IMMUNOGEN INC (IMGN)

10-Q

Quarterly report pursuant to sections 13 or 15(d)
Filed on 10/31/2011
Filed Period 09/30/2011

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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 September 30, 2011

OR

☐ 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.)

830 Winter Street, Waltham, MA 02451
(Address of principal executive offices, including zip code)

(781) 895-0600
(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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

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: 76,435,916 shares outstanding as of October 25, 2011.

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FORM 10-Q
FOR THE QUARTER ENDED SEPTEMBER 30, 2011
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ITEM 1. ***Financial Statements***

IMMUNOGEN, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
In thousands, except per share amounts

	September 30, 2011	June 30, 2011
ASSETS		
Cash and cash equivalents	$ 179,765	$ 191,206
Accounts receivable	1	4,668
Unbilled revenue	1,098	1,488
Inventory	1,147	480
Restricted cash	319	1,019
Prepaid and other current assets	1,279	2,664
Total current assets	183,609	201,525
Property and equipment, net of accumulated depreciation	12,805	13,409
Long-term restricted cash	2,549	2,549
Other assets	141	158
Total assets	$ 199,104	$ 217,641
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 2,850	$ 3,213
Accrued compensation	2,306	4,723
Other accrued liabilities	3,236	3,305
Current portion of deferred lease incentive	979	979
Current portion of deferred revenue	3,848	2,346
Total current liabilities	13,219	14,566
Deferred lease incentive, net of current portion	7,339	7,583
Deferred revenue, net of current portion	50,856	51,545
Other long-term liabilities	3,919	3,978
Total liabilities	75,333	77,672
Commitments and contingencies (Note E)		
Shareholders' equity:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $.01 par value; authorized 100,000 shares; issued and outstanding 76,422 and 76,281 shares as of September 30, 2011 and June 30, 2011, respectively	764	763
Additional paid-in capital	573,127	569,843
Accumulated deficit	(450,120)	(430,637)
Total shareholders' equity	123,771	139,969
Total liabilities and shareholders' equity	$ 199,104	$ 217,641

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

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IMMUNOGEN, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
In thousands, except per share amounts

	Three Months Ended September 30,	
	2011	2010
Revenues:		
Research and development support	$ 1,068	$ 1,495
License and milestone fees	1,187	1,810
Clinical materials reimbursement	281	106
Total revenues	2,536	3,411
Operating Expenses:		
Research and development	17,161	13,425
General and administrative	4,841	3,364
Total operating expenses	22,002	16,789
Loss from operations	(19,466)	(13,378)
Other (expense) income, net	(17)	490
Loss before provision for income taxes	(19,483)	(12,888)
Provision for income taxes	—	—
Net loss	$ (19,483)	$ (12,888)
Basic and diluted net loss per common share	$ (0.26)	$ (0.19)
Basic and diluted weighted average common shares outstanding	76,364	67,944

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

IMMUNOGEN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
In thousands, except per share amounts

	Three Months ended September 30,	
	2011	2010
Cash flows from operating activities:		
Net loss	$ (19,483)	$ (12,888)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation and amortization	1,163	1,178
(Gain) loss on sale/disposal of fixed assets	(5)	2
Amortization of deferred lease incentive	(244)	(245)
Gain on sale of marketable securities	—	(341)
Loss (gain) on forward contracts	44	(146)
Stock and deferred share unit compensation	2,568	1,478
Deferred rent	(27)	8
Changes in operating assets and liabilities:		
Accounts receivable	4,667	(112)
Unbilled revenue	390	(146)
Inventory	(667)	(258)
Prepaid and other current assets	1,374	513
Restricted cash	700	255
Other assets	17	34
Accounts payable	(363)	(1,972)
Accrued compensation	(2,417)	(2,364)
Other accrued liabilities	(95)	(236)
Deferred revenue	813	(43)
Net cash used for operating activities	(11,565)	(15,283)
Cash flows from investing activities:		
Proceeds from maturities or sales of marketable securities	—	1,201
Purchases of property and equipment, net	(554)	(348)
(Payments) proceeds from settlement of forward contracts	(38)	96
Net cash (used for) provided by investing activities	(592)	949
Cash flows from financing activities:		
Proceeds from stock options exercised	716	120
Net cash provided by financing activities	716	120
Net change in cash and cash equivalents	(11,441)	(14,214)
Cash and cash equivalents, beginning balance	191,206	109,156
Cash and cash equivalents, ending balance	$ 179,765	$ 94,942

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

IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2011

A. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements at September 30, 2011 and June 30, 2011 and for the three months ended September 30, 2011 and 2010 include the accounts of ImmunoGen, Inc., or the Company, and its wholly owned subsidiaries, ImmunoGen Securities Corp. and ImmunoGen Europe Limited. The consolidated financial statements 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 U.S. 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 periods. 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, 2011.

Subsequent Events

The Company has evaluated all events or transactions that occurred after September 30, 2011 up through the date the Company issued these financial statements. In October 2011, pursuant to the Company's broad collaboration agreement with Sanofi, the Company recognized a $3 million milestone fee related to the initiation of Phase II clinical testing of SAR3419. The Company did not have any other material recognizable or unrecognizable subsequent events during this period.

Revenue Recognition

The Company enters into licensing and development agreements with collaborative partners for the development of monoclonal antibody-based anticancer therapeutics. The terms of these agreements contain multiple deliverables which may include (i) licenses, or options to obtain licenses, to the Company's TAP technology, (ii) rights to future technological improvements, (iii) research activities to be performed on behalf of the collaborative partner, and (iv) the manufacture of preclinical or clinical materials for the collaborative partner. Payments to the Company under these agreements may include non-refundable license fees, option fees, exercise fees, payments for research activities, payments for the manufacture of preclinical or clinical materials, payments based upon the achievement of certain milestones and royalties on product sales. The Company follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 605-25, "Revenue Recognition — Multiple-Element Arrangements," and ASU No. 2010-17, "Revenue Recognition — Milestone Method," in accounting for these agreements. Effective July 1, 2010, the Company adopted Accounting Standards Update (ASU) No. 2009-13, "Multiple-Deliverable Revenue Arrangements", which amended FASB ASC Topic 605-25. In order to account for these agreements, the Company must identify the deliverables included within the agreement and evaluate which deliverables represent separate units of accounting based on if certain criteria are met, including whether the delivered element has standalone value to the collaborator. The consideration received is allocated among the separate units of accounting, and the applicable revenue recognition criteria are applied to each of the separate units.

At September 30, 2011, the Company had the following two types of agreements with the parties identified below:

- Exclusive development and commercialization licenses to use the Company's TAP technology and/or certain other intellectual property to develop compounds to a single target antigen (exclusive licenses):

  Amgen (two single-target licenses)

  Bayer HealthCare (one single-target license)

  Biotest (one single-target license)

  Roche, through its Genentech unit (five single-target licenses)

Sanofi (license to multiple individual targets)

- Option/research agreement for a defined period of time to secure development and commercialization licenses to use the Company's TAP technology to develop anticancer compounds to a limited number of targets on established terms (broad option agreement):

Amgen

Sanofi

Novartis

There are no performance, cancellation, termination or refund provisions in any of our arrangements that contain material financial consequences to the Company.

Exclusive Licenses

The deliverables under an exclusive license agreement generally include the exclusive license to the Company's TAP technology with respect to a specified antigen target, and may also include deliverables related to rights to future technological improvements, research activities to be performed on behalf of the collaborative partner and the manufacture of preclinical or clinical materials for the collaborative partner.

Generally, exclusive license agreements contain non-refundable terms for payments and, depending on the terms of the agreement, provide that the Company will (i) at the collaborator's request, provide research services which are reimbursed at a contractually determined rate, (ii) at the collaborator's request, manufacture and provide to them preclinical and clinical materials which are reimbursed at the Company's cost, or, in some cases, cost plus a margin, (iii) earn payments upon the achievement of certain milestones and (iv) earn royalty payments, generally until the later of the last applicable patent expiration or 10 to 12 years after product launch. Royalty rates may vary over the royalty term depending on the Company's intellectual property rights. The Company may provide technical assistance and share any technology improvements with its collaborators during the term of the collaboration agreements. The Company does not directly control when any collaborator will request research or manufacturing services, achieve milestones or become liable for royalty payments. As a result, the Company cannot predict when it will recognize revenues in connection with any of the foregoing.

In determining the units of accounting, management evaluates whether the exclusive license has standalone value, from the undelivered elements, to the collaborative partner based on the consideration of the relevant facts and circumstances for each arrangement. Factors considered in this determination include the research capabilities of the partner and the availability of TAP technology research expertise in the general marketplace. If the Company concludes that the license has stand alone value and therefore will be accounted for as a separate unit of accounting, the Company then determines the estimated selling prices of the license and all other units of accounting based on market conditions, similar arrangements entered into by third parties, and entity-specific factors such as the terms of the Company's previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use the Company's TAP technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, the likelihood that technological improvements made will be used by the Company's collaborators and the nature of the research services to be performed on behalf of its collaborators and market rates for similar services.

Upfront payments on single-target licenses are deferred if facts and circumstances dictate that the license does not have standalone value. The determination of the length of the period over which to defer revenue is subject to judgment and estimation and can have an impact on the amount of revenue recognized in a given period. The Company's employees are generally available to assist its collaborators during the development of their products. The Company generally estimates this development phase to begin at the inception of the collaboration agreement and conclude at the end of non-pivotal Phase II testing. The Company believes this period of involvement is, depending on the nature of the license, on average six and one-half years. Quarterly, the Company reassesses its periods of substantial involvement over which the Company amortizes its upfront license fees and makes adjustments as appropriate. In the event a collaborator elects to discontinue development of a specific product candidate under a single target license, but retains its right to use the Company's technology to develop an alternative product candidate to the same target or a target substitute, the Company would cease amortization of any remaining portion of the upfront fee until there is substantial preclinical activity on another product candidate and its remaining period of substantial involvement can be estimated. In the event that a single target license were to be 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.

Upfront payments on single-target licenses may be recognized upon delivery of the license if facts and circumstances dictate that the license has standalone value from the undelivered elements, which generally include rights to future technological improvements, research services and the manufacture of preclinical and clinical materials.

The Company recognizes revenue related to research services that represent separate units of accounting 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 Company recognizes revenue related to the rights to future technological improvements over the estimated period that the rights will be in force.

The Company may also produce preclinical and clinical materials for its collaborators. The Company is reimbursed for its direct costs and a portion of its overhead costs to produce clinical materials. The Company recognizes revenue on preclinical and clinical materials when the materials have passed all quality testing required for collaborator acceptance and title and risk of loss have transferred to the collaborator.

The Company may also produce research material for potential collaborators under material transfer agreements. Additionally, the Company performs research activities, including developing antibody specific conjugation processes, on behalf of its collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. Generally, the Company is reimbursed for certain of its direct and overhead costs of producing these materials or providing these services. The Company records the amounts received for the preclinical materials produced or services performed as a component of research and development support revenue. The Company also develops conjugation processes for materials for later stage testing and commercialization for certain collaborators. The Company is reimbursed for certain of its direct and overhead costs and may receive milestone payments for developing these processes which are recorded as a component of research and development support revenue.

The Company's license agreements have milestone fees which generally meet the criteria of ASU No. 2010-17, "Revenue Recognition — Milestone Method," and accordingly, revenue is recognized when such milestones are achieved. For the Company's existing licensing agreements in which the Company is involved in the discovery, development and/or manufacturing of the related drug or provides the partner with ongoing access to new technologies the Company discovers, the Company determined all future milestones are substantive. For those agreements that do not meet the above criteria, the Company does not consider the future milestones to be substantive.

Broad Option Agreements

The accounting for broad option agreements is dependent on the nature of the option granted to the collaborative partner. For broad option agreements where the option to secure a development and commercialization license to the Company's TAP technology is considered substantive, the Company defers upfront payments received and recognizes this revenue over the period during which the collaborator could elect to take an option for a development and commercialization license. These periods are specific to each collaboration agreement. If a collaborator takes an option to acquire a development and commercialization license under these agreements, any substantive option fee is deferred and recognized over the life of the option, generally 12 to 18 months. If a collaborator exercises an option and the Company grants a single target development and commercialization license to the collaborator, the Company accounts for any license fee as it would an upfront payment on a single target license, as discussed above. Upon exercise of an option to acquire a development and commercialization license, the Company would also recognize any remaining deferred option fee or exercise fee as it would an upfront payment on a single target license as discussed above. In the event a broad option/research agreement were to be 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 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.

For broad option agreements where the option to secure a development and commercialization license to the Company's TAP technology is not considered substantive, the Company accounts for any fees received as it would an upfront payment on a single target license, as discussed above.

The Company does not directly control when any collaborator will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when it will recognize revenues in connection with any of the foregoing.

Fair Value of Financial Instruments

Fair value is defined under ASC Topic 820, "Fair Value Measurements and Disclosures," as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy to

measure fair value which is based on three levels of inputs, of which the first two are considered observable and the last unobservable, as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of September 30, 2011, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of September 30, 2011 (in thousands):

	Fair Value Measurements at September 30, 2011 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash, cash equivalents and restricted cash	$ 182,633	$ 182,633	$ —	$ —

As of June 30, 2011, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of June 30, 2011 (in thousands):

	Fair Value Measurements at June 30, 2011 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash, cash equivalents and restricted cash	$ 194,744	$ 194,744	$ —	$ —

The fair value of the Company's cash equivalents is based primarily on quoted prices from active markets.

The carrying amounts reflected in the consolidated balance sheets for accounts receivable, unbilled revenue, prepaid and other current assets, accounts payable, accrued compensation, and other accrued liabilities approximate fair value due to their short-term nature.

Unbilled Revenue

The majority of the Company's unbilled revenue at September 30, 2011 and June 30, 2011 represents research funding earned based on actual resources utilized under the Company's agreements with various collaborators.

Inventory

Inventory costs relate to clinical trial materials being manufactured for sale to 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 September 30, 2011 and June 30, 2011 is summarized below (in thousands):

	September 30, 2011	June 30, 2011
Raw materials	$ 543	$ 480
Work in process	604	—
Total	$ 1,147	$ 480

Raw materials inventory consists entirely of DM1 or DM4 , our proprietary cell-killing agents, which are included in all Targeted Antibody Payload, or TAP, product candidates currently in preclinical and clinical testing with our collaborators. The Company considers more than a twelve month supply of raw materials that is not supported by firm, fixed orders and/or projections from its collaborators to be excess and establishes a reserve to reduce to zero the value of any such excess raw material inventory with a corresponding charge to research and development expense. In accordance with this policy, the Company recorded $748,000 of expense related to excess inventory during the three-month period ended September 30, 2011. There were no expenses recorded for excess inventory during the same period last year.

Computation of Net Loss per Common Share

Basic and diluted net loss per share is calculated based upon the weighted average number of common shares outstanding during the period. The Company's common stock equivalents, as calculated in accordance with the treasury-stock accounting method, are shown in the following table (in thousands):

	Three Months Ended September 30,	
	2011	2010
Options outstanding to purchase common stock	7,762	7,334
Common stock equivalents under treasury stock method	2,743	1,710

The Company's common stock equivalents have not been included in the net loss per share calculation because their effect is anti-dilutive due to the Company's net loss position.

Comprehensive Loss

For the three months ended September 30, 2011 and 2010, total comprehensive loss equaled $19.5 million and $13.2 million, respectively. Comprehensive loss is comprised of the Company's net loss for the period and unrealized gains and losses recognized on available-for-sale marketable securities.

Stock-Based Compensation

As of September 30, 2011, the Company is authorized to grant future awards under one employee share-based compensation plan, which is the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan, or the 2006 Plan. The 2006 Plan provides for the issuance of Stock Grants, the grant of Options and the grant of Stock-Based Awards for up to 8,500,000 shares of the Company's common stock, as well as any shares of common stock that are represented by awards granted under the previous stock option plan, the ImmunoGen, Inc. Restated Stock Option Plan, or the Former Plan, that are forfeited, expire or are cancelled without delivery of shares of common stock; provided, however, that no more than 5,900,000 shares shall be added to the Plan from the Former Plan, pursuant to this provision. Option awards are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Options vest at various periods of up to four years and may be exercised within ten years of the date of grant.

The fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model with the assumptions noted in the following table. As the Company has not paid dividends since inception, nor does it expect to pay any dividends for the foreseeable future, the expected dividend yield assumption is zero. Expected volatility is based exclusively on historical volatility data of the Company's stock. The expected term of stock options granted is based exclusively on historical data and represents the period of time that stock options granted are expected to be outstanding. The expected term is calculated for and applied to one group of stock options as the Company does not expect substantially different exercise or post-vesting termination behavior among its option recipients. The risk-free rate of the stock options is based on the U.S. Treasury rate in effect at the time of grant for the expected term of the stock options.

	Three Months Ended September 30,	
	2011	2010
Dividend	None	None
Volatility	59.79%	58.40%
Risk-free interest rate	2.25%	2.42%
Expected life (years)	7.1	7.1

Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during the three months ended September 30, 2011 and 2010 were $9.15 and $5.46 per share, respectively.

Stock compensation expense related to stock options granted under the 2006 Plan was $2.5 million and $1.4 million during the three months ended September 30, 2011 and 2010, respectively.

As of September 30, 2011, the estimated fair value of unvested employee awards was $17.9 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately two and a half years.

During the three months ended September 30, 2011, holders of options issued under the Company's equity plans exercised their rights to acquire an aggregate of approximately 141,000 shares of common stock at prices ranging from $2.91 to $9.88 per share. The total proceeds to the Company from these option exercises were approximately $716,000.

Financial Instruments and Concentration of Credit Risk

The Company's cash equivalents consist principally of money market funds with underlying investments primarily being U.S. Government-issued securities and high quality, short-term commercial paper. All of the Company's cash and cash equivalents are maintained with three financial institutions in the U.S.

Derivative instruments include a portfolio of short duration foreign currency forward contracts intended to mitigate the risk of exchange fluctuations for existing or anticipated receivable and payable balances denominated in foreign currency. Derivatives are estimated at fair value and classified as other current assets or liabilities. The fair values of these instruments represent the present value of estimated future cash flows under the contracts, which are a function of underlying interest rates, currency rates, related volatility, counterparty creditworthiness and duration of the contracts. Changes in these factors or a combination thereof may affect the fair value of these instruments.

The Company does not designate foreign currency forward contracts as hedges for accounting purposes, and changes in the fair value of these instruments are recognized in earnings during the period of change. Because the Company enters into forward contracts only as an economic hedge, any gain or loss on the underlying foreign-denominated existing or anticipated receivable or payable balance would be offset by the loss or gain on the forward contract. For the three months ended September 30, 2011 and 2010, net (losses) gains recognized on forward contracts were $(44,000) and $146,000, respectively, and are included in the accompanying consolidated statements of operations as other income, net. As of September 30, 2011, the Company had outstanding forward contracts with notional amounts equivalent to approximately $613,000 (€444,000), all maturing on or before October 7, 2013. As of June 30, 2011, the Company had outstanding forward contracts with notional amounts equivalent to approximately $1.6 million (€1.1 million). The Company does not anticipate using derivative instruments for any purpose other than hedging exchange rate exposure.

Segment Information

During the three months ended September 30, 2011, the Company continued to operate in one reportable business segment which is the business of discovery of monoclonal antibody-based anticancer therapeutics.

The percentages of revenues recognized from significant customers of the Company in the three months ended September 30, 2011 and 2010 are included in the following table:

	Three Months Ended September 30,	
Collaborative Partner:	**2011**	**2010**
Amgen	26%	47%
Bayer HealthCare	21%	7%
Biogen Idec	11%	1%
Novartis	22%	—
Sanofi	12%	40%

There were no other customers of the Company with significant revenues in the three months ended September 30, 2011 and 2010.

Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, "Fair Value Measurement." This ASU clarifies the concepts related to highest and best use and valuation premise, blockage factors and other premiums and discounts, the fair value measurement of financial instruments held in a portfolio and of those instruments classified as a component of shareholders' equity. The guidance

includes enhanced disclosure requirements about recurring Level 3 fair value measurements, the use of nonfinancial assets, and the level in the fair value hierarchy of assets and liabilities not recorded at fair value. The provisions of this ASU are effective prospectively for interim and annual periods beginning on or after December 15, 2011. Early application is prohibited. The Company does not expect the adoption of these provisions to have a significant impact on our financial statements.

In June 2011, the FASB issued ASU No. 2011-05, "Comprehensive Income." This ASU intends to enhance comparability and transparency of other comprehensive income components. The guidance provides an option to present total comprehensive income, the components of net income and the components of other comprehensive income in a single continuous statement or two separate but consecutive statements. This ASU eliminates the option to present other comprehensive income components as part of the statement of changes in shareholders' equity. The provisions of this ASU will be applied retrospectively for interim and annual periods beginning after December 15, 2011. Early application is permitted. The Company does not expect the adoption of these provisions to have a significant impact on our financial statements.

B. Collaborative Agreements

Sanofi

In July 2003, the Company entered into a broad collaboration agreement with Sanofi (formerly Aventis) to discover, develop and commercialize antibody-based anticancer therapeutics. The collaboration agreement provides for certain payments based on the achievement of product candidate milestones and royalties on sales of any resulting products, if and when such sales commence. For the targets included in the collaboration at this time, the Company is entitled to milestone payments potentially totaling $21.5 million for each product candidate developed under this agreement. Through September 30, 2011, the Company has earned and received an aggregate of $14 million in milestone payments under this agreement for compounds covered under this agreement now or in the past, including a $1 million milestone payment earned in September 2010 related to the initiation of Phase I clinical testing of SAR566658 which is included in license and milestone fee revenue for the three months ended September 30, 2010. In October 2011, the Company recognized an additional $3 million milestone fee related to the initiation of Phase II clinical testing of SAR3419. At the time of execution of this agreement, there was significant uncertainty as to whether these milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of this product candidate, these milestones were deemed substantive.

In August 2008, Sanofi exercised its option under a separate 2006 agreement for expanded access to ImmunoGen's TAP technology. The exercise of this option enables Sanofi to evaluate, with certain restrictions, the Company's maytansinoid TAP technology with antibodies to targets that were not included in the existing research collaboration between the companies and to license the exclusive right to use the technology to develop products to specific targets on the terms in the 2006 agreement. ImmunoGen is entitled to earn upfront and milestone payments potentially totaling $32 million per target for each compound developed under the 2006 agreement, as well as royalties on the commercial sales of any resulting products. ImmunoGen also is entitled to manufacturing payments for any materials made on behalf of Sanofi. The Company received $3.5 million with the exercise of this option in August 2008, in addition to the $500,000 ImmunoGen received in December 2006 with the signing of the option agreement. The agreement had a three-year original term from the date of the exercise of the option and was renewed by Sanofi for one additional three-year term by payment of a $2 million fee in August 2011. The Company has deferred the $2 million extension fee and is recognizing this amount as revenue over the three year period during which Sanofi can elect to exercise an option for a development and commercialization license.

Bayer HealthCare

In October 2008, the Company entered into a development and license agreement with Bayer HealthCare. The agreement grants Bayer HealthCare exclusive rights to use the Company's maytansinoid TAP technology to develop and commercialize therapeutic compounds to the mesothelin target found on solid tumors. Bayer HealthCare is responsible for the research, development, manufacturing and marketing of any products resulting from the license. The Company received a $4 million upfront payment upon execution of the agreement, and—for each compound developed and marketed by Bayer HealthCare under this collaboration—the Company could potentially receive up to $170.5 million in milestone payments; additionally, the Company is entitled to receive royalties on the sales of any resulting products. Through September 30, 2011, the Company has earned and received an aggregate of $3 million in milestone payments under this agreement.

The Company had previously deferred the $4 million upfront payment received and was recognizing this amount as revenue ratably over the estimated period of substantial involvement. The Company had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the current quarter, Bayer HealthCare initiated Phase I clinical testing of its product candidate. In reaching this stage of clinical testing, Bayer HealthCare developed its own processes for manufacturing required clinical material and produced clinical material in its own manufacturing facility. Considering that Bayer was able to accomplish this without significant reliance on the Company, and considering that the Company's expected future involvement will be primarily supplying Bayer HealthCare with small quantities of cytotoxic agents for a limited period of time, the Company believes its

period of substantial involvement will end prior to the completion of non-pivotal Phase II testing. As a result of this determination, beginning in September 2011, the Company is recognizing the balance of the upfront payment as revenue ratably through September 2012. This change in estimate results in an increase to license and milestone fees of approximately $122,000 for the quarter ended September 30, 2011 and $1.2 million for the fiscal year ended June 30, 2012 compared to amounts that would have been recognized pursuant to the Company's previous estimate.

Additional information on the agreements the Company has with these companies, as well as other companies, is described elsewhere in this Quarterly Report and in the Company's 2011 Annual Report on Form 10-K.

C. Capital Stock

2001 Non-Employee Director Stock Plan

During both the three months ended September 30, 2011 and 2010, the Company recorded approximately $(19,000) and $(45,000) in expense reduction, respectively, related to stock units outstanding under the Company's 2001 Non-Employee Director Stock Plan, or the 2001 Plan. The value of the stock units is adjusted to market value at each reporting period as the redemption amount of stock units for this plan will be paid in cash. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004.

