec as of the Effective Date, ImmunoGen's agreements with its Qualified ImmunoGen MAY Licensees in effect as of the Effective Date include Substantially Similar Grant Back Rights (as that term is defined in Section 2.3 (a) above).

9.2 **Biogen Idec Representations**. Biogen Idec represents and warrants to ImmunoGen that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate Biogen Idec corporate action; and (b) this Agreement is a legal and valid obligation binding upon Biogen Idec and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which Biogen Idec is a party or by which it is bound.

9.3 **No Warranties**.

(a) Except as specifically set forth in Section 9.1, nothing in this Agreement is or shall be construed as:

(i) a warranty or representation by ImmunoGen as to the validity or scope of any patent application or patent within the Licensed Patent Rights;

(ii) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents, copyrights, and other rights of Third Parties.

(b) Except as expressly set forth in this Agreement, NEITHER PARTY MAKES ANY REPRESENTATIONS OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. WITHOUT LIMITING THE FOREGOING, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT ANY LICENSED PRODUCT WILL BE SUCCESSFULLY DEVELOPED OR MARKETED, OR THAT THE DEVELOPMENT,

MANUFACTURE, SALE, IMPORTATION OR USE OF THE LICENSED PRODUCT(S) WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS, OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.

10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Biogen Idec Indemnity. Subject to Section 10.1(b) below and the remainder of this Section 10, Biogen Idec shall indemnify, defend and hold harmless ImmunoGen, its Affiliates and their respective directors, officers, employees, and agents and their respective successors, heirs and assigns (the "ImmunoGen Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such ImmunoGen Indemnitees, or any of them, in connection with any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters, that arise out of or relate to (i) any actions or omissions of Biogen Idec or any Affiliate or Sublicensee of Biogen Idec, in the development, testing, production, manufacture, supply, promotion, import, sale or use by any person of any Licensed Product (or any component thereof) manufactured or sold by Biogen Idec or any Affiliate or Sublicensee of Biogen Idec, under this Agreement, (ii) any material breach of this Agreement by Biogen Idec, or (iii) the gross negligence or willful misconduct on the part of Biogen Idec, its Affiliates or their respective employees or agents, except to the extent of ImmunoGen's responsibility therefor under Section 10.1(b) below.

(b) ImmunoGen Indemnity. Subject to Section 10.1(a) above and the remainder of this Section 10, ImmunoGen shall indemnify, defend and hold harmless Biogen Idec, its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the "Biogen Idec Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such Biogen Idec Indemnitees, or any of them, in connection with any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters, that arise out of or relate to (i) any material breach of this Agreement by ImmunoGen, or (ii) the gross negligence or willful

misconduct on the part of ImmunoGen, its Affiliates or their respective employees or agents, except to the extent of Biogen Idec's responsibility therefor under Section 10.1(a) above.

10.2 Indemnification Procedures. In the event that any Indemnitee is seeking indemnification under Section 10.1 above from a Party (the "Indemnifying Party"), the other Party shall notify the Indemnifying Party of such claim with respect to such Indemnitee as soon as reasonably practicable after the Indemnitee receives notice of the claim, and the Party (on behalf of itself and such Indemnitee) shall permit the Indemnifying Party to assume direction and control of the defense of the claim (including the right to settle the claim solely for monetary consideration) and shall cooperate as requested (at the expense of the Indemnifying Party) in the defense of the claim.

10.3 Liability. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT OR OTHERWISE, NEITHER PARTY WILL BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES.

11. MISCELLANEOUS

11.1 Entire Agreement; Amendments. This is the entire Agreement between the Parties with respect to the subject matter herein, and supersedes any prior agreements, understandings, negotiations or correspondence between the Parties respecting the subject matter hereof, whether written or verbal (including, without limitation, the MTA, and that certain Confidentiality Agreement effective **[***]**, **[***]**. No modification or other amendment of this Agreement shall be effective unless in writing and signed by a fully authorized representative of each Party.

11.2 Waiver. The terms or conditions of this Agreement may be waived only by a written instrument executed by a duly authorized representative of the Party waiving compliance. The failure of either Party at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to enforce the same. No waiver by either Party

of any condition or term shall be deemed as a continuing waiver of such condition or term or of another condition or term.

11.3 **Governing Law**. This Agreement will be construed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts entered into and to be performed entirely within the Commonwealth of Massachusetts without giving effect to any choice of law principles that would require the application of the laws of a different state. Notwithstanding the foregoing, any dispute, controversy or claim arising out of this Agreement relating to the scope, validity, enforceability or infringement of any Patent Rights or other intellectual property rights shall be submitted to a court of competent jurisdiction in the territory in which such Patent Rights or other intellectual property rights were granted or arose.

11.4 **Notices**. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to Biogen Idec or ImmunoGen shall be in writing and shall be personally delivered or sent by telecopy (with machine confirmation of transmission) or by overnight courier providing evidence of receipt or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below (or to such address as may be specified in writing to the other Party hereto):

If to ImmunoGen:
ImmunoGen, Inc.
128 Sidney Street
Cambridge, MA 02139
Attn: Chief Executive Officer
Fax: (617) 995-2510

with a copy to
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Attn: **[***]**. **[***]**, Esq.
Fax: (617) 542-2241

If to Biogen Idec:
Biogen Idec MA Inc.
14 Cambridge Center
Cambridge, MA 02142
Attn: Executive Vice President, Business Development
Fax: (617) 679-2617

with a copy to
Biogen Idec MA Inc.
14 Cambridge Center

Cambridge, MA 02142
Attn: Executive Vice President and General Counsel
Fax: (617) 679-2838

Such notices shall be deemed to have been sufficiently given on: (a) the date sent if delivered in person or transmitted by facsimile, or (b) the next business day after dispatch in the case of overnight courier.

11.5 **No Implied Licenses**. Except as expressly set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

11.6 **Headings**. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

11.7 **Assignment**. This Agreement may not be assigned by either Party without the consent of the other, except that each Party may, without such consent, assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its assets in the line of business to which this Agreement pertains or to any successor corporation resulting from any merger or consolidation of such Party with or into such corporations.

11.8 **Force Majeure**. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party. In event of such force majeure, the Party affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.9 **Construction**. The Parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to each Party hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

11.10 **Severability**. If any provision(s) of this Agreement are or become invalid, are ruled illegal by any court of competent jurisdiction or are deemed unenforceable under then

current applicable law from time to time in effect during the term hereof, it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby provided that a Party's rights under this Agreement are not materially affected. The Parties hereto covenant and agree to renegotiate any such term, covenant or application thereof in good faith in order to provide a reasonably acceptable alternative to the term, covenant or condition of this Agreement or the application thereof that is invalid, illegal or unenforceable, it being the intent of the Parties that the basic purposes of this Agreement are to be effectuated.

11.11 **Status**. Nothing in this Agreement is intended or shall be deemed to constitute a partner, agency, employer-employee, or joint venture relationship between the Parties.

11.12 **Dispute Resolution**. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement relating to either Party's rights and/or obligations hereunder or otherwise relating to the validity, enforceability or performance of this Agreement, including disputes relating to alleged breach or termination of this Agreement but excluding any determination of the validity of the Parties' patents (hereinafter, a "Dispute"). In the event of the occurrence of any such Dispute, the Parties shall, by written notice to the other Party, have such dispute referred to their respective senior officers designated below (and to any designated officer of a Biogen Idec Sublicensee, if such Dispute involves such Sublicensee), for attempted resolution by good faith negotiations commencing promptly after such notice is received. Said designated senior officials of the Parties are as follows:

For Biogen Idec: Chief Executive Officer; and
For ImmunoGen: Chief Executive Officer.

In the event the designated senior officials are not able to resolve such Dispute, the Parties may seek to mediate their Dispute, on terms and with a mediator mutually agreeable to the Parties.

11.13 **Further Assurances**. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all other such acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.14 **Counterparts**. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative in two (2) originals.

BIOGEN IDEC MA INC.	IMMUNOGEN, INC.
By: /s/ Michael Gilman, Ph.D.	By: /s/ Pauline Jen Ryan
Name: Michael Gilman, Ph.D.	Name: Pauline Jen Ryan
Title: Executive Vice President, Research	Title: Senior Vice President, Business Development

SCHEDULE A

LICENSED PATENT RIGHTS

[*******************]

[**]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**]

[**]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[**]			[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]			[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]			[***]	[***]	[***]	[***]
[***]	[***]	[********]	[***]	[***]	[**]			[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[********************]			[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[***] [***] [***] [***] [***] [***] [***] [***] [***] [***] [***] [***]

[**********]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[**********]	[***]	[***]	[**********]		[***]	[***]	[***]	[***]	
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

CONFIDENTIAL
Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**********]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[********]	[***]	[***]	[**********]		[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[**********]		[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**********]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[**********]			[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

CONFIDENTIAL
Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

[***]	[***]	[**********]	[***]	[***]	[**********]	[***]	[***]	[***]	[***]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[**********]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

CONFIDENTIAL
Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**********]

[**********]

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[**********]

[**********]

[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[**********]		[***]	[***]	[**********]							[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]

CONFIDENTIAL
Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

[**********]

[**********]

[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[**********]							[***]	[***]	[***]	[***]	[***]
[***]	[***]	[**********]		[***]	[***]	[**********]							[***]	[***]	[***]	[***]	[***]

[**********]

[**********]

[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[**********]		[***]	[***]	[**********]							[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[**********]							[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[**********]							[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]					[***]	[***]	[***]	[***]	[***]	[***]	[***]

CONFIDENTIAL
Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

[***]	[***]	[***]		[***]	[***]	[***]							[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]		[***]	[***]	[***]			[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

SCHEDULE B

PROVISIONS FOR SUPPLY AGREEMENTS

[***] Supply Agreements [***]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

SCHEDULE C

POLYPEPTIDE SEQUENCES OF [***] [***]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

CONFIDENTIAL

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

[**********]

CONFIDENTIAL

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

SCHEDULE D

FORM OF ROYALTY REPORT

[********]

[**********]

[******]

[*****]	**[***]**	**[******]**	**[*******]**	**[******]**

	[***]	[***]
[******]	[***]	[***]

CONFIDENTIAL

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Act of 1934.

DEVELOPMENT AND LICENSE AGREEMENT

This Development and License Agreement (this "Agreement") is made effective as of December 23, 2004 (the "Effective Date") by and between Centocor, Inc., a wholly owned subsidiary of Johnson & Johnson, with its principal place of business at 200 Great Valley Parkway, Malvern, Pennsylvania 19355 ("Centocor"), and ImmunoGen, Inc., a Massachusetts corporation with its principal place of business at 128 Sidney Street, Cambridge, Massachusetts 02139 ("ImmunoGen"). Centocor and ImmunoGen are sometimes each hereinafter referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, Centocor is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to certain [**********] Antibodies (as defined below); and

WHEREAS, ImmunoGen is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to or otherwise useful in the conjugation of maytansine derivatives to binding proteins; and

WHEREAS, pursuant to the terms and conditions set forth herein, Centocor desires to obtain from ImmunoGen, and ImmunoGen desires to grant to Centocor, a license under certain of ImmunoGen's Technology and/or Patent Rights to develop and commercialize one or more Licensed Products (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

Whenever used in the Agreement with an initial capital letter, the terms defined in this Section 1 shall have the meanings specified.

1.1. "**Adverse Event**" shall mean any untoward medical occurrence in a patient or subject who is administered a Licensed Product, whether or not considered related to the Licensed Product including, without limitation, any undesirable sign (including abnormal

---

laboratory findings of clinical concern), symptom or disease temporally associated with the use of such Licensed Product.

1.2. "**Affiliate**" shall mean any corporation, firm, limited liability company, partnership or other entity which directly or indirectly controls or is controlled by or is under common control with a Party to this Agreement. For purposes of this Section 1.2, "control" means ownership, directly or indirectly through one or more Affiliates, of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interests in the case of any other type of legal entity, or status as a general partner in the case of any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body or management of a corporation or other entity.

1.3. "**Agreement**" shall mean this Development and License Agreement between the Parties, dated as of the Effective Date, including any exhibits, schedules or other attachments hereto and incorporated herein, as any of the foregoing may be validly amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of any exhibits, schedules or other attachments incorporated herein, unless the Parties expressly agree otherwise in writing the terms of this Agreement shall govern.

1.4. [**********] shall mean any [**********] consisting of an [**********] in [**********].

1.5. [**********]-**MAY Conjugate**" shall mean any conjugate of an [**********] Antibody with a MAY Compound.

1.6. "**Ansamitocins**" shall mean precursor(s) of MAY Compound produced by microbial fermentation, such as Ansamitocin P0, P1, P2, P3, P3', P4, and P4'.

1.7. [**********] **Antibody**" shall mean any Antibody (including [********] that is Controlled by Centocor and that targets [**********].

1.8. "**Antibody**" shall mean a composition comprising a whole antibody or fragment

---

thereof (whether polyclonal or monoclonal, human, humanized, chimeric or murine, or derived from another relevant species, multiple or single chain, recombinant, transgenic animal derived or naturally occurring, and any constructs thereof) or having been derived from nucleotide sequences encoding, or amino acid sequences of, such an antibody or fragment.

1.9. "**Centocor Background Technology**" means any Technology used by Centocor or provided by Centocor for use, in the Research Program that is useful in the Field and that is (a) Controlled by Centocor as of the Effective Date or (b) Controlled by Centocor and developed or conceived by employees of, or consultants to, Centocor on and after the Effective Date in the conduct of activities outside the Research Program and without the use of any Licensed Technology, Licensed Patent Rights or Joint Program Technology. Any Centocor Background Technology Controlled by Centocor as of the Effective Date is, or that becomes Controlled by Centocor on and after the Effective Date shall be, described in Schedule C attached hereto and incorporated herein by reference.

1.10. "**Centocor Patent Rights**" shall mean all Patent Rights with respect to Centocor Background Technology.

1.11. "**Centocor Program Technology**" shall mean any Program Technology made solely by employees of, or others obligated to assign inventions to, Centocor or any Affiliate of Centocor.

1.12. "**Clinical Materials**" shall mean any MAY Compound or Licensed Product supplied by ImmunoGen to Centocor pursuant to Section 4.3 and/or the terms of a Supply Agreement for use in human clinical testing.

1.13. "**Collaboration Committee**" shall mean the committee with representatives of each Party established as set forth in Section 3.4.

1.14. [**********] shall mean a [*****] of [**********] in [**********] to [**********] of [********] of [**********] to [**********] and [********] launch of a product incorporating MAY Compound.

1.15. "**Commercialization**" or "**Commercialize**" shall mean any and all activities

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

directed to pre-launch and launch of Licensed Products, including marketing, promoting, distributing, offering for sale and selling such Licensed Product, importing Licensed Products for sale, manufacturing for commercial sale (except for scale-up activities, which shall be Development activities) and securing reimbursement for sales. When used as a verb, "Commercialize" shall mean to engage in Commercialization.

1.16. "**Confidential Information**" shall mean, with respect to a Party (the "receiving Party"), all information which is disclosed by the other Party (the "disclosing Party") to the receiving Party hereunder or to any of its employees, consultants, Affiliates, licensees or sublicensees, except to the extent that the receiving Party can demonstrate by written record or other suitable physical evidence that such information, (a) as of the date of disclosure is demonstrably known to the receiving Party or its Affiliates other than by virtue of a prior confidential disclosure to such Party or its Affiliates; (b) as of the date of disclosure is in, or subsequently enters, the public domain, through no fault or omission of the receiving Party; (c) is obtained from a Third Party having a lawful right to make such disclosure free from any obligation of confidentiality to the disclosing Party; or (d) is independently developed by or for the receiving Party without reference to or reliance upon any Confidential Information of the Disclosing Party. For purposes of clarity, (a) any technical or financial information of a disclosing Party disclosed at any meeting of the Collaboration Committee, or disclosed through an audit report shall constitute Confidential Information of such disclosing Party, (b) the terms of this Agreement, to the extent not disclosed in a public filing (or press release permitted under Section 6 of this Agreement, shall constitute Confidential Information of each Party unless otherwise specified, (c) all know-how and trade secrets disclosed by ImmunoGen to Centocor in connection with the licenses set forth in Section 2.1 of this Agreement shall constitute Confidential Information of ImmunoGen, and (d) all know-how and trade secrets disclosed by Centocor to ImmunoGen in connection with the license set forth in Section 2 of this Agreement shall constitute Confidential Information of Centocor.

1.17. **"Consumer Price Index or "CPI**" shall mean the CPI for All Urban Consumers published from time to time by the Bureau of Labor Statistics of the United States Department of

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

Labor.

1.18. "**Contract Year**" shall mean the period beginning on the Effective Date and ending on December 31, 2005 and each succeeding twelve (12) month period thereafter during the Term.

1.19. "**Control**" or "**Controlled**" shall mean, with respect to any Patent Rights, Technology or Proprietary Materials (including, without limitation, any MAY Compound, [**********] Antibody or other proprietary biologic material covered under this Agreement), the possession by a Party of the ability to grant a license or sublicense of such Patent Rights or Technology and the rights thereto or to supply such Proprietary Materials as provided for in this Agreement without violating the terms of any arrangement or agreement between such Party or its Affiliates and any Third Party.

1.20. "**Cost**" shall mean, with respect to any Preclinical Materials or Clinical Materials manufactured by ImmunoGen, ImmunoGen's fully-burdened costs (including the costs associated with product testing and release activities) of producing and packaging such Preclinical or Clinical Materials, including the sum of the following components: (a) direct costs, including (1) materials directly used in producing and packaging such Preclinical Materials or Clinical Materials and (2) with respect to any Preclinical Materials or Clinical Materials obtained by ImmunoGen from a Third Party and supplied to Centocor without modification, the amount paid by ImmunoGen to such Third Party for the same; (b) manufacturing overhead costs attributable to the cost of

goods under the foregoing clause (a) (1), including manufacturing and quality labor and manufacturing and quality supervisory services, operating and administrative costs of the manufacturing and quality departments and occupancy costs which are allocable to company departments based on space occupied or headcount, or another activity-based method; (c) any other reasonable and customary out-of-pocket costs borne by ImmunoGen for the testing, transport, customs clearance, duty, insurance and/or storage of such Preclinical Materials or Clinical Materials; and (d) ImmunoGen's general and administrative costs, including purchasing, human resources, payroll, information system and accounting, which are directly attributable or reasonably allocable to company departments

based on space occupied or headcount or another activity-based method. In no event shall Manufacturing Costs include costs associated with idle capacity. Manufacturing overhead costs under the foregoing clause (b) and general and administrative costs under the foregoing clause (d) are allocable to each batch of Preclinical Material and/or Clinical Material produced based upon the [******] of [******], or any portion of a [****], that a Manufacturing [*****] is [**********] for the [**********] (including [**********] and [*******]) if Preclinical Materials or Clinical Materials, as the use may be, at ImmunoGen's facilities. Notwithstanding the foregoing, Cost shall not include the cost of purchasing any Dedicated Equipment pursuant to Section 4.4 of this Agreement.

1.21. "**Dedicated Equipment**" shall mean any equipment, instrument or machinery used by ImmunoGen exclusively in the manufacturing of Preclinical Materials or Clinical Materials.

1.22. "**Development**" and "**Develop**" shall mean, with respect to any Licensed Product, all activities with respect to such Licensed Product relating to research and development in connection with seeking, obtaining and/or maintaining any Regulatory Approval for such Licensed Product in the Field in the Territory, including without limitation, all pre-clinical research and development activities, test method development and stability testing, toxicology, formulation, process development, manufacturing scale-up, development-stage manufacturing, quality assurance/quality control development and performance, all activities relating to developing the ability to manufacture any Licensed Product or any component thereof (including, without limitation, process development work), and all other activities relating to seeking, obtaining and/or maintaining any Regulatory Approvals from the FDA and/or any Foreign Regulatory Authority.

1.23. "**Drug Approval Application**" shall mean any application for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Licensed Product in any country or jurisdiction in the Territory, including, without limitation, (a) any NDA or other regulatory application filed with the FDA prior to any commercial sale or use of a Licensed Product in the United States, and (b) any MAA or other

equivalent regulatory application filed with any Foreign Regulatory Authority for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Licensed Product in any other country or jurisdiction in the Territory.

1.24. "**Effective Date**" shall mean the date first written above in the introductory paragraph to this Agreement.

1.25. "**FDA**" shall mean the United States Food and Drug Administration and any successor agency or authority thereto.

1.26. "**Field**" shall mean all human therapeutic uses.

1.27. "**First Commercial Sale**" shall mean the date of the first commercial transfer or disposition for value to a Third Party of a Licensed Product by or on behalf of Centocor or any Affiliate or Sublicensee of Centocor.

1.28. "**Foreign Regulatory Authority**" shall mean any applicable supranational, national, federal, state or local regulatory agency, department, bureau or other governmental entity of any country or jurisdiction in the Territory (other than the FDA in the United States), including, without limitation, the Europeon Medicines Agency, having responsibility in such country or jurisdiction for any Regulatory Approvals of any kind in such country or jurisdiction, and any successor agency or authority thereto.

1.29. "**Full Time Equivalent**" or "**FTE**" a full time person dedicated to the Research Program, or in the case of less than a full-time dedicated person, a full-time, equivalent person year, based on a total of at least [**********] or [**********] per year of work, on or directly related to the Research Program, and which is carried out by employees, contractors or agents of ImmunoGen having the appropriate scientific expertise to conduct such activities.

1.30. "**FTE Cost**" shall mean, for any period during the Term of this Agreement, the FTE Rate multiplied by the number of FTEs expended over such period.

1.31. "**FTE Rate**" shall mean, for the [*****] Contract Year commencing on the Effective Date, [**********]; and, for each Contract Year thereafter, the result obtained by multiplying [**********] by the sum of (1+CPI) where CPI is a fraction, the numerator of

which is the difference between the Consumer Price Index as of the last month of the immediately preceding Contract Year and the Consumer Price Index as of the month immediately preceding the Effective Date and the denominator of which is the Consumer Price Index as of the month immediately preceding the Effective Date.

1.32. "**GMPs**" shall mean all good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.33. "**ImmunoGen Materials**" shall mean any Proprietary Materials Controlled by ImmunoGen and used by ImmunoGen, or provided by ImmunoGen for use, in the Research Program. ImmunoGen Materials shall include, without limitation, any MAY Compound.

1.34. "**ImmunoGen Program Technology**" shall mean any Program Technology made solely by employees of, or agents or others obligated to assign inventions to, ImmunoGen or an Affiliate of ImmunoGen.

1.35. "**Improvement**" shall mean any enhancement, improvement or modification to the Licensed Technology or the Licensed Patent Rights which is conceived or reduced to practice by either Party in the conduct of the Research Program and/or in connection with the development of any Licensed Product.

1.36. "**IND**" shall mean an investigational new drug application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed or to be filed with the FDA with regard to any Licensed Product.

1.37. "**Indemnitees**" and "**Indemnifying Party**" shall have the meanings set forth in Section 9.

1.38. "**Joint Program Technology**" shall mean any Program Technology made jointly by one or more employees of or agents to, or other persons obligated to assign inventions to, ImmunoGen or an ImmunoGen Affiliate, and by one or more employees of or agents to, or other persons obligated to assign inventions to, Centocor or a Centocor Affiliate.

1.39. "**Licensed Patent Rights**" shall mean any Patent Rights in the Field which are Controlled by ImmunoGen as of the Effective Date or become Controlled by ImmunoGen during the Term (including ImmunoGen's interest in any ImmunoGen Program Technology and Joint

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

Program Technology covered by Patent Rights that are Controlled by ImmunoGen), to the extent necessary to Develop, have Developed, make, have made, use, sell, have sold, import or export any Licensed Product in the Field in the Territory. Licensed Patent Rights as of the Effective Date are set forth in Schedule A attached hereto and incorporated herein by reference.

1.40. "**Licensed Product**" shall mean any product that incorporates, is comprised of, or is otherwise derived from, an [**********]- MAY Conjugate.

1.41. "**Licensed Technology**" shall mean any Technology in the Field which is Controlled by ImmunoGen as of the Effective Date or becomes Controlled by ImmunoGen during the Term (including ImmunoGen's interest in any ImmunoGen Program Technology and Joint Program Technology), which is necessary or useful to Develop, have Developed, make, have made, use, sell, have sold, import or export any Licensed Product in the Field in the Territory.

1.42. "**MAA**" shall mean an application filed with the relevant Foreign Regulatory Authorities in Europe seeking Regulatory Approval to market and sell any Licensed Product in Europe or any country or territory therein for a particular indication within the Field.

1.43. [**********] shall mean the [*********] of (a) an [*****] (such [*****] to [*****] the [****] under (b) below) of a [**********] by [******] that [**********] to [**********] that the [**********] is [*******] of using [**********] to [********** **********] to [**********] in terms of [**********] and [**********] for [*********] to be used in (i) [**********] involving [**********] and (ii) [**********] of a [**********], and (b) the [*********] by [*********] or [******] and [********** **********] of a [**********] that [**********] is [**********] with the [*****] of [*******] as described under (a) above. For the avoidance of doubt, if [*******] chooses [***] to [*******] the [*****] under (a) above [*****] to the [********] of the [**********] referenced under (b) above, the [********** **********] will be [**********] and

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

[*********] upon the [*********] of only (b) above.

1.44. "**MAY Compound**" shall mean any and all maytansinoid compounds and any and all derivatives of any such maytansinoid compounds, to the extent, in any case, Controlled by ImmunoGen, including without limitation, (a) $N^{2'}$-deacetyl-$N^{2'}$-(3-mercapto-1-oxopropyl)-maytansine (CAS No. 139504-50-0) (commonly referred to as DM1); (b) $N^{2'}$-deacetyl-N^{2}-(4-mercapto-1-oxopentyl)-maytansine (commonly referred as DM3); and (c) $N^{2'}$-deacetyl-N^{2}-(4-mercapto-4-methyl-1-oxopentyl)-maytansine (commonly referred as DM4).

1.45. **"MTA"** shall mean that certain Material Transfer and Evaluation Agreement between Centocor and ImmunoGen dated [**********], as amended on [**********] and [**********].

1.46. "**NDA**" shall mean a new drug application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed with the FDA seeking Regulatory Approval to market and sell any Licensed Product in the United States for a particular indication within the Field.

1.47. "**Net Sales**" shall mean, as to each calendar quarter during the Term, the gross invoiced sales prices charged for all Licensed Products sold by Centocor or its Sublicensees to Third Parties throughout the Territory during such calendar quarter, less the following amounts incurred or paid by Centocor or its Sublicensees during such calendar quarter with respect to sales of Licensed Products regardless of the calendar quarter in which such sales were made:

(a) (i) trade, cash and quantity discounts actually allowed or taken, including discounts to governmental or managed care organizations; (ii) rebates actually paid or credited, including government rebates such as Medicaid chargebacks or rebates; (iii) retroactive price reductions or allowances actually allowed or granted from the billed amount; and (iv) commercially reasonably promotional allowances actually granted to customers as reflected on the same invoice as for the sale of Licensed Product

(b) credits or allowances actually given or made for rejection of or return of, previously sold Licensed Products;

(c) any charges for insurance, freight, and other transportation costs directly

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

related to the delivery of Licensed Product to the extent included in the gross invoiced sales price;

(d) any tax, tariff, duty or governmental charge levied on the sales, transfer, transportation or delivery of a Licensed Product (including any tax such as a value added or similar tax or government charge) borne by the seller thereof, other than franchise or income tax of any kind whatsoever; and

(e) any import or export duties or their equivalent borne by the seller.

"Net Sales" shall not include sales or transfers between Centocor and its Affiliates, unless the Licensed Product is consumed by the Affiliates.

1.48. "**Patent Rights**" shall mean the rights and interests in and to any and all issued patents and pending patent applications (including inventor's certificates and utility models) in any country or jurisdiction in the Territory, including any and all provisionals, non-provisionals, substitutions, continuations, continuations-in-part, divisionals and other continuing applications, supplementary protection certificates, renewals, and all letters patent on any of the foregoing, and any and all reissues, reexaminations, extensions, confirmations, registrations and patents of addition on any of the foregoing.

1.49. "**Phase II Clinical Trial**" shall mean, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety, dose ranging and efficacy of such Licensed Product for such indication, which is prospectively designed to generate sufficient data (if successful) to commence a Pivotal Clinical Trial of such Licensed Product for such indication.

1.50. "**Pivotal Clinical Trial**" shall mean, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety and efficacy of such Licensed Product for such indication, which is prospectively designed to demonstrate statistically whether such Licensed Product is safe and effective for use in such indication in a manner sufficient to file an NDA to obtain Regulatory Approval to market and sell that Licensed Product in the United States or in any other country in the Territory for the indication under investigation in such study.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

1.51. "**Preclinical Materials**" shall mean any MAY Compound and/or [**********]-MAY Conjugate supplied by ImmunoGen to Centocor in accordance with Section 4.2 for the purpose of conducting research activities and/or preclinical testing under the Research Program with respect to a Licensed Product.

1.52. **"Program Technology"** shall mean any Technology, whether or not patentable, conceived or reduced to practice in the conduct of the Research Program, or, during the manufacture of Preclinical Material or Clinical Material in accordance with Section 4 of this Agreement.

1.53. "**Proprietary Materials**" shall mean any tangible chemical, biological or physical research materials that are furnished by or on behalf of one Party to the other Party in connection with this Agreement, regardless of whether such materials are specifically designated as proprietary by the transferring Party.