Compensation Policy for Non-Employee Directors

Pursuant to the Compensation Policy for Non-Employee Directors, the redemption amount of deferred share units issued will be paid in shares of common stock of the Company on the date a director ceases to be a member of the Board. Annual retainers vest quarterly over approximately one year from the date of grant, contingent upon the individual remaining a director of ImmunoGen as of each vesting date, and the number of deferred share units awarded is based on the market value of the Company's common stock on the date of the award. All unvested deferred stock awards will automatically vest immediately prior to the occurrence of a change of control.

During the three months ended September 30, 2011 and 2010, the Company recorded approximately $84,000 and $81,000 in compensation expense, respectively, related to deferred share units issued and outstanding.

In September 2010, the Board revised the Compensation Policy for Non-Employee Directors to provide that, in addition to the compensation they received previously, they would also become entitled to receive stock option awards having a grant date fair value of $30,000, determined using the Black-Scholes option pricing model measured on the date of grant, which would be the date of the annual meeting of shareholders. These options will vest quarterly over approximately one year from the date of grant. Any new directors will receive a pro-rated award, depending on their date of election to the Board. The directors received a total of 49,688 options on November 16, 2010, and the related compensation expense is included in the amounts discussed in the "Stock-Based Compensation" section of footnote A above.

D. Cash and Cash Equivalents

As of September 30, 2011 and June 30, 2011, the Company held $179.8 million and $191.2 million, respectively, in cash, U.S. Government treasury bills, and money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper which were classified as cash and cash equivalents.

E. Commitments and Contingencies

Leases

Effective July 27, 2007, the Company entered into a lease agreement with Intercontinental Fund III for the rental of approximately 89,000 square feet of laboratory and office space at 830 Winter Street, Waltham, MA. The Company uses this space for its corporate headquarters, research and other operations. The initial term of the lease is for twelve years with an option for the Company to extend the lease for two additional terms of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount. The Company entered into a sublease in December 2009 for 14,100 square feet of this space in Waltham through January 2015, with the sublessee having an option to extend the term for an additional two years.

At September 30, 2011, the Company also leases a facility in Norwood, MA under an agreement through 2018 with an option to extend the lease for an additional term of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount.

The minimum rental commitments for both of the Company's facilities, including real estate taxes and other expenses, for the next five fiscal years and thereafter under the non-cancelable operating lease agreements discussed above are as follows (in thousands):

2012 (nine months remaining)	$	4,419
2013		5,893
2014		5,981
2015		6,181
2016		6,203
Thereafter		22,413
Total minimum lease payments	$	51,090
Total minimum rental payments from sublease		(2,092)
Total minimum lease payments, net	$	48,998

Collaborative Agreements

The Company is contractually obligated to make potential future success-based regulatory milestone payments in conjunction with certain collaborative agreements. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when, if ever, the Company may be required to pay such amounts. Further, the timing of any future payment is not reasonably estimable. As of September 30, 2011, the maximum amount that may be payable in the future under such arrangements is approximately $43.0 million.

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

OVERVIEW

Since our inception, we have been principally engaged in the development of novel, targeted therapeutics for the treatment of cancer using our expertise in cancer biology, monoclonal antibodies, highly potent cytotoxic, or cell-killing, agents, and the design of linkers that enable these agents to remain stably attached to the antibodies while in the blood stream and released in their fully active form after delivery to a cancer cell. An anticancer compound made using our Targeted Antibody Payload, or TAP, technology consists of a monoclonal antibody that binds specifically to an antigen target found on cancer cells with multiple copies of one of our proprietary cell-killing agents attached to the antibody using one of our engineered linkers. Its antibody component enables a TAP compound to bind specifically to cancer cells that express a particular target antigen, the highly potent cytotoxic agent serves to kill the cancer cell, and the engineered linker controls the release and activation of the cytotoxic agent inside the cancer cell. Our TAP technology is designed to enable the creation of highly effective, well-tolerated anticancer products. All of our and our collaborative partners' TAP compounds currently in preclinical and clinical testing contain either DM1 or DM4 as the cytotoxic agent. Both DM1 and DM4, collectively DMx, are our proprietary derivatives of a naturally occurring substance called maytansine. We also have expertise in antibodies and cancer biology to develop "naked," or non-conjugated, antibody anticancer product candidates.

We have entered into collaborative agreements that enable companies to use our TAP technology to develop commercial product candidates to specified targets. We have also used our proprietary 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 generally entitled to upfront fees, milestone payments and royalties on any commercial product sales. In addition, under certain agreements we are entitled to research and development funding based on activities performed at our collaborative partner's request. We are reimbursed for our direct and a portion of overhead costs to manufacture preclinical and clinical materials and, under certain collaborative agreements, the reimbursement includes a profit margin. Currently, our collaborative partners are Amgen, Bayer HealthCare, Biotest, Novartis, Roche and Sanofi. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements. Details for some of our collaborative agreements with recent activity follow. Details for our other significant agreements can be found in our 2011 Annual Report on Form 10-K

Sanofi—In July 2003, we entered into a discovery, development and commercialization collaboration with Sanofi. The collaboration agreement provides for certain payments based on the achievement of product candidate milestones and royalties on sales of any resulting products, if and when such sales commence. For the targets included in the collaboration at this time, we are entitled to milestone payments potentially totaling $21.5 million for each product candidate developed under this agreement. Through

September 30, 2011, we have earned and received an aggregate of $14 million in milestone payments under this agreement for compounds covered under this agreement now or in the past, including a $1 million milestone payment earned in September 2010 related to the initiation of Phase I clinical testing of SAR566658 which is included in license and milestone fee revenue for the three months ended September 30, 2010. In October 2011, we recognized an additional $3 million milestone fee related to the initiation of Phase II clinical testing of SAR3419.

In August 2008, Sanofi exercised its option under a separate 2006 agreement for expanded access to our TAP technology. The exercise of this option enables Sanofi to evaluate, with certain restrictions, our maytansinoid TAP technology with antibodies to targets that were not included in the existing research collaboration between the companies and to license the exclusive right to use the technology to develop products to specific targets on the terms in the 2006 agreement. We are entitled to earn upfront and milestone payments potentially totaling $32 million per target for each compound developed under the 2006 agreement, as well as royalties on the commercial sales of any resulting products. We are also entitled to manufacturing payments for any materials made on behalf of Sanofi. We received $3.5 million with the exercise of this option in August 2008, in addition to the $500,000 ImmunoGen received in December 2006 with the signing of the option agreement. The agreement had a three-year original term from the date of the exercise of the option and was renewed by Sanofi for one additional three-year term by payment of a $2 million fee in August 2011. We have deferred the $2 million extension fee and are recognizing this amount as revenue over the three year period during which Sanofi can elect to exercise an option for a development and commercialization license.

Bayer HealthCare— In October 2008, we entered into a development and license agreement with Bayer HealthCare. The agreement grants Bayer HealthCare exclusive rights to use our maytansinoid TAP technology to develop and commercialize therapeutic compounds to the mesothelin target found on solid tumors. Bayer HealthCare is responsible for the research, development, manufacturing and marketing of any products resulting from the license. We received a $4 million upfront payment upon execution of the agreement, and—for each compound developed and marketed by Bayer HealthCare under this collaboration—we could potentially receive up to $170.5 million in milestone payments; additionally, we are entitled to receive royalties on the sales of any resulting products. Through September 30, 2011, we have earned and received an aggregate of $3 million in milestone payments under this agreement.

We had previously deferred the $4 million upfront payment received and were recognizing this amount as revenue ratably over the estimated period of substantial involvement. We had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the current quarter, Bayer HealthCare initiated Phase I clinical testing of its product candidate. In reaching this stage of clinical testing, Bayer HealthCare developed its own processes for manufacturing required clinical material and produced clinical material in its own manufacturing facility. Considering that Bayer was able to accomplish this without significant reliance on us, and considering that our expected future involvement will be primarily supplying BayerHealthCare with small quantities of cytotoxic agents for a limited period of time, we believe our period of substantial involvement will end prior to the completion of non-pivotal Phase II testing. As a result of this determination, beginning in September 2011, we are recognizing the balance of the upfront payment as revenue ratably through September 2012. This change in estimate results in an increase to license and milestone fees of approximately $122,000 for the quarter ended September 30, 2011 and $1.2 million for the fiscal year ended June 30, 2012 compared to amounts that would have been recognized pursuant to our previous estimate.

To date, we have not generated revenues from commercial product sales and we expect to incur significant operating losses for the foreseeable future. As of September 30, 2011, we had approximately $179.8 million in cash and cash equivalents compared to $191.2 million in cash, cash equivalents and marketable securities as of June 30, 2011.

We anticipate that future cash expenditures will be partially offset by collaboration-derived proceeds, including milestone payments, royalties and upfront fees. Accordingly, period-to-period operating results may fluctuate dramatically based upon the timing of receipt of the proceeds. We believe that our established collaboration agreements, while subject to specified milestone achievements, will provide funding to assist us in meeting obligations under our collaborative agreements while also providing funding for the development of internal product candidates and technologies. However, we can give no assurances that such collaborative agreement funding will, in fact, be realized in the time frames we expect, or at all. 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. However, we cannot provide assurance that any such opportunities presented by additional strategic partners or alternative financing arrangements will be entirely available to us, if at all.

Critical Accounting Policies

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the U.S. 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.

There were no significant changes to our critical accounting policies from those disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2011.

RESULTS OF OPERATIONS

Comparison of Three Months ended September 30, 2011 and 2010

Revenues

Our total revenues for the three months ended September 30, 2011 and 2010 were $2.5 million and $3.4 million, respectively. The $875,000 decrease in revenues in the three months ended September 30, 2011 from the same period in the prior year is attributable to a decrease in license and milestone fees and research and development support revenue, partially offset by an increase in clinical materials reimbursement revenue, all of which are discussed below.

Research and development support revenue was $1.1 million for the three months ended September 30, 2011 compared with $1.5 million for the three months ended September 30, 2010. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators shown in the table below. The decreased research and development support fees in the current period compared to the prior year period is primarily due to lower revenues earned under our agreements with Amgen, partially offset by increased revenue earned under our development and collaboration agreement with Novartis. Also included in research and development support revenue are fees for developing antibody-specific conjugation processes on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. The amount of research and development support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of research and development support revenue may vary widely from quarter to quarter and year to year. Total revenue recognized from research and development support from each of our collaborative partners in the three-month periods ended September 30, 2011 and 2010 is included in the following table (in thousands):

	Three Months Ended September 30,	
Research and Development Support	**2011**	**2010**
Collaborative Partner:		
Amgen	$ 340	$ 1,274
Bayer HealthCare	6	77
Biotest	144	102
Genentech	—	3
Novartis	568	—
Sanofi	10	6
Other	—	33
Total	$ 1,068	$ 1,495

Revenues from license and milestone fees for the three months ended September 30, 2011 decreased $623,000 to $1.2 million from $1.8 million in the same period ended September 30, 2010. During the three-month period ended September 30, 2011, Biogen Idec terminated its exclusive license to our TAP technology to develop and commercialize therapeutic compounds to the target Cripto and as a result, we recognized the remaining $270,000 of the $1 million upfront fee received from Biogen Idec upon execution of the license which had been previously deferred. Included in license and milestone fees for the three months ended September 30, 2010 was a $1 million milestone payment related to the initiation of Phase I clinical testing of SAR566658 achieved under the collaboration agreement with Sanofi. The amount of license and milestone fees we earn is directly related to the number of our collaborators and potential collaborators, the resources our collaborators allocate to the advancement of the product candidates, the number of clinical trials our collaborators conduct and the speed of enrollment and overall success in those trials. As such, the amount of license and milestone fees may vary widely from quarter to quarter and year to year. Total revenue from license and milestone fees recognized from each of our collaborative partners in the three-month periods ended September 30, 2011 and 2010 is included in the following table (in thousands):

	Three Months Ended September 30,	
License and Milestone Fees	**2011**	**2010**
Collaborative Partner:		
Amgen	$ 300	$ 224
Bayer HealthCare	276	154
Biogen Idec	270	21
Biotest	32	32
Centocor	14	20
Sanofi	295	1,359
Total	$ 1,187	$ 1,810

Deferred revenue of $54.7 million as of September 30, 2011 primarily represents payments received from our collaborators pursuant to our license agreements, including a $45 million upfront payment received from Novartis during fiscal 2011, which we have yet to earn pursuant to our revenue recognition policy.

Clinical materials reimbursement increased $175,000 in the three months ended September 30, 2011, to $281,000 from $106,000 in the three months ended September 30, 2010. We are reimbursed for certain of our direct and overhead costs to produce clinical materials plus, for certain programs, a profit margin. The amount of clinical materials reimbursement we earn, and the related cost of clinical materials charged to research and development expense, is directly related to the number of clinical trials our collaborators are preparing or have underway, 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 the supply of clinical-grade material to our collaborators for process development and analytical purposes. As such, the amount of clinical materials reimbursement revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year.

Research and Development Expenses

Our research and development expenses relate to (i) research to evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents, (ii) preclinical testing of our own and, in certain instances, our collaborators' product candidates, and the cost of our own clinical trials, (iii) development related to clinical and commercial manufacturing processes and (iv) manufacturing operations which also includes raw material.

Research and development expense for the three months ended September 30, 2011 increased $3.8 million to $17.2 million from $13.4 million for the three months ended September 30, 2010. The increase was primarily due to (i) an increase in cost of raw material inventory written off as excess in accordance with our inventory policy; (ii) increased contract service expenses to advance our internal product candidates; and (iii) increased salaries and related expenses due primarily to additional headcount and higher stock compensation cost. The number of our research and development personnel increased to 206 as of September 30, 2011 compared to 180 at September 30, 2010.

We are unable to accurately estimate which potential product candidates, if any, will eventually move into our internal preclinical research program. We are unable to reliably estimate the costs to develop these 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 stage product candidates will advance from preclinical testing and move into our internal clinical development program. The clinical trial and regulatory approval processes for our product candidates that have advanced or that we intend to advance to clinical testing are lengthy, expensive and uncertain in both timing and outcome. As a result, the pace and timing of the clinical development of our product candidates is highly uncertain and may not ever result in approved products. Completion dates and development costs will vary significantly for each product candidate and are difficult to predict. A variety of factors, many of which are outside our control, could cause or contribute to the prevention or delay of the successful completion of our clinical trials, or delay or prevent our obtaining necessary regulatory approvals. The costs to take a product through clinical trials are dependent upon, among other factors, the clinical indications, the timing, size and design of each clinical trial, the number of patients enrolled in each trial, and the speed at which patients are enrolled and treated. Product candidates may be found to be ineffective or to cause unacceptable side effects during clinical trials, may take longer to progress through clinical trials than anticipated, may fail to receive necessary regulatory approvals or may prove impractical to manufacture in commercial quantities at reasonable cost or with acceptable quality.

The lengthy process of securing FDA approvals for new drugs requires the expenditure of substantial resources. Any failure by us to obtain, or any delay in obtaining regulatory approvals would materially adversely affect our product development efforts and our business overall. Accordingly, we cannot currently estimate, with any degree of certainty, the amount of time or money that we will be required to expend in the future on our product candidates prior to their regulatory approval, if such approval is ever granted. As a result of these uncertainties surrounding the timing and outcome of our clinical trials, we are currently unable to estimate when, if ever, our product candidates that have advanced into clinical testing will generate revenues and cash flows.

We do not track our research and development costs by project. Since we use our research and development resources across multiple research and development projects, we manage our research and development expenses within each of the categories listed in the following table and described in more detail below (in thousands):

	Three Months Ended September 30,	
Research and Development Expense	2011	2010
Research	$ 4,185	$ 3,625
Preclinical and Clinical Testing	4,881	3,818
Process and Product Development	1,798	1,614
Manufacturing Operations	6,297	4,368
Total Research and Development Expense	$ 17,161	$ 13,425

Research: Research includes expenses associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, fees to in-license certain technology, facilities and lab supplies. Research expenses for the three months ended September 30, 2011 increased $560,000 compared to the three months ended September 30, 2010. This increase is primarily the result of an increase in salaries and related expenses.

Preclinical and Clinical Testing: Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the three months ended September 30, 2011 increased $1.1 million to $4.9 million compared to $3.8 million for the three months ended September 30, 2010. This increase is primarily the result of an increase in salaries and related expenses, an increase in contract service expense and an increase in clinical trial costs.

Process and Product Development: Process and product development expenses include costs for development of clinical and commercial manufacturing processes for our own and collaborator compounds. Such expenses include the costs of personnel, contract services and facility expenses. For the three months ended September 30, 2011, total development expenses increased $184,000 compared to the three months ended September 30, 2010. This increase is primarily the result of an increase in salaries and related expenses.

Manufacturing Operations: Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the three months ended September 30, 2011, manufacturing operations expense increased $1.9 million to $6.3 million compared to $4.4 million in the same period last year. The increase in the three months ended September 30, 2011 as compared to the three months ended September 30, 2010 is primarily the result of (i) an increase in cost of raw material inventory written off as excess in accordance with our inventory policy; (ii) an increase in antibody development and supply expense; (iii) an increase in contract service expense; and (iv) an increase in salaries and related expenses. Partially offsetting these increases, consulting service expense decreased during the current period and overhead utilization absorbed by the manufacture of clinical materials on behalf of our collaborators increased.

General and Administrative Expenses

General and administrative expenses for the three months ended September 30, 2011 increased $1.4 million to $4.8 million compared to $3.4 million for the three months ended September 30, 2010. This increase is primarily due to an increase in salaries and related expenses, an increase in patent expenses and an increase in consulting fees.

Other (Expense) Income, net

Other (expense) income, net for the three months ended September 30, 2011 and 2010 is included in the following table (in thousands):

	Three Months Ended September 30,	
Other (Expense) Income, net	2011	2010
Interest Income	$ 13	$ 49
Net Realized Gains on Investments	—	341
Other (Expense) Income, net	(30)	100
Total Other (Expense) Income, net	$ (17)	$ 490

Net Realized Gains on Investments

During the three months ended September 30, 2010, we sold the remaining marketable securities held in our investment portfolio at June 30, 2010, resulting in a net realized gain of $341,000.

LIQUIDITY AND CAPITAL RESOURCES

	September 30, 2011	June 30, 2011
	(In thousands)	
Cash and cash equivalents	$ 179,765	$ 191,206
Working capital	170,390	186,959
Shareholders' equity	123,771	139,969

	Three Months Ended September 30,	
	2011	2010
	(In thousands)	
Cash used for operating activities	$ (11,565)	$ (15,283)
Cash (used for) provided by investing activities	(592)	949
Cash provided by financing activities	716	120

Cash Flows

We require cash to fund our operating expenses, including the advancement of our own 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, milestones and research funding. As of September 30, 2011, we had approximately $179.8 million in cash and cash equivalents. Net cash used for operations was $11.6 million and $15.3 million for the three months ended September 30, 2011 and 2010, respectively. The principal use of cash in operating activities for all periods presented was to fund our net loss.

Net cash (used for) provided by investing activities was $(592,000) and $949,000 for the three months ended September 30, 2011 and 2010, respectively, and primarily represents cash outflows for capital expenditures offset by cash inflows from the sales and maturities of marketable securities. Capital expenditures, primarily for the purchase of new equipment, were $554,000 and $348,000 for the three-month periods ended September 30, 2011 and 2010, respectively.

Net cash provided by financing activities was $716,000 and $120,000 for the three months ended September 30, 2011 and 2010, respectively, which represents proceeds from the exercise of approximately 141,000 and 21,000 stock options, respectively.

We anticipate that our current capital resources and expected future collaborator payments under existing collaborations will enable us to meet our operational expenses and capital expenditures through fiscal year 2014. However, we cannot provide assurance that such future collaborative agreement funding will, in fact, be received. 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.

Contractual Obligations

There have been no other material changes to our contractual obligations outside the ordinary course of business from those disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2011.

Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, "Fair Value Measurement." This ASU clarifies the concepts related to highest and best use and valuation premise, blockage factors and other premiums and discounts, the fair value measurement of financial instruments held in a portfolio and of those instruments classified as a component of shareholders' equity. The guidance includes enhanced disclosure requirements about recurring Level 3 fair value measurements, the use of nonfinancial assets, and the level in the fair value hierarchy of assets and liabilities not recorded at fair value. The provisions of this ASU are effective

prospectively for interim and annual periods beginning on or after December 15, 2011. Early application is prohibited. We do not expect the adoption of these provisions to have a significant impact on our financial statements.

In June 2011, the FASB issued ASU No. 2011-05, "Comprehensive Income." This ASU intends to enhance comparability and transparency of other comprehensive income components. The guidance provides an option to present total comprehensive income, the components of net income and the components of other comprehensive income in a single continuous statement or two separate but consecutive statements. This ASU eliminates the option to present other comprehensive income components as part of the statement of changes in shareholders' equity. The provisions of this ASU will be applied retrospectively for interim and annual periods beginning after December 15, 2011. Early application is permitted. We do not expect the adoption of these provisions to have a significant impact on our financial statements.

Forward-Looking Statements

This quarterly report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to analyses and other information which are based on forecasts of future results and estimates of amounts that are not yet determinable. There are a number of factors that could cause actual events or results to be significantly different from those described in the forward-looking statements. Forward-looking statements might include, but are not limited to, one or more of the following subjects:

- future products revenues, expenses, liquidity and cash needs;
- anticipated agreements with collaboration partners;
- anticipated clinical trial timelines or results;
- anticipated research and product development results;
- projected regulatory timelines;
- descriptions of plans or objectives of management for future operations, products or services;
- forecasts of future economic performance; and
- descriptions or assumptions underlying or relating to any of the above items.

Forward-looking statements can be identified by the fact that they do not relate to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project," "intend," "opportunity," "plan," "potential," "believe" or words of similar meaning. They may also use words such as "will," "would," "should," "could" or "may". Given these uncertainties, you should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. You should review carefully the risks and uncertainties identified in this Quarterly Report on Form 10-Q, including the cautionary information set forth under Part II, Item 1A., Risk Factors, and our Annual Report on Form 10-K for the year ended June 30, 2011. We may not revise these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

OFF-BALANCE SHEET ARRANGEMENTS

None.

ITEM 3. ***Quantitative and Qualitative Disclosure about Market Risk***

Our market risks, and the ways we manage them, are summarized in Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" of our Annual Report on Form 10-K for the fiscal year ended June 30, 2011. Since then there have been no material changes to our market risks or to our management of such risks.

ITEM 4. ***Controls and Procedures***

(a) *Disclosure Controls and Procedures*

The Company's management, with the participation of its principal executive officer and principal financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, the Company's principal executive officer and principal financial officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were adequate and effective.

(b) *Changes in Internal Controls*

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2011 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1A. *Risk Factors*

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Item 1A. (Risk Factors) in our Annual Report on Form 10-K for the fiscal year ended June 30, 2011. There have been no material changes from the factors disclosed in our 2011 Annual Report on Form 10-K, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission.

ITEM 6. *Exhibits*

Exhibit No.	Description
10.1*	License Agreement dated effective May 2, 2000 by and between the Registrant and Genentech, Inc.
10.2*	Option and License Agreement dated September 5, 2000 by and between the Registrant and Amgen Inc. (as successor-in-interest to Abgenix, Inc.)
31.1	Certification of Principal 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 Principal Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase
101.DEF**	XBRL Taxonomy Extension Definition Linkbase
101.LAB**	XBRL Taxonomy Extension Label Linkbase
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase

† *Furnished, not filed.*

* *Portions of this Exhibit were omitted, as indicated by [***], and have been filed separately with the Secretary of the Commission pursuant to the Registrant's application requesting confidential treatment.*

** *Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the securities Act of 1933 or Section 18 of the Securities Exchange Act of 1934 and otherwise are not subject to liability.*

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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: October 31, 2011

By: /s/ Daniel M. Junius
Daniel M. Junius
President, Chief Executive Officer (Principal Executive Officer)

Date: October 31, 2011

By: /s/ Gregory D. Perry
Gregory D. Perry
Executive Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 10.1

LICENSE AGREEMENT

This License Agreement ("Agreement") is made effective as of May 2, 2000 (the "Effective Date") by and between GENENTECH, INC., a Delaware corporation having its principal business office at 1 DNA Way, South San Francisco, California 94080 ("GENENTECH"), and IMMUNOGEN, INC., a Massachusetts corporation with its principal place of business at 333 Providence Highway, Norwood, Massachusetts 02062 ("IMMUNOGEN"). GENENTECH and IMMUNOGEN are each hereafter referred to individually as a "Party" and together as the "Parties".

WHEREAS, GENENTECH is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to anti-HER2 antibodies and other HER-2 binding proteins; 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 such as DM1 to binding proteins;

WHEREAS, pursuant to an MTA (as defined below), IMMUNOGEN performed certain work using a biologic materials of GENENTECH to create a conjugated compound, which work under the MTA is part of what is covered by this Agreement; and

WHEREAS, on the terms and conditions set forth herein, GENENTECH desires to obtain from IMMUNOGEN, and IMMUNOGEN desires to grant to GENENTECH, the rights set forth herein, including a license under 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 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

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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 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, the terms of this Agreement shall govern unless the Parties expressly agree otherwise in writing.