1.54. "**Regulatory Approval**" shall mean any and all approvals (including pricing and reimbursement approvals), product and establishment licenses, registrations or authorizations of any kind of the FDA or any Foreign Regulatory Authority necessary for the development, pre-clinical and/or human clinical testing, manufacture, quality testing, supply, use, storage, importation, export, transport, marketing and sale of a Licensed Product (or any component thereof) for use in the Field in any country or other jurisdiction in the Territory. "Regulatory Approval" shall include, without limitation, any NDA, MAA or any other Drug Approval Application.

1.55. **"Regulatory Authority"** shall mean the FDA and/or a Foreign Regulatory Authority.

1.56. **"Research Budget"** shall mean the budget for the Research Plan as agreed to by the parties.

1.57. "**Research Plan**" shall mean the written plan describing the research activities to be carried out by each Party pursuant to this Agreement attached hereto as Appendix 3.1.

1.58. "**Research Program**" shall mean the research activities in the Field commencing on the Effective Date to be conducted by the Parties pursuant to Section 3.1 of this Agreement

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

and reflected in the Research Plan.

1.59. "**Sublicensee**" shall mean any Third Party to which Centocor grants a sublicense of the rights granted to Centocor pursuant to this Agreement.

1.60. "**Technology**" shall mean and include any and all unpatented proprietary ideas, inventions, trade secrets, discoveries, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, know-how, technical information (including, without limitation, structural and functional information), process information, pre-clinical information, clinical information, and any and all Proprietary Materials, including all proprietary biological, chemical, pharmacological, toxicological, pre-clinical, clinical, assay, control and manufacturing data and materials.

1.61. "**Term**" shall mean the period commencing on the Effective Date and continuing until the expiration or termination of this Agreement in accordance with the terms hereof.

1.62. "**Territory**" shall mean all countries and jurisdictions of the world.

1.63. "**Third Party**" shall mean, as to a Party, any entity other than that Party and its respective Affiliates.

1.64. "**Third Party Payments**" shall have the meaning set forth in Section 5.3.2.

1.65. "**Upfront Fee**" shall have the meaning set forth in Section 5.1.1.

1.66. "**Valid Claim**" shall mean any claim within an issued, unexpired patent or pending patent application within the Licensed Patent Rights that (a) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, and (b) has not been revoked, held invalid, or declared unpatentable or unenforceable in a decision of a court or other body of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal, and (c) has not been rendered unenforceable through disclaimer or otherwise, and (d) is not lost through an interference proceeding.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

2. GRANT OF RIGHTS

2.1 **License Grants**.

(a) Commercialization License.

(i) License to Centocor Subject to the terms and conditions of this Agreement, ImmunoGen hereby grants to Centocor an exclusive, royalty-bearing license, including the right to grant sublicenses as described in Section 2.1(a)(ii) below, under the Licensed Patent Rights and Licensed Technology and ImmunoGen's interest in Improvements, to Develop, have Developed, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported Licensed Products in the Field in the Territory.

(ii) Right to Sublicense. Centocor shall have the right freely to grant sublicenses to all or any portion of its rights under the license rights granted pursuant to Section 2.1(a)(i) hereof to any Third Party; provided, however, that (1) ImmunoGen shall be notified in writing of each such sublicense, (2) any and all sublicenses shall be consistent with the terms and conditions of this Agreement, and (3) Centocor shall remain obligated for the payment to ImmunoGen of all of its payment obligations hereunder, including, without limitation, the payment of any milestones and royalties described in Section 5 hereof.

(b) Research Licenses.

(i) Research License to Centocor Subject to the terms and conditions of this Agreement, during the Term of this Agreement, ImmunoGen hereby grants to Centocor a fully paid-up, non-exclusive, royalty-free, worldwide license, without the right to grant sublicenses, under the Licensed Technology and Licensed Patent Rights and ImmunoGen's interest in any Improvements, for the sole purpose of conducting the activities it is required to perform as part of the Research Program.

(ii) Research License to ImmunoGen. Subject to the terms and conditions of this Agreement, during the Term of this Agreement, Centocor hereby grants to ImmunoGen a fully paid-up, non-exclusive, royalty-free, worldwide license, without the right to grant sublicenses, under the Centocor Background Technology and Centocor Patent Rights and Centocor's interest in any Improvements, Centocor Program Technology and Joint Program Technology, for the sole purpose of conducting the activities it is required to perform as part of the Research Program.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

2.2 Retained Rights and Covenants.

(a) Retained Rights. Subject to the other terms of this Agreement (including, without limitation, Section 2.2(b)), ImmunoGen retains the right to use the Licensed Technology and its interest in any Improvements and practice the Licensed Patent Rights (a) to perform its obligations under this Agreement (including without limitation its obligation to manufacture Preclinical Materials and Clinical Materials in accordance with Section 4 of this Agreement) (b) to develop, have developed, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any product that is not a Licensed Product, and (c) for any and all uses outside of the Field.

(b) Covenants. Notwithstanding anything to the contrary contained in Section 2.2(a) or 2.3 of this Agreement, ImmunoGen hereby agrees during the Term of this Agreement, that it shall not grant to any Third Party any license or other right under any Patent Rights or Technology Controlled by ImmunoGen to develop, have developed, commercialize, have commercialized, make or have made any product containing a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with [**********].

2.3 Improvement License to ImmunoGen. Centocor hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free license, including the right to grant sublicenses, under Centocor's interest in Improvements Controlled by Centocor (a) to manufacture Clinical Materials or Preclinical Materials pursuant to the terms of this Agreement, and/or each applicable Supply Agreement (b) to develop, make, have made, use, sell, have sold, offer for sale, import, have imported, export and have exported any product that is not a Licensed Product, and (c) to otherwise exploit such Improvements for all uses outside of the Field.

3. RESEARCH PROGRAM; DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS.

3.1 Research Program.

(a) Implementation of Research Program. Promptly following the execution of this Agreement, the Parties shall cooperate in conducting the Research Program as described

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

in the Research Plan in Appendix 3.1 attached hereto. The Research Program shall be designed to facilitate the selection of the appropriate [**********] Antibodies and MAY Compounds to be used in preparing [**********]-MAY Conjugates and the conduct of initial research with respect to the [**********]-MAY Conjugates. The Research Program shall be conducted pursuant to a Research Budget agreed to by the Parties. The Parties may, by mutual agreement, make adjustments in the Research Plan and Research Budget from time to time during the Term of this Agreement. Each Party undertakes that the activities assigned to it in a Research Plan shall be conducted diligently and in good scientific manner in accordance with accepted laboratory practices and in compliance with any and all laws, regulations and bioethical conventions applicable to the jurisdiction in which those activities take place.

(b) Collaborative Efforts and Reports. The Parties agree that the successful execution of the Research Program will require the collaborative use of both Parties' areas of expertise. The Parties shall keep the Collaboration Committee and each other fully informed about the status of the Research Program. Scientists at ImmunoGen and Centocor shall cooperate in the performance of the Research Program and, subject to any confidentiality obligations to Third Parties, shall exchange information and materials in a mutually acceptable secure manner as necessary to carry out the Research Program, but subject to the provisions of Section 6 hereof. The Parties expect that such exchange of information and materials may involve short-term on-site visits by scientists of each Party to the facilities of the other Party.

(c) Additional Obligations of ImmunoGen. Subject to the other terms of this Agreement, ImmunoGen may, [**********], conduct such additional research activities, as ImmunoGen, in its sole discretion, are necessary as useful for the Development of Licensed Products. Without limiting the generality of the foregoing, ImmunoGen may from time to time, provide Centocor technical assistance within ImmunoGen's area of expertise (or its subcontractors) concerning the Development of Licensed Products, provided that such technical assistance and expertise is within the scope of the Licensed Technology and/or Licensed Patent Rights covered under this Agreement. Such technical

assistance and expertise shall include, but not be limited to, visits by ImmunoGen personnel to Centocor and visits by Centocor Personnel to ImmunoGen (or its subcontractors), at Centocor's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties.

(d) Supply of Proprietary Materials. From time to time during the Research Program Term, either Party (the "transferring Party") may supply the other Party (the "recipient Party") with its Proprietary Materials for use in the Research Program. In connection therewith, the recipient Party hereby agrees that (i) it shall not use Proprietary Materials for any purpose other than exercising any rights granted to it or reserved by it hereunder; (ii) it shall use the Proprietary Materials only in compliance with all applicable, federal, state, and local laws and regulations; (iii) it shall not transfer any Proprietary Materials to any Third Party without the prior written consent of the transferring Party, except as expressly permitted hereby; (iv) the transferring Party shall retain full ownership of all such Proprietary Materials; and (v) upon the expiration or termination of this Agreement, the recipient Party shall at the instruction of the transferring Party either destroy or return any Proprietary Materials which are not the subject of the grant of a continuing license hereunder.

3.2 Development and Commercialization.

(a) Responsibility. Subject to Section 3.3 of this Agreement, on and after the Effective Date, Centocor shall have sole control and authority over the Development and Commercialization of Licensed Products in the Field in the Territory, including, without limitation, (i) the conduct of all research and pre-clinical Development activities (including the assessment of alternative designs for the [**********]-MAY Conjugates, the selection of the final [**********] Antibodies and MAY Compounds to be used in the [**********]-MAY Conjugates and the selection of the [**********]-MAY Conjugates to be Developed as Licensed Products, all preclinical and IND-enabling studies, including toxicology testing, any pharmaceutical development work on formulations or process development relating to any such Licensed Products), (ii) all activities related to human clinical trials, (iii) subject to Section 4 of this

Agreement, all activities relating to the manufacture and supply of [**********] Antibodies, MAY Compounds and Licensed Products, to the extent such activities relate to the Development and Commercialization of Licensed Products (including all required process development and scale up work with respect thereto), (iv) all Commercialization activities relating to any Licensed Product, and (v) all activities relating to any regulatory filings, registrations, applications and Regulatory Approvals relating to any of the foregoing (including any INDs or foreign equivalents, any manufacturing facility validation and/or licensure, any Drug Approval Applications and any other Regulatory Approvals). Except as described in the next sentence, Centocor shall own all Technology arising from any such activities under this Agreement, including, without limitation, all regulatory filings, registrations, applications and Regulatory Approvals relating to Licensed Products (including any INDs or foreign equivalents, any Drug Approval Applications and any other Regulatory Approvals), and all of the foregoing Technology and filings, registrations and applications shall be considered Confidential Information solely owned by Centocor. Notwithstanding the foregoing, ImmunoGen shall own all Technology arising from ImmunoGen's activities relating to the manufacture and supply of MAY Compounds to Centocor and all of the foregoing Technology shall be considered Confidential Information solely owned by ImmunoGen. Notwithstanding anything to the contrary in this Agreement, (i) all activities relating to Development and Commercialization of Licensed Products under this Agreement shall be undertaken at Centocor's sole cost and expense, except as otherwise expressly provided in this Agreement, (ii) all business decisions, including, but not limited to, the design, sale, price and promotion of Licensed Products under this Agreement and the decision whether to market any particular Licensed Product shall be within the sole discretion of Centocor, (iii) any marketing of a Licensed Product in one market or country shall not obligate Centocor to market said Licensed Product in any other market or country and (iv) Centocor makes no warranty or representation that the marketing of any Licensed Product shall be the exclusive means by which Centocor will participate in the Field to which the Licensed Product relates.

(b) Due Diligence. Centocor will use commercially reasonable efforts to

Develop and Commercialize Licensed Products, and to undertake investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products, in the Field and in the Territory, such commercially reasonable efforts to be in accordance with the efforts and resources Centocor would use for a compound owned by it or to which it has rights, which is of similar market potential at a similar stage in development as the applicable Licensed Product, taking into account the proprietary position of the Licensed Product, the relative potential safety and efficacy of the Licensed Product, the regulatory requirements involved in its Development, Commercialization and Regulatory Approval, the cost of goods and availability of capacity to manufacture and supply the Licensed Product at commercial scale, and other relevant factors including, without limitation, technical, legal, scientific or medical factors. In determining whether Centocor is using the efforts described in this Section 4.4 to Develop a Licensed Product the Parties shall consider, among other things, whether such Licensed Product is in Active Development. "Active Development" shall mean that at any given time Centocor shall be diligently engaging in one or more of the following Development activities for a given Licensed Product:
[**********] from the [**********] or [**********] for any [**********] being [*******] or [**********] or

[*** ***] and [*******************] or [********************] and [*****************] from a [**********************] and [********************] within [*****************] to [********] any of the preceding activities. Notwithstanding the foregoing, Centocor shall not be considered to have failed to meet its obligation to use such efforts or have a Licensed Product in Active Development if such failure is due to the failure on the part of ImmunoGen to provide Preclinical or Clinical Materials under Article 4 hereof. In the event that Centocor fails to use commercially reasonable efforts as required hereunder, then, ImmunoGen's sole remedy shall be the right, in its sole discretion to (i) terminate the licenses granted under Section 2.1 this Agreement for breach under Section 8.2(b) below (including the notice and cure provisions

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

---

therein) or (ii) convert the licenses granted under Section 2.1 of this Agreement from exclusive licenses to non-exclusive licenses, in either case only as such licenses apply to such Licensed Product in such country, which termination or conversion, as the case may be, shall be effective upon expiration of the cure period specified in 8.2(b) below provided that such failure remains uncured upon such expiration.

3.3 <u>**Updates and Reports; Notification of Milestones; Exchange of Adverse Event Information**</u>.

(a) <u>Updates and Reports</u>. Centocor shall keep ImmunoGen informed of the progress of Centocor's efforts to Develop and Commercialize Licensed Products in the Field in the Territory by providing ImmunoGen with brief written reports no less frequently than on each anniversary of the Effective Date during the Term of this Agreement (commencing with the first anniversary of the Effective Date) which shall summarize Centocor's efforts to Develop and Commercialize such Licensed Products, identify the Drug Approval Applications that Centocor and its Sublicensees have filed, sought or obtained in the prior twelve (12)-month period, and any they reasonably expect to make, seek or attempt to obtain in the following twelve (12)-month period. The Parties agree that the minutes of the Collaboration Committee meetings may serve as reports hereunder, to the extent such minutes adequately address the above issues.

(b) <u>Notification of Milestone Achievement</u>. Centocor shall provide ImmunoGen with prompt written notice of the occurrence of any event giving rise to an obligation to make a milestone payment to ImmunoGen under Section 5.1.2, which shall in any event be no later than [***********] days after the occurrence of such event, and shall provide ImmunoGen with prompt written notice of the occurrence of the First Commercial Sale of any Licensed Product. In the event that, notwithstanding the fact that Centocor has not given any such notice, ImmunoGen believes any such milestone event has occurred, it shall so notify Centocor in writing, and shall provide to Centocor the data and information demonstrating that the conditions for payment have been achieved. Within [***] ([***]) days of its receipt of such notice, the Parties shall meet to review the data and information and shall agree in good faith whether or not the conditions for payment have been achieved.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

(c) <u>Adverse Events</u>. As the owner of all regulatory approvals, Centocor will be primarily responsible for Adverse Event, safety and pharmacovigilence reporting on all Licensed Products. To the extent that it may apply to a Licensed Product, ImmunoGen agrees to provide Centocor with Adverse Event and product complaint information relating to any product containing any MAY Compound that is compiled and prepared by ImmunoGen or any Third Party in the normal course of business in connection with the development, commercialization or sale of any such product, in accordance with procedures that shall be agreed to by the Parties based, in general, on <u>Schedule D</u> attached hereto (it being the understanding of the Parties that such <u>Schedule D</u> is included as an example only and shall not be binding upon the Parties); <u>provided</u>, <u>however</u>, that the foregoing shall not require ImmunoGen to violate any agreements with or confidentiality obligations owed to any Third Party. In addition, Centocor agrees to provide ImmunoGen with agreed upon Adverse Event information and product complaint information relating to Licensed Products as compiled and prepared by Centocor in the normal course of business in connection with the Development or Commercialization of any Licensed Product, within time frames consistent with reporting obligations under applicable laws and regulations in accordance with procedures that shall be agreed to by the Parties based, in general, on <u>Schedule D</u> attached hereto (it being the understanding of the Parties that such <u>Schedule D</u> is included as an example only and shall not be binding upon the Parties). Centocor shall provide its Adverse Event and product complaint information hereunder to ImmunoGen's designated representative, who shall be its Chief Regulatory Officer unless ImmunoGen otherwise notifies Centocor. ImmunoGen shall provide its Adverse Event and product complaint information hereunder to Centocor's designated representative identified on <u>Schedule D</u> unless Centocor otherwise notifies ImmunoGen.

(d) <u>Correspondence for Licensed Products.</u> To the extent reasonably practicable and subject to any Third Party confidentiality obligations, Centocor shall provide ImmunoGen with copies of any material documents or correspondence pertaining to ImmunoGen's manufacture of Preclinical Materials, Clinical Materials or any Licensed Product and prepared for submission to the FDA and any material documents or other correspondence

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

---

received from the FDA pertaining to ImmunoGen's manufacture of Preclinical Materials, Clinical Materials or any Licensed Product. ImmunoGen shall complete its review within [********] days after receipt of the proposed submission. When requested in writing, ImmunoGen shall provide reasonable

assistance to Centocor in obtaining Regulatory Approvals for Licensed Product. Notwithstanding the foregoing, Centocor shall have the sole responsibility for, and ImmunoGen agrees that Centocor shall be the sole owner of, any Regulatory Approval for the Licensed Product.

(e) Confidential Information. All reports, updates, Adverse Event, product complaint and other information provided by the disclosing Party to the receiving Party under this Agreement (including under this Section 3.3), shall be considered Confidential Information of the disclosing Party, subject to the terms of Section 6.

3.4 Collaboration Committee.

(a) Mandate and Establishment of Committee. Promptly after the Effective Date, the Parties shall form a Collaboration Committee to serve as a forum for coordination and communication between the Parties with respect to the Research Program and/or the development of manufacturing processes applicable to any MAY Compound or Licensed Product covered by this Agreement (including, without limitation, all process science and process development work, formulation work, and quality control/assurance work hereunder), and to assist Centocor in its exercise of its rights to make or have made Licensed Products under this Agreement. Within thirty (30) days after the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2) each) for membership on the Collaboration Committee. Each Party may change its representative(s) as it deems appropriate by notice to the other Party.

(b) Chair of Committee; Meetings. The chair of the Collaboration Committee shall be one of the Centocor representatives on the Collaboration Committee, as designated by Centocor. The Collaboration Committee shall meet on a semi-annual basis or other schedule agreed upon by the Parties, unless at least thirty (30) days in advance of any meeting the chair of the Collaboration Committee determines that there is no need for a meeting. In such instance,

the next Collaboration Committee meeting shall also be scheduled as agreed upon by the Parties. The location of meetings of the Collaboration Committee shall alternate between ImmunoGen's offices and Centocor's offices in Cambridge, Massachusetts and Malvern/Radnor/Horsham/ Chesterbrook/Springhouse, Pennsylvania, respectively, unless otherwise agreed by the Parties. As agreed upon by the Parties, Collaboration Committee meetings may be face-to-face or may be conducted through teleconferences and/or videoconferences. In addition to its Collaboration Committee representatives, each Party shall be entitled to have other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear its own costs and expenses, including travel and lodging expense, that may be incurred by Collaboration Committee representatives or other attendees at Collaboration Committee meetings, as a result of such meetings hereunder. Minutes of each Collaboration Committee meeting will be transcribed and issued to members of the Collaboration Committee by the chair within thirty (30) days after each meeting, and such minutes shall be reviewed and modified as mutually required to obtain approval of such minutes promptly thereafter.

4. SUPPLY AND MANUFACTURING OBLIGATIONS

4.1 Supply of Preclinical Materials, Clinical Materials and Licensed Product. Centocor shall be responsible, at its sole cost, for manufacturing or having manufactured through Third Party contract manufacturers, any materials (including without limitation, all [**********] Antibodies, MAY Compounds and [**********]-MAY Conjugates) as may be required for all preclinical and clinical studies necessary to obtain Regulatory Approval of Licensed Products and any materials and/or quantities of each Licensed Product as may required for all preclinical and clinical studies applicable to such Licensed Product and for Commercialization of such Licensed Product.

4.2 Supply of Preclinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1, during the Term of this Agreement, Centocor may request ImmunoGen to supply Centocor with such quantities of Preclinical Materials as may be reasonably required by Centocor in order to conduct all pre-clinical Development activities

(including, without limitation, toxicology testing) relating to Licensed Products. Centocor shall order all amounts of Preclinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with advance ordering timeframes and delivery timeframes and specifications to be agreed upon by the Parties. To the extent Centocor requests ImmunoGen to manufacture any [**********]-MAY Conjugate, Centocor shall supply ImmunoGen with quantities of [**********] Antibodies sufficient to enable ImmunoGen to produce such [**********]-MAY Conjugate. ImmunoGen shall use commercially reasonable efforts to deliver to Centocor such amounts of Preclinical Materials as are ordered by Centocor in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, to the extent such Preclinical Materials are [**********]-MAY Conjugates, ImmunoGen's obligations shall be contingent on ImmunoGen's receipt of the required quantities of [**********] Antibodies from Centocor. In connection with any ordering of Preclinical Materials by Centocor, ImmunoGen shall provide Centocor promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Preclinical Materials. ImmunoGen's price to supply Preclinical Materials to Centocor shall equal [**********] for such Preclinical Materials. In connection with such supply, Centocor hereby agrees that (a) it shall not use the Preclinical Materials in any human subject, (b) it shall use the Preclinical Materials in compliance with all applicable federal, state and local laws and regulations, and (c) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the use, storage and disposal of any Preclinical Materials. Centocor shall be entitled to transfer Preclinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Preclinical Materials except in compliance with the foregoing clauses (a) and (b) of this Section 4.2.

4.3 **Supply of Clinical Materials by ImmunoGen**. If, during the Term of this Agreement, Centocor requests in writing that ImmunoGen supply Centocor with such quantities of Clinical Materials as may be reasonably required by Centocor in order to conduct human clinical trials of such Clinical Materials through the completion of non-pivotal Phase II Clinical

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

Trials for such Clinical Materials, ImmunoGen will use commercially reasonable efforts to supply Centocor with such Clinical Materials. If, during the Term of this Agreement, Centocor requests in writing that ImmunoGen supply it with Clinical Materials in connection with the conduct of Pivotal Clinical Trials, ImmunoGen will supply Centocor with such Clinical Materials only to the extent ImmunoGen has the capability to do so at the time of Centocor's request. In either event, the Parties shall share information concerning specifications, forecasting and capacity requirements in order to adequately plan for the manufacture of such Clinical Materials. To the extent Centocor requests ImmunoGen to manufacture Clinical Materials as provided in the foregoing sentences, ImmunoGen and Centocor shall enter into a separate supply and quality agreements detailing the terms of supply for any Clinical Materials that ImmunoGen is so requested to supply to Centocor for the purpose of conducting clinical trials, which supply agreement shall include, without limitation, the terms set forth on Schedule B attached hereto and the remainder of this Section 4.3 (the "Supply Agreement"). Subject to the foregoing, Centocor shall order all amounts of Clinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with forecasting parameters, advance ordering timeframes and delivery timeframes to be agreed upon by the Parties in the Supply Agreement. The Supply Agreement further shall provide that ImmunoGen shall use commercially reasonable efforts to deliver such amounts of Clinical Materials ordered in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, ImmunoGen's obligations shall be contingent on ImmunoGen's receipt of the required quantities of [**********] Antibodies from Centocor. In connection with any ordering of Clinical Materials by Centocor, ImmunoGen shall provide Centocor promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Clinical Materials. The Supply Agreement shall provide that ImmunoGen's price to supply Clinical Materials to Centocor shall equal [**********] for such Clinical Materials. Centocor hereby agrees that (a) it shall use the Clinical Materials in compliance with all applicable federal, state and local laws, and (b) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

use, storage and disposal of such Clinical Materials. Centocor shall be entitled to transfer Clinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Clinical Materials except in compliance with the foregoing clause (a) of this Section 4.3.

4.4 **Purchase of Dedicated Equipment**. If, during the Term of this Agreement, ImmunoGen determines in good faith that it is necessary or advisable to purchase Dedicated Equipment in order to perform any of its obligations to manufacture Preclinical Materials and Clinical Materials under Sections 4.2 or 4.3 of this Agreement, then ImmunoGen shall provide Centocor with written notice of such determination, along with the estimated price for such purchase and quality parameters for the Dedicated Equipment, for Centocor's approval of such price and features. Promptly after the consummation of such purchase, assuming that Centocor has provided its approval hereunder, ImmunoGen shall provide Centocor with a copy of the invoice or invoices reflecting such purchase, and Centocor shall reimburse ImmunoGen for the purchase of all such approved Dedicated Equipment hereunder within [**********] of its receipt of such invoice from ImmunoGen; provided, however, that no costs reimbursed by Centocor hereunder (or depreciation of such purchased equipment or instruments) shall be included within the calculation of any Costs under this Agreement. Centocor shall have title and ownership of all such Dedicated Equipment purchased pursuant to this Section 4.4, and shall have the right to reclaim or retain possession of such Dedicated Equipment at its expense upon reasonable notice at such time as it is no longer required for use by ImmunoGen to carry out this Agreement. Notwithstanding the foregoing, the purchase of items including, but not limited to, routine lab equipment, biological materials, products and reagents reasonably required by ImmunoGen to conduct the Research Program shall be included in the Research Budget and shall be ImmunoGen's obligation and responsibility.

4.5 **Process Development Activities**. To the extent that Centocor requests that ImmunoGen manufacture Preclinical Materials or Clinical Materials as described in this Section 4, ImmunoGen shall conduct such process development activities as the Parties agree are necessary to produce the quantities of Preclinical Materials or Clinical Materials so ordered,

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

which process development activities shall be included within the calculation of Cost to be paid by Centocor pursuant to Sections 4.2 and/or 4.3 of this Agreement and/or the Supply Agreement.

4.6 **Audit Rights**

4.6.1 Audit of Records. ImmunoGen will maintain complete and accurate records which are relevant to its supply of Preclinical Materials as described in this Section 4, for subsequent use in GLP toxicology studies, including records concerning the Costs, purchase of Dedicated Equipment and Process Development Activities. ImmunoGen shall maintain all records relating thereto in good order. At the request of Centocor, upon at least [**********] business days' prior written notice, but no more often than once per year, and at its sole expense (except as otherwise provided herein), ImmunoGen shall permit an independent certified public accountant reasonably selected by Centocor and reasonably acceptable to ImmunoGen to inspect

(during regular business hours) the relevant records required to be maintained by ImmunoGen under this Section 4.5 (including records pertaining to ImmunoGen's compliance with the Policy described in Section 9.1). At Centocor's request, the accountant shall be entitled to audit the then-preceding [**********] years of ImmunoGen's records for purposes of verifying ImmunoGen's records concerning Costs and its purchase of Dedicated Equipment. To the extent requested by ImmunoGen the accountant shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 4.5. The results of any such audit shall be made available to both Parties and shall be binding on both Parties. Centocor agrees to treat the results of any such accountant's review of ImmunoGen's records under this Section 4.5 as Confidential Information of ImmunoGen subject to the terms of Section 6. If any such audit reveals an overcharge to Centocor attributable to a deficiency in the calculation of Costs, or the purchase of Dedicated Equipment, ImmunoGen shall promptly pay Centocor the amount of the overpayment (plus interest thereon at the rate provided in Section 5.7 above), and if such overpayment is by [****] percent [*******] or more, ImmunoGen shall pay the costs and expenses of the audit.

4.6.2 Audit of Facility. ImmunoGen agrees that, to the extent ImmunoGen

manufactures any Preclinical Materials under this Section 4 for subsequent use in GLP toxicology studies, Centocor shall have the right to audit, under appropriate confidentiality provisions, during normal business hours and not more often than once per year, the facilities employed and the documentation utilized by ImmunoGen or its contractors or subcontractors for manufacturing Preclinical Materials. Centocor may appoint a Third Party reasonably acceptable to ImmunoGen to perform such audit; provided Centocor hereby warrants that such Third Party will abide by secrecy and non-use obligations no less stringent than those contained in this Agreement and, to the extent requested by ImmunoGen, Cenotocor to provide ImmunoGen with a copy of the confidentiality agreement evidencing such secrecy and non-use obligations. All such audits shall be at Centocor's sole cost and expense. Centocor will notify ImmunoGen at least [**********] business days in advance of such an audit by Centocor and [**********] business days in advance of such an audit by a Third Party. ImmunoGen shall use commercially reasonable efforts to remedy any material deficiencies identified in such audit as soon as possible. In the event that, subject to the obligation of ImmunoGen to use commercially reasonable efforts, such deficiencies cannot be remedied within [**********] business days, ImmunoGen shall so notify Centocor and Centocor shall, as its sole remedy, be entitled to terminate this Agreement in accordance with Section 8.2(b). ImmunoGen acknowledges that the provisions of this Section 4.6.2 granting Centocor certain audit rights shall in no way relieve ImmunoGen of any of its obligations under this Agreement, nor shall such provisions require Centocor to conduct any such audits.

4.7 Debarrment. ImmunoGen shall not employ, contract with or retain any person, directly or indirectly, to perform any services under this Section 4 if such person is debarred by the FDA under 21 U.S.C. § 335a. Upon written request from Centocor, ImmunoGen shall, within [**********] days, provide written confirmation that it has complied with the foregoing obligation.