1.4. "ALLOCABLE OVERHEAD" shall mean overhead costs incurred by IMMUNOGEN attributable to IMMUNOGEN's [*] functions which are allocated to company departments based on [*] or [*] or another [*] method, and shall include the [*] as defined hereinbelow. For purposes of any given calculation of "Allocable Overhead" hereunder, the [*] of the total amount of Allocable Overhead (as calculated before the inclusion of any such fee). However, "Allocable Overhead" [*]

1.5. "ANTI-HER2 ANTIBODY" shall mean [*].

1.6. "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.

1.7. "CLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, and/or any other MAY Compound as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such MAY Compound for use in human

clinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such Licensed Product for use in human clinical testing of any Licensed Product.

1.8. "COMBINATION PRODUCT" shall mean any Licensed Product that contains, in addition to any conjugate of any Anti-HER2 Antibody with any MAY Compound, one or more other ingredients that has biologic activity as a therapeutic agent when present alone.

1.9. "COMPETING PRODUCT" shall have the meaning set forth in Section 2.1(b).

1.10. "CONFIDENTIAL INFORMATION" shall have the meaning set forth in Section 5.1.

1.11. "CONTROL" or "CONTROLLED" shall mean, with respect to any Patent Rights or Technology (including, without limitation, any MAY Compound, Anti-HER2 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, know-how or other intellectual property and the rights thereto or to supply such compounds or materials as provided for in this Agreement without violating the terms of any arrangement or agreement between such Party and any Third Party.

1.12. "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, all human clinical studies, 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.

1.13. "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 MAA filed with the FDA or any Foreign Regulatory Authority, and (b) any equivalent 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 country or jurisdiction in the Territory.

1.14. "EFFECTIVE DATE" shall mean the date first written above in the introductory paragraph to this Agreement.

1.15. "EXTENDED INDICATIONS" shall mean any and all human uses for the indications of [*]. However, "Extended Indications" shall not include any human therapeutic use for the indication of metastatic breast cancer.

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

1.17. "FIELD" shall mean any and all human uses, including, without limitation, for the indication of metastatic breast cancer and/or any Extended Indications.

1.18. "FIRST COMMERCIAL SALE" shall mean the date of the first commercial sale (other than for purposes of obtaining Regulatory Approval) of a Licensed Product by or on behalf of GENENTECH or any Sublicensee.

1.19. "FOREIGN REGULATORY AUTHORITIES" 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), 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.

1.20. "FULLY BURDENED MANUFACTURING COST" shall mean, with respect to any Preclinical Materials or Clinical Materials produced by IMMUNOGEN for GENENTECH under this Agreement, the sum of the following components: (a) the costs of goods produced, as determined by IMMUNOGEN in accordance with generally accepted accounting principles in the United States, consistently applied, including, without limitation, direct labor, material and product testing costs of such Preclinical Materials or Clinical Materials; (b) any Third Party royalty costs directly allocable to the manufacture or use of such Preclinical Materials or Clinical Materials; (c) all Allocable Overhead on the cost of goods under clause (a) above; and (d) any other costs borne by IMMUNOGEN, for the transport, customs clearance, duty, insurance and/or storage of such Preclinical Materials or Clinical Materials.

1.21. "GENENTECH" shall mean Genentech, Inc., a Delaware corporation, and its successors and permitted assigns under this Agreement.

1.22. "GENENTECH PRODUCT" shall have the meaning set forth in Section 2.1(b).

1.23. "GLPS" shall mean all good laboratory practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

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

1.25. "HER2 PRODUCT" shall have the meaning set forth in Section 2.3(b).

1.26. "IMMUNOGEN" shall mean ImmunoGen, Inc., a Massachusetts corporation, and its successors and permitted assigns under this Agreement.

1.27. "IMPROVEMENT" shall mean any enhancement, improvement or modification created or identified by GENENTECH under this Agreement or by IMMUNOGEN under this Agreement or otherwise, to the extent covered by or under the Licensed Patent Rights or the Licensed Technology.

1.28. "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.

1.29. "IND ACCEPTANCE" shall mean the expiration of thirty (30) days following receipt by GENENTECH of a notice from the FDA to GENENTECH (or its Sublicensee) that the FDA has received an IND for a Licensed Product filed by GENENTECH (or its Sublicensee) for the purpose of obtaining approval or authority to commence human clinical trials in the United States with such Licensed Product; PROVIDED, HOWEVER, that if the FDA puts a clinical hold on the IND during such thirty (30) day period, the term "IND Acceptance" shall mean that date during the term of this Agreement when GENENTECH (or its Sublicensee) receives written confirmation from the FDA that the clinical hold has been removed and that GENENTECH (or its Sublicensee) has the approval or authority to commence human clinical trials of such Licensed Product under such IND in the United States. Notwithstanding anything set forth herein, "IND Acceptance" shall not be deemed to have occurred in any circumstances where GENENTECH (or its Sublicensee) withdraws any IND filed with the FDA for a Licensed Product at any time prior to the commencement of human clinical trials with such Licensed Product in the United States.

1.30. "INDEMNITEES" and "INDEMNIFYING PARTY" shall have the meanings set forth in Section 9.

1.31. "JOINT PROCESS DEVELOPMENT COMMITTEE" or "JPDC" shall mean the committee with representatives of each Party established as set forth in Section 3.4.

1.32 "LICENSED PATENT RIGHTS" shall mean any and all Patent Rights in the Field in the Territory which are Controlled by IMMUNOGEN as of the Effective Date (including

IMMUNOGEN's interest in any such Patent Rights conceived or reduced to practice or arising from any work under the MTA) or become Controlled by IMMUNOGEN during the Term, to the extent that any of the foregoing is necessary or useful for the Development, manufacture, use, import, export or sale of any Licensed Product (or any component thereof) or any Improvement in the Field in the Territory. The Licensed Patent Rights as of the Effective Date include, without limitation, the patents and patent applications set forth in SCHEDULE I attached hereto and incorporated herein. SCHEDULE I shall be updated by IMMUNOGEN by written notice to GENENTECH on a semi-annual basis during the term of this Agreement, beginning six (6) months after the Effective Date, to include any Licensed Patent Rights that have arisen in the period since the Effective Date or since the last update to SCHEDULE I. If IMMUNOGEN fails to update SCHEDULE I on a timely basis as provided herein, IMMUNOGEN shall update SCHEDULE I within thirty (30) days after any written request from GENENTECH to do so.

1.33 "LICENSED PRODUCT" shall mean any product containing any conjugate of any Anti-HER2 Antibody with any MAY Compound, and shall include, without limitation, any formulation thereof (including, without limitation, any lyophilized, liquid, sustained release or aerosolized formulation). "Licensed Product" shall also include any and all Combination Products (if any) and any HER2 Product.

1.34 "LICENSED TECHNOLOGY" shall mean any and all Technology which relates to the use of any Licensed Product in the Field in the Territory which is Controlled by IMMUNOGEN as of the Effective Date (including IMMUNOGEN's interest in any such Technology conceived or reduced to practice or arising from any work under the MTA) or becomes Controlled by IMMUNOGEN during the Term, to the extent that any of the foregoing relates to any Licensed Patent Rights or is necessary or useful for the Development, manufacture, use, import, export or sale of any Licensed Product (or any component thereof, including any linker) or any unpatented Improvement in the Field in the Territory. The Licensed Technology as of the Effective Date includes, without limitation, the materials, information and documentation set forth in SCHEDULE II attached hereto and incorporated herein.

1.35 "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.

1.36 "MAY COMPOUND" shall mean any and all maytansinoid compounds (including, without limitation, maytansine, ansamitocin P-3 and DM1), whether produced by a botanical

source, natural fermentation or chemical synthesis, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case owned or otherwise Controlled by IMMUNOGEN. MAY shall include, without limitation, that certain maytansine derivative known as "DM1" whose more specific chemical name is N2'-deacetyl-N2'-(3-mercapto-1-oxopropyl)-maytansine.

1.37 "MTA" shall mean that certain Material Transfer Agreement, dated as of March 29, 1999, between the Parties.

1.38 "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.

1.39 "NET SALES" shall mean, as to each calendar quarter during the Term, the gross invoiced sales prices charged for all Licensed Products sold by GENENTECH or its Sublicensees to Third Parties throughout the Territory during such calendar quarter, less the following amounts incurred or paid by GENENTECH 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) trade, cash and quantity discounts or rebates actually allowed or taken, including discounts or rebates to governmental or managed care organizations;

(b) credits or allowances actually given or made for rejection of or return of, and for uncollectible amounts on, previously sold Licensed Products or for retroactive price reductions (including Medicare and similar types of rebates);

(c) any charges for insurance, freight, and other transportation costs directly 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 GENENTECH and its Sublicensees, unless the Licensed Product is consumed by the Sublicensee.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.40 "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.

1.41 "PHASE II CLINICAL STUDY" 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 Phase III Clinical Trial of such Licensed Product for such indication.

1.42 "PHASE III 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 a BLA or NDA to obtain Regulatory Approval to market and sell that Licensed Product in the United States for the indication under investigation in such study.

1.43 "PHASE III EQUIVALENT DECISION" shall mean the date (if any) on which GENENTECH (or its Sublicensee) decides, based on notification and input from the FDA, that the data and results generated from the Phase II Clinical Studies of a Licensed Product for a particular indication are sufficient, without any Phase III Clinical Trial of such Licensed Product for such indication, to support the filing of a BLA or NDA to obtain Regulatory Approval to market and sell that Licensed Product in the United States for the indication under investigation.

1.44 "PRECLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1 and/or any other MAY Compound as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such MAY Compound for use in preclinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such Licensed Product for use in preclinical testing of any Licensed Product.

1.45 "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 BLA, NDA, MAA or other Drug Approval Application.

1.46 "SPECIFICATIONS" shall mean any specifications agreed upon in writing by the Parties relating to the manufacturing and supply of any MAY Compound and/or Licensed Product hereunder.

1.47 "SUBLICENSEE" shall have the meaning set forth in Section 2.2, and "MATERIAL SUBLICENSEE" shall have the meaning set forth in Section 3.3.

1.48 "TARGET" shall have the meaning set forth in Section 2.1(b).

1.49 "TECHNOLOGY" shall mean and include any and all unpatented proprietary ideas, inventions, discoveries, Confidential Information, biologic materials, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, ideas, 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.

1.50 "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 (including Section 7).

1.51 "TERRITORY" shall mean all countries and jurisdictions of the world.

1.52 "THIRD PARTY" shall mean any entity other than GENENTECH, IMMUNOGEN and their respective Affiliates.

1.53 "THIRD PARTY PAYMENTS" shall have the meaning set forth in Section 4.2.2.

1.54 "VALID CLAIM" shall mean a claim in an issued, unexpired patent within the Licensed Patent Rights that (i) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, and (ii) 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 (iii) has not been rendered unenforceable through disclaimer or otherwise, and (iv) is not lost through an interference proceeding.

2. GRANT OF RIGHTS

2.1. LICENSE GRANTS.

(a) LICENSE TO GENENTECH. IMMUNOGEN hereby grants to GENENTECH an exclusive (even as to IMMUNOGEN) royalty-bearing license within the Territory, including the right to grant sublicenses as described in Section 2.2 below, under the Licensed Patent Rights and Licensed Technology and IMMUNOGEN's interest in any 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, subject to the other terms and conditions of this Agreement. IMMUNOGEN and GENENTECH hereby acknowledge and agree that this Agreement constitutes the worldwide exclusive license relating to Licensed Products as to which IMMUNOGEN afforded GENENTECH an exclusive option under the MTA.

(b) LICENSE TO IMMUNOGEN. [*]

2.2 SUBLICENSES. GENENTECH 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) hereof to any Affiliate or Third Party (in any case, a "SUBLICENSEE"); PROVIDED, HOWEVER, that GENENTECH shall remain obligated to ensure payment of milestone and royalty obligations as set forth in Section 4.

2.3 IMMUNOGEN RETAINED RIGHTS AND COVENANTS; GENENTECH TECHNOLOGY OR PATENT RIGHTS.

(a) RETAINED RIGHTS. Subject to the other terms of this Agreement, including, without limitation, Section 2.3 (b) hereof, IMMUNOGEN retains the right to use the Licensed Technology and practice the Licensed Patent Rights and to use IMMUNOGEN's interest in all Improvements (i) to perform its work under Sections 3.3, 3.4, 3.5 and 3.6 hereof relating to the Joint Process Development Committee and to manufacture and supply of Preclinical Materials and Clinical Materials for GENENTECH (and its Sublicensees), (ii) 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, subject to Section 2.3(b) below,

and (iii) to otherwise exploit such Improvements for any and all uses outside of the Field, subject to Section 2.3(b) below.

(b) COVENANTS. [*]

(c) NO RIGHTS TO GENENTECH TECHNOLOGY OR PATENT RIGHTS. Nothing in this Section 2.3 or any other provision of this Agreement shall be construed as a grant to IMMUNOGEN of any license or other rights with respect to any Technology (including, without limitation, any Confidential Information) or Patent Rights owned or Controlled (in whole or in part) by GENENTECH.

3. DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS.

3.1 DEVELOPMENT AND COMMERCIALIZATION.

(a) RESPONSIBILITY. On and after the Effective Date, GENENTECH shall have full control and authority over all Development and commercialization of Licensed Products in the Field in the Territory, including, without limitation, (i) all pre-clinical Development activities (including any pharmaceutical development work on formulations or process development relating to any Licensed Product), (ii) all activities related to human clinical trials (including any phase I studies, any Phase II Clinical Studies or any Phase III Clinical Trials), (iii) all activities relating to manufacture and supply of all Anti-HER2 Antibodies, all MAY Compounds (including ansamitocin P-3 and DM1) and all Licensed Products, solely 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 marketing, promotion, sales, distribution, import and export activities relating to any Licensed Product (including any post-marketing trials or databases and post-marketing safety surveillance), 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, GENENTECH shall own all data, results and all other information 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

information, documentation and materials shall be considered Confidential Information and Technology solely owned by GENENTECH. IMMUNOGEN shall own all data, results and all other information arising from IMMUNOGEN's activities relating to the manufacture and supply of MAY Compounds (including ansamitocin P-3 and DM1) to GENENTECH, and all of the foregoing information, documentation and materials shall be considered Confidential Information and Technology solely owned by IMMUNOGEN. All activities relating to Development and commercialization under this Agreement shall be undertaken at GENENTECH's sole cost and expense, except as otherwise expressly provided in this Agreement.

(b) DUE DILIGENCE. GENENTECH will exercise its commercially reasonable efforts and diligence in Developing and commercializing Licensed Products in accordance with its business, legal, medical and scientific judgment, and in undertaking investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products in the Field in the Territory, such reasonable efforts and diligence to be in accordance with the efforts and resources GENENTECH 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 competitiveness of the marketplace, 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, the profitability of the applicable Licensed Product, and other relevant factors including, without limitation, technical, legal, scientific or medical factors. In the event that GENENTECH fails to use due diligence as required hereunder, then on a Licensed Product-by-Licensed Product and country-by-country basis as to the Licensed Product in the country in which GENENTECH has failed to use due diligence as required hereunder, IMMUNOGEN's exclusive remedy shall be, in its sole discretion (i) to terminate the licenses granted under Section 2.1 this Agreement for breach under Section 7.2(a) below (including the notice and cure provisions therein) or (ii) to 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 7.2(a) below provided that such failure remains uncured upon such expiration.

3.2 UPDATES AND REPORTS; EXCHANGES OF ADVERSE EVENT INFORMATION.

(a) UPDATES AND REPORTS. GENENTECH shall keep IMMUNOGEN informed of the progress of GENENTECH's efforts to Develop and commercialize Licensed Products in the Field in the Territory as provided in this Section 3.2(a). GENENTECH (or its Sublicensee) shall provide IMMUNOGEN with brief written reports as provided herein no less frequently than on each anniversary of the Effective Date during the Term (commencing with the first anniversary of the Effective Date). Such reports shall summarize GENENTECH's material efforts to Develop and commercialize all Licensed Products hereunder, identify the Drug Approval Applications with respect to any Licensed Product that GENENTECH 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. In addition, GENENTECH (or its Sublicensee) 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 4.1, and shall provide IMMUNOGEN with prompt written notice of the occurrence of the First Commercial Sale of any particular Licensed Product. All such reports and notices shall be sent to the attention of IMMUNOGEN's designated representative, who shall be its Chief Executive Officer unless IMMUNOGEN otherwise notifies GENENTECH.

(b) ADVERSE EVENTS. In addition to such reports, GENENTECH agrees to provide IMMUNOGEN with Adverse Event information and product complaint information relating to Licensed Products (but not relating to any other products of GENENTECH, including but not limited to Herceptin(R) (trastuzumab)) as compiled and prepared by GENENTECH in the normal course of business in connection with the Development, commercialization or sale of any Licensed Product, within time frames consistent with reporting obligations under applicable laws and regulations. IMMUNOGEN agrees to provide GENENTECH 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, within time frames consistent with reporting obligations under applicable laws and regulations; PROVIDED, however, that the foregoing shall not require IMMUNOGEN to violate any agreements with or confidentiality obligations owed to any Third Party. GENENTECH 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 GENENTECH. IMMUNOGEN shall provide its Adverse Event and product complaint information hereunder to GENENTECH's designated representative, who shall be the head of its Drug Safety group in GENENTECH'S Medical Affairs Department unless GENENTECH otherwise notifies IMMUNOGEN.

(c) CONFIDENTIAL INFORMATION. All reports, updates, Adverse Event, product complaint and other information provided by one Party to the other Party under this Agreement (including under this Section 3), shall be considered Confidential Information of the disclosing Party, subject to the terms of Section 5.

3.3 REASONABLE ASSISTANCE BY IMMUNOGEN. In connection with the exclusive grant of rights to GENENTECH under Section 2.1 above, and subject to the other terms of this Agreement, IMMUNOGEN shall provide GENENTECH (and any Sublicensee of GENENTECH with respect to all of GENENTECH's license rights hereunder to make or have made all Licensed Products or any particular Licensed Product(s) throughout the Territory or in a particular geographic region of the Territory, and/or all of GENENTECH's license rights hereunder to Develop or commercialize all Licensed Products or any particular Licensed Product(s) throughout the Territory or in a particular geographic region of the Territory (in any case, a "MATERIAL SUBLICENSEE") such information and materials comprising the Licensed Technology and/or Licensed Patent Rights as GENENTECH (or its Material Sublicensee) may reasonably request. Without limiting the generality of the foregoing, IMMUNOGEN shall provide all of such technical assistance within IMMUNOGEN's area of expertise (or its subcontractors) concerning the Development and commercialization of Licensed Products as may be reasonably requested by GENENTECH (or its Material Sublicensee) from time to time during the Term, 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 GENENTECH and visits by GENENTECH to IMMUNOGEN (or its subcontractors), at GENENTECH's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties. Without limiting the generality of the foregoing, within thirty (30) days after the Effective Date IMMUNOGEN shall deliver to GENENTECH the materials, documentation and other information set forth on SCHEDULE II.

3.4 JOINT PROCESS DEVELOPMENT COMMITTEE.

(a) MANDATE AND ESTABLISHMENT OF COMMITTEE. Promptly after the Effective Date, the Parties shall form a "JOINT PROCESS DEVELOPMENT COMMITTEE" or "JPDC" whose mandate shall be to serve as a forum for coordination and communication between the Parties with respect to 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), to assist GENENTECH 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 JPDC. Each Party may change its representative(s) as it deems appropriate by notice to the other Party. The input of the IMMUNOGEN representatives on the JPDC shall be fully considered by the JPDC; PROVIDED, HOWEVER, that all decisions of the JPDC shall be subject to final approval by GENENTECH.

(b) CHAIR OF COMMITTEE; MEETINGS. The chair of the JPDC shall be one of the GENENTECH representatives on the JPDC, as designated by GENENTECH; PROVIDED, HOWEVER, that during the first twelve (12) months after the Effective Date, the JPDC shall be co-chaired by a GENENTECH representative on the JPDC (as designated by GENENTECH) and an IMMUNOGEN representative on the JPDC (as designated by IMMUNOGEN). All decisions of the JPDC shall be subject to the approval of the GENENTECH chair (including during the period when there is a co-chair from IMMUNOGEN). The JPDC 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 (or co-chairs during the first twelve (12) months) of the JPDC determine that there is no need for a meeting. In such instance, the next JPDC meeting shall also be scheduled as agreed upon by the Parties. The location of meetings of the JPDC shall alternate between IMMUNOGEN's offices in Massachusetts and GENENTECH's offices in California, unless otherwise agreed by the Parties. As agreed upon by the Parties, JPDC meetings may be face-to-face or may be conducted through teleconferences and/or videoconferences. In addition to its JPDC 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 all costs and expenses, including travel and lodging expense, that may be incurred by its JPDC representatives or other of its attendees at JPDC meetings, as a result of such meetings hereunder. Minutes of each JPDC meeting will be transcribed and issued to members of the

JPDC by the chair (or the GENENTECH co-chair), as the case may be, 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.

3.5 SUPPLY OF PRECLINICAL MATERIALS. During the Term of this Agreement, IMMUNOGEN shall supply to GENENTECH (or its Material Sublicensee) with such quantities of Preclinical Materials as may be reasonably requested by GENENTECH (or its Material Sublicensee) in order to conduct all pre-clinical Development activities relating to Licensed Products. GENENTECH (or its Material Sublicensee) shall order all amounts of Preclinical Materials, and IMMUNOGEN shall deliver all such ordered amounts, in accordance with advance ordering timeframes and delivery timeframes to be agreed upon by the Parties through the JPDC. IMMUNOGEN shall use its 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. In connection with any ordering of Preclinical Materials by GENENTECH (or its Material Sublicensee), IMMUNOGEN shall provide GENENTECH (or its Material Sublicensee) promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Preclinical Materials. IMMUNOGEN's price to supply Preclinical Materials to GENENTECH (or its Material Sublicensee) shall equal [*] of IMMUNOGEN's Fully Burdened Manufacturing Cost for such Preclinical Materials as approved by GENENTECH (or its Material Sublicensee). Nothing herein shall preclude GENENTECH from making its own arrangements for manufacture and supply of Preclinical Materials on its own or with Third Parties, in exercise of its license rights under Section 2.1. GENENTECH 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 to the extent provided pursuant to Section 9 below. GENENTECH 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 3.5.

3.6 SUPPLY OF CLINICAL MATERIALS. During the Term of this Agreement, IMMUNOGEN shall supply to GENENTECH (or its Material

Sublicensee) with such quantities of Clinical Materials as may be reasonably requested by GENENTECH (or its Material Sublicensee) in order to conduct all human clinical trials of Licensed Products through Phase II Clinical Studies. GENENTECH (or its Material Sublicensee) 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 through the JPDC. IMMUNOGEN shall use its 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. In connection with any ordering of Clinical Materials by GENENTECH (or its Material Sublicensee), IMMUNOGEN shall provide GENENTECH (or its Material Sublicensee) promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Clinical Materials. IMMUNOGEN's price to supply Clinical Materials to GENENTECH (or its Material Sublicensee) shall equal [*] of IMMUNOGEN'S Fully Burdened Manufacturing Cost for such Clinical Materials as approved by GENENTECH (or its Material Sublicensee). Nothing herein shall preclude GENENTECH from making its own arrangements for manufacture and supply of Clinical Materials on its own or with Third Parties, in exercise of its license rights under Section 2.1. GENENTECH 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 to the extent provided pursuant to Section 9 below. GENENTECH 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 3.6.

3.7 PURCHASE OF EQUIPMENT. If, during the Term of this Agreement, IMMUNOGEN determines in good faith that it is necessary or advisable to purchase equipment or instruments in order to perform any of its obligations to manufacture Preclinical Materials and Clinical Materials under Sections 3.5 or 3.6 of this Agreement, then IMMUNOGEN shall provide the JPDC with written notice of such determination, along with the estimated price for such purchase and quality parameters for the equipment or instruments, for the JPDC's approval of such price and features. Promptly after the consummation of such purchase, assuming that the JPDC has provided its approval hereunder, IMMUNOGEN shall provide GENENTECH with a copy of the invoice or invoices reflecting such purchase, and GENENTECH 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 GENENTECH hereunder (or depreciation of such purchased equipment or instruments) shall be includible or included within the calculation of any Fully Burdened Manufacturing Costs under this Agreement.

4. PAYMENTS AND ROYALTIES

4.1 MILESTONE PAYMENTS FOR LICENSED PRODUCTS.

4.1.1 MILESTONES. In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement, GENENTECH will make the following nonrefundable, noncreditable (except as expressly provided in Section 4.1.2 below) payments to IMMUNOGEN within thirty (30) days after the first achievement of each of the milestones set forth below:

Milestone	Milestone Payment
Effective Date	$ 2 Million
IND Acceptance for a Licensed Product	$ 2 Million
Commencement of Phase II Clinical Trials in United States for a Licensed Product	$ 3 Million
Earlier of Commencement of Phase III Clinical Trials in United States for a Licensed Product or Phase III Equivalent Decision for a Licensed Product	$ 5 Million

[*]

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 for the first Licensed Product, regardless of how many times such milestones are achieved by Licensed Products and regardless of how many times a particular Licensed Product achieves such milestones. GENENTECH shall notify IMMUNOGEN of the achievement of milestones hereunder as provided in Section 3.2(a) above.