4.8 Manufacturing Licenses and Governmental Audits. ImmunoGen shall obtain and maintain at its sole expense all licenses and registrations appropriate and necessary in connection with any manufacturing activities it agrees to conduct under this Section 4 at its

manufacturing facility. To the extent ImmunoGen undertakes any manufacturing obligations under this Section 4, ImmunoGen shall notify Centocor of any inspections or audits of ImmunoGen's facilities conducted by governmental authorities (such as the FDA and equivalent European regulatory authorities) affecting or which could reasonably be expected to affect the manufacture of Licensed Product. All of ImmunoGen's expenses (including internal costs such as, without limitation, labor costs) associated with such audits or inspections shall be borne by ImmunoGen.

5. PAYMENTS AND ROYALTIES

5.1 Milestone Payments for Licensed Products.

5.1.1 Upfront Fee. In consideration of the grant of the license described in Section 2.1 hereof, Centocor hereby agrees to pay ImmunoGen an upfront fee (the "Upfront Fee") in the amount of $1,000,000 payable in immediately available funds within three (3) business days of the Effective Date, which Upfront Fee shall be non-refundable and non-creditable.

5.1.2 Milestones. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, Centocor will make the following payments to ImmunoGen within [**********] days after the first occurrence of each of the milestones set forth below:

Milestone	Milestone Payment
[********] for a [********]	$ [********]
[********] of the [********] [********] as defined in [********]	$ [********]
[**********] of [**********] [********] in [********] for a [**********]	$ [********]

[********] of [**********] ([********]) for the [**********] of a [**********]	$	[********]
[**********] of [**********] ([********] or [********]) for the[**********] of a [********]	$	[********]

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

[********] or [********] for the [********] of a [**********]	$	[********]
[********] or [********] for the [********] of a [**********]	$	[********]
[********] of [****] or [********] or [**********] by the [********] for the [********] of a [********]	$	[********]
[********] of [********] or [********] or [********] for the [********] of [********]	$	[********]
[********] of an [********] or [********] [********] in any [********] for the [********] of a [**********]	$	[********]
[********] of an [*****] or [**********] in any [**********] for the [********] [********] of a [**********]	$	[********]
[********] of a [**********] for the [********] of a [**********] in [********]	$	[********]
[********] of a [**********] for the [**********] of a [********] in [********]	$	[********]

It is hereby acknowledged and agreed that (a) any milestone payment shall be made only once, with respect to the first achievement of the relevant milestone for given indication of a Licensed Product regardless of how many times that particular indication of a Licensed Product achieves such milestone under this Agreement and (b) if one or more of the above milestone payments has been paid with respect to a given Licensed Product and the Development or Commercialization of the Licensed Product is subsequently discontinued by Centocor, Centocor shall be entitled to credit any milestone payment made with respect to such discontinued Licensed Product against any milestone payments that may be due and payable for the next Licensed Product to achieve such milestone. Except as provided in the preceding sentence, all milestone payments shall be nonrefundable and noncreditable. Centocor shall notify ImmunoGen of the achievement of each

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

milestone hereunder for each Licensed Product as provided in Section 3.3(b) above.

5.2 **Research Funding**. In consideration of the performance by ImmunoGen of the Research Program, Centocor will pay ImmunoGen for all FTEs used by ImmunoGen in such Research Program and pursuant to the Research Budget, as described in the Research Plan and/or agreed to by the Parties, at a rate per FTE equal to the FTE Rate. From time to time after the Effective Date, the Parties shall agree in writing upon the number of FTEs required of ImmunoGen for agreed-upon portions of the Research Program and Centocor shall pay the FTE Cost for the FTEs reflected in such written agreement. If, at any time during the Term of this Agreement, ImmunoGen determines that the actual number of FTEs for a particular period agreed to by the Parties is [******] to [******] by [********] the FTE number set forth in such written agreement for such period, ImmunoGen shall give Centocor prompt written notice of same and the Parties shall discuss in good faith whether to [********] the [***] of such [********] or to [********] the [********] to be [********], such that such [**********] are [********] ImmunoGen will maintain complete and accurate records which are relevant to its expenditure of Research Program funding provided to it by Centocor pursuant to this Article 5.3 as well as the purchase of any dedicated Equipment pursuant to Section 4.4 hereof. At the request of Centocor, upon at least [********] business days' prior written notice, but no more often than once per year, and at its sole expense (except as otherwise provided herein), ImmunoGen shall permit an independent certified public accountant reasonably selected by Centocor and reasonably acceptable to ImmunoGen to inspect (during regular business hours) the relevant records required to be maintained by ImmunoGen under this Section 5.2. At Centocor's request, the accountant shall be entitled to audit the then-preceding [*****] years of ImmunoGen's records for purposes of verifying ImmunoGen's records concerning FTEs. To the extent requested by ImmunoGen, the accountant shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 limiting the disclosure and use of such information by such accountant to authorized representatives of the

Parties and the purposes germane to this Section 5.2. The results of any such audit shall be made available to both Parties and shall be binding on both Parties. Centocor agrees to treat the results of any such

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

accountant's review of ImmunoGen's records under this Section 5.2 as Confidential Information of ImmunoGen subject to the terms of Section 6. If any such audit reveals that the actual FTEs expended by ImmunoGen are less than the amount of FTEs ImmunoGen indicated was expended, ImmunoGen shall promptly pay Centocor the amount of overpayment (plus interest thereon at the rate provided in Section 5.7 above) made by Centocor with respect to such FTEs and if any such audit reveals that the actual FTEs expended by ImmunoGen was in excess of the amount of FTEs ImmunoGen indicated was expended, Centocor shall promptly pay ImmunoGen the amount of underpayment (plus interest thereon at the rate provided in Section 5.7 above) with respect to such FTEs.

5.3 Payment of Royalties; Royalty Rates; Accounting for Royalties and Records.

5.3.1 Royalty Payments. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, commencing on the first date of First Commercial Sale of Licensed Products in any country or jurisdiction in the Territory, Centocor shall pay to ImmunoGen the following royalties based on Net Sales of all Licensed Products sold by Centocor and/or its Sublicensees which would, but for the license granted herein, infringe a Valid Claim of the Licensed Patent Rights or which utilizes the Licensed Technology, on an incremental basis in each calendar year during the Term, at the following rates:

For Annual Worldwide Net Sales of Licensed Products	**Royalty Rate (% of Annual Net Sales)**
Above $[*], but less than $[********]	[*]%
$[********] and above, but less than $[********]	[*]%
$[********] and above, but less than $[********]	[*]%
$[********] and above	[*]%

5.3.2 Third Party Royalty Offset. In the event that Centocor, in order to exploit the license granted to it under Section 2.1 of this Agreement in any country in the Territory, is required to and actually makes royalty payments to any Third Party ("Third Party Payments") (a) to obtain a license to an issued patent or patents in the absence of which the

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

MAY Compound portion of a Licensed Product could not legally be developed, manufactured or sold in such country and/or (b) to obtain a license to an issued patent or patents specific to the Licensed Technology used by ImmunoGen to conjugate MAY Compound to Antibodies, in the absence of which any of the Licensed Patent Rights necessary to conjugate MAY Compound to an Antibody Controlled by Centocor as part of a Licensed Product can not legally be practiced (as evidenced, to the extent reasonably requested by ImmunoGen, by an opinion of patent counsel), then royalties due to ImmunoGen for such Licensed Product may be reduced by [********] ([***]%) of the amount of such Third Party Payments in such country. Notwithstanding the following, any such reductions under this Section 5.3.2 shall in no event reduce the royalty for such Licensed Product payable under Section 5.3.1 to less than [*]% of Net Sales in such country.

5.4 One Royalty. Only one royalty, calculated at the highest applicable royalty rate under this Section 5, shall be payable to ImmunoGen hereunder for each sale of a Licensed Product.

5.5 Royalty Term. Centocor shall pay royalties with respect to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until the later of (a) [********] years from the First Commercial Sale of such Licensed Product in such country and (b) the expiration of the last to expire Valid Claim of the Licensed Patent Rights covering the Licensed Product in such country. Following such royalty term, Centocor shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and Licensed Technology, to Develop, have Developed, make, have made, use, have used, sell, have sold, offer for sale, export, have exported, import and have imported such Licensed Product in such country.

5.6 Payment Terms.

(a) Payment of Milestones; Payment of Royalties; Royalty Reports. Centocor shall make any milestone payments owed to ImmunoGen hereunder in United States Dollars, using the wire transfer provisions of Section 5.6(d) within [********] days of the occurrence of the applicable milestone. Centocor shall make any royalty payments owed to ImmunoGen in

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

United States Dollars, quarterly within [******] days following the end of each calendar quarter for which such royalties are deemed to occur (as provided in the next sentence), using the wire transfer provisions of Section 5.6(d). For purposes of determining when a sale of any Licensed Product occurs under this Agreement, the sale shall be deemed to occur on the earlier of (i) the date the Licensed Product is shipped or (ii) the date of the invoice to the purchaser of the Licensed Product. Each royalty payment shall be accompanied by a report for each country in the Territory in which sales of Licensed Products occurred in the calendar quarter covered by such statement, specifying: the gross sales (if available) and Net Sales in each country's currency; the applicable royalty rate under this Agreement; the royalties payable in each country's currency, including an accounting of deductions taken in the calculation of Net Sales; the applicable exchange rate to convert from each country's currency to United States Dollars under this Section 5.6; and the royalties payable in United States Dollars.

(b) Accounting. All payments hereunder shall be made in the United States in United States dollars. In the case of sales of any Licensed Product outside the United States, royalty payments by Centocor to ImmunoGen shall be converted to Dollars in accordance with Centocor's current customary and usual procedures for calculating same which are the following: the rate of currency conversion shall be calculated using a simple monthly period average of the end "spot rates" provided by Brown Brothers Harriman, 59 Wall Street, NY, NY 10005, for each quarter, or if such rate is not available, the spot rate as published by a leading United States commercial bank for such accounting period. Centocor hereby represents to ImmunoGen that this method of conversion is consistent with Centocor's current accounting methods. Centocor shall give ImmunoGen prompt written notice of any changes to Centocor's customary and usual procedures for currency conversion, which shall only apply [********] days after such notice has been delivered and provided that such changes continue to maintain a set methodology for currency conversion.

(c) Tax Withholding; Restrictions on Payment. All payments hereunder shall be made free and clear of any taxes, duties, levies, fees or charges, except for withholding taxes (to the extent applicable). Centocor shall make any applicable withholding payments due on

behalf of ImmunoGen and shall promptly provide ImmunoGen with written documentation of any such payment sufficient to satisfy the requirements of the United States Internal Revenue Service relating to an application by ImmunoGen for a foreign tax credit for such payment. If by law, regulations or fiscal policy of a particular country in the Territory, remittance of royalties in United States Dollars is restricted or forbidden, written notice thereof shall promptly be given to ImmunoGen, and payment of the royalty shall be made by the deposit thereof in local currency to the credit of ImmunoGen in a recognized banking institution designated by ImmunoGen by written notice to Centocor. When in any country in the Territory the law or regulations prohibit both the transmittal and the deposit of royalties on sales in such country, royalty payments shall be suspended for as long a such prohibition is in effect and as soon as such prohibition ceases to be in effect, all royalties that Centocor would have been under an obligation to transmit or deposit but for the prohibition shall forthwith be deposited or transmitted, to the extent allowable.

(d) Wire Transfers. All payments hereunder shall be made to ImmunoGen by bank wire transfer in immediately available funds to the account designated by ImmunoGen by written notice to Centocor from time to time.

5.7 Overdue Payments. Subject to the other terms of this Agreement, royalties or milestones not paid within the time period set forth in this Section 5 shall bear interest at a rate equal to [********] per month compounded monthly from the due date until paid in full, provided that in no event shall such annual rate exceed the maximum interest rate permitted by law in regard to such payments. Such royalty or milestone payment when made shall be accompanied by all interest so accrued. Such interest and the payment and acceptance thereof shall not negate or waive the right of ImmunoGen to any other remedy, legal or equitable, to which it may be entitled because of the delinquency of the payment.

5.8 Records Retention; Audit.

(a) Royalties. Commencing as of the date of First Commercial Sale of the first Licensed Product, Centocor and its Affiliates and Sublicensees shall keep for at least [********] years from the end of the calendar year to which they pertain complete and accurate

records of sales by Centocor or its Affiliates or Sublicensees, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the royalties to be confirmed.

(b) Audit. Subject to the other terms of this Section 5.8(b), at the request of ImmunoGen, upon at least [********] business days' prior written notice, but no more often than once per year, and at its sole expense (except as otherwise provided herein), Centocor shall permit an independent certified public accountant reasonably selected by ImmunoGen and reasonably acceptable to Centocor to inspect (during regular business hours) the relevant records required to be maintained by Centocor under Section 5.8(a). At ImmunoGen's request, the accountant shall be entitled to audit the then-preceding [********] years of Centocor's records for purposes of verifying Centocor's royalty calculations. To the extent requested by Centocor the accountant shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 5.8. Results of any such audit shall be made available to both Parties and shall be binding on both Parties. ImmunoGen agrees to treat the results of any such accountant's review of Centocor's records

under this Section 5.8 as Confidential Information of Centocor subject to the terms of Section 6. If any such audit reveals a deficiency in the calculation of royalties resulting from any underpayment by Centocor, Centocor shall promptly pay ImmunoGen the amount remaining to be paid (plus interest thereon at a rate equal to the prime rate plus [*********] percent (**%)), and if such underpayment is by [******] percent (**%) or more, Centocor shall pay the costs and expenses of the audit.

6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidential Information. ImmunoGen and Centocor each recognize that the other Party's Confidential Information constitutes highly valuable and proprietary confidential information. During the term of this Agreement, and for a period of [*********] years after the receipt of any such Confidential Information from the disclosing Party hereunder, whichever is longer, subject to the terms of this Section 6, the receiving Party shall keep confidential and not

disclose (by publication or otherwise) Confidential Information of the disclosing Party, and shall not use, publish or otherwise disclose Confidential Information of the disclosing Party for any purpose other than those purposes contemplated by this Agreement. Each receiving Party shall take such action, and shall cause its Affiliates or sublicensees to take such action, to preserve the confidentiality of the disclosing Party's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information, using, in all such circumstances, not less than reasonable care. Each receiving Party, upon the request of the disclosing Party, will return all the Confidential Information disclosed or transferred to it by the disclosing Party pursuant to this Agreement, including all copies and extracts of documents and all manifestations in whatever form, within [*********] days of such request or, if earlier, the termination or expiration of this Agreement; provided however, that a receiving Party may retain (a) any Confidential Information of the disclosing Party relating to any license which expressly survives such termination and (b) one (1) copy of all other Confidential Information in inactive archives solely for the purpose of establishing the contents thereof.

6.2 Permitted Disclosures; Publications.

(a) Disclosures to Certain Employees and Agents. Each receiving Party shall be entitled to disclose Confidential Information of the disclosing Party to employees of the receiving Party, provided that such employees are bound by obligations of confidentiality to the receiving Party, and also to Affiliates, consultants, agents and Third Parties for any purpose provided for in this Agreement, provided that any such Affiliate, consultant, agent or other Third Party has first agreed to confidentiality restrictions and obligations at least as protective as this Section 6, in each case for any purpose contemplated by this Agreement (including as reasonably necessary to exercise any rights or perform any obligations under this Agreement).

(b) Other Permitted Disclosures. Notwithstanding the foregoing, Confidential Information of a disclosing Party may be disclosed by the receiving Party to the extent such disclosure is reasonably necessary for (i) filing or prosecuting patent applications or maintaining patents, (ii) prosecuting or defending litigation, enforcing rights and/or obligations under this Agreement, or (iii) complying with applicable laws, regulations or court orders; provided, that, if

a receiving Party is required by applicable law, regulation or court order to make disclosure of the disclosing Party's Confidential Information, it will give reasonable advance notice to the disclosing Party of the need for such disclosure and will use its commercially reasonable efforts to secure confidential treatment (if available) of such disclosing Party's Confidential Information required to be disclosed.

(c) Review of Publications. Each receiving Party shall consult with the disclosing Party prior to the submission of any manuscript or abstract for publication if the publication will contain any Confidential Information of the disclosing Party, unless the applicable laws and regulations prohibit such consultation. Such consultation shall include providing a copy of the proposed manuscript or abstract to the disclosing Party at least [*********] days prior to the proposed date of submission to a publisher, incorporating appropriate changes proposed by the disclosing Party regarding its Confidential Information into the manuscript or abstract submission and deleting all Confidential Information of the disclosing Party as it may request; provided, however, that the disclosing Party's review hereunder shall be deemed completed at the end of such [*********] day period.

6.3 Use of Names; Press Releases.

(a) Use of Names. A Party may not use the name of the other Party (or any trademarks or trade names of the other Party) in any press release or any other publicity or advertising without the prior written consent of the other Party.

(b) Press Releases. Neither Party may issue a press release or otherwise publicize or disclose any information related to this Agreement or the terms or conditions hereof, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided, however, that either Party may make such a disclosure (a) to the extent required by law or by the requirements of any nationally recognized securities exchange, quotation system or over-the-counter market on which such Party has its securities listed or traded, or (b) to any investors, prospective investors, lenders and other potential financing sources who are obligated to keep such information confidential. In the event that such disclosure is required as aforesaid, the disclosing Party shall make reasonable efforts to provide

the other Party with notice beforehand and to coordinate with the other Party with respect to the wording and timing of any such disclosure. The Parties shall mutually agree on the text of any press release announcing the execution of this Agreement. Once any written text is approved for disclosure by both Parties as provided herein, either Party may make subsequent or repeated public disclosures of the contents thereof without the further approval of the other Party.

6.4 Integration; Survival. As to the subject matter of this Agreement, this Section 6 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the confidentiality provisions of the MTA, and of that certain Confidentiality Agreement effective [********]. Any confidential information of a Party under any such agreement shall be treated as Confidential Information of such Party hereunder, subject to the terms of this Section 6. Section 6 shall survive termination or expiration of this Agreement.

7. PROVISIONS CONCERNING THE FILING, PROSECUTION AND MAINTENANCE OF PATENT RIGHTS

7.1 Ownership of Intellectual Property.

(a) Solely-Owned Technology. ImmunoGen shall own (i) the Licensed Patent Rights, the Licensed Technology and the ImmunoGen Materials, (ii) all ImmunoGen Program Technology (whether or not patentable), and (iii) all Improvements made during the course of and pursuant to activities carried out under this Agreement solely by employees of or agents to or others obligated to assign inventions to ImmunoGen. Centocor shall own (i) all Centocor Program Technology (whether or not patentable) and (ii) all Improvements made during the course of and pursuant to activities carried out under this Agreement solely by employees of or agents to or others obligated to assign inventions to Centocor. The Party solely owning any Technology hereunder shall be the sole owner of all Patent Rights with respect thereto. All determinations of inventive contribution shall be as determined by United States laws of inventorship. Subject to the terms of Section 7.2 below relating to Improvements, the Party solely owning an invention hereunder will be solely responsible, at its own cost and expense and in its sole discretion, for the filing, prosecution and maintenance of any inventorship

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

certificate(s), patent application(s) and patent(s) thereon.

(b) Joint Technology. All Joint Program Technology and all Improvements made during the course of and pursuant to activities carried out under this Agreement jointly by employees of or agents of or others obligated to assign inventions to ImmunoGen and Centocor shall be jointly owned by ImmunoGen and Centocor. All determinations of inventive contribution shall be as determined by United States laws of inventorship. The Parties shall also jointly own any Patent Rights covering any such Joint Program Technology and/or jointly-owned Improvements. The terms of Section 7.2 below relating to Joint Program Technology shall apply to any such Patent Rights.

(c) Disclosure. As regards any ImmunoGen Program Technology or Improvement hereunder or any Centocor Program Technology or Improvement hereunder, each Party shall provide to the other Party any invention disclosure made during the course of performance of this Agreement and relating to activities carried out hereunder within [********] days after such Party receives such disclosure from its employees, agents or others obligated to assign inventions to such Party.

7.2 Patent Filing, Prosecution and Maintenance.

(a) ImmunoGen Rights. Subject to the other terms of this Section 7.2, ImmunoGen shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights and all Patent Rights covering Improvements made during the course of and pursuant to activities carried out under this Agreement solely by employees of or agents to or others obligated to assign inventions to ImmunoGen. ImmunoGen will keep Centocor reasonably informed of the status of each such filing, prosecution and maintenance, including, without limitation, by using reasonable commercial efforts to provide Centocor a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that Centocor has a reasonable

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

opportunity to review and comment. If ImmunoGen fails to undertake the filing(s) of any patent application with respect to any invention under such Licensed Patent Rights or such Patent Rights covering Improvements within [********] days after receipt of written notice from Centocor that Centocor believes filing of such an application by ImmunoGen is appropriate, Centocor may undertake such filing(s) at its own expense.

(b) Centocor Rights. Subject to the other terms of this Section 7.2, Centocor shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights and all Patent Rights covering Improvements made during the course of and pursuant to

activities carried out under this Agreement solely by employees of or agents to or others obligated to assign inventions to Centocor. Centocor will keep ImmunoGen reasonably informed of the status of each such filing, prosecution and maintenance, including, without limitation, by using reasonable commercial efforts to provide ImmunoGen a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that ImmunoGen has a reasonable opportunity to review and comment. If Centocor fails to undertake the filing(s) of any patent application with respect to any invention under such Patent Rights covering Improvements within [********] days after receipt of written notice from ImmunoGen that ImmunoGen believes filing of such an application by Centocor is appropriate, ImmunoGen may undertake such filing(s) at its own expense.

(c) Joint Program Technology. As regards any Joint Program Technology, the Party from whom the majority of the data underlying any such Joint Program Technology arose (the "controlling Party") will have the first right, but not the obligation, to undertake filing(s), prosecution and maintenance of inventorship certificate(s), patent application(s) and patent(s) thereon. In connection with any such filing(s), the filing Party will use patent counsel mutually acceptable to each Party (in its reasonable determination) and the Parties will, prior to

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

filing of the patent application, agree on mutually acceptable sharing of the costs and expenses of such filing(s), prosecution and maintenance. In any case the filing Party (i) will provide the non-controlling Party with a copy of any such proposed patent application for review and comment reasonably in advance of filing, and (ii) will keep the non-controlling Party reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, (A) by providing the non-controlling Party with copies of all communications received from or filed in patent office(s) with respect to such filing, and (B) by providing the non-controlling Party, a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that the non-controlling Party has a reasonable opportunity to review and comment. If the Party from whom the majority of the data underlying any such Joint Program Technology fails to undertake the filing(s) of any such patent application with respect to any such Joint Program Technology within [********] days after receipt of written notice from the other Party that the other Party believes filing(s) of such an application by such Party is appropriate, such other Party may undertake such filing(s) at its own expense, in which case the non-filing Party will assign all of its rights to such Joint Program Technology to the filing Party and any subsequently issued patent thereon will be owned solely by the filing Party. Either Party may assign its rights hereunder to any Joint Program Technology, inventorship certificate, patent application or patent to the other Party, who will then have the right, in its discretion, to assume the filing, prosecution and/or maintenance thereof as the sole owner thereof and at its sole cost and expense.

7.3 Notice of Infringement. If, during the Term of this Agreement, either Party learns of any actual, alleged or threatened infringement by a Third Party of any Licensed Patent Rights under this Agreement, such Party shall promptly notify the other Party and shall provide such other Party with available evidence of such infringement.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

7.4 Infringement of Patent Rights.

(a) ImmunoGen Rights to Control. ImmunoGen shall have the first right (but not the obligation), at its own expense, to bring and control a suit (or take other appropriate legal action) against any actual, alleged or threatened infringement of the Licensed Patent Rights, and Patent Rights with respect to Improvements made by ImmunoGen, with legal counsel of its own choice. Centocor shall have the right, at its own expense, to be joined as a party plaintiff and to be represented in any such action by ImmunoGen by counsel of Centocor's own choice; provided, however, that under no circumstances shall the foregoing affect the right of ImmunoGen to bring and control the suit as described in the first sentence of this Section 7.4(a). No settlement may be entered into by ImmunoGen however, without the written consent of Centocor, which consent shall not be unreasonably withheld or delayed, if such settlement would have a material adverse effect on Centocor's interests. If ImmunoGen does not file any action or proceeding against such infringement within [**********] days after the later of (i) ImmunoGen's notice to Centocor under Section 7.3 above, (ii) Centocor's notice to ImmunoGen under Section 7.3 above, or (iii) a written request from Centocor to take action with respect to such infringement, then Centocor shall have the right (but not the obligation), at its own expense, to bring suit (or take other appropriate legal action) against such actual, alleged or threatened infringement, with legal counsel of its own choice. ImmunoGen shall have the right, at its own expense, to be represented in any such action by Centocor by counsel of ImmunoGen's own choice. Any damages, monetary awards or other amounts recovered, whether by judgment or settlement, pursuant to any suit, proceeding or other legal action taken under this Section 7.4(a), shall first be applied to reimburse the costs and expenses (including attorneys' fees) of the Party bringing such suit or proceeding or taking such other legal action, then to the costs and expenses (including attorneys' fees), if any, of the other Party and second, to Centocor in reimbursement for lost sales associated with Licensed Products and to ImmunoGen in reimbursement for lost royalties owing hereunder based on such lost sales. Any other damages, awards or amounts recovered (including for punitive damages) shall be allocated as follows: (A) if Centocor is the Party bringing such suit or proceeding or taking such other legal action, [********] percent (**%) to Centocor and [********] percent (**%) to ImmunoGen, (B) if ImmunoGen is the

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

Party bringing such suit or proceeding or taking such other legal action, [**********] (***%) to ImmunoGen and (C) if the suit is brought jointly, [********] percent (**%) to each Party. If a Party brings any such action or proceeding hereunder, the other Party agrees to be joined as party plaintiff if necessary to prosecute such action or proceeding, and to give the Party bringing such action or proceeding reasonable assistance and authority to file and prosecute the suit; provided, however, that neither Party shall be required to transfer any right, title or interest in or to any property to the other Party or any Third Party to confer standing on a Party hereunder.

(b) Infringement of Joint Program Technology. With respect to Joint Program Technology, the controlling Party (as defined in Section 7.2(b)) shall have the primary right, but not the obligation, to institute, prosecute and control any action or proceeding with respect to infringement of such Patents, by counsel of its own choice and at its own expense; provided, however, no settlement may be entered into by the controlling Party without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed, if such settlement would have a material adverse effect on such other Party's interest. In any event, the Parties will consult with each other in good faith regarding the best manner in which to proceed in connection with any actual, alleged or threatened infringement of any Patent Rights jointly owned by ImmunoGen and Centocor under this Agreement, including actions against any alleged infringer.

7.5 Third Party Patents. If any Third Party claims that a patent it owns or controls claims any aspect of a Licensed Product or its manufacture, use or sale, the Party with notice of such claim shall notify the other Party promptly, and the Parties shall as soon as practicable thereafter discuss in good faith regarding the best response.

7.6 Patent Assignment. Neither Party may assign its interest in rights under Joint Program Technology or any Patent Rights claiming a Licensed Product, except with the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed; provided, however, that either Party may assign such rights without consent of the other Party to a permitted assignee under this Agreement.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

7.7 Notices Relating to the Act. ImmunoGen shall notify Centocor of the issuance of each U.S. patent included in the Licensed Patent Rights, giving the date of issue and patent number for each such patent. ImmunoGen and Centocor each shall immediately give notice to the other of any certification filed under the "U.S. Drug Price Competition and Patent Term Restoration Act of 1984" (hereinafter the "Act"), including, but not necessarily limited to, notices pursuant to §§101 and 103 of the Act from persons who have filed an abbreviated NDA ("ANDA") or a "paper" NDA claiming that Patent Rights covering ImmunoGen Program Technology, Centocor Program Technology, or Joint Program Technology is invalid or that infringement will not arise from the manufacture, use or sale of any Licensed Product by a Third Party. The following provisions shall apply to any such certification:

(a) If Centocor decides not to bring infringement proceedings against the entity making such a certification or otherwise fails to give notice to ImmunoGen of its decision within [********] days after receipt of notice of such certification, ImmunoGen shall have the right, but shall not be required, to bring suit against the Third Party.

(b) Any suit by Centocor or ImmunoGen under this Section 7.7 shall either be in the name of Centocor or in the name of ImmunoGen, or jointly in the name of Centocor and ImmunoGen, as may be required by law.

(c) For purposes of this Section 7.7, the Party not bringing suit shall execute such legal papers reasonably necessary for the prosecution of such suit as may be reasonably requested by the Party bringing suit.

7.8 Patent Term Extensions. In connection with the Development and Commercialization of any Licensed Product, ImmunoGen hereby authorizes Centocor (a) to provide in any NDA filed with respect to any such Licensed Product a list of patents which includes the Licensed Patent Rights that relate to such Licensed Product; (b) subject to Section 7.4 of this Agreement, to commence suit for infringement of the Licensed Patent Rights that relate to such Licensed Product under §271(e) (2) of Title 35 of the United States Code; and (c) subject to Section 7.4 of this Agreement, to apply for an extension of the term of any patent included in the Licensed Patent Rights that relate to such Licensed Product. In the event that

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

applicable law in any country provides for the extension of the term of any patent included in the Licensed Patent Rights that relate to such Licensed Product, such as under the Act, the Supplementary Certificate of Protection of the Member States of the European Union and other similar measures in any other country, ImmunoGen shall apply for and use commercially reasonable efforts to obtain such an extension or, should the law require Centocor to so apply, ImmunoGen shall grant permission to Centocor to do so. Centocor and ImmunoGen agree to cooperate with one another in obtaining such extension. ImmunoGen agrees to cooperate with Centocor or its Sublicensee, as applicable, in the exercise of the authorization granted herein and shall execute such documents and take such additional action as Centocor may reasonably request in connection therewith, including, if necessary, permitting itself to be joined as a Party in any suit for infringement brought by Centocor hereunder.