4.1.2 [*]

4.2 PAYMENT OF ROYALTIES; ROYALTY RATES; ACCOUNTING FOR ROYALTIES AND RECORDS.

4.2.1 ROYALTY PAYMENTS. In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement (including the remainder of this Section 4), commencing on the first date of First Commercial Sale of Licensed Products in such country or jurisdiction in the Territory, GENENTECH shall pay to IMMUNOGEN the following royalties based on total Net Sales of all Licensed Products sold by GENENTECH and/or its Sublicensees, on an incremental basis in each calendar year during the Term, at the following rates [*]:

FOR NET SALES OF A LICENSED PRODUCT [*] IN ANY CALENDAR YEAR
DURING THE TERM: ROYALTY RATE (% OF NET SALES)

[*]

FOR NET SALES OF A LICENSED PRODUCT
[*] IN ANY CALENDAR YEAR
DURING THE TERM: ROYALTY RATE (% OF NET SALES)

[*]

[*].

4.2.2 [*]. Subject to the other terms of this Agreement, on a country-by-country basis, the [*] as provided in this Section 4.2.2:

(a) [*].

(b) [*]. If GENENTECH is [*].

(c) [*]. If GENENTECH determines [*].

(d) [*]. The [*] in Section 4.2.2(c) above is [*] under Section 4.2.2(b) above, but each is [*] set forth in this Section 4.2.2(d) as follows. No [*] under this Section 4.2.2, [*] IMMUNOGEN thereunder,[*].

4.2.3 [*]. In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement (including the other terms of this Section 4):

(a) [*]. Notwithstanding anything set forth in Section 4.2.1 above, [*] set forth therein shall apply, [*] Subject to the other terms of this Agreement (except for Section 4.2.2 above, which shall not apply), on a [*] Section 4.2.1 [*] of this Section 4.2.3(a), GENENTECH [*].

(b) [*]. Notwithstanding anything set forth in Section 4.2.1 above, the [*] set forth in Section 4.2.1 above [*]. Subject to the other terms of this Agreement (except for Section 4.2.2, which shall not apply), on a [*] under Section 4.2.1 [*] this Section 4.2.3(b), [*]; PROVIDED, HOWEVER, [*] this Section 4.2.3(b) [*].

4.2.4 [*]. In determining [*] of any [*] under this Agreement, [*] shall first [*] in accordance with the definition of "Net Sales" above, [*].

4.3 ONE ROYALTY. Only one royalty, calculated at the highest applicable royalty rate under this Section 4, shall be payable to IMMUNOGEN hereunder for each sale of a Licensed Product.

4.4 ROYALTY TERM. GENENTECH shall pay royalties with respect to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until [*], import and have imported such Licensed Product in such country.

4.5 PAYMENT TERMS.

(a) PAYMENT OF MILESTONES; PAYMENT OF ROYALTIES; ROYALTY REPORTS. Subject to the other terms of this Agreement (including Section 4.1 above), GENENTECH shall make any milestone payments owed to IMMUNOGEN hereunder in United States Dollars, using the wire transfer provisions of this Section 4.4. Subject to the other terms of this Agreement (including Sections 4.2, 4.3 and 4.4 above), GENENTECH shall make any royalty payments owed to IMMUNOGEN in United States Dollars, [*] 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 this Section 4.5. 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 4.5; and the royalties payable in United States Dollars.

(b) FOREIGN CURRENCY EXCHANGE. All royalties shall be payable in full in the United States in United States Dollars, regardless of the countries in which sales are made. For the purpose of computing Net Sales for Licensed Products sold in any currency other than United States Dollars, the quarterly royalty payment will be calculated as follows:

(A/B) x C = United States Dollars royalty payment on foreign current sales, where

A = foreign current "Net Sales" (as defined above) per quarter;

B = foreign exchange conversion rate, expressed in local currency per United States Dollar (using as the applicable foreign exchange rate the average of the rate

published in the western edition of the Wall Street Journal, or any other mutually agreed upon source, for the last business day of the calendar quarter); and

C = the royalty rate applicable to such Net Sales under this Agreement.

(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). GENENTECH 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 GENENTECH. 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 GENENTECH 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 GENENTECH from time to time.

4.6 OVERDUE ROYALTIES. Subject to the other terms of this Agreement, royalties not paid within the time period set forth in this Section 4 shall bear interest at a rate of one percent (1%) from the due date until paid in full.

4.7 RECORDS RETENTION; REVIEW.

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

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(b) FULLY BURDENED MANUFACTURING COSTS. Commencing as of the Effective Date, IMMUNOGEN shall keep for at least [*] following the end of the calendar year to which they pertain complete and accurate records of all of IMMUNOGEN's Fully Burdened Manufacturing Costs for Preclinical Materials and Clinical Materials supplied to GENENTECH (or its Sublicensee) hereunder, in sufficient detail to allow the accuracy of the Fully Burdened Manufacturing Costs to be confirmed.

(c) REVIEW. Subject to the other terms of this Section 4.7(c), at the request of either Party, upon at least ten (10) business days' prior written notice from the requesting Party, and at the expense of the requesting Party (except as otherwise provided herein), the other Party shall permit an independent certified public accountant reasonably selected by the requesting Party and reasonably acceptable to the other Party to inspect (during regular business hours) the relevant records required to be maintained by the other Party under this Section 4.7. At IMMUNOGEN's request (which shall not be made more frequently than once per year during the Term), the accountant shall be entitled to review the then-preceding three (3) years of GENENTECH's records under this Section 4.7 for purposes of verifying GENENTECH's royalty calculations. At GENENTECH's request (which shall not be made more frequently than once per year during the Term), the accountant shall be entitled to review the then-preceding [*] of IMMUNOGEN's records under this Section 4.7 for purposes of verifying IMMUNOGEN's Fully Burdened Manufacturing Cost calculations. In every case the accountant must have previously entered into a confidentiality agreement with both Parties substantially similar to the provisions of Section 4 and limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 4.7. Results of any such review shall be made available to both Parties and shall be binding on both Parties. Each Party agrees to treat the results of any such accountant's review of the other Party's records under this Section 4.7 as Confidential Information of the other Party subject to the terms of Section 5. If any review reveals a deficiency in the calculation of royalties resulting from any underpayment by GENENTECH, GENENTECH shall promptly pay IMMUNOGEN the amount remaining to be paid (plus interest thereon at the rate provided in Section 4.6 above), and if such underpayment is by [*] or more, GENENTECH shall pay all costs and expenses of the review. If any review reveals a deficiency in the calculation of Fully Burdened Manufacturing Costs resulting from any overpayment by GENENTECH, IMMUNOGEN shall promptly refund GENENTECH the amount of any such overpayment (plus interest thereon at the

rate provided in Section 4.6 above), and if such overpayment is by [*] or more, IMMUNOGEN shall pay all costs and expenses of the review.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

5. TREATMENT OF CONFIDENTIAL INFORMATION

5.1 CONFIDENTIAL INFORMATION. During the Term, in the course of performance of this Agreement, each Party may disclose to the other Party proprietary technical and business information of the disclosing Party, including techniques, data, inventions, practices, methods, knowledge, know-how, test data and results (including from pre-clinical and/or human clinical testing), analytical and quality control data, cost, sales, manufacturing, patent data and any other information disclosed hereunder. Such information of the disclosing Party hereunder, if so identified in writing by the disclosing Party to the receiving Party either pursuant to this Section 5.1 or otherwise upon disclosure to the receiving Party, shall be considered "Confidential Information" of the disclosing Party. Each Party agrees that it will take the same commercially reasonable steps to protect the confidentiality of other Party's Confidential Information as it takes to protect its own proprietary and confidential information. For a period of ten (10) years after the receipt of any such Confidential Information from the disclosing Party hereunder, subject to the terms of this Section 5, the receiving Party shall keep confidential and not disclose (by publication or otherwise) such Confidential Information of the other Party, and shall not use, publish or otherwise disclose Confidential Information of the other Party for any purpose other than those contemplated by this Agreement (including as reasonably necessary to exercise any rights or perform any obligations under this Agreement). Notwithstanding the foregoing, it is understood and agreed that the receiving Party's obligations of confidentiality and non-use herein shall not apply to the extent that it can be established by competent written records that any such information:

(a) is, at the time of disclosure by the disclosing Party hereunder, or thereafter becomes, a part of the public domain or publicly known or available, other than through any act or omission of the receiving Party in breach of its obligations under this Section 5; or

(b) was known to the receiving Party at the time of disclosure to it by the disclosing Party; or

(c) is, at the time of disclosure by the disclosing Party hereunder, or thereafter becomes, known to the receiving Party from a source that had a lawful right to disclose such information to others; or

(d) was independently developed by the receiving Party without use or reference to any Confidential Information of the disclosing Party.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

5.2 PERMITTED DISCLOSURES; PUBLICATIONS.

(a) PERMITTED DISCLOSURES. Each Party shall be entitled to disclose Confidential Information of the other Party to employees of the receiving Party, provided that such employees are already bound by obligations of confidentiality to their employer, 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 in writing to confidentiality restrictions and obligations at least as protective as this Section 5, 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) REVIEW OF PUBLICATIONS. Each Party shall consult with the other Party prior to the submission of any manuscript for publication if the publication will contain any Confidential Information of the other Party, unless the applicable laws and regulations prohibit such consultation. Such consultation shall include providing a copy of the proposed manuscript to the other Party at least thirty (30) days prior to the proposed date of submission to a publisher, incorporating appropriate changes proposed by the other Party regarding its Confidential Information into the manuscript submission and deleting all Confidential Information of the other Party as it may request; PROVIDED, however, that the other Party's review hereunder shall be deemed completed at the end of such thirty (30)-day period.

(c) OTHER PERMITTED DISCLOSURES. Notwithstanding the foregoing, Confidential Information of either Party may be disclosed by the other Party to the extent such disclosure is reasonably necessary for filing or prosecuting patent applications or maintaining patents, prosecuting or defending litigation, enforcing rights and/or obligations under this Agreement, complying with applicable laws, regulations or court order or conducting pre-clinical or human clinical testing of Licensed Products, provided that if a Party is required by applicable law, regulation or court order to make such disclosure of the other 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 other Party's Confidential Information required to be disclosed.

5.3 USE OF NAMES; PRESS RELEASES.

(a) USE OF NAMES. A Party may not use the name of the other Party (or any trademarks or tradenames of the other Party) in any press release or any other publicity or advertising without the prior written consent of the other Party.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

(b) PRESS RELEASES. Except as provided in Sections 5.1 and 5.2 above, a Party may not 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. The Parties shall mutually agree on the text of any press release announcing the execution of this Agreement and on any confidential treatment request(s) to be filed with the Securities and Exchange Commission with respect to 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. Nothing in the foregoing, however, shall prohibit a Party from making such disclosures regarding this Agreement or the terms thereof to the extent deemed necessary under applicable federal or state securities laws or any rule or regulation of any nationally recognized securities exchange, subject to the terms of Section 5.2 above regarding disclosures required to comply with applicable laws, regulations or court order.

5.4 INTEGRATION; SURVIVAL. As to the subject matter of this Agreement, this Section 5 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the confidentiality provisions of the MTA, of that certain Confidentiality Agreement effective November 5, 1996, and of that certain Confidentiality Agreement effective April 8, 1998. 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 4 (including, without limitation, the data and results from the work under the MTA, which are considered GENENTECH's Confidential Information as provided under the MTA and under this Agreement). Section 4 shall survive termination or expiration of this Agreement.

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

6.1 OWNERSHIP OF INTELLECTUAL PROPERTY.

(a) SOLE INVENTIONS. IMMUNOGEN shall own all inventions (whether or not patentable) made during the course of and pursuant to activities carried out under this Agreement (or under the MTA) solely by employees of or agents or others obligated to assign inventions to IMMUNOGEN. GENENTECH shall own all inventions (whether or not patentable) made during the course of and pursuant to activities carried out under this Agreement (or under the MTA) solely by employees of or agents or others obligated to assign inventions to GENENTECH. The

Party solely owning any inventions 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 6.2 below relating to IMMUNOGEN sole inventions, 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 INVENTIONS. Inventions made during the course of and pursuant to activities carried out under this Agreement (or under the MTA) jointly by employees of or agents of or others obligated to assign inventions to IMMUNOGEN and GENENTECH shall be jointly owned by IMMUNOGEN and GENENTECH. 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 joint inventions hereunder. The terms of Section 6.2 below relating to joint inventions shall apply to any inventorship certificate(s), patent application(s) and patent(s) thereon.

(c) DISCLOSURE. As regards any IMMUNOGEN sole or joint invention hereunder or any GENENTECH joint inventions 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 thirty (30) days after such Party receives such disclosure from its employees, agents or others obligated to assign inventions to such Party.

6.2 PATENT FILING, PROSECUTION AND MAINTENANCE.

(a) SOLE IMMUNOGEN INVENTIONS. Subject to the other terms of this Section 6.2(a) and Section 6.2(b), IMMUNOGEN shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights. IMMUNOGEN agrees that with respect to such Licensed Patent Rights licensed exclusively to GENENTECH hereunder, (i) any such preparation, filing, prosecution and maintenance shall be conducted with commercially reasonable diligence by IMMUNOGEN, using patent counsel selected by IMMUNOGEN and reasonably acceptable to GENENTECH. In any case IMMUNOGEN (i) will provide GENENTECH with a copy of any proposed patent application covering any such Licensed Patent Rights for review and comment reasonably in advance of filing (which shall under no circumstances be in excess of thirty (30) days), and (ii) will keep GENENTECH reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation,

(A) by providing GENENTECH with copies of all communications received from or filed in patent office(s) with respect to such filing, and (B) by providing GENENTECH, 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) 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 GENENTECH 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 within ninety (90) days after receipt of written notice from GENENTECH that GENENTECH believes filing of such an application by IMMUNOGEN is appropriate, GENENTECH may undertake such filing(s) at its own expense, in which case IMMUNOGEN will assign all of its rights to such invention to GENENTECH and any subsequently issued patent thereon will be owned solely by GENENTECH.

(b) JOINT INVENTIONS. As regards any joint invention by the Parties hereunder, the Party from whom the majority of the data underlying any such joint invention 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 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 invention fails to undertake the filing(s) of any such patent application with respect to any such invention within ninety (90) 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 invention 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 jointly owned invention, 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.

6.3 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.

6.4 INFRINGEMENT OF PATENT RIGHTS.

(a) SOLE IMMUNOGEN INVENTIONS. IMMUNOGEN shall have the first right (but not the obligation), at its own expense, to bring suit (or take other appropriate legal action) against any actual, alleged or threatened infringement of the Licensed Patent Rights solely owned by IMMUNOGEN under this Agreement, with legal counsel of its own choice. GENENTECH shall have the right, at its own expense, to be represented in any such action by IMMUNOGEN by counsel of GENENTECH's own choice; PROVIDED, HOWEVER, that under no circumstances shall the foregoing affect the right of IMMUNOGEN to control the suit as described in the first sentence of this Section 6.4(a). If IMMUNOGEN does not file any action or proceeding against such infringement within one hundred twenty (120) days after the later of (i) IMMUNOGEN's notice to GENENTECH under Section 6.3 above, (ii) GENENTECH's notice to IMMUNOGEN under Section 6.3 above, or (iii) a written request from GENENTECH to take action with respect to such infringement, then GENENTECH 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 GENENTECH 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 6.4(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. Any amounts remaining shall be allocated as follows: (A) if GENENTECH is the Party bringing such suit or proceeding or taking such other legal action, [*] to GENENTECH and [*] to IMMUNOGEN, (B) if IMMUNOGEN is the Party bringing such suit or proceeding or taking such other legal action, [*] to IMMUNOGEN and (C) if the suit is brought jointly, [*] 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 INVENTIONS. As to the any actual, alleged or threatened infringement of any Patent Rights jointly owned by IMMUNOGEN and GENENTECH 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.

6.5 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.

6.6 TRADEMARKS. All Licensed Products shall be sold under one (1) or more trademarks and tradenames selected and owned by GENENTECH (or its Sublicensee) in the Territory. GENENTECH (or its Sublicensee) shall control the preparation, prosecution and maintenance of applications related to all such trademarks and tradenames in the Territory, at its sole cost and expense and at its sole discretion. IMMUNOGEN shall notify GENENTECH promptly upon learning of any actual, alleged or threatened infringement of a trademark or tradename 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 GENENTECH (or its Sublicensee) hereunder, and any damages or other recovery, shall be GENENTECH's (or its Sublicensee's) sole responsibility, and taken in its sole discretion.

6.7 INTEGRATION. This Section 6 supersedes any agreement between the Parties as to the subject matter hereof, including, without limitation, the provisions of MTA relating to inventions, patent applications and patents. Section 6 shall survive termination or expiration of this Agreement.

7. TERM AND TERMINATION

7.1 TERM; EXPIRATION. The term of this Agreement ("TERM") shall expire upon the expiration of the final royalty payment obligation under Section 4.4 above. Upon such expiration of the Term of this Agreement, GENENTECH 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, make, have made, use, have used, sell, have sold, offer for sale, import and have imported any and all Licensed Products in the Territory.

7.2. TERMINATION. Subject to the other terms of this Agreement:

(a) 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 [*] 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 GENENTECH under this Agreement, the applicable cure period shall be [*] but the other terms of this Section 7.2(a) 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.

(b) 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 sixty (60) days undismissed, unbonded and undischarged. Furthermore, 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.

(c) UNILATERAL TERMINATION BY GENENTECH. GENENTECH, in its sole discretion, at any time may terminate this Agreement, and the rights and obligations hereunder, or may remove any Licensed Product and the licenses related thereto from operation of this Agreement, in any case effective [*] after written notice thereof to IMMUNOGEN. In the event of any termination under this Section 7.2(c) only as to a Licensed Product, the consequences set forth in Section 7.3 below relating to termination of the Agreement under this Section 7.2(c) shall apply only with respect to such terminated Licensed Product, and this Agreement and the rights and obligations hereunder shall continue in full force and effect as to any and all other Licensed Products.

7.3 EFFECTS OF TERMINATION. Upon any termination of this Agreement by IMMUNOGEN under Section 7.2(a) or by GENENTECH under Section 7.2(c), as of the effective date of such termination, all relevant licenses and sublicenses granted by IMMUNOGEN to GENENTECH 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 at least [*] prior to the effective date of such termination to assume all obligations of GENENTECH under this Agreement, and (b) Genentech and its Sublicensees shall have the right, for [*] 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. Nothing set forth in this Section 7 or any other provision of this Agreement shall entitle IMMUNOGEN to any ownership interest in, or to any license under or other rights with respect to (including any rights to use or request any transfer to IMMUNOGEN or any Third Party), any Confidential Information of Genentech or any Technology or Patent Rights solely owned by GENENTECH under this Agreement.

7.4 EFFECTS OF TERMINATION FOR IMMUNOGEN BREACH. Upon any termination of this Agreement by GENENTECH under Section 7.2(a), as of the effective date of such termination, GENENTECH thereafter automatically shall have a fully sublicensable and transferable, fully paid up (subject to the remainder of this Section 7.4), exclusive license in the Territory under the Licensed Patent Rights and Licensed Technology, to Develop, have Developed, make, have made, use, have used, sell, have sold, offer for sale, import and have imported any and all Licensed Products in the Territory, PROVIDED that GENENTECH shall pay, for the remainder of the royalty term under Section 4.4 above, in lieu of any payments including milestones or royalties it would otherwise owe to IMMUNOGEN under this Agreement, a royalty equal to [*] with respect to the Licensed Product under Sections 4.2.1, 4.2.2, 4.2.3 and 4.2.4 of this Agreement.

7.5 REMEDIES. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 7 are in addition to any other relief and remedies available to either Party at law.

7.6 SURVIVING PROVISIONS. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 4.7, 5, 6, 7.3, 7.4, 7.5, 8, 9, 10 and this Section 7.6, 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, GENENTECH 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.

8. REPRESENTATIONS AND WARRANTIES

8.1 IMMUNOGEN REPRESENTATIONS. IMMUNOGEN represents and warrants to GENENTECH 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 GENENTECH pursuant to Section 2 above without violating the rights of any Third Party; and (d) to IMMUNOGEN's knowledge, no Patent Rights within the Licensed Patent Rights are invalid or unenforceable or would infringe Patent Rights of Third Parties, and as of the Effective Date no patents within the Licensed Patent Rights are expired.

8.2 GENENTECH REPRESENTATIONS. GENENTECH 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 GENENTECH corporate action; and (b) this Agreement is a legal and valid obligation binding upon GENENTECH 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 GENENTECH is a party or by which it is bound.

8.3 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. 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.

8.4 SURVIVAL. Section 8 shall survive termination or expiration of this Agreement.

9. INDEMNIFICATION; LIABILITY

9.1 INDEMNIFICATION.

(a) GENENTECH INDEMNITY. Subject to Section 9.1(b) below and the remainder of this Section 9, GENENTECH 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 "Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such 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 (but excluding any patent, trademark or tradename infringement matters, which are governed by Section 6 above), that arise out of or relate to (i) any actions or omissions of GENENTECH or any Sublicensee 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 GENENTECH or any Sublicensee under this Agreement, (ii) any material breach of this Agreement by GENENTECH, or (iii) negligence or willful misconduct on the part of GENENTECH, in any such case under this Section 9.1(a) except to the extent of IMMUNOGEN's responsibility therefor under Section 9.1(b) below.

(b) IMMUNOGEN INDEMNITY. Subject to Section 9.1(a) above and the remainder of this Section 9, IMMUNOGEN shall indemnify, defend and hold harmless GENENTECH, its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (also the "INDEMNITEES"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such 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 (but excluding any patent, trademark or tradename infringement matters, which are governed by Section 6 above), that arise out of or relate to (i) any actions or omissions of IMMUNOGEN or subcontractor of IMMUNOGEN in the development, testing, production, manufacture or supply of any Licensed Product (or any component thereof) manufactured and supplied by IMMUNOGEN or any subcontractor of IMMUNOGEN under this Agreement, (ii) any material breach of this Agreement by IMMUNOGEN, or (iii) negligence or willful misconduct on the part of IMMUNOGEN, in any such case under this Section 9.1(b) except to the extent of GENENTECH's responsibility therefor under Section 9.1(a) above.

9.2 INDEMNIFICATION PROCEDURES. In the event that any Indemnitee is seeking indemnification under Section 9.1 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.

9.3 [*]

9.4 SURVIVAL. Section 9 shall survive termination or expiration of this Agreement.

10. MISCELLANEOUS

10.1 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, that certain Confidentiality Agreement effective November 5, 1996, and that certain Confidentiality Agreement effective April 8, 1998). No modification or other amendment of this Agreement shall be effective unless in writing and signed by a fully authorized representative of each Party.

10.2 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

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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.

10.3 GOVERNING LAW. This Agreement will be construed, interpreted and applied in accordance with the laws of the State of California applicable to contracts entered into and to be performed entirely within the State of California.

10.4 NOTICES. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to GENENTECH 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.
333 Providence Highway
Norwood, MA 02062
Attn: Chief Executive Officer
Fax: (781) 255-9679

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

If to GENENTECH: Genentech, Inc.
1 DNA Way 94080
South San Francisco, CA 94080
Attn: Corporate Secretary
Fax: (650) 952-9881

Such notices shall be deemed to have been sufficiently given on: (a) the date sent if delivered in person or transmitted by telecopy, (b) the next business day after dispatch in the case of overnight courier or (c) five (5) business days after deposit in the U.S. mail in the case of certified mail.

10.5 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.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

10.6 HEADINGS. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

10.7 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.

10.8 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.

10.9 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.

10.10 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.

10.11 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.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

10.12 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 pledge to attempt to resolve it amicably. Accordingly, if any Dispute should arise, either Party may, 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 GENENTECH Sublicensee, if such Dispute involves such Sublicensee), for attempted resolution by good faith negotiations commencing promptly after such notice is received; PROVIDED, HOWEVER, that if the subject matter of such Dispute is within the purview of the Joint Process Development Committee, the Parties' representatives on the JPDC shall first attempt to resolve such Dispute before referring it to the Parties' senior officers hereunder. Said designated senior officials of the Parties are as follows:

For GENENTECH: Designated officer with settlement authority; 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, or may seek to arbitrate their Dispute, on mutually agreed upon terms and conditions, but neither Party shall be required or obligated to mediate or arbitrate and the dispute resolution provisions of this Section 10.12 are in addition to any other relief and remedies available to either Party at law or in equity.

10.13 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.