7.9 Trademarks. All Licensed Products shall be sold under one or more trademarks and trade names selected and owned by Centocor in the Territory. Centocor shall control the preparation, prosecution and maintenance of applications related to all such trademarks and trade names in the Territory, at its sole cost and expense and at its sole discretion. ImmunoGen shall notify Centocor promptly upon learning of any actual, alleged or threatened infringement of a trademark or trade name applicable to a Licensed Product in the Territory, or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses in the Territory. All of the costs, expenses and legal fees in bringing, maintaining and prosecuting any action to

maintain, protect or defend any owned by Centocor hereunder, and any damages or other recovery, shall be Centocor's sole responsibility, and taken in its sole discretion.

7.10 Integration. This Section 7 supersedes any agreement between the Parties as to the subject matter hereof, including, without limitation, any provisions of the MTA relating to inventions, patent applications and patents.

8. TERM AND TERMINATION

8.1 Term; Expiration. The term of this Agreement (the "Term") shall expire on a country-by-country basis upon the expiration of the final royalty payment obligation with respect

to the final Licensed Product under Section 5.3.1 above. Upon the expiration of the Term of this Agreement, Centocor shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in the Territory under the Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialized, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import and have imported any and all Licensed Products in the Territory.

8.2 Termination. Subject to the other terms of this Agreement:

(a) Voluntary Termination by Centocor. Centocor shall have the right to terminate this Agreement at any time upon not less than [********] days' prior written notice to ImmunoGen.

(b) Breach. A Party may terminate this Agreement and the licenses granted herein, effective upon written notice to the other Party, upon any breach by the other Party of any material obligation or condition of this Agreement, which material breach remains uncured [********] days after the non-breaching Party gives a first written notice to the other Party describing such breach in reasonable detail; provided, however, that in the event of a payment breach by Centocor under this Agreement, the applicable cure period shall be [********] days (in lieu of [********] days) but the other terms of this Section 8.2(b) shall apply to termination in connection with any such payment breach. Notwithstanding anything set forth herein, if the asserted material breach is cured or shown to be non-existent within the applicable cure period, the first notice of breach hereunder shall be deemed automatically withdrawn and of no effect.

(c) Bankruptcy. A Party may terminate this Agreement, effective on written notice to the other Party, in the event the other Party shall have become insolvent or bankrupt, or shall have made an assignment for the benefit of its creditors, or there shall have been appointed a trustee or receiver of the other Party or for all or a substantial part of its property, or any case or proceeding shall have been commenced or other action taken by or against the other Party in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts or any other relief under any bankruptcy, insolvency, reorganization or other similar act or law of any jurisdiction now or hereafter in effect, or there

shall have been issued a warrant of attachment, execution, distraint or similar process against any substantial part of the property of the other Party, and any such foregoing events shall have continued for [********] days undismissed, unbonded and undischarged. All rights and licenses granted under this Agreement are, and shall be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the United States Bankruptcy Code. The Parties agree that in the event of the commencement of a bankruptcy proceeding by or against one Party hereunder under the United States Bankruptcy Code, the other Party shall be entitled to complete access to any such intellectual property, and all embodiments of such intellectual property, pertaining to the rights granted in the licenses hereunder of the Party by or against whom a bankruptcy proceeding has been commenced, subject, however, to payment of the milestone amounts and royalties set forth in this Agreement through the effective date of any termination hereunder.

8.3 Effects of Termination. Upon any termination of this Agreement by either Party under Section 8.2, as of the effective date of such termination, all relevant licenses and sublicenses granted by ImmunoGen to Centocor hereunder shall terminate automatically. Notwithstanding the foregoing, and unless ImmunoGen specifies otherwise in writing, (a) no such termination of this Agreement shall be construed as a termination of any valid sublicense of any Sublicensee hereunder, and thereafter each such Sublicensee shall be considered a direct licensee of ImmunoGen, provided, that, (i) such Sublicensee is then in full compliance with all terms and conditions of its sublicense, (ii) all accrued payments obligations to ImmunoGen have been paid, and (iii) such Sublicensee agrees at least [**********] prior to the effective date of such termination to assume all obligations of Centocor under this Agreement, and (b) Centocor and its Sublicensees shall have the right, for [********] months or such longer time period (if any) on which the Parties mutually agree in writing, to sell or otherwise dispose of all Licensed Products then on hand, with royalties to be paid to ImmunoGen on all Net Sales of such Licensed Products as provided for in this Agreement.

8.4 Remedies. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 8 are in addition to any other relief and remedies available

to either Party at law.

8.5 **Surviving Provisions**. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 5.8(b), 6, 7.2, 7.4, 8.3, 8.4, 8.5, 9.3, 10 and 11 as well as any rights or obligations otherwise accrued hereunder (including any accrued payment obligations), shall survive the expiration or termination of the Term of this Agreement. Without limiting the generality of the foregoing, Centocor shall have no obligation to make any milestone or royalty payment to ImmunoGen that has not accrued prior to the effective date of any termination of this Agreement, but shall remain liable for all such payment obligations accruing prior to the effective date of such termination.

9. REPRESENTATIONS AND WARRANTIES

9.1 **ImmunoGen Representations**. ImmunoGen represents and warrants to Centocor that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate ImmunoGen corporate action; (b) this Agreement is a legal and valid obligation binding upon ImmunoGen and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which ImmunoGen is a party or by which it is bound; (c) ImmunoGen has the full right and legal capacity to grant the licenses and rights to Centocor pursuant to Section 2 above without violating the rights of any Third Party; (d) to ImmunoGen's knowledge, no Patent Rights within the Licensed Patent Rights are invalid or unenforceable and as of the Effective Date no patents within the Licensed Patent Rights have expired; (e) as of the Effective Date, ImmunoGen has received no notice from a Third Party claiming that the exercise of the license granted hereunder to Centocor will infringe the issued patents of any such Third Party; (f) to the extent it undertakes to manufacture Preclinical Materials under this Agreement, it shall comply with all statutes and laws relating to the manufacture and supply of such Preclinical Materials being supplied hereunder, including, without limitation, those enforced by the FDA; and (g) ImmunoGen has read the [**********] on the [*********] of [*********] (the "Policy")

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

attached hereto as Schedule F and agrees, in relation to Preclinical Materials manufactured and supplied by ImmunoGen hereunder, to [**********] only as permitted by the Policy.

9.2 **Centocor Representations**. Centocor represents and warrants to ImmunoGen that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate Centocor corporate action; and (b) this Agreement is a legal and valid obligation binding upon Centocor and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which Centocor is a party or by which it is bound.

9.3 **No Warranties**.

(a) Nothing in this Agreement is or shall be construed as:

(i) a warranty or representation by ImmunoGen as to the validity or scope of any patent application or patent within the Licensed Patent Rights;

(ii) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents, copyrights, and other rights of Third Parties.

(b) Except as expressly set forth in this Agreement, NEITHER PARTY MAKES ANY REPRESENTATIONS OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. WITHOUT LIMITING THE FOREGOING, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT ANY LICENSED PRODUCT WILL BE SUCCESSFULLY DEVELOPED OR MARKETED, OR THAT THE DEVELOPMENT, MANUFACTURE, SALE, IMPORTATION OR USE OF THE LICENSED PRODUCT(S) WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS, OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

10. INDEMNIFICATION; LIABILITY

10.1 **Indemnification**.

(a) Centocor Indemnity. Subject to Section 10.1(b) below and the remainder of this Section 10, Centocor shall indemnify, defend and hold harmless ImmunoGen, its Affiliates and their respective directors, officers, employees, and agents and their respective successors, heirs and assigns (the "ImmunoGen Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such ImmunoGen Indemnitees, or any of them, in connection with any Third Party claims, suits, actions, demands or judgments,

including, without limitation, personal injury and product liability matters, that arise out of or relate to (i) any actions or omissions of Centocor or any Affiliate or Sublicensee of Centocor in the development, testing, production, manufacture, supply, promotion, import, sale or use by any person of any Licensed Product (or any component thereof) manufactured or sold by Centocor or any Affiliate or Sublicensee of Centocor under this Agreement, (ii) any material breach of this Agreement by Centocor or (iii) the gross negligence or willful misconduct on the part of Centocor except to the extent of ImmunoGen's responsibility therefor under Section 10.1(b) below.

(b) ImmunoGen Indemnity. Subject to Section 10.1(a) above and the remainder of this Section 10, ImmunoGen shall indemnify, defend and hold harmless Centocor its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the "Centocor Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such Centocor Indemnitees, or any of them, in connection with any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters, that arise out of or relate to (i) any material breach of this Agreement by ImmunoGen, or (ii) the gross negligence or willful misconduct on the part of ImmunoGen, except to the extent of Centocor's responsibility therefor under Section 10.1(a) above.

10.2 Indemnification Procedures. In the event that any Indemnitee is seeking

indemnification under Section 10.1 above from a Party (the "Indemnifying Party"), the other Party shall notify the Indemnifying Party of such claim with respect to such Indemnitee as soon as reasonably practicable after the Indemnitee receives notice of the claim, and the Party (on behalf of itself and such Indemnitee) shall permit the Indemnifying Party to assume direction and control of the defense of the claim (including the right to settle the claim solely for monetary consideration) and shall cooperate as requested (at the expense of the Indemnifying Party) in the defense of the claim.

10.3 Liability. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT OR OTHERWISE, NEITHER PARTY WILL BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES.

10.4 Insurance Proceeds. Any indemnification hereunder shall be made net of any insurance proceeds recovered by the Indemnified Party; provided, however, that if, following the payment to the Indemnified Party of any amount under this Article 10, such Indemnified Party recovers any insurance proceeds in respect of the claim for which such indemnification payment was made, the Indemnified Party shall promptly pay an amount equal to the amount of such proceeds (but not exceeding the amount of such indemnification payment) to the Indemnifying Party.

10.5 Insurance. Centocor and ImmunoGen shall use all commercially reasonable efforts to maintain insurance, including product liability insurance, with respect to its activities hereunder. Such insurance shall be in such amounts and subject to such deductibles as the Parties may agree, based upon standards prevailing in the industry at the time. Centocor may satisfy its obligations under this Section through self-insurance to the same extent.

11. MISCELLANEOUS

11.1 Entire Agreement; Amendments. This is the entire Agreement between the Parties with respect to the subject matter herein, and supersedes any prior agreements, understandings, negotiations or correspondence between the Parties respecting the subject matter hereof, whether written or verbal (including, without limitation, the MTA, and that certain Confidentiality Agreement effective [**********]. No modification or other amendment of this Agreement shall be effective unless in writing and signed by a fully authorized representative of each Party.

11.2 Waiver. The terms or conditions of this Agreement may be waived only by a written instrument executed by a duly authorized representative of the Party waiving compliance. The failure of either Party at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to enforce the same. No waiver by either Party of any condition or term shall be deemed as a continuing waiver of such condition or term or of another condition or term.

11.3 Governing Law. This Agreement will be construed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts entered into and to be performed entirely within the Commonwealth of Massachusetts without giving effect to any choice of law principles that would require the application of the laws of a different state. Notwithstanding the foregoing, any dispute, controversy or claim relating to the scope, validity, enforceability or infringement of any Patent Rights or other intellectual property rights shall be governed by the law of the territory in which such Patent Rights or other intellectual property rights were granted or arose.

11.4 Notices. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to Centocor or ImmunoGen shall be in writing and shall be personally delivered or sent by telecopy (with machine confirmation of transmission) or by overnight courier providing evidence of receipt or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below (or to such address as may be specified in writing to the other Party hereto):

If to ImmunoGen:	ImmunoGen, Inc. 128 Sidney Street Cambridge, MA 02139 Attn: Chief Executive Officer [**********]
with a copy to	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. One Financial Center Boston, MA 02111 Attn: [**********], Esq. [**********]
If to Centocor:	Centocor, Inc. 200 Great Valley Parkway Malvern, Pennsylvania 19355 Attn: President [**********]
With copy to:	Office of General Counsel Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, New Jersey 08933 [**********]

Such notices shall be deemed to have been sufficiently given on: (a) the date sent if delivered in person or transmitted by facsimile, or (b) the next business day after dispatch in the case of overnight courier.

11.5 **No Implied Licenses**. Except as expressly set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

11.6 **Headings**. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

11.7 **Assignment**. This Agreement may not be assigned by either Party without the consent of the other, except that each Party may, without such consent, assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its assets in the line of business to which this Agreement pertains or to any successor corporation resulting from any merger or consolidation

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

of such Party with or into such corporations.

11.8 **Force Majeure**. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party. In event of such force majeure, the Party affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.9 **Construction**. The Parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to each Party hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

11.10 **Severability**. If any provision(s) of this Agreement are or become invalid, are ruled illegal by any court of competent jurisdiction or are deemed unenforceable under then current applicable law from time to time in effect during the term hereof, it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby provided that a Party's rights under this Agreement are not materially affected. The Parties hereto covenant and agree to renegotiate any such term, covenant or application thereof in good faith in order to provide a reasonably acceptable alternative to the term, covenant or condition of this Agreement or the application thereof that is invalid, illegal or unenforceable, it being the intent of the Parties that the basic purposes of this Agreement are to be effectuated.

11.11 **Status**. Nothing in this Agreement is intended or shall be deemed to constitute a partner, agency, employer-employee, or joint venture relationship between the Parties.

11.12 **Dispute Resolution**. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement relating to either Party's rights and/or obligations hereunder or otherwise relating to the validity, enforceability or performance of this Agreement,

including disputes relating to alleged breach or termination of

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

this Agreement but excluding any determination of the validity of the Parties' patents (hereinafter, a "Dispute"). In the event of the occurrence of any such Dispute, the Parties shall, by written notice to the other Party, have such Dispute referred to their respective senior officers designated below (and to any designated officer of a Centocor Sublicensee, if such Dispute involves such Sublicensee), for attempted resolution by good faith negotiations commencing promptly after such notice is received. Said designated senior officials of the Parties are as follows:

For Centocor: President, Centocor Research, Development and Supply, Inc,; and
For ImmunoGen: Chief Executive Officer.

In the event the designated senior officials are not able to resolve such Dispute within [*********] days, the Dispute will be resolved in accordance with Schedule E attached hereto and incorporated herein by reference.

11.13 Further Assurances. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all other such acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.14 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative in two (2) originals.

CENTOCOR, INC.	**IMMUNOGEN, INC.**
By: /s/ Jay P. Siegel	By: /s/ Mitchel Sayare/
Name: Jay Siegel	Mitchel Sayare
Title: President, Centocor Research Development and Supply, Inc.	Title: CEO

Portions of this Exhibit were omitted and have been filed separately with the Secretary of the Commission Pursuant to the Company's application requesting confidential investment under Rule 24b-2 under the Securities Exchange Ace of 1934.

APPENDIX 3.1

RESEARCH PLAN FOR[**********]

YEAR 2005 (AND 2006)

A. [**********]
B. [**********]
C. [**********]

A. [**********
**********]

[**********]

[******]

[**********]

[******]

[**********]

[******]

[**********
****
****
****
****
**********]

[******]

[**********
****
****
****
****
**********]

[******]

[**********
****
****
****
****
**********]

[******]

[**********
****
****
**********]

[******]

[**********
****
****
**********]

[******]

[**********
****
****
**********]

[******]

[**********
**********]

[**********]

1. [**********
   **********]
2. [**********]
3. [**********]
4. [**********]

[**********]
[**********]
[**********]

[**********]

---

12. B. [**********]

[**********]

[******** *********].**

[**********
****
****
****
****
**********].

[******** **********].**

[**********
****
****
**********].

[******** **********].**

[**********
****
****
**********].

[******** **********].**

[**********
****
****
**********].

[******** **********].**

[**********
****
****
**********].

[******** **********].**

[**********
****
****
**********].

C. [**********]

[**********
**********]:

- [**********
  ****
  ****
  ****
  ****
  ****
  ****
  ****
  ****

****
****
****
**********].

[**********
****
**********]:

- [**********
****
****
****
****
****
****
****
****
**********].

SCHEDULE A

LICENSED PATENT RIGHTS

MAYTANSINOID CONJUGATES
(Cytotoxic agents comprising maytansinoids and their therapeutic use)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
A-5567*	U.S.	07/426,247	25-Oct-89		Abandoned		
A-5567-1*	U.S. Rule 62 Cont.	07/911,380	13-Jul-92	25-Oct-89	5,208,020	04-May-93	04-May-10
A-6190*	U.S. Div.	07/986,578	07-Dec-92	25-Oct-89	5,416,064	16-May-95	16-May-12
F89903	Europe	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	AT	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	BE	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	CH	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	DE	0 90 311 590.5	23-Oct-90	25-Oct-89	690 28678.3-3-08	25-Sep-96	23-Oct-10
F89903	DK	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	ES	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	FR	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	GB	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	IT	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	LI	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	LU	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	NL	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89903	SE	0 90 311 590.5	23-Oct-90	25-Oct-89	0 425 235 B1	25-Sep-96	23-Oct-10
F89902	Canada	2,026,147-1	25-Sep-90	25-Oct-89	Pending		
F89904	Japan	2-290,625	25-Oct-90	25-Oct-89	3155998	09-Feb-01	25-Oct-10

MAYTANSINOID PROCESS
(Process for the preparation and purification of thiol-containing maytansinoids)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
A7752*	U.S.	09/641,348	18-Aug-00		6,333,410 B1	25-Dec-01	18-Aug-20
A8451	U.S.	10/410,143	10-Apr-03	18-Aug-00	Re-Issue		
A8707	U.S. (Div)	10/758,264	16-Jan-04	19-Aug-00	Pending		
F145222	PCT	PCT/US01/10816	26-Apr-01	18-Aug-00	Pub. No. WO 02/16368 A1 02/28/02)		
F145201	Australia	53118/01	26-Apr-01	18-Aug-00	763107	30-Oct-03	26-Apr-21
F145202	Canada	2373554	26-Apr-01	18-Aug-00	Pending		
F145203	Europe	01926594-1	26-Apr-01	18-Aug-00	Pending		
F145204	Japan	2002-521468	26-Apr-01	18-Aug-00	Pending		
F145239	Hong Kong	03108241.7	13-Nov-03	18-Aug-00	Pending		

MAYTANSINOID CONJUGATE PROCESS
(Methods for the preparation of cytotoxic conjugates of maytansinoids and cell binding agents)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date

A7970*	U.S.	09/867,598	31-May-01		6,441,163 B1	27-Aug-02	31-May-21
A8369	U.S.	10/161,651	05-Jun-02	31-May-01	Pending		
F154222	PCT	PCT/US02/03378	14-Feb-02	31-May-01	Pub. No. WO 02/098883 A1 (12/12/02)		
F154201	Australia	2002251880	14-Feb-02	31-May-01	Pending		
F154202	Canada	2,417,858	14-Feb-02	31-May-01	Pending		
F154203	Europe	02720913.9	14-Feb-02	31-May-01	Pub. No. 1390370 (2/25/04)		
F154204	Japan	2003-502004	14-Feb-02	31-May-01	Pending		
F154221	New Zealand	523655	14-Feb-02	31-May-01	Pending		
F154239	Hong Kong	4103250.5	14-Feb-02	31-May-01	Pending		

ANTI-ErbB ANTIBODY-MAYTANSINOID CONJUGATES ("Genentech Application")
(Methods of treatment using anti-ErbB antibody-maytansinoid conjugates)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
?	U.S.	60/141,316	25-Jun-99		Provisional		
PR1801R1	U.S.	60/189,844	16-Mar-00		Provisional		
PR1801	U.S.	60/329,563	23-Jun-00		Provisional		
PR1801-2	U.S.	60/238,327	05-Oct-00		Provisional		
P1801R1	U.S./CIP	09/602,530	23-Jun-00		Pending		
P1801R2	U.S.	09/811,123	16-Mar-01	16-Mar-00 23-Jun-00 05-Oct-00	Pub. No. 2002-0001587 (1/3/02)		
P1801R1	PCT	PCT/US00/17229	23-Jun-00	25-Jun-99 16-Mar-00	Pub. No. WO 0100244 (1/4/01)		
P1801R1	Australia	56329/00	23-Jun-00		Pending		
P1801R1	Brazil	PI0012196.7	23-Jun-00		Pending		
P1801R1	Canada	2370466	23-Jun-00		Pending		
P1801R1	China	811782.9	23-Jun-00		Pending		
P1801R1	Europe	941649.6	23-Jun-00		EP 1191944 A2 (1/4/01)		
P1801R1	Hungary	0201616	23-Jun-00		Pending		
P1801R1	Israel	147241	23-Jun-00		Pending		
P1801R1	Japan	505951/01	23-Jun-00		Pending		
P1801R1	Korea	10-2001-7016486	23-Jun-00		Pending		
P1801R1	Mexico	PA/a/2001/013240	23-Jun-00		Pending		
P1801R1	New Zealand	515975	23-Jun-00		51595	10-May-04	23-Jun-20
P1801R1	Poland	P352678	23-Jun-00		Pending		
P1801R1	So. Africa	9768/01	23-Jun-00		Pending		

PF4-4 STRAIN
(Mutant Actinosynnema pretiosum strain with increased maytansinoid production)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
A8275	U.S.	10/057,561	29-Jan-02		6,790,954	14-Sep-04	29-Jan-22
A8802	U.S. (Div)	10/898,169	26-Jul-04	29-Jan-02	Pending		
F163522	PCT	PCT/US03/00026	15-Jan-03	29-Jan-02	Pub. No. WO 03/064610 A2 (8/7/03)		
F163501	Australia	20033238752	15-Jan-03	29-Jan-02	Pending		
F163502	Canada	No number yet	15-Jan-03	29-Jan-02	Pending		
F163503	Europe	03734944.6	15-Jan-03	29-Jan-02	Pending		
F163504	Japan	2003-564206	15-Jan-03	29-Jan-02	Pending		
F163521	New Zealand	532831	15-Jan-03	29-Jan-02	Pending		

METHODS FOR THE PRODUCTION OF ANSAMITOCINS (Fermentation Process)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
P8588	U.S.	60/468,638	08-May-03		Provisional		
A8588	U.S.	10/840,768	07-May-04	08-May-03	Pending		
F174522	PCT	PCT/US04/01300	10-May-04	08-May-03	Pending		

IMPROVED CYTOTOXIC AGENTS COMPRISING NEW MAYTANSINOIDS (DM4)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
P8576	U.S.	60/471,739	20-May-03		Provisional		
A8576	U.S.	10/849,136	20-May-04	20-May-03	Pub. No. 2004/0235840 A1 (11/25/04)		
F177222	PCT	PCT/US04/013314	20-May-04	20-May-03	Pending		

DRUG CONJUGATE COMPOSITION (Formulation)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
LVM 219992	U.S.	60/470,550	14-May-03		Provisional		
LVM 228669	U.S.	10/846,129	14-May-04	14-May-03	Pending		
LVM 228670	PCT	PCT/US04/15376	14-May-04	14-May-03	Pending		

SMCC CONJUGATES
(Maytansinoid conjugates with non-cleavable linkers)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
P8662	U.S.	60/509,901	10-Oct-03		Provisional		
A8662	U.S.	10/960,602	08-Oct-04	10-Oct-03	Pending		
F189422	PCT	PCT/US04/030917	12-Oct-04	10-Oct-03	Pending		

PEG LINKER

(Cytotoxic agents bearing a reactive polyethylene glycol moiety, cytotoxic conjugates comprising polyethylene glycol linking groups, and methods of making and using the same)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
A8212	U.S.	10/024,290	21-Dec-01		6,716,821	6-Apr-04	21-Dec-21
F159322	PCT	PCT/US02/25972	10-Sep-02	21-Dec-01	Pub. No. WO 03/068144 A2 (8/21/03)		
F159301	Australia	2002332542	10-Sep-02	21-Dec-01	Pending		
F159302	Canada	2,462,085	10-Sep-02	21-Dec-01	Pending		
F159303	Europe	02806788.2	10-Sep-02	21-Dec-01	Pending		
F159304	Japan	2003-567329	10-Sep-02	21-Dec-01	Pending		
F159321	New Zealand	529834	10-Sep-02	21-Dec-01	Pending		

NITRO-PYRIDYL LINKER

(Cross-linkers with high reactivity and solubility and their use in the preparation of conjugates for targeted delivery of small molecule drugs)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
P8359	U.S.	60/403,652	16-Aug-02		Provisional		
A8359	U.S.	10/633,616	05-Aug-03	16-Aug-02	Allowed (9/16/04)		
F171622	PCT	PCT/US03/22494	05-Aug-03	16-Aug-02	Pub. No. WO 04/016801 A2 (2/26/04)		

SYNERGY
(Compositions and methods for treating cancer using immunoconjugates and chemotherapeutic agents)

Atty. Ref. No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Expiry Date
104322.198	U.S.	09/671,995	29-Sep-00	10/01/99	Pending		
104322.198WO	PCT	PCT/US00/26800	29-Sep-00	01-Oct-99	Pub. No. WO 01/24763 (04/12/01)		
104322.198EP	Europe	970516.1	29-Sep-00	01-Oct-99	Pub. No. 1229934 (08/14/02)		
104322.198JP	Japan	2001-527762	04/01/02?	01-Oct-99	Pub. No. 2003-528034 (09/24/03)		
104322.198CA	Canada	2,385,528	29-Sep-00	01-Oct-99	Pending		
104322.198AU	Australia	79885/00	29-Sep-00	01-Oct-99	Allowed (6/17/04)		
104322.198HK	Hong Kong	3100743.7	29-Jan-03	01-Oct-99	Pending		

SCHEDULE B

PROVISIONS FOR SUPPLY AGREEMENTS

All Supply Agreements will include:

[**********].

[**********
**********].

[**********].

[**********].

[**********
****
**********].

[**********
**********].

[**********
****
**********].

[**********
**********].

[**********].

[**********
**********].

[**********
**********].

[**********
**********].

B-1

SCHEDULE C

CENTOCOR BACKGROUND TECHNOLOGY

[**********]

C-1

SCHEDULE D

ADVERSE EVENT REPORTING PROCEDURES FOR LICENSED PRODUCT

[**********
****
****
****
****
****
****
**********].

A. DEFINITIONS

Capitalized terms in this Appendix have the following meanings. Capitalized terms not defined in this Appendix shall have the meanings assigned to them in the Agreement.

1. [**********
****
****.*******.]

(a) [**********];

(b) [**********];

(c) [******]; and

(d) [**********].

The term [**********] also includes a [*******] of [**********] of the [*******].

2. [**********]:

(a) [**********];

(b) [**********];

(c) [**********];

(d) [**********]; or

(e) [**********].

3. [**********];

4. [**********
**********].

5. [**********
****
**********].

B. [**********]

1. [**********
****
**********].

2. [**********
****
**********].

3. [**********
****
**********].

4. [**********
****
***].

C. [**********]

1. [**********
****
**********].

2. [**********:

(a) [**********
****
**********].

(b) [**********
****
*****].

D. [**********]

1. [**********
**********].

2. [**********
****
**********].

3. [**********
****

**********].

4. [**********
****
*******].

5. [**********
****
****
****
**********].

6. [**********
****
**********].

7. [**********
****
****
****
**********].

8. [**********
**********].

9. [**********
****
**********].

SCHEDULE E

DISPUTE RESOLUTION PROCEDURES

[**********
****
****
****
****
****
**********].

a. [**********
**********].

b. [**********
****
****
****
****
****
**********].

c. [**********
****
****
**********].

d. [**********
****
****
**********].

e. [**********
****

****
****
**********].

f. [**********
****
****
****
**********].

g. [**********
****
****
****
****
****
****
**********].

h. [**********
****
****
****
****
**********].

i. [**********
****
****
****
****
****

****
****
****
**********].

j. [**********
****
****
****
****
****
****
**********].

k. [**********
****
****
****
****
****
**********].

l. [**********
****
****
****
****
****
**********].

m. [**********
****
****
****
****
****
****
****
****
****
****
**********].

n. [**********]

o. [**********].

p. [**********].

q. [**********].

r. [**********].

s. [**********].

SCHEDULE F

[**********]

[**********:

(a) [**********]
[**********]
[**********]
[**********]

(b) [**********]
[**********]
[*******]

(c) [**********]
[**********]
[**********]
[**********].

EXHIBIT 31.1

CERTIFICATIONS

I, Mitchel Sayare, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 9, 2005

/s/ Mitchel Sayare

Mitchel Sayare

Chairman of the Board of Directors, Chief Executive Officer and President

EXHIBIT 31.2

CERTIFICATIONS

I, Karleen M. Oberton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 9, 2005

/s/ Karleen M. Oberton

Karleen M. Oberton

Senior Corporate Controller
(principal accounting and financial officer)

EXHIBIT 32

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of ImmunoGen, Inc., a Massachusetts corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report for the period ended December 31, 2004 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 9, 2005

/s/ Mitchel Sayare
Mitchel Sayare
Chairman of the Board of Directors, Chief Executive Officer and President

Dated: February 9, 2005

/s/ Karleen M. Oberton
Karleen M. Oberton
Senior Corporate Controller
(principal accounting and financial officer)