10.14 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, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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

GENENTECH, INC.	IMMUNOGEN, INC.
By: _____	By: _____
Title: _____	Title: _____

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

SCHEDULE I

LICENSED PATENT RIGHTS

[*]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

SCHEDULE II

CERTAIN LICENSED TECHNOLOGY

[*]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit 10.2

OPTION AND LICENSE AGREEMENT

This Option and License Agreement ("Agreement") is made effective as of September 5, 2000 (the "Effective Date") by and between IMMUNOGEN, INC., a Massachusetts corporation with a principal place of business at 128 Sidney Street, Cambridge, Massachusetts 02139 ("IMMUNOGEN"), and ABGENIX, INC., a Delaware corporation with a place of business at 7601 Dumbarton Circle, Fremont, California 94555 ("ABX"). IMMUNOGEN and ABX are each hereafter referred to individually as a "Party" and together as the "Parties".

WHEREAS, ABX is the owner of or otherwise controls certain patents and technology relating to antibodies; and

WHEREAS, IMMUNOGEN is the owner of or otherwise controls certain proprietary patents and technology relating to or otherwise useful in the conjugation of certain cytotoxic compounds such as DM1 (as hereinafter defined) to antibodies; and

WHEREAS, ABX desires to have access to certain IMMUNOGEN Background Technology (as hereinafter defined) in order to use such IMMUNOGEN Background Technology to research, discover and develop one or more conjugates of certain cytotoxic compounds and antibodies owned or controlled by ABX; and

WHEREAS, in connection therewith, ABX desires to receive, and IMMUNOGEN desires to grant, Options to obtain one or more licenses having the terms set forth herein and in one or more License Agreements to be executed by the Parties.

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 below.

1.1 "ABX ANTIBODY" shall mean any antibody or fragment thereof directed to a Proposed Licensed Target or a Licensed Target.

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. "Control" means, for purposes of this Section 1.2, ownership, directly or through one or more Affiliates, of more than fifty percent (50%) of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or more than fifty percent (50%) of the equity interests in the case of any other type of

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

legal entity, status as a general partner in any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body of a corporation or other entity.

1.3 "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.

1.4 "CLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1, and/or any other May Compound as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such May Compound for use in human clinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such Licensed Product for use in human clinical testing of any Licensed Product.

1.5 "COMBINATION PRODUCT" shall mean any Licensed Product that contains, in addition to any conjugate of any ABX Antibody with any May Compound, one or more other ingredients that has biologic activity.

1.6 "CONTROL" OR "CONTROLLED" shall mean (a) with respect to patents, know-how or other intangible rights, the possession by Party of the ability to grant a license or sublicense of such patent rights, know-how or other intangible rights as provided for herein without violating the terms of any arrangement or agreements between such Party and any Third Party and (b) with respect to any material, the possession by a Party of the ability to use such material as provided herein without violating the terms of any agreement between such Party and any Third Party.

1.7 [***] shall mean any and all [***], whether [***], and shall include, without limitation, [***], in each case [***]. [***] shall include, without limitation, [***].

1.8 "DM1" shall mean that certain maytansine derivative having the specific chemical name N2'deacetyl - N2'- (3-mercapto-1-oxopropyl) - maytansine.

1.9 "EXCLUSIVE OPTION" shall have the meaning set forth in Section 2.1.1.

1.10 "EXCLUSIVE OPTION PERIOD" shall have the meaning set forth in Section 2.1.3.

1.11 "EXCLUSIVE OPTION REQUEST" shall have the meaning set forth in Sections 2.1.2.

1.12 "EXCLUSIVE OPTION RESPONSE" shall have the meaning set forth in Sections 2.1.2.

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

1.14 "FIELD" shall mean any human medical use.

1.15 "FOREIGN REGULATORY AUTHORITIES" 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), 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.

1.16 "FULLY BURDENED MANUFACTURING COST" shall mean, with respect to any Preclinical Materials or Clinical Materials produced by IMMUNOGEN for ABX under this Agreement, the sum of the following components, as determined by IMMUNOGEN in accordance with generally accepted accounting principles in the United States, consistently applied, and consistent with the application given to other goods produced by IMMUNOGEN: (a) the costs of goods produced, including, without limitation, direct labor, material and product testing costs of such Preclinical Materials or Clinical Materials; (b) any Third Party royalty costs that are actually paid by IMMUNOGEN and are based solely and directly on the manufacture and sale to ABX of such Preclinical Materials or Clinical Materials; (c) all overhead costs incurred by IMMUNOGEN directly and solely attributable to the cost of goods under clause (a) above, including, without limitation, supervisory services, occupancy costs, payroll, information systems, human relations, purchasing, accounts receivable or accounts payable functions, and other general and administrative functions; and (d) any other costs borne by IMMUNOGEN directly and solely for the transport, customs clearance, duty and/or insurance for such Preclinical Materials or Clinical Materials to ABX hereunder.

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

1.18 "IMMUNOGEN BACKGROUND TECHNOLOGY" shall mean all inventions, discoveries, patent rights, trade secrets and know-how, including without limitation, laboratory scientific information and procedural techniques, Controlled by IMMUNOGEN during the Term of this Agreement or any License Agreement that are necessary or useful for ABX to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import or have imported Licensed Products (or any component thereof, including any linker) for use in the Field, together with all patent rights covering the foregoing; provided, however, that IMMUNOGEN Background Technology shall expressly exclude any Target Specific Rights. IMMUNOGEN Background Technology covered by issued patents and/or filed patent applications as of the Effective Date is listed on Schedule I attached hereto.

1.19 "JOINT INVENTION" shall have the meaning set forth in Article 6.

1.20 "LICENSE AGREEMENT" shall mean a license agreement executed by the Parties upon exercise of any Option pursuant to Section 2.1 or 2.2 in substantially the form set forth in Appendix A or B attached hereto.

1.21 "LICENSED PRODUCT" shall mean any product containing any conjugate of any ABX Antibody with any May Compound, and shall include, without limitation, any formulation thereof (including, without limitation, any lyophilized, liquid, sustained release or aerosolized formulation). "Licensed Product" shall also include any and all Combination Products (if any).

1.22 "LICENSED TARGET" shall mean a Proposed Licensed Target selected by ABX and approved by IMMUNOGEN as set forth in Section 2.1.2 or 2.2.2, which is the subject of a License Agreement between the Parties.

1.23 "MAY COMPOUND" shall mean any and all maytansinoid compounds (including, without limitation, maytansine, ansamitocin P-3 and DM1), whether produced by a botanical source, natural fermentation or chemical synthesis, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case owned or otherwise Controlled by IMMUNOGEN. May Compounds shall include, without limitation, DM1.

1.24 "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.

1.25 "NONEXCLUSIVE OPTION" shall have the meaning set forth in Section 2.2.1.

1.26 "NONEXCLUSIVE OPTION PERIOD" shall have the meaning set forth in Section 2.2.3.

1.27 "NONEXCLUSIVE OPTION REQUEST" shall have the meaning set forth in Sections 2.2.2.

1.28 "NONEXCLUSIVE OPTION RESPONSE" shall have the meaning set forth in Sections 2.2.2.

1.29 "OPTION" shall mean, an Exclusive Option or a Nonexclusive Option.

1.30 "OPTION GRANT FEE" shall have the meaning set forth in Section 4.1 hereof.

1.31 "OPTION PERIOD" shall have the meaning set forth in Sections 2.1.3 and 2.2.3.

1.32 "PHASE II CLINICAL STUDY" 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 Phase III Clinical Trial of such Licensed Product for such indication.

1.33 "PHASE III 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 a BLA or NDA to obtain Regulatory Approval to market and sell that Licensed Product in the United States for the indication under investigation in such study.

1.34 "PRECLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1 and/or any other May Compound as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such May Compound for use in preclinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such Licensed Product for use in preclinical testing of any Licensed Product.

1.35 "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 its foreign equivalent 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.

1.36 "RESEARCH ACTIVITIES" shall mean research conducted by, on behalf of or with ABX using the IMMUNOGEN Background Technology for the purpose of developing information necessary or useful to determine whether to exercise an Option with respect to a Proposed Licensed Target.

1.37 "RESEARCH DATA" shall mean any data generated by or on behalf of ABX (including by IMMUNOGEN at the request and on behalf of ABX) resulting from its direct and material use of the IMMUNOGEN Background Technology during the Research Term. ABX shall solely own all Research Data and all patent rights and other intellectual property rights therein.

1.38 "RESEARCH INVENTION" shall mean any discovery, invention, know-how or trade secret (other than Research Data and Research Materials) conceived or made by or on behalf of ABX (including by IMMUNOGEN at the request and on behalf of ABX) through the direct and material use of IMMUNOGEN Background Technology, Research Data or Research Materials during the Research Term. ABX shall solely own all Research Inventions and all patent rights and other intellectual property rights therein.

1.39 "RESEARCH MATERIALS" shall mean any materials, including but not limited to, antibodies or drug candidates, identified or developed by or on behalf of ABX (including by IMMUNOGEN at the request and on behalf of ABX) through the direct and material use of IMMUNOGEN Background Technology during the Research Term. ABX shall solely own all Research Materials and all patent rights and other intellectual property rights therein.

1.40 "RESEARCH PATENT RIGHTS" shall mean the rights and interests in and to issued patents and pending patent applications in any country, including, but not limited to, all provisional applications, substitutions, continuations, continuations-in-part, divisions, and renewals, all letters patent granted thereon, and all reissues, reexaminations and extensions thereof, wherein at least one claim of such Research Patent Right is directed to any Research Data, Research Inventions or Research Materials. ABX shall solely own all Research Patent Rights.

1.41 "RESEARCH TERM" shall have the meaning set forth in Section 2.4.4.

1.42 "SPECIFICATIONS" shall mean any specifications specified by ABX and reasonably acceptable to IMMUNOGEN relating to the manufacturing and supply of any May Compound and/or Licensed Product hereunder.

1.43 "TARGET" shall mean (a) any particular antigen, and (b) any and all epitopes of that antigen.

1.44 "TARGET SPECIFIC RIGHTS" shall mean all inventions, discoveries, patent rights, trade secrets and know-how, including without limitation, laboratory scientific information and procedural techniques Controlled by IMMUNOGEN during the Term of this Agreement or the term of any License Agreement constituting (a) the composition of matter or use of a Target, (b) the composition of matter or use of an antibody binding to a Target, or (c) the composition of matter or use of a conjugate of an antibody binding to a Target with a May Compound.

1.45 "TECHNOLOGY" shall mean and include any and all unpatented proprietary ideas, inventions, discoveries, Confidential Information, materials, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, ideas, 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.

1.46 "TERM" shall have the meaning set forth in Section 8.1.

1.47 "TERRITORY" shall mean the world.

1.48 "THIRD PARTY" shall mean any person or entity other than IMMUNOGEN, ABX and their respective Affiliates.

1.49 "THIRD PARTY LICENSEE" shall mean a Third Party to which IMMUNOGEN has granted rights to use IMMUNOGEN Background Technology or rights with respect to any Target.

1.50 "UNEXERCISED EXCLUSIVE OPTION" shall have the meaning set forth in Section 2.1.3.

1.51 "UNEXERCISED NONEXCLUSIVE OPTION" shall have the meaning set forth in Sections 2.2.3.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

2. GRANT OF RIGHTS

2.1 OPTIONS FOR EXCLUSIVE LICENSES.

2.1.1 EXCLUSIVE OPTION RIGHTS. Subject to the limitations set forth in Sections 2.1.2, 2.1.3 and 2.1.4 of this Agreement, IMMUNOGEN hereby grants to ABX the right, prior to the tenth (10^{th}) anniversary of the Effective Date, to obtain an exclusive option (the "Exclusive Option") to obtain an exclusive license in the Territory under the IMMUNOGEN Background Technology, under Target Specific Rights with respect to any Target specified in ABX's notice of election of Option (the "Proposed Licensed Target"), for the sole purpose of researching, developing, making, having made, using, having used, selling, offering for sale, having sold, importing and having imported Licensed Products directed to such Proposed Licensed Target, for any and all uses within the Field, under the relevant terms and subject to the conditions set forth in the applicable License Agreement.

2.1.2 EXCLUSIVE OPTION GRANT. ABX may from time to time during the term of this Agreement request any Exclusive Option pursuant to Section 2.1.1 [***], which [***] shall specify in detail the [***] to be [***]. **IMMUNOGEN** shall [***] of any [***]; provided, however, that [***] if: (a) [***] with [***]; or (b) [***] with [***] and has [***] for a, [***] whose [***] to [***], or (c) [***] to [***] for a [***]]; or (d) [***] with [***] that is [***] as of [***] that [***] a [***] for such [***] on the terms and conditions of this Agreement. Upon the grant of an Exclusive Option to ABX as provided in this Section 2.1.2, [***] concerning the [***] regarding, or otherwise [***], or otherwise [***] any [***] concerning, any [***] regarding a [***] to the [***]. If in an [***] that the [***] is [***] for a [***], IMMUNOGEN shall [***] in such [***] is [***] for [***]. If, within [***] of [***] that [***] is [***] for [***] for[***], then [***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

[***] for [***] without the [***] for any [***].

2.1.3 OPTION PERIOD; UNEXERCISED OPTIONS. The rights set forth in this Section 2.1 shall be exercisable with respect to any Proposed Licensed Target at any time during the period commencing on the date of the Exclusive Option Response granting an Exclusive Option to such Proposed Licensed Target and continuing until the earlier of (a) [***] following the date of such Exclusive Option Response (subject to extension as provided below), and (b) [***] (such period being referred to herein as the "Exclusive Option Period"). ABX shall have the right to extend the Exclusive Option Period for any Exclusive Option regarding a Proposed Licensed Target [***] by giving to IMMUNOGEN written notice thereof prior to the expiration of [***] following the date of the applicable Exclusive Option Response, and paying the applicable extension fee as set forth in Section 4.3. In the event that ABX fails to exercise or otherwise abandons any Exclusive Option during the applicable Exclusive Option Period (such Exclusive Option in either case being referred to herein as an "Unexercised Exclusive Option"), (a) all rights under the IMMUNOGEN Background Technology regarding Licensed Products directed to the Proposed Licensed Target, and under Target Specific Rights with respect to the Proposed Licensed Target, that is the subject of the Unexercised Exclusive Option [***], and (b) [***] with [***] concerning [***], or otherwise [***], or otherwise [***] any [***] concerning, [***] to the [***] by [***].

2.1.4 LIMITATIONS ON EXCLUSIVE OPTION EXERCISE. Notwithstanding anything to the contrary set forth in this Agreement, the Parties hereby agree that ABX shall have the right to select and maintain no more than [***] active Exclusive Options at any one time during the Term of this Agreement; provided, that, Unexercised Exclusive Options shall not count as Exclusive Options for purposes of this limitation.

2.1.5 EXERCISE OF EXCLUSIVE OPTIONS. Upon exercise of an Exclusive Option by ABX in accordance with Section 2.1.3, (a) the Parties shall execute a License Agreement in the form of Appendix A attached hereto and, upon payment of the license fee specified in the License Agreement, such Proposed Licensed Target shall become a Licensed Target and shall be licensed to ABX as specified in the relevant License Agreement and (b) IMMUNOGEN shall thereafter not grant any license or other rights to any Third Party or pursue any internal development program regarding a May Compound conjugate product to the Licensed Target.

2.1.6 OPTION TO OBTAIN NONEXCLUSIVE LICENSES. Upon the written request of ABX given at the time of ABX's exercise of an Exclusive Option, ABX shall have the right to obtain a nonexclusive license under the IMMUNOGEN Background Technology and Target Specific Rights pursuant to Section 2.2.5 as if such Exclusive Option were a Nonexclusive Option.

2.2 OPTIONS FOR NONEXCLUSIVE LICENSES.

2.2.1 NONEXCLUSIVE OPTION RIGHTS. Subject to the limitations set forth in Sections 2.2.2, 2.2.3 and 2.2.4 of this Agreement, IMMUNOGEN hereby grants to ABX the right, prior to the tenth (10^{th}) anniversary of the Effective Date, to obtain a nonexclusive option (the "Nonexclusive Option") to obtain a nonexclusive license in the Territory under the IMMUNOGEN Background Technology, under Target Specific Rights with respect to any Proposed Licensed Target, for the sole purpose of researching, developing, making, having made, using, having used, selling, offering for sale, having sold, importing and having imported Licensed Products directed to such Proposed Licensed Target, for any and all uses within the Field, under the relevant terms and subject to the conditions set forth in the applicable License Agreement.

2.2.2 NONEXCLUSIVE OPTION GRANT. ABX may from time to time during the term of this Agreement request any Nonexclusive Option pursuant to Section 2.2.1 [***], which [***] shall specify in detail the [***] to be [***]. **IMMUNOGEN** shall [***] of any [***] the [***]; provided, however, that the [***] if: (a) [***] is [***] with a [***] to [***]; or (b) [***] is [***] for a [***] for a [***]and has [***], or [***] for a [***] with [***], whose [***] to [***], or (c) [***] to a [***] for a [***] to [***]; or (d) [***] with a [***] that is [***] as of [***] that [***] for [***] on the terms and conditions of this Agreement. Upon the grant of a Nonexclusive Option to ABX as provided in this Section 2.2.2, [***] concerning the [***] regarding, or otherwise [***], or otherwise [***] any [***] concerning, [***] regarding [***] to the [***].

2.2.3 OPTION PERIOD; UNEXERCISED OPTIONS. The rights set forth in this Section 2.2 shall be exercisable with respect to any Proposed Licensed Target at any time during the period commencing on the date of the Nonexclusive Option Response granting a Nonexclusive Option to such Proposed Licensed Target and continuing until the earlier of (a) [****] following the date of such Nonexclusive Option Response (subject to extension as provided below), and (b) [****] (such period being referred to herein as the "Nonexclusive Option Period"). ABX shall have the right to extend the Nonexclusive Option

Period for any Nonexclusive Option for any Proposed Licensed Target [***] by giving to IMMUNOGEN written notice thereof prior to the expiration of [***] following the date of the applicable Nonexclusive Option Response, and paying the applicable extension fee as set forth in Section 4.3. In the event that ABX fails to exercise or otherwise abandons any Nonexclusive Option during the applicable Nonexclusive Option Period (such Nonexclusive Option in either case being referred to herein as an "Unexercised Nonexclusive Option"), (a) [***] under the [***] regarding [***] to the [***], and under [***] with respect to the [***], that is the [***] shall [***], and (b) IMMUNOGEN shall [***] with [***] concerning the [***] regarding, or otherwise [***] any [***] regarding [***] to the [****].

2.2.4 LIMITATIONS ON NONEXCLUSIVE OPTION EXERCISE. Notwithstanding anything to the contrary set forth in this Agreement, the Parties hereby agree that ABX shall have the right to select and maintain no more than [***] active Nonexclusive Options at any one time during the Term of this Agreement; provided, that, Unexercised Nonexclusive Options shall not count as Nonexclusive Options for purposes of this limitation.

2.2.5 EXERCISE OF NONEXCLUSIVE OPTIONS. Upon exercise of a Nonexclusive Option by ABX in accordance with Section 2.2.3(a), the Parties shall execute a License Agreement in the form of Appendix B attached hereto and, upon payment of the license fee specified in the License Agreement, such Proposed Licensed Target shall become a Licensed Target and shall be licensed to ABX as specified in the relevant License Agreement and (b) IMMUNOGEN shall not grant any exclusive license or other rights to any Third Party regarding a May Compound conjugate antibody product to the Licensed Target.

2.2.6 OPTION TO CONVERT TO EXCLUSIVE OPTIONS. Upon the written request of ABX given at any time during the Nonexclusive Option Period applicable to a Nonexclusive Option for a Proposed Licensed Target, ABX shall have the right to convert such Nonexclusive Option into an Exclusive Option, provided that [***] of [***], an [***] for [***] is [***] in accordance with Section 2.1.2. [***] of any [***] shall give [***] an [***] for the [***] is [***] in accordance with Section 2.1.2. If [***], then such Nonexclusive Option shall be converted to an Exclusive Option effective as of the date of such request, and ABX shall pay to IMMUNOGEN a conversion fee as set forth in clause (c) of Section 4.2.

2.2.7 OPTION TO OBTAIN EXCLUSIVE LICENSES. Upon the written request of ABX given at the time of ABX's exercise of a Nonexclusive Option, ABX shall have the right to obtain an exclusive license under the IMMUNOGEN Background Technology and Target Specific Rights pursuant to Section 2.1.5 as if such Nonexclusive Option were an Exclusive

Option, provided that [***] of [***], an [***] for the [***] is [***] in accordance with Section 2.1.2. [***] of any [****]shall give [****] an [****] is [***] in accordance with Section 2.1.2. [****]

2.3 NON-EXCLUSIVE LICENSE. On and after the expiration of a Nonexclusive Option Period or Exclusive Option Period, as the case may be, with respect to a Proposed Licensed Target, ABX shall thereafter be granted a non-exclusive license in the Territory under the IMMUNOGEN Background Technology, but not under any Target Specific Rights with respect to such Proposed Licensed Target, solely during the Research Term for the sole purpose of conducting preclinical research with respect to Licensed Products directed to such Proposed Licensed Target, for any and all uses in the Field. Such License shall continue during the Research Term until such time as IMMUNOGEN gives express written notice to ABX of IMMUNOGEN's grant to a Third Party of a bona fide exclusive license regarding a May Compound conjugate product to such Proposed Licensed Target, in which case such license shall immediately terminate.

2.4 NON-EXCLUSIVE RESEARCH LICENSES TO ABX.

2.4.1 RESEARCH LICENSE. IMMUNOGEN hereby grants to ABX a non-exclusive, royalty-free license under IMMUNOGEN Background Technology, solely during the Research Term and as further described below (i) to conjugate a May Compound to one (1) or more additional ABX Antibodies that are not part of a Licensed Product for use as a control for any Licensed Product licensed to it under a License Agreement, (ii) to conduct toxicity studies (i.e., in vivo animal studies designed to identify and measure the toxicity of a Licensed Product) on any Licensed Product licensed to it hereunder and (iii) to conduct Research Activities. The foregoing licenses may be sublicensed only in connection with a sublicense of the IMMUNOGEN Background Technology hereunder or under a License Agreement.

2.4.2 RESEARCH RECORDS. ABX shall maintain records of access to and use of the IMMUNOGEN Background Technology.

2.4.3 EXPIRATION OF RESEARCH TERM. Unless otherwise provided in a License Agreement or otherwise set forth in this Agreement, upon termination or expiration of the Research Term, ABX shall discontinue use of the IMMUNOGEN Background Technology and destroy all portions and copies of the IMMUNOGEN Background Technology; provided, however, that ABX shall have the right to retain one (1) copy for its legal files.

2.4.4 RESEARCH TERM. The term of the Research shall expire upon the last to expire of the Option Periods, unless this Agreement is earlier terminated by either Party pursuant to the provisions of Section 8 (the "Research Term").

2.5 [***] hereby [***] a [***] of [***] under

[***], if any, in [***] within the [***] to the extent [***] or [***] of the [***] that are [***] to the [***] to [***] and [***] and [***] to [***] to [***] (other than [***] to a [***] or a [***]). [***] of the [***] of [***] of which it [***]. [***] to [***] includes [***] to [***] from whom [***] to the [***] they [***] or [***] to [***] with the [***] to [***] hereunder, and [***] to [***], but [***] with respect to [***]. Notwithstanding the foregoing, the [***] pursuant to this Section 2.5 [***] of [***] to any [***].

2.6 TECHNOLOGY TRANSFER. As soon as practicable after, and in any event on or before [***] from, the Effective Date, (a) ABX and IMMUNOGEN will agree upon a schedule to permit two (2) representatives designated by ABX to visit IMMUNOGEN's facilities for a period of no more than [***] to [***] to an [***] and to [***] the [***] and [***] used [***], and (b) [***] shall [***] with [***] of such [***] to [***]. During such visit, IMMUNOGEN shall deliver to ABX all IMMUNOGEN Background Technology existing as of the Effective Date. [***], the [***] shall [***] to [***] and [***]. As soon as practicable thereafter, but in any event on or before [***] from [***] of [***], the Parties shall, in order to [***] attached hereto and [***], and the [***] between the [***], if any. The initial technology transfer under this Section 2.6 shall be complete for purposes of Section 4.1 at such time as [***]. Promptly, but not less than quarterly thereafter, IMMUNOGEN shall deliver to ABX all IMMUNOGEN Background Technology not previously delivered to ABX. From time to time during the Research Term, IMMUNOGEN shall provide ABX with such technical assistance as reasonably requested by ABX regarding the use of the IMMUNOGEN Background Technology. Such technical assistance and expertise shall include, but not be limited to, visits by IMMUNOGEN personnel to ABX and visits by ABX personnel to IMMUNOGEN, at ABX's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties. Additionally, at the reasonable request of ABX, IMMUNOGEN shall transfer all applicable IMMUNOGEN Background Technology, and provide such technical assistance, to such Third Party collaborator, sublicensee or contract manufacturer as ABX designates.

2.7 NO OTHER RIGHTS. ABX shall receive no rights to utilize IMMUNOGEN Background Technology, or rights with respect to use of IMMUNOGEN Background Technology, except as expressly set forth herein or in a License Agreement. IMMUNOGEN shall receive no rights to Research Data, Research Materials, Research Technology or Research Patent Rights thereon except as expressly set forth herein. ABX's rights in Research Patent Rights are subject to [***].

2.8 IN LICENSES. IMMUNOGEN represents and warrants to ABX that it has provided ABX true and correct copies of all agreements pursuant to which IMMUNOGEN Background Technology existing as of the Effective Date, is licensed to or otherwise acquired by IMMUNOGEN from a third party. IMMUNOGEN promptly shall provide ABX with true and correct copies of all agreements pursuant to which IMMUNOGEN Background Technology licensed or acquired after the Effective Date, is licensed to or otherwise acquired by IMMUNOGEN from a Third Party; provided, however, that IMMUNOGEN shall have the right to redact confidential financial information and any provisions that shall not bind ABX. To the extent the IMMUNOGEN Background Technology is licensed to or acquired by IMMUNOGEN from a Third Party and is reasonably necessary to permit ABX to exercise its rights granted hereunder, IMMUNOGEN shall use reasonable commercial efforts to maintain in full force and effect such license. In the event of the termination of any such license with a Third Party, IMMUNOGEN shall cause such Third Party to grant a direct license to ABX to the extent necessary to permit ABX to exercise its rights granted hereunder, and all sums owing by ABX to such Third Party shall be fully deducted from any amounts owing to IMMUNOGEN under the License Agreements.

3. JOINT PROCESS DEVELOPMENT COMMITTEE

3.1 ESTABLISHMENT OF COMMITTEE. Promptly after the Effective Date, the Parties shall form a Joint Process Development Committee ("JPDC") whose mandate shall be to serve as a forum for coordination and communication between the Parties with respect to development (to the extent ABX requests the assistance or services of IMMUNOGEN) 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) to assist ABX in its exercise of its rights to make or have made Licensed Products under this Agreement. Within thirty (30) days following the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2)) for membership on the JPDC. Each Party may change its representatives as it may deem necessary by notice to the other Party. The input of the IMMUNOGEN representatives on the JPDC shall be reasonably considered by the JPDC; provided, however, that, all decisions of the JPDC shall be subject to the final approval of ABX.

3.2 CHAIR OF COMMITTEE; MEETINGS. The chair of the JPDC shall be one of the ABX representatives on the JPDC, as designated by ABX. All decisions of the JPDC shall be subject to the approval of the ABX chair. The JPDC 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 there is a determination by the Chair of the JPDC that no new business or other activity

has transpired since the previous meeting, and that there is no need for a meeting. In such instance, the next JPDC meeting shall also be scheduled as agreed upon by the Parties. The location of such meetings shall alternate between IMMUNOGEN's offices in the Cambridge, Massachusetts metropolitan area and ABX's offices in the Fremont, California metropolitan area unless otherwise agreed upon between the Parties. As agreed upon by the Parties, JPDC meetings may be face-to-face meetings or may be conducted through teleconferences and/or videoconferences. In addition to its JPDC representatives, each Party shall be entitled to have such additional number (as the Parties mutually agree) of other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear all costs and expenses, including travel and lodging expense, that may be incurred by its JPDC representatives or other of its attendees at JPDC meetings. Minutes of each JPDC meeting will be transcribed and issued to the members of the JPDC by the Chair within thirty (30) days after each meeting and shall be reviewed and modified as mutually required to obtain approval promptly thereafter.

3.3 SUPPLY OF PRECLINICAL MATERIALS. In the event that, during the Term of this Agreement, ABX desires IMMUNOGEN to supply ABX with sufficient quantities of Preclinical Materials to enable it to conduct pre-clinical development activities relating to Licensed Products, ABX shall provide IMMUNOGEN with written notice of same and the Parties shall negotiate in good faith and execute a supply agreement providing for such supply. IMMUNOGEN shall deliver all ordered amounts of Preclinical Materials in accordance with advance ordering timeframes and delivery timeframes to be agreed upon by the Parties through such mutually acceptable written supply agreement for such purpose. In connection with any ordering of Preclinical Materials by ABX, IMMUNOGEN shall provide ABX promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Preclinical Materials. IMMUNOGEN's price to supply Preclinical Materials to ABX shall equal [***] of IMMUNOGEN's Fully Burdened Manufacturing Cost for such Preclinical Materials as approved by ABX. Nothing herein shall preclude ABX from making its own arrangements for manufacture and supply of Preclinical Materials on its own or with Third Parties. ABX hereby agrees that (a) it shall not use the Preclinical Materials in any human subject, and (b) it shall use the Preclinical Materials in compliance with all applicable federal, state and local laws and regulations.

3.4 SUPPLY OF CLINICAL MATERIALS. In the event that, during the Term of this Agreement, ABX desires IMMUNOGEN to supply to ABX with sufficient quantities of Clinical Materials to enable it to conduct human clinical trials of Licensed Products through the conclusion of Phase II Clinical Studies, ABX shall provide IMMUNOGEN with written notice of same and the Parties shall negotiate in good faith and execute a supply agreement providing for such supply. IMMUNOGEN shall deliver all ordered amounts of Clinical Materials in accordance with forecasting parameters, advance ordering timeframes and delivery timeframes to be agreed upon by the Parties through such mutually acceptable written supply agreement for such purpose. In connection with any ordering of Clinical Materials by ABX, IMMUNOGEN shall provide ABX promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Clinical Materials. IMMUNOGEN's price to supply Clinical Materials to ABX shall equal [ ] of IMMUNOGEN's Fully Burdened

Manufacturing Cost for such Clinical Materials as approved by ABX. Nothing herein shall preclude ABX from making its own arrangements for manufacture and supply of Clinical Materials on its own or with Third Parties. ABX hereby agrees that it shall use the Clinical Materials in compliance with all applicable federal, state and local laws. IMMUNOGEN shall provide ABX with all information, filings and assistance regarding manufacturing as reasonably requested by ABX in connection with applications for Regulatory Approvals.

4. FINANCIAL TERMS

4.1 INITIAL FEES. ABX shall to pay to IMMUNOGEN a non-refundable fee in the amount of $3,000,000 within [***] after the Effective Date. Additionally, ABX shall to pay to IMMUNOGEN a non-refundable fee in the amount of $2,000,000 within [***] after [***].

4.2 OPTION FEES. ABX agrees to pay to IMMUNOGEN an option fee (a) in the amount of [***] for each Exclusive Option granted hereunder, (b) in the amount of [***] for each Nonexclusive Option granted hereunder and (c) in the amount of [***] for each conversion of a Nonexclusive Option into an Exclusive Option in accordance with Section 2.2.6 hereof. Such fees shall be paid on or before [***] from the date of grant of such Exclusive Option or Nonexclusive Option, or conversion of such Nonexclusive Option, as the case may be.

4.3 OPTION EXTENSION FEES. ABX agrees to pay to IMMUNOGEN option extension fees (a) in the amount of [***] for the extension of each option under Section 2.1.3 hereof and (b) in the amount of [***] for the extension of each option extension under Section 2.2.3 hereof. Such fees shall be paid on or before [***] after the date of each such extension.

5. TREATMENT OF CONFIDENTIAL INFORMATION

5.1 CONFIDENTIAL INFORMATION. During the Term of this Agreement, each Party may disclose to the other Party confidential information, including but not limited to IMMUNOGEN Background Technology, Research Inventions, Research Data and Research Materials. Such information of the disclosing Party hereunder, if so identified in writing by the disclosing Party to the receiving Party either pursuant to this Section 5.1 or otherwise upon disclosure to the receiving Party, shall be "Confidential Information" of the disclosing Party. During the Term of this Agreement and during the term of any License Agreement, and for a period of five (5) years thereafter, except as expressly permitted hereunder, the receiving Party shall keep confidential all such Confidential Information of the other Party and will not disclose such Confidential Information of the other Party to Third Parties by publication or otherwise. Each Party further agrees not to use Confidential Information of the other Party for any purpose other than conducting research hereunder or exercising any rights granted to it or reserved by it hereunder. Upon any termination or expiration of this Agreement, upon request, a Party shall return to a requesting Party all copies of any of such requesting Party's Confidential Information which is not the subject of a License Agreement or the grant of a license hereunder, provided that

it may retain one copy for its legal files. Notwithstanding the foregoing, it is understood and agreed that the receiving Party's obligations of confidentiality and nonuse herein shall not apply to any information which:

(a) is, at the time of disclosure by the disclosing Party hereunder, or thereafter becomes, a part of the public domain or publicly known or available through no fault or negligence of the receiving Party or any of its Affiliates; or

(b) was otherwise in the receiving Party's lawful possession prior to disclosure by the disclosing Party, other than under an obligation of confidentiality; or

(c) was independently discovered or developed by the receiving Party or any of its Affiliates, without use of the other Party's Confidential Information, as can be demonstrated by competent proof; or

(d) is lawfully disclosed to the receiving Party or any of its Affiliates on a non-confidential basis by a third party who is not in violation of an obligation of confidentiality to the disclosing Party relative to such information.

Each Party may disclose information to the extent such disclosure is reasonably necessary in (i) filing and prosecuting patent applications and maintaining patents, or (ii) filing, prosecuting or defending litigation or (iii) complying with applicable laws, regulations or court orders; provided, however, that if a Party is required to make any such disclosure of the other Party's Confidential Information or the terms of this Agreement, it will give reasonable advance notice to the other Party of such disclosure requirement and will use reasonable efforts to assist such other Party in efforts to secure confidential treatment of such information required to be disclosed.

5.2 PUBLICITY. A Party may not use the name of the other Party in any publicity or advertising and, except as provided in Section 5.1, may not 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. The Parties shall mutually agree on a press release announcing the execution of this Agreement. The Parties shall also be permitted hereunder to disclose the general nature of this Agreement to the extent reasonably necessary to obtain financing from Third Parties or potential collaborators, and to make such other disclosures as mutually agreed by the Parties. Once any written statement is approved for disclosure by both Parties, either Party may make subsequent public disclosures of the contents of such statement without the further approval of the other Party. Nothing in the foregoing, however, shall prohibit a Party from making such disclosures to the extent deemed necessary under applicable federal or state securities laws or any rule or regulation of any nationally recognized securities exchange; provided, that, in such event, the disclosing Party shall use good faith efforts to consult with the other Party prior to such disclosure and, where applicable, shall request confidential treatment to the extent available.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

6. INTELLECTUAL PROPERTY RIGHTS

Except as otherwise expressly provided herein, all inventions and discoveries governed by this Agreement shall be owned based on inventorship, as inventorship is determined in accordance with United States patent law. Notwithstanding anything to the contrary in this Agreement, Research Inventions, Research Data, Research Materials and Research Patent Rights shall be solely owned by ABX. Any inventions jointly invented by the Parties ("Joint Inventions") shall be jointly owned, and any patent rights obtained thereon shall be jointly owned by the Parties. The rights and interests of IMMUNOGEN and ABX in Joint Inventions, and any patent rights obtained thereon, shall be subject to the provisions of this Section 6. Each Party shall have the right, subject to the terms of this Agreement and any License Agreement, to freely exploit, transfer, license or encumber its rights and interests in Joint Inventions, and any patent rights obtained thereon.

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

7.1 APPLICABILITY. The provisions of this Section 7 shall be applicable to all patents covering IMMUNOGEN Background Technology and all Research Patent Rights thereon unless and until they become subject to a License Agreement, whereupon the License Agreement will govern the rights of the Parties with respect to the subject matter thereof.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

7.2 PATENT FILING.

7.2.1 Subject to the License Agreements, IMMUNOGEN shall have the obligation to prepare, file, prosecute, obtain and maintain patent applications and patents covering IMMUNOGEN Background Technology, with the expenses for any such preparation, filing, prosecution and maintenance to be borne by IMMUNOGEN.

7.2.2 ABX shall have the right (but not the obligation) to prepare, file, prosecute, obtain and maintain patent applications and patents constituting Research Patent Rights, with the expenses for any such preparation, filing, prosecution and maintenance to be borne by ABX.

7.2.3 Subject to the License Agreements, as regards any joint invention hereunder (other than Research Inventions, Research Data and Research Materials), the Party from whom the majority of the data underlying any such joint invention arose (the "controlling Party") will have the first right, but not the obligation, to undertake filing(s), prosecution and maintenance of inventorship certificate(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, (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 controlling Party fails to undertake the filing(s) of any such patent application with respect to any such invention within ninety (90) 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, the other Party may undertake such filing(s) at its own expense, in which case the controlling Party will assign all of its rights to such joint invention to the other Party and any subsequently issued patent thereon will be owned solely by the other Party. Either Party, in its discretion, may assign its rights hereunder to any jointly owned invention, 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.

7.2.4 Each Party agrees to cooperate reasonably with the other party in the preparation, filing, and prosecution of any patent applications pursuant to this Section 7.2. Such cooperation includes, but is not limited to, executing all papers and instruments, or

requiring its employees or agents to execute such papers and instruments, so as to effectuate the ownership of such patent applications and any patents thereon and to enable the filing and prosecution of applications in any country.

7.3 INFRINGEMENT.

7.3.1 ABX shall have all rights, at its own expense, to bring suit (or other appropriate legal action) against any actual or suspected infringement of Research Patent Rights.

7.3.2 Subject to the License Agreements, IMMUNOGEN shall have all rights, at its own expense, to bring suit (or other appropriate legal action) against any actual or suspected infringement of patents covering IMMUNOGEN Background Technology.

7.3.3 Subject to the License Agreements, in the event of the infringement of any patent claiming any Joint Invention hereunder (other than Research Inventions, Research Data and Research Materials), the parties shall meet and in good faith discuss the appropriate course of action to enforce such patent(s) and which Party shall control such action.

7.4 COOPERATION. Each Party shall give notice to the other party of any potential infringement or actual infringement by a third party of any Research Patent Right or patents covering IMMUNOGEN Background Technology and shall execute all papers and perform such other acts (other than monetary) as may be reasonably required to maintain any infringement suit brought in accordance with Section 7.3 above (including giving legal consent for bringing such suit, and agreeing to be named as a plaintiff or otherwise joined in such suit), and at its option and expense, may be represented in such suit by counsel of its choice. In addition, the Parties shall reasonably cooperate with each other in obtaining patent term restoration or supplemental protection certificates or their equivalents in any country in the Territory where applicable to Research Patent Rights and IMMUNOGEN Background Technology.

7.5 NO OBLIGATION. No Party shall have any obligation to the other Party under this Agreement to pay any fees or costs: (i) for that Party's bringing a lawsuit or other action to enforce any of the Research Patent Rights, any patents covering IMMUNOGEN Background Technology, or any other patent owned by a Party against an actual or suspected infringement or (ii) for any other Party to obtain for its own benefit independent business or legal advice concerning any of the patent rights set forth in clause (i) hereof.

8. TERM AND TERMINATION

8.1 TERM. Unless earlier terminated as provided in this Section 8, the term of this Agreement shall expire upon the expiration of the last to expire Option (the "Term").

8.2 TERMINATION. This Agreement and the rights and options granted herein may be terminated by either Party upon any material breach by the other Party of any material

obligation or condition, effective [***] after giving written notice to the breaching Party of such termination in the case of a payment breach and [***] after giving written notice to the breaching Party of such termination in the case of any other breach, which notice shall describe such breach in reasonable detail. The foregoing notwithstanding, if such default or breach is cured or shown to be non-existent within the aforesaid [***] or [***] period, the notice shall be automatically withdrawn and of no effect. However, prior to giving any notice for breach, the Parties shall first attempt to resolve any disputes as to the existence of any breach as set forth in Section 9.14.

8.3 REMEDIES. If either Party shall fail to perform or observe or otherwise breaches any of its material obligations under this Agreement, in addition to any right to terminate this Agreement, the non-defaulting Party may elect to obtain other relief and remedies available under law.

8.4 SURVIVING PROVISIONS. Notwithstanding any provision herein to the contrary, the rights and obligations set forth in Sections 5, 6, 7, 8.3, 9.3, 9.4, 9.7, 9.14, 9.16, 9.17, 9.18 and 9.19 hereof shall survive the expiration or termination of the Term of this Agreement.

9. MISCELLANEOUS

9.1 IMMUNOGEN REPRESENTATIONS. IMMUNOGEN represents and warrants to ABX 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 rights to ABX pursuant to Section 2 above without violating the rights of any third party; (d) IMMUNOGEN is the sole owner or exclusive licensee of the IMMUNOGEN Background Technology; (e) IMMUNOGEN is not aware of any Third Party patent, patent application or other intellectual property rights that would be infringed (i) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in, or which constitutes, IMMUNOGEN Background Technology, or (ii) by making, using, offering for sale, selling or importing Licensed Products; and (f) IMMUNOGEN is not aware of any infringement or misappropriation by a Third Party of the IMMUNOGEN Background Technology.

9.2 ABX REPRESENTATIONS. ABX 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 ABX corporate action; (b) this Agreement is a legal and valid obligation binding upon ABX 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 ABX is a party of or by which it is bound; and (c) ABX has the full right and legal capacity to grant the rights to IMMUNOGEN pursuant to Section 2 above without violating the rights of any Third Party.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

9.3 NO WARRANTIES.

9.3.1 Nothing in this Agreement is or shall be construed as:

(a) a warranty or representation by either Party as to the validity or scope of any patent application or patent licensed hereunder;

(b) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted pursuant to this Agreement is or will be free from infringement of patents, copyrights, and other rights of third parties.

9.3.2 Except as expressly set forth in this Agreement, NEITHER PARTY

MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OF NON-INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS OF THIRD PARTIES, OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.

9.4 [***]. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT OR OTHERWISE, [***] WILL BE [***] TO [***] OF THIS AGREEMENT [***] OR [***] OR [***] FOR (I) [***] OR [***] OR (II) [***].

9.5 NOTICES. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to ABX or IMMUNOGEN shall be in writing and shall be effective on receipt when delivered to the applicable address specified below (or to such other 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: Jeffrey M. Wiesen, Esq Telecopy: 617-542-2241

If to ABX: Abgenix, Inc.
7601 Dumbarton Circle
Fremont, California 94555
Attn: President

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

With a copy to: Gray Cary Ware & Freidenrich LLP 4365 Executive Drive, Suite 1600 San Diego, California 92121-2189 Attn: Mark R. Wicker

9.6 GOVERNING LAW. This Agreement will be construed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts (excluding its body of law controlling conflicts of law).

9.7 LIMITATIONS. Except as set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

9.8 ENTIRE AGREEMENT. This is the entire Agreement between the Parties with respect to the subject matter hereof and supersedes all prior representations, understandings and agreements between the Parties with respect to the subject matter hereof. No modification shall be effective unless in writing with specific reference to this Agreement and signed by the Parties.

9.9 WAIVER. The terms or conditions of this Agreement may be waived only by a written instrument executed by 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.

9.10 HEADINGS. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

9.11 ASSIGNMENT. Neither this Agreement nor any right or obligation hereunder may be assigned, delegated or otherwise transferred , in whole or part, by either party without the prior express written consent of the other; provided, however, that either party may, without the written consent of the other, assign this Agreement and its rights and delegate its obligations hereunder to its Affiliates, or in connection with the transfer or sale of all or substantially all of such party's assets or business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 9.11 shall be void. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties.

9.12 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.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

9.13 CONSTRUCTION. The Parties hereto acknowledge and agree that: (i) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (ii) 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 (iii) the terms and provisions of this Agreement shall be construed fairly as to all Parties hereto and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

9.14 DISPUTES.

9.14.1 The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement which relates to either Party's rights and/or obligations hereunder. In the event of the occurrence of such a dispute, either Party may, by written notice to the other Party, have such dispute referred to their respective senior officials designated below or their successors, for attempted resolution by good faith negotiations within thirty (30) days after such notice is received. Said designated senior officials are as follows:

For ABX: Chief Executive Officer

For IMMUNOGEN: Chief Executive Officer

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

In the event the designated senior officials are not able to resolve such dispute within the thirty (30) day period, either Party may invoke the provisions of Section 9.14.2.

9.14.2 Any dispute, controversy or claim initiated by either Party arising out of, resulting from or relating to this Agreement, or the performance by either Party of its obligations under this Agreement (other than bona fide third party actions or proceedings filed or instituted in an action or proceeding by a Third Party against a Party), whether before or after termination of this Agreement, shall be finally resolved by binding arbitration. Whenever a Party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other Party. Any such arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators appointed in accordance with such rules. Any such arbitration shall be held in Boston, Massachusetts if initiated by ABX, and in San Francisco, California if initiated by IMMUNOGEN. The method and manner of discovery in any such arbitration proceeding shall be governed by California Code of Civil Procedure ss.1282 ET SEQ. (including without limitation California Code of Civil Procedure ss.1283.05). The arbitrators shall have the authority to grant specific performance and to allocate between the parties the costs of arbitration in such equitable manner as they determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either Party shall have the right, without waiving any right or remedy available to such Party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such Party, pending the selection of the arbitrators hereunder or pending the arbitrators' determination of any dispute, controversy or claim hereunder.

9.15 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.

9.16 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.

9.17 INDEMNIFICATION.

9.17.1 ABX INDEMNITY. ABX shall [***] and [***] and [***], and [***] and [***](the "Indemnitees") [***] (including [***] and [***]) [***] or [***], or [***], in connection with [***], including, without limitation, [***] matters (but [***], which are [***]), to the extent arising out of (i) [***] in the [***] of any [***] under this Agreement, (ii) [***] of this Agreement [***], or (iii) [***] of the [***], in any [***] under this Section 9.17.1 except to [***] therefor under Section 9.17.2 below.

9.17.2 IMMUNOGEN INDEMNITY. Subject to Section 9.17.1 above, IMMUNOGEN shall indemnify, defend and hold harmless ABX, its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (also the "Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such 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 (but excluding any patent, trademark or tradename infringement matters, which are governed by Section 7 above), to the extent arising out of (i) any actions or omissions of IMMUNOGEN or subcontractor of IMMUNOGEN in the development, testing, production, manufacture or supply of any Licensed Product (or any component thereof) manufactured and supplied by IMMUNOGEN or any subcontractor of IMMUNOGEN under this Agreement, (ii) any material breach of this Agreement by IMMUNOGEN, or (iii) gross negligence or willful misconduct on the part of IMMUNOGEN.

9.18 INDEMNIFICATION PROCEDURES. In the event that any Indemnitee is seeking indemnification under Section 9.17 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. The indemnification obligations under Section 9.17 shall not apply to amounts paid in settlement of any claim, demand, action or other proceeding if such settlement is effected without the consent of the Indemnifying Party, which consent shall not be withheld or delayed unreasonably. The Indemnitee, its employees and agents, shall reasonably cooperate with the Indemnifying Party and its legal representatives in the investigation of any claim, demand, action or other proceeding covered by Section 9.17.

9.19 SECTION 365(n). All licenses granted under this Agreement are deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of right to "intellectual property" as defined in Section 101 of such Code. The Parties agree that the licensee may fully exercise all of its rights and elections under the U.S. Bankruptcy Code, regardless of whether either Party files for bankruptcy in the United States or other jurisdiction. The Parties further agree that, in the event a licensee elects to retain its rights as a licensee under such Code, the licensee shall be entitled to complete access to any technology licensed to it hereunder and all embodiments of such technology. Such embodiments of the technology shall be delivered to the licensee not later than:

9.19.1 the commencement of bankruptcy proceedings against the licensor, upon written request, unless the licensor elects to perform its obligations under the Agreement, or

9.19.2 if not delivered under Section 9.19.1 above, upon the rejection of this Agreement by or on behalf of the licensor, upon written request.

9.20 FURTHER ASSURANCES. Each Party agrees to execute, acknowledge and deliver such further instructions, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

9.21 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, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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

ABGENIX, INC.	IMMUNOGEN, INC.
By:	By:
Title:	Title:

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

SCHEDULE I

IMMUNOGEN BACKGROUND TECHNOLOGY

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		
[***]	[***]						
		[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]			[***]
					[***]	[***]	
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
	[***]						
[***]	[***]	[***]	[***]	[***]	[***]		
[***]	[***]	[***]	[***]	[***]	[***]		
[		]					

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		
[***]							

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

SCHEDULE II

[***]

[***].

[***].

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

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

(a)
[***] [***] [***]

[***]

[***]

[***] [***] [***] (b)

[***] [***] [***] (b)

[***] [***] [***] (b)

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

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

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

[***]:
[***] (c) [***] [***]
and/or

[***] (c) [***] [***](d)

(a) [***]

(b) [***].

(c) [***].

(d) [***].

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

FORM OF EXCLUSIVE LICENSE AGREEMENT

This Exclusive License Agreement ("Agreement") is made effective as of as of , 20 (the "Effective Date") by and between IMMUNOGEN, INC., a Massachusetts corporation with a principal place of business at 128 Sidney Street, Cambridge, Massachusetts 02139 ("IMMUNOGEN"), and ABGENIX, INC., a Delaware corporation with a place of business at 7601 Dumbarton Circle, Fremont, California 94555 ("ABX"). IMMUNOGEN and ABX are each hereafter referred to individually as a "Party" and together as the "Parties".

WHEREAS, ABX is the owner of or otherwise controls certain patents and technology relating to antibodies; and

WHEREAS, IMMUNOGEN is the owner of or otherwise controls certain proprietary patents and technology relating to or otherwise useful in the conjugation of certain cytotoxic compounds such as DM1 (as hereinafter defined) to antibodies; and

WHEREAS, ABX desires to obtain certain rights from IMMUNOGEN to develop and commercialize one or more conjugates of certain cytotoxic compounds and antibodies and IMMUNOGEN is willing to grant to ABX such rights on the terms provided herein; and

WHEREAS, the Parties have heretofore executed an Option and License Agreement (as hereinafter defined) pursuant to which IMMUNOGEN has granted ABX certain options related to IMMUNOGEN's proprietary technology and know-how; and

WHEREAS, ABX has exercised an Option (as hereinafter defined) to obtain such rights and, in connection therewith, desires to enter into this Agreement in accordance with the terms of the Option and License Agreement.

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 "ABX ANTIBODY" shall mean any antibody or fragment thereof directed to the Target.

1.2 "ADVERSE EVENT" shall mean any serious adverse event or 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.

1.3 "AFFILIATE" shall mean any corporation, firm, limited liability company, partnership or other entity which directly controls or is controlled by or is under common control with a Party to this Agreement. "Control" for purposes of this Section 1.3 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, status as a general partner in any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body of a corporation or other entity.

1.4 "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.

1.5 "CLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1, and/or any other May Compound as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such May Compound for use in human clinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such Licensed Product for use in human clinical testing of any Licensed Product.

1.6 "COMBINATION PRODUCT" shall mean any Licensed Product that contains, in addition to any conjugate of any ABX Antibody with any May Compound, one or more other ingredients that has biologic activity.

1.7 "CONTROL" OR "CONTROLLED" shall mean (a) with respect to patents, know-how or other intangible rights, the possession by Party of the ability to grant a license or sublicense of such patent rights, know-how or other intangible rights as provided for herein without violating the terms of any arrangement or agreements between such Party and any Third Party and (b) with respect to any material, the possession by a Party of the ability to use such material as provided herein without violating the terms of any agreement between such Party and any Third Party.

1.8 [***] shall mean [***], whether [***], and shall include, without limitation, [***], in each case [***]. [***] shall include, without limitation, [***].

1.9 "DEVELOPMENT" AND "DEVELOP" shall mean, with respect to any Licensed Product, all activities with respect to such Licensed Product relating to research, development

and 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, all human clinical studies, 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.

1.10 "DM1" shall mean that certain maytansine derivative having the specific chemical name N2'-deacetyl-N2'-(3-mercapto-1-oxopropyl)-maytansine.

1.11 "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 required prior to any commercial sale or use of a Licensed Product in the United States, and (b) any equivalent application (including an MAA) 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 country or jurisdiction in the Territory.

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

1.13 "FIELD" shall mean any human medical use.

1.14 "FIRST COMMERCIAL SALE" shall mean the date of the first commercial sale (other than for purposes of obtaining Regulatory Approval) of a Licensed Product by or on behalf of ABX or an Affiliate or Sublicensee of ABX.

1.15 "FOREIGN REGULATORY AUTHORITIES" 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), 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.

1.16 "FULLY BURDENED MANUFACTURING COST" shall mean, with respect to any Preclinical Materials or Clinical Materials produced by IMMUNOGEN for ABX under this Agreement, the sum of the following components as determined by IMMUNOGEN in accordance with generally accepted accounting principles in the United States, consistently applied, and consistent with the application given to other goods produced by IMMUNOGEN: (a) the costs of goods produced, including, without limitation, direct labor, material and product testing costs of such Preclinical Materials or Clinical Materials; (b) any Third Party royalty costs that are actually paid by IMMUNOGEN and are based solely and directly on the manufacture and sale to ABX of such Preclinical Materials or Clinical Materials; (c) all overhead costs incurred by IMMUNOGEN directly and solely attributable to the cost of goods under clause (a) above, including, without limitation, supervisory services, occupancy costs, payroll, information

systems, human relations, purchasing, accounts receivable or accounts payable functions, and other general and administrative functions; and (d) any other costs borne by IMMUNOGEN directly and solely for the transport, customs clearance, duty and/or insurance for such Preclinical Materials or Clinical Materials to ABX hereunder.

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

1.18 "IMMUNOGEN BACKGROUND TECHNOLOGY" shall mean all inventions, discoveries, patent rights, trade secrets and know-how, including without limitation, laboratory scientific information and procedural techniques, Controlled by IMMUNOGEN during the term of the Option and License Agreement or the Term of this Agreement that are necessary or useful for ABX to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import or have imported Licensed Products (or any component thereof, including any linker) for use in the Field; provided, however, that IMMUNOGEN Background Technology shall expressly exclude any Target Specific Rights.

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

1.20 "IND ACCEPTANCE" shall mean the expiration of thirty (30) days following receipt by ABX of a notice from the FDA to ABX that the FDA has received an IND for a Licensed Product filed by ABX for the purpose of obtaining approval or authority to commence human clinical trials in the United States with such Licensed Product; provided, however, that if the FDA puts a clinical hold on the IND during such thirty (30) day period, the term "IND Acceptance" shall mean that date during the term of this Agreement when ABX receives written confirmation from the FDA that the clinical hold has been removed and that ABX has the approval or authority to commence human clinical trials of such Licensed Product under such IND in the United States. Notwithstanding anything set forth herein, "IND Acceptance" shall not have occurred in any circumstances where ABX withdraws any IND filed with the FDA for a Licensed Product at any time prior to the commencement of human clinical trials with such Licensed Product in the United States.

1.21 "INDEMNITEES" AND "INDEMNIFYING PARTY" shall have the meanings set forth in Section 9.

1.22 "JPDC" shall have the meaning set forth in Section 3.4.1.

1.23 "LICENSED PATENT RIGHTS" shall mean all Patent Rights covering IMMUNOGEN Background Technology. All Licensed Patent Rights as of the Effective Date are listed on Schedule I attached hereto.

1.24 "LICENSED PRODUCT" shall mean any product containing any conjugate of any ABX Antibody with any May Compound, and shall include, without limitation, any formulation thereof (including, without limitation, any lyophilized, liquid, sustained release or

aerosolized formulation). "Licensed Product" shall also include any and all Combination Products (if any).

1.25 "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.

1.26 "MAY COMPOUND" shall mean any and all maytansinoid compounds (including, without limitation, maytansine, ansamitocin P-3 and DM1), whether produced by a botanical source, natural fermentation or chemical synthesis, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case owned or otherwise Controlled by IMMUNOGEN. May Compounds shall include, without limitation, DM1.

1.27 "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.

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

1.28.1 trade, cash and quantity discounts or rebates actually allowed or taken, including discounts or rebates to governmental or managed care organizations;

1.28.2 credits or allowances actually given or made for rejection of or return of, and for uncollectible amounts on, previously sold Licensed Products or for retroactive price reductions (including Medicare and similar types of rebates);

1.28.3 any charges for insurance, freight, and other transportation costs directly related to the delivery of Licensed Product to the extent included in the gross invoiced sales price;

1.28.4 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

1.28.5 any import or export duties or their equivalent borne by the seller. "Net Sales" shall not include sales or transfers between ABX and its Affiliates or Sublicensees, unless the Licensed Product is consumed by the Affiliate or Sublicensee.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.29 "OPTION" shall have the meaning set forth in the Option and License Agreement.

1.30 "OPTION AND LICENSE AGREEMENT" shall mean that certain Option and License Agreement dated as of September 5, 2000, by and between IMMUNOGEN and ABX.

1.31 "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, 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.

1.32 "PHASE II CLINICAL STUDY" 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 Phase III Clinical Trial of such Licensed Product for such indication.

1.33 "PHASE III 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 a BLA or NDA to obtain Regulatory Approval to market and sell that Licensed Product in the United States for the indication under investigation in such study.

1.34 "PRECLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1 and/or any other May Compound as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such May Compound for use in preclinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such Licensed Product for use in preclinical testing of any Licensed Product.

1.35 "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 its foreign equivalent 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.

1.36 "SPECIFICATIONS" shall mean any specifications specified by ABX and reasonably acceptable to IMMUNOGEN relating to the manufacturing and supply of any May Compound and/or Licensed Product hereunder.

1.37 "SUBLICENSEE" shall have the meaning set forth in Section 2.1.1(b).

1.38 "TARGET" shall mean .

1.39 "TARGET SPECIFIC RIGHTS" shall mean all inventions, discoveries, patent rights, trade secrets and know-how, including without limitation, laboratory scientific information and procedural techniques, Controlled by IMMUNOGEN during the term of the Option and License Agreement or the Term of this Agreement constituting (a) the composition of matter or use of the Target, (b) the composition of matter or use of an antibody binding to the Target, or (c) the composition of matter or use of a conjugate of an antibody binding to the Target with a May Compound.

1.40 "TECHNOLOGY" shall mean and include any and all unpatented proprietary ideas, inventions, discoveries, Confidential Information, materials, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, ideas, 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.

1.41 "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 (including Section 7).

1.42 "TERRITORY" shall mean all countries and jurisdictions of the world.

1.43 "THIRD PARTY" shall mean any person or entity other than ABX, IMMUNOGEN and their respective Affiliates.

1.44 "THIRD PARTY PAYMENTS" shall have the meaning set forth in Section 4.3.2.

1.45 "VALID CLAIM" shall mean a claim in an issued, unexpired patent within the Licensed Patent Rights that (i) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, and (ii) 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 (iii) has not been rendered unenforceable through disclaimer or otherwise, and (iv) is not lost through an interference proceeding.

2. GRANT OF RIGHTS

2.1 LICENSE GRANT.

2.1.1 LICENSE TO ABX.

(a) IMMUNOGEN hereby grants to ABX an exclusive (even as to IMMUNOGEN) license within the Territory, including the right to grant sublicenses as described in Section 2.2 below, under the Licensed Patent Rights and IMMUNOGEN

Background Technology to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products, for any and all uses within the Field, subject to the other terms and conditions of this Agreement. Promptly, but not less than quarterly, IMMUNOGEN shall deliver to ABX all IMMUNOGEN Background Technology not previously delivered to ABX.

(b) ABX shall have the right freely to grant sublicenses to all or any portion of its rights under the license granted pursuant to Section 2.1.1 hereof to any Affiliate or Third Party (in any case, a "Sublicensee"); provided, however, that ABX shall remain obligated for payment of royalty and milestone obligations as set forth in Section 4.

(c) [***] or [***] to [***], or otherwise [***] concerning, a [***] to the [***].

2.1.2 LICENSE TO IMMUNOGEN.

(a) To the extent legally possible, [***] hereby [***] a [***], if any, in any [***] to the [***] to or [***] of the [***] that are [***] of this Agreement, [***] to the [***] to [***] and [***] to [***] to [***] and/or [***] and/or [*** (***] to a [***] or a [***], each as defined in the Option and License Agreement).

(b) Such [***] to [***] includes the [***] to [***] from [***] to the [***] they [***] or [***] of the [***] to [***] with the [***] to [***] hereunder, and [***] to [***]. Notwithstanding the foregoing, the [***] pursuant to this Section 2.1.2 [***] of [***] to [***] (as defined in the Option and License Agreement).

2.2 IMMUNOGEN RETAINED RIGHTS; ABX TECHNOLOGY OR PATENT RIGHTS.

2.2.1 RETAINED RIGHTS. Subject to the other terms of this Agreement and the Option and License Agreement, IMMUNOGEN retains the right to use the IMMUNOGEN Background Technology and practice the Licensed Patent Rights (i) to perform its work under Sections 3.3, 3.4, 3.5 and 3.6 hereof relating to the JPDC and to manufacture and supply of Preclinical Materials and Clinical Materials for ABX (and its Sublicensees), and (ii) to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported any product that is not a Licensed Product.

2.2.2 NO RIGHTS TO ABX TECHNOLOGY OR PATENT RIGHTS. Except as otherwise expressly set forth in Section 2.1.2, nothing in this Agreement shall be construed as a grant to IMMUNOGEN of any license or other rights with respect to any Technology (including, without limitation, any Confidential Information) or Patent Rights owned or Controlled (in whole or in part) by ABX.

2.3 IN LICENSES. IMMUNOGEN represents and warrants to ABX that it has provided ABX true and correct copies of all agreements pursuant to which Licensed Patent Rights or IMMUNOGEN Background Technology, existing as of the Effective Date, is licensed to or otherwise acquired by IMMUNOGEN from a Third Party. IMMUNOGEN promptly shall provide ABX with true and correct copies of all agreements pursuant to which Licensed Patent Rights or IMMUNOGEN Background Technology, licensed or acquired after the Effective Date, is licensed to or otherwise acquired by IMMUNOGEN from a Third Party; provided, however, that IMMUNOGEN shall have the right to redact confidential financial information and any provisions that shall not bind ABX. To the extent the Licensed Patent Rights or IMMUNOGEN Background Technology are licensed to or acquired by IMMUNOGEN from a Third Party and are reasonably necessary to permit ABX to exercise its rights granted hereunder, IMMUNOGEN shall use reasonable commercial efforts to maintain in full force and effect such license. In the event of the termination of any such license with a Third Party, IMMUNOGEN shall cause such Third Party to grant a direct license to ABX to the extent necessary to permit ABX to exercise its rights granted hereunder, and all sums owing by ABX to such Third Party shall be fully deducted from any amounts owing to IMMUNOGEN hereunder.

3. DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS.

3.1 DEVELOPMENT AND COMMERCIALIZATION.

3.1.1 RESPONSIBILITY. On and after the Effective Date, ABX shall have full control and authority over all Development and commercialization of Licensed Products in the Field in the Territory, including, without limitation, (i) all pre-clinical Development activities (including any pharmaceutical development work on formulations or process development relating to any Licensed Product), (ii) all activities related to human clinical trials (including any phase I studies, any Phase II Clinical Studies or any Phase III Clinical Trials), (iii) all activities relating to manufacture and supply of all ABX Antibodies, all May Compounds (including ansamitocin P-3 and DM1) and all Licensed Products, solely 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 marketing, promotion, sales, distribution, import and export activities relating to any Licensed Product (including any post-marketing trials or databases and post-marketing safety surveillance), 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, ABX shall own all data, results and all other information 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 information, documentation and materials shall be considered Confidential Information and Technology solely owned by ABX. IMMUNOGEN shall own all data, results and all other information arising from IMMUNOGEN's activities directly regarding the manufacture and supply of May Compounds to ABX (other than activities undertaken at the request of ABX), and all of the foregoing information, documentation and materials shall be considered Confidential Information and Technology solely owned by IMMUNOGEN. All activities relating to Development and commercialization by or on behalf of ABX under this Agreement shall be undertaken at ABX's sole cost and expense, except as otherwise expressly provided in this Agreement.

3.1.2 DILIGENCE. ABX will exercise its commercially reasonable efforts and diligence in Developing and commercializing Licensed Products in accordance with its business, legal, medical and scientific judgment, and in undertaking investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products in the Field in the Territory, such reasonable efforts and diligence to be in accordance with the efforts and resources ABX 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 competitiveness of the marketplace, 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, the profitability of the applicable Licensed Product, and other relevant factors including, without limitation, technical, legal, scientific or medical factors. In the event that [***] its [***] to [***], then on a Licensed Product-by-Licensed Product basis as to the Licensed Product [***] shall be, in its [***], (i) to [***] of this Agreement [***] (including the [***] and [***] therein) or (ii) to [***] of this Agreement from [***], in either case [***] as [***] apply to [***], which [***] or [***], as the case may be, shall [***] provided that [***] remains [***].

3.2 UPDATES AND REPORTS; EXCHANGES OF ADVERSE EVENT INFORMATION.

3.2.1 UPDATES AND REPORTS. ABX (or its Sublicensee) shall provide IMMUNOGEN with brief written reports no less frequently than on [***] of the [***(***] with the [***] of the [***]) summarizing ABX's material efforts to Develop and commercialize all Licensed Products hereunder, identify the Drug Approval Applications with respect to any Licensed Product that ABX and its Sublicensees have filed, sought or obtained in the prior [***] period, and any they reasonably expect to make, seek or attempt to obtain in the following [***] period. In addition, ABX (or its Sublicensee) 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 4.2, and shall provide IMMUNOGEN with prompt written notice of the occurrence of the First Commercial Sale of any particular Licensed Product.

3.2.2 ADVERSE EVENTS. In addition to such reports, ABX agrees to provide IMMUNOGEN with Adverse Event information relating to Licensed Products (but not relating to any other products of ABX) as compiled by ABX in the normal course of business in connection with the Development, commercialization or sale of any Licensed Product, within time frames consistent with IMMUNOGEN's reporting obligations under applicable laws and regulations. IMMUNOGEN agrees to provide ABX with Adverse Event information relating to any product containing any May Compound (but not any other products of IMMUNOGEN or such Third Party) that is compiled by IMMUNOGEN or any Third Party in the normal course of business in connection with the development, commercialization or sale of any such product, within time frames consistent with ABX's reporting obligations under applicable laws and regulations.

3.2.3 CONFIDENTIAL INFORMATION. All reports, updates, Adverse Event and other information provided by one Party to the other Party under this Agreement (including under this Section 3), shall be considered Confidential Information of the disclosing Party, subject to the terms of Section 5.

3.3 TECHNICAL ASSISTANCE BY IMMUNOGEN. In connection with the exclusive grant of rights to ABX under Section 2.1 above, and subject to the other terms of this Agreement, IMMUNOGEN shall provide ABX such information and materials comprising the IMMUNOGEN Background Technology and/or Licensed Patent Rights as ABX may reasonably request. Without limiting the generality of the foregoing, IMMUNOGEN shall provide all of such technical assistance within IMMUNOGEN's area of expertise concerning the Development and commercialization of Licensed Products as may be reasonably requested by ABX from time to time during the Term, provided that such technical assistance and expertise is within the scope of the IMMUNOGEN Background 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 ABX and visits by ABX personnel to IMMUNOGEN, at ABX's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties. Additionally, at the reasonable request of ABX, IMMUNOGEN shall transfer all applicable IMMUNOGEN Background Technology, and provide such technical assistance, to such Third Party collaborator, sublicensee or contract manufacturer as ABX designates.

3.4 JOINT PROCESS DEVELOPMENT COMMITTEE.

3.4.1 MANDATE AND ESTABLISHMENT OF COMMITTEE. The Joint Process Development Committee ("JPDC") formed pursuant to the Option and License Agreement, shall serve as a forum for coordination and communication between the Parties with respect to Development (to the extent ABX requests the assistance or services of IMMUNOGEN) 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), to assist ABX in its exercise of its rights to make or have made Licensed Products under this Agreement. The input of the

IMMUNOGEN representatives on the JPDC shall be reasonably considered by the JPDC; provided, however, that, all decisions of the JPDC shall be subject to the final approval of ABX.

3.4.2 CHAIR OF COMMITTEE; MEETINGS. The chair of the JPDC shall be one of the ABX representatives on the JPDC, as designated by ABX. All decisions of the JPDC shall be subject to the approval of ABX. The JPDC 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 there is a determination by the Chair of the JPDC that no new business or other activity has transpired since the previous meeting, and that there is no need for a meeting. In such instance, the next JPDC meeting shall also be scheduled as agreed upon by the Parties. The location of such meetings shall alternate between IMMUNOGEN's offices in the Cambridge, Massachusetts metropolitan area and ABX's offices in the Fremont, California metropolitan area unless otherwise agreed upon between the Parties. As agreed upon by the Parties, JPDC meetings may be face-to-face meetings or may be conducted through teleconferences and/or videoconferences. In addition to its JPDC representatives, each Party shall be entitled to have such additional number (as the Parties mutually agree) of other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear all costs and expenses, including travel and lodging expense, that may be incurred by its JPDC representatives or other of its attendees at JPDC meetings. Minutes of each JPDC meeting will be transcribed and issued to the members of the JPDC by the Chair within thirty (30) days after each meeting and shall be reviewed and modified as mutually required to obtain approval promptly thereafter.

3.5 SUPPLY OF PRECLINICAL MATERIALS. In the event that, during the Term of this Agreement, ABX desires IMMUNOGEN to supply ABX with quantities of Preclinical Materials in order to conduct all pre-clinical Development activities relating to Licensed Products, ABX shall provide IMMUNOGEN with written notice of same and the Parties shall negotiate in good faith and execute a supply agreement providing for such supply. IMMUNOGEN shall deliver all ordered amounts in accordance with advance ordering timeframes and delivery timeframes to be agreed upon by the Parties through such mutually acceptable written supply agreement for such purpose. In connection with any ordering of Preclinical Materials by ABX, IMMUNOGEN shall provide ABX promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Preclinical Materials. IMMUNOGEN's price to supply Preclinical Materials to ABX shall equal [***] of IMMUNOGEN's Fully Burdened Manufacturing Cost for such Preclinical Materials as approved by ABX. Nothing herein shall preclude ABX from making its own arrangements for manufacture and supply of Preclinical Materials on its own or with Third Parties. ABX hereby agrees that (a) it shall not use the Preclinical Materials in any human subject, and (b) it shall use the Preclinical Materials in compliance with all applicable federal, state and local laws and regulations.

3.6 SUPPLY OF CLINICAL MATERIALS. In the event that, during the Term of this Agreement, IMMUNOGEN desires to supply ABX with quantities of Clinical Materials in order to conduct all human clinical trials of Licensed Products through the conclusion of Phase II Clinical Studies, ABX shall provide IMMUNOGEN with written notice of same and the Parties shall negotiate in good faith and execute a supply agreement providing for such supply. IMMUNOGEN shall deliver all ordered amounts in accordance with forecasting parameters,

advance ordering timeframes and delivery timeframes to be agreed upon by the Parties such mutually acceptable written supply agreement for such purpose. In connection with any ordering of Clinical Materials by ABX, IMMUNOGEN shall provide ABX promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Clinical Materials. IMMUNOGEN's price to supply Clinical Materials to ABX shall equal [***] of IMMUNOGEN's Fully Burdened Manufacturing Cost for such Clinical Materials as approved by ABX. Nothing herein shall preclude ABX from making its own arrangements for manufacture and supply of Clinical Materials on its own or with Third Parties. ABX hereby agrees that it shall use the Clinical Materials in compliance with all applicable federal, state and local laws. IMMUNOGEN shall provide ABX with all information, filings and assistance regarding manufacturing as reasonably requested by ABX in connection with applications for Regulatory Approvals.

4. PAYMENTS AND ROYALTIES

4.1 LICENSE FEE. Within thirty (30) days after the Effective Date, ABX shall pay to IMMUNOGEN the nonrefundable, noncreditable license fee of [***].

4.2 MILESTONE PAYMENTS FOR LICENSED PRODUCTS.

4.2.1 MILESTONES. ABX will make the following nonrefundable, noncreditable payments to IMMUNOGEN within thirty (30) days after the first achievement of each of the milestones set forth below:

MILESTONE	MILESTONE PAYMENT
(a) [***]	[***]
(b) [***]	[***]
(c) [***]	[***]
(d) [***]	[***]
(e) [***]	[***]
(f) [***]	[***]
(g) [***]	[***]

4.2.2 If the milestone described in [***], is [***] of the milestone described in [***], then [***] to IMMUNOGEN hereunder of the milestone payment described in [***], [***] of the milestone payment described in [***].

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

4.2.3 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 for the first Licensed Product, regardless of how many times such milestones are achieved by Licensed Products and regardless of how many times a particular Licensed Product achieves such milestones. ABX shall notify IMMUNOGEN of the achievement of milestones hereunder as provided in Section 3.2.1 above.

4.3 PAYMENT OF ROYALTIES; ROYALTY RATES; ACCOUNTING FOR ROYALTIES AND RECORDS.

4.3.1 ROYALTY PAYMENTS.

(a) In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement (including the remainder of this Section 4), commencing on the first date of First Commercial Sale of each Licensed Product in such country or jurisdiction in the Territory, ABX shall pay to IMMUNOGEN the following royalties based on total Net Sales of each Licensed Product sold by ABX and/or its Affiliates, on an incremental basis in each calendar year during the Term, at the following rates:

For Net Sales of Licensed Product in any Calendar Year During the Term:	**Royalty Rate (% of Net Sales)**
[***]	
[***]	

(b) In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement (including the remainder of this Section 4), commencing on the first date of First Commercial Sale of each Licensed Product in such country or jurisdiction in the Territory, ABX shall pay to IMMUNOGEN the following royalties based on total Net Sales of each Licensed Product sold by each Sublicensee, on an incremental basis in each calendar year during the Term, at a rate equal to [***] in consideration for the grant of the sublicense under the Licensed Patents and IMMUNOGEN Background Technology; provided, however, that the royalty rate under this Section 4.3.1(b) for any royalty period shall not be (i) less than [***] or (ii) more than [***]

4.3.2 [***]. Notwithstanding anything set forth in Section 4.3.1 above, [***] set forth therein shall apply, [***], to [***] of [***] or [***] would, [***] (excluding any [***]). Subject to the other terms of this

Agreement, [***] where and as of when [***] under Section 4.3.1 [***] this Section 4.3.2, [***] a [***] set forth in Section 4.3.1 for [***] of [***].

4.3.3 [***]. In the event that in any royalty period, [***], in order to [***] of this Agreement, [***], is [***] to [*** ("***]") (a) to [***] to [***] in the [***] the [***] of a [***] and/or (b) to [***] to [***] to the [***]to [***] to [***], in the [***] the [***] to [***] to [***] as part of a [***] (as [***], to the [***], by [***]), then [***] the [***] to [***] for [***] by [***] of [***]. Notwithstanding the foregoing, such [***] for [***] in [***] to [***] of [***] in [***].

4.3.4 [***]. In determining [***] of any [***] under this Agreement, [***] shall first [***] in accordance with the definition of "Net Sales" above, then [***] by [***] of the [***] in the [***], [***] of the [***] of the [***]. The [***] of the [***] shall be for a [***] to that [***] and [***.] When [***] is [***] for the [***] shall [***] a [***] for the [***] the [***] as are then [***] to all [***] and having an [***]; provided, however, that if [***], the Parties shall [***] to [***] and a [***].

4.4 ONE ROYALTY. Only one royalty, calculated at the highest applicable royalty rate under this Section 4, shall be payable to IMMUNOGEN hereunder for each sale of a Licensed Product.

4.5 ROYALTY TERM. ABX shall pay royalties with respect to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until [***] (a) the [***] of [***] of [***] that [***]

or (b) [***] of the [***] of [***]. Following such royalty term, ABX shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and IMMUNOGEN Background Technology, to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products for any and all uses within the Field in such country.

4.6 PAYMENT TERMS.

4.6.1 PAYMENT OF MILESTONES; PAYMENT OF ROYALTIES; ROYALTY REPORTS. ABX shall make any milestone payments owed to IMMUNOGEN hereunder in United States Dollars, using the wire transfer provisions of this Section 4.6. ABX shall make any royalty payments owed to IMMUNOGEN in United States Dollars, [***] the [***] for which [***] (as provided in the next sentence), using the wire transfer provisions of this Section 4.6. For purposes of determining when a sale of any Licensed Product occurs under this Agreement, royalties shall accrue on the date of the invoice to the purchaser of the Licensed Product. Each royalty payment [***] in which [***] in the [***], specifying: the [***] (if available) and [***] in [***]; the [***] under this Agreement; the[***], including an [***] in the [***]; the [***] to [***] from [***] to [***] under this Section 4.6; and the [***].

4.6.2 FOREIGN CURRENCY EXCHANGE. All royalties shall be payable in full in the United States in United States Dollars, regardless of the countries in which sales are made. For the purpose of computing Net Sales for Licensed Products sold in any currency other than United States Dollars, the quarterly royalty payment will be calculated as follows:

> (A/B) x C = United States Dollars royalty payment on foreign current sales, where A = foreign "Net Sales" (as defined above) per quarter; B = foreign exchange conversion rate, expressed in local currency per United States Dollar (using as the applicable foreign exchange rate the rate published in the western edition of THE WALL STREET JOURNAL, under the heading "Money Rates," or any other mutually agreed upon source, for the last business day of the calendar quarter); and C = the royalty rate applicable to such Net Sales under this Agreement.
>
> 4.6.3 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). ABX shall make any applicable withholding payments due on behalf of IMMUNOGEN and shall promptly provide IMMUNOGEN with such written documentation of any such payment as available to ABX relating to an application by IMMUNOGEN for a foreign tax credit for such payment with the United States Internal Revenue Service. 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 reasonably designated by IMMUNOGEN by written notice to ABX. 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 as such prohibition is in effect and as soon as such prohibition ceases to be in effect, all royalties that ABX would have been under an obligation to transmit or deposit but for the prohibition shall forthwith be deposited or transmitted, to the extent allowable.

4.6.4 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 ABX from time to time.

4.7 RECORDS RETENTION; REVIEW.

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

4.7.2 FULLY BURDENED MANUFACTURING COSTS. Commencing as of the Effective Date, IMMUNOGEN shall keep for at least [***] following the end of the calendar year to which they pertain complete and accurate records of all of IMMUNOGEN's Fully Burdened Manufacturing Costs for Preclinical Materials and Clinical Materials supplied to ABX (or its Sublicensee) hereunder, in sufficient detail to allow the accuracy of the Fully Burdened Manufacturing Costs to be confirmed.

4.7.3 REVIEW. Subject to the other terms of this Section 4.7.3, at the request of either Party, upon at least thirty (30) days' prior written notice from the requesting Party, and at the expense of the requesting Party (except as otherwise provided herein), the other Party shall permit an independent certified public accountant of nationally recognized standing reasonably selected by the requesting Party and reasonably acceptable to the other Party to inspect (during regular business hours) the relevant records required to be maintained by the other Party under this Section 4.7. At IMMUNOGEN's request (which shall not be made more frequently than once per year during the Term), the accountant shall be entitled to review the then-preceding [***] of ABX's records under this Section 4.7 for purposes of verifying ABX's royalty calculations. At ABX's request (which shall not be made more frequently than once per year during the Term), the accountant shall be entitled to review the then-preceding [***] of IMMUNOGEN's records under this Section 4.7 for purposes of verifying IMMUNOGEN's Fully Burdened Manufacturing Cost calculations. In every case the accountant must have previously entered into a confidentiality agreement with both Parties substantially similar to the provisions of Section 5 and limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 4.7. Such accountant shall report to the Parties only whether or not such calculations are correct and the amount of any discrepancy. No other information shall be shared. Results of any

such review shall be binding on both Parties absent manifest error. Each Party agrees to treat the results of any such accountant's review of the other Party's records under this Section 4.7 as Confidential Information of the other Party subject to the terms of Section 5. If any review reveals a deficiency in the calculation of royalties resulting from any underpayment by ABX, ABX shall promptly pay IMMUNOGEN the amount remaining to be paid, and if such underpayment is by [***] or more, ABX shall pay the reasonable out-of-pocket costs and expenses of the review. If any review reveals a deficiency in the calculation of Fully Burdened Manufacturing Costs resulting from any overpayment by ABX, IMMUNOGEN shall promptly refund ABX the amount of any such overpayment, and if such overpayment is by [***] or more, IMMUNOGEN shall pay the reasonable out-of-pocket costs and expenses of the review.

5. TREATMENT OF CONFIDENTIAL INFORMATION

5.1 CONFIDENTIAL INFORMATION. During the Term of this Agreement, each Party may disclose to the other Party confidential information, including but not limited to IMMUNOGEN Background Technology, Research Inventions, Research Data and Research Materials. Such information of the disclosing Party hereunder, if so identified in writing by the disclosing Party to the receiving Party either pursuant to this Section 5.1 or otherwise upon disclosure to the receiving Party, shall be "Confidential Information" of the disclosing Party. During the Term of this Agreement and during the term of any License Agreement, and for a period of five (5) years thereafter, except as expressly permitted hereunder, the receiving Party shall keep confidential all such Confidential Information of the other Party and will not disclose such Confidential Information of the other Party to Third Parties by publication or otherwise. Each Party further agrees not to use Confidential Information of the other Party for any purpose other than conducting research hereunder or exercising any rights granted to it or reserved by it hereunder. Upon any termination or expiration of this Agreement, upon request, a Party shall return to a requesting Party all copies of any of such requesting Party's Confidential Information which is not the subject of a License Agreement or the grant of a license hereunder, provided that it may retain one copy for its legal files. Notwithstanding the foregoing, it is understood and agreed that the receiving Party's obligations of confidentiality and nonuse herein shall not apply to any information which:

(a) is, at the time of disclosure by the disclosing Party hereunder, or thereafter becomes, a part of the public domain or publicly known or available through no fault or negligence of the receiving Party or any of its Affiliates; or

(b) was otherwise in the receiving Party's lawful possession prior to disclosure by the disclosing Party, other than under an obligation of confidentiality; or

(c) was independently discovered or developed by the receiving Party or any of its Affiliates, without use of the other Party's Confidential Information, as can be demonstrated by competent proof; or

(d) is lawfully disclosed to the receiving Party or any of its Affiliates on a non-confidential basis by a third party who is not in violation of an obligation of confidentiality to the disclosing Party relative to such information.

Each Party may disclose information to the extent such disclosure is reasonably necessary in (i) filing and prosecuting patent applications and maintaining patents, or (ii) filing, prosecuting or defending litigation or (iii) complying with applicable laws, regulations or court orders; provided, however, that if a Party is required to make any such disclosure of the other Party's Confidential Information or the terms of this Agreement, it will give reasonable advance notice to the other Party of such disclosure requirement and will use reasonable efforts to assist such other Party in efforts to secure confidential treatment of such information required to be disclosed.

5.2 PUBLICITY. A Party may not use the name of the other Party in any publicity or advertising and, except as provided in Section 5.1, may not issue a press release or otherwise publicize or disclose any information related to the other Party's activities under this Agreement or the terms or conditions hereof, without the prior written consent of the other Party. Prior to execution of this Agreement, the parties have agreed upon the substance of information that can be used to describe the terms and conditions of this Agreement, and each party may disclose such information, as modified by mutual written agreement the parties, without the consent of the other party. Once any written statement is approved for disclosure by both Parties, either Party may make subsequent public disclosures of the contents of such statement without the further approval of the other Party. Nothing in the foregoing, however, shall prohibit a Party from making such disclosures to the extent deemed necessary under applicable federal or state securities laws or any rule or regulation of any nationally recognized securities exchange; PROVIDED, HOWEVER, that such party shall provide written notice thereof to the other party, consult with the other party with respect to such disclosure and provide the other party sufficient opportunity to comment on or object to any such disclosure or to request confidential treatment thereof.

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

6.1 PATENT FILING, PROSECUTION AND MAINTENANCE. Subject to the other terms of this Section 6.1, IMMUNOGEN shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights. Any such preparation, filing, prosecution and maintenance shall be conducted with commercially reasonable diligence by IMMUNOGEN, using patent counsel selected by IMMUNOGEN and reasonably acceptable to ABX. IMMUNOGEN (i) will provide ABX with a copy of any proposed patent application within Licensed Patent Rights for review and comment reasonably in advance of filing (which shall under no circumstances be in excess of thirty (30) days), and (ii) will keep ABX reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, (A) by providing ABX with copies of all communications received from or filed in patent office(s) with respect to such filing, and (B) by providing ABX, 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) 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 ABX has a reasonable opportunity to review and comment. [***] for [***] of [***] with respect to [***] shall be [***]. If IMMUNOGEN fails to undertake the filing(s) of any patent application or submission with respect to any invention under such Licensed Patent Rights, then not less than ninety (90) days prior to the last date for making the applicable filing or submission to preserve rights under such patent application, ABX may undertake such filing(s) at its own expense, in which case IMMUNOGEN will assign to ABX all of its rights to such patent application and invention and any subsequently issued patent thereon, each of which thereafter will be owned solely by ABX.

6.2 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.

6.3 INFRINGEMENT OF PATENT RIGHTS. IMMUNOGEN shall have the first right (but not the obligation), at its own expense and with legal counsel of its own choice, to bring suit (or take other appropriate legal action) against any actual, alleged or threatened infringement of the Licensed Patent Rights caused by the research, development, manufacture, use, offer for sale, sale or import of Licensed Products. ABX shall have the right, at its own expense, to be represented in any such action by IMMUNOGEN by counsel of ABX's own choice; provided, however, that under no circumstances shall the foregoing affect the right of IMMUNOGEN to control the suit as described in the first sentence of this Section 6.3. If IMMUNOGEN does not file any action or proceeding against such infringement within one hundred twenty (120) days after the later of (i) IMMUNOGEN's notice to ABX under Section 6.2 above, (ii) ABX's notice to IMMUNOGEN under Section 6.2 above, or (iii) a written request from ABX to take action with respect to such infringement, then ABX 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. 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 6.3, shall applied as follows:

6.3.1 First, to reimburse the Parties for their respective costs and expenses (including reasonable attorneys' fees and costs) incurred in prosecuting such enforcement action;

6.3.2 Second, [***] associated with [***] and to [***] based on [***];

6.3.3 Third, any amounts remaining shall be allocated as follows: (a) if IMMUNOGEN is the Party bringing such suit or proceeding or taking such other legal action, [***], (b) if ABX is the Party bringing such suit or proceeding or

taking such other legal action, [***] and (c) if the suit is brought jointly, [***].

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.

6.4 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 a response.

6.5 TRADEMARKS. All Licensed Products shall be sold under one (1) or more trademarks and tradenames selected by ABX (or its Sublicensee) in the Territory. IMMUNOGEN shall notify ABX promptly upon learning of any actual, alleged or threatened infringement of a trademark or tradename 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 trademarks or tradenames owned by ABX (or its Sublicensee) hereunder, and any damages or other recovery, shall be ABX's (or its Sublicensee's) sole responsibility, and taken in its sole discretion.

7. TERM AND TERMINATION

7.1 TERM; EXPIRATION. The term of this Agreement shall expire upon the expiration of the final royalty payment obligation under Section 4.5 above. Upon such expiration of the Term of this Agreement, ABX shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and IMMUNOGEN Background Technology, to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products, for any and all uses within the Field in the Territory.

7.2 TERMINATION. Subject to the other terms of this Agreement:

7.2.1 BREACH. This Agreement and the rights and options granted herein may be terminated by either Party upon any material breach by the other Party of any material obligation or condition, effective [***] after giving written notice to the breaching Party of such termination in the case of a payment breach and [***] after giving written notice to the breaching Party of such termination in the case of any other breach, which notice shall describe such breach in reasonable detail. The foregoing notwithstanding, if such default or breach is cured or shown to be non-existent within the aforesaid [***] or [***] period, the notice shall be automatically withdrawn and of no effect. However, prior to giving any notice for breach, the Parties shall first attempt to resolve any disputes as to the existence of any breach as set forth in Section 8.14.

7.2.2 UNILATERAL TERMINATION BY ABX. ABX, in its sole discretion, at any time may terminate this Agreement, and the rights and obligations hereunder, or may remove any Licensed Product and the licenses related thereto from operation of this Agreement, in any case effective [***] after written notice thereof to IMMUNOGEN. In the event of any termination under this Section 7.2.2 only as to a Licensed Product, the consequences set forth in Section 7.3 below relating to termination of the Agreement under this Section 7.2.2 shall apply only with respect to such terminated Licensed Product, and this Agreement and the rights and obligations hereunder shall continue in full force and effect as to any and all other Licensed Products.

7.3 EFFECTS OF TERMINATION.

7.3.1 Upon any termination of this Agreement by IMMUNOGEN under Section 7.2.1 or by ABX under Section 7.2.2, as of the effective date of such termination, all relevant licenses and sublicenses granted by IMMUNOGEN to ABX 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 in writing to assume all applicable obligations of ABX under this Agreement, and (b) ABX and its Sublicensees shall have the right, [***] 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. Nothing set forth in this Section 7 or any other provision of this Agreement shall entitle IMMUNOGEN to any ownership interest in, or to any license under or other rights with respect to (including any rights to use or request any transfer to IMMUNOGEN or any Third Party), any Confidential Information of ABX or any Technology or Patent Rights owned by ABX under this Agreement.

7.3.2 Upon any termination of this Agreement by ABX under Section 7.2.1, as of the effective date of such termination, ABX thereafter automatically shall have a fully sublicensable, fully paid up (subject to the remainder of this Section 7.3.2), exclusive license in the Territory under the Licensed Patent Rights and IMMUNOGEN Background Technology, to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products, for any and all uses within the Field in the Territory, provided that ABX shall pay, for the remainder of the royalty term under Section 4.5 above, in lieu of any payments including milestones or royalties it would otherwise owe to IMMUNOGEN under this Agreement, a royalty equal to [***] with respect to the Licensed Product under Section 4 of this Agreement.

7.4 REMEDIES. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 7 are in addition to any other relief and remedies available to either Party at law.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

7.5 SURVIVING PROVISIONS. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 4.7, 5, 6, 7.3, 7.4, 8.3, 8.4, 8.7, 8.14, 8.16, 8.17, 8.18 and 8.19 hereof, 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, ABX 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.

8. MISCELLANEOUS

8.1 IMMUNOGEN REPRESENTATIONS. IMMUNOGEN represents and warrants to ABX 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 rights to ABX pursuant to Section 2 above without violating the rights of any Third Party; (d) IMMUNOGEN is the sole owner or exclusive licensee of the IMMUNOGEN Background Technology; (e) IMMUNOGEN is not aware of any Third Party patent, patent application or other intellectual property rights that would be infringed (i) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in, or which constitutes, IMMUNOGEN Background Technology, or (ii) by making, using, offering for sale, selling or importing Licensed Products; and (f) IMMUNOGEN is not aware of any infringement or misappropriation by a Third Party of the IMMUNOGEN Background Technology.

8.2 ABX REPRESENTATIONS. ABX 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 ABX corporate action; (b) this Agreement is a legal and valid obligation binding upon ABX 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 ABX is a party of or by which it is bound; and (c) ABX has the full right and legal capacity to grant the rights to IMMUNOGEN pursuant to Section 2 above without violating the rights of any Third Party.

8.3 NO WARRANTIES.

8.3.1 Nothing in this Agreement is or shall be construed as:

(a) a warranty or representation by either Party as to the validity or scope of any patent application or patent licensed hereunder;

(b) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted pursuant to this Agreement is or will be free from infringement of patents, copyrights, and other rights of third parties.

8.3.2 Except as expressly set forth in this Agreement, NEITHER PARTY

MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OF NON-INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS OF THIRD PARTIES, OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.

8.4 [***] NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, OR OTHERWISE, [***] TO [***] OF THIS AGREEMENT [***] FOR (I) [***] OR (II) [***].

8.5 NOTICES. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to ABX or IMMUNOGEN shall be in writing and shall be effective on receipt when delivered to the applicable address specified below (or to such other 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, MA02111
Attn: Jeffrey M. Wiesen, Esq
Telecopy: 617-542-2241

If to ABX: Abgenix, Inc.
7601 Dumbarton Circle
Fremont, California 94555
Attn: President

With a copy to: Gray Cary Ware & Freidenrich LLP
4365 Executive Drive, Suite 1600
San Diego, California 92121-2189
Attn: Mark R. Wicker

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

8.6 GOVERNING LAW. This Agreement will be construed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts (excluding its body of law controlling conflicts of law).

8.7 LIMITATIONS. Except as set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

8.8 ENTIRE AGREEMENT. This is the entire Agreement between the Parties with respect to the subject matter hereof and supersedes all prior representations, understandings and agreements between the Parties with respect to the subject matter hereof. No modification shall be effective unless in writing with specific reference to this Agreement and signed by the Parties.

8.9 WAIVER. The terms or conditions of this Agreement may be waived only by a written instrument executed by 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.

8.10 HEADINGS. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

8.11 ASSIGNMENT. Neither this Agreement nor any right or obligation hereunder may be assigned, delegated or otherwise transferred , in whole or part, by either party without the prior express written consent of the other; provided, however, that either party may, without the written consent of the other, assign this Agreement and its rights and delegate its obligations hereunder to its Affiliates, or in connection with the transfer or sale of all or substantially all of such party's assets or business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 8.11 shall be void. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties.

8.12 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.

8.13 CONSTRUCTION. The Parties hereto acknowledge and agree that: (i) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (ii) 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 (iii) the terms and provisions of this Agreement shall be construed fairly as to all Parties hereto and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

8.14 DISPUTES.

8.14.1 The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement which relates to either Party's rights and/or obligations hereunder. In the event of the occurrence of such a dispute, either Party may, by written notice to the other Party, have such dispute referred to their respective senior officials designated below or their successors, for attempted resolution by good faith negotiations within thirty (30) days after such notice is received. Said designated senior officials are as follows:

For ABX: Chief Executive Officer

For IMMUNOGEN: Chief Executive Officer

In the event the designated senior officials are not able to resolve such dispute within the thirty (30) day period, either Party may invoke the provisions of Section 8.14.2.

8.14.2 Any dispute, controversy or claim initiated by either Party arising out of, resulting from or relating to this Agreement, or the performance by either Party of its obligations under this Agreement (other than bona fide third party actions or proceedings filed or instituted in an action or proceeding by a Third Party against a Party), whether before or after termination of this Agreement, shall be finally resolved by binding arbitration. Whenever a Party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other Party. Any such arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators appointed in accordance with such rules. Any such arbitration shall be held in Boston, Massachusetts if initiated by ABX, and in San Francisco, California if initiated by IMMUNOGEN. The method and manner of discovery in any such arbitration proceeding shall be governed by California Code of Civil Procedure ss.1282 ET SEQ. (including without limitation California Code of Civil Procedure ss.1283.05). The arbitrators shall have the authority to grant specific performance and to allocate between the parties the costs of arbitration in such equitable manner as they determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either Party shall have the right, without waiving any right or remedy available to such Party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such Party, pending the selection of the arbitrators hereunder or pending the arbitrators' determination of any dispute, controversy or claim hereunder.

8.15 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.

8.16 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.

8.17 INDEMNIFICATION.

8.17.1 ABX INDEMNITY. ABX shall [***] and [***]and [***] and [***](the "Indemnitees") [***] (including [***] and [***]) [***] or [***], or [***], in connection with [***], including, without limitation, [***] (but [***], [***]), to the extent arising out of (i) [***] in the [***] of any [***(***)] under this Agreement, (ii) [***] of this Agreement [***], or (iii) [***] of the [***], in any [***] under this Section 8.17.1 except to [***] therefor under Section 8.17.2 below.

8.17.2 IMMUNOGEN INDEMNITY. Subject to Section 8.17.1 above, IMMUNOGEN shall indemnify, defend and hold harmless ABX, its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (also the "Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such 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 (but excluding any patent, trademark or tradename infringement matters, which are governed by Section 6 above), to the extent arising out of (i) any actions or omissions of IMMUNOGEN or subcontractor of IMMUNOGEN in the development, testing, production, manufacture or supply of any Licensed Product (or any component thereof) manufactured and supplied by IMMUNOGEN or any subcontractor of IMMUNOGEN under this Agreement, (ii) any material breach of this Agreement by IMMUNOGEN, or (iii) gross negligence or willful misconduct on the part of IMMUNOGEN.

8.18 INDEMNIFICATION PROCEDURES. In the event that any Indemnitee is seeking indemnification under Section 8.17 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. The indemnification obligations under Section 8.17 shall not apply to amounts paid in settlement of any claim, demand, action or other proceeding if such settlement is effected without the consent of the Indemnifying Party, which consent shall not be withheld or delayed unreasonably. The Indemnitee, its employees and agents, shall reasonably cooperate with the Indemnifying Party and its legal representatives in the investigation of any claim, demand, action or other proceeding covered by Section 8.17.

8.19 SECTION 365(n). All licenses granted under this Agreement are deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of right to "intellectual property" as defined in Section 101 of such Code. The Parties agree that the licensee may fully exercise all of its rights and elections under the U.S. Bankruptcy Code, regardless of whether either Party files for bankruptcy in the United States or other jurisdiction. The Parties further agree that, in the event a licensee elects to retain its rights as a licensee under such Code, the licensee shall be entitled to complete access to any technology licensed to it hereunder and all embodiments of such technology. Such embodiments of the technology shall be delivered to the licensee not later than:

8.19.1 the commencement of bankruptcy proceedings against the licensor, upon written request, unless the licensor elects to perform its obligations under the Agreement, or

8.19.2 if not delivered under Section 8.19.1 above, upon the rejection of this Agreement by or on behalf of the licensor, upon written request.

8.20 FURTHER ASSURANCES. Each Party agrees to execute, acknowledge and deliver such further instructions, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

8.21 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.

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

ABGENIX, INC.	IMMUNOGEN, INC.
By: _____	By: _____
Title: _____	Title: _____

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

SCHEDULE I

LICENSED PATENT RIGHTS

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]*	[***]	[***]	[***]	[***]	[***]	[***]
	*[***]						
[***]	[***]	[***]	[***]	[***]	[***]		
[***]	[***]	[***]	[***]	[***]	[***]		

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

FORM OF NONEXCLUSIVE LICENSE AGREEMENT

This Nonexclusive License Agreement ("Agreement") is made effective as of as of , 20 (the "Effective Date") by and between IMMUNOGEN, INC., a Massachusetts corporation with a principal place of business at 128 Sidney Street, Cambridge, Massachusetts 02139 ("IMMUNOGEN"), and ABGENIX, INC., a Delaware corporation with a place of business at 7601 Dumbarton Circle, Fremont, California 94555 ("ABX"). IMMUNOGEN and ABX are each hereafter referred to individually as a "Party" and together as the "Parties".

WHEREAS, ABX is the owner of or otherwise controls certain patents and technology relating to antibodies; and

WHEREAS, IMMUNOGEN is the owner of or otherwise controls certain proprietary patents and technology relating to or otherwise useful in the conjugation of certain cytotoxic compounds such as DM1 (as hereinafter defined) to antibodies; and

WHEREAS, ABX desires to obtain certain rights from IMMUNOGEN to develop and commercialize one or more conjugates of certain cytotoxic compounds and antibodies and IMMUNOGEN is willing to grant to ABX such rights on the terms provided herein; and

WHEREAS, the Parties have heretofore executed an Option and License Agreement (as hereinafter defined) pursuant to which IMMUNOGEN has granted ABX certain options related to IMMUNOGEN's proprietary technology and know-how; and

WHEREAS, ABX has exercised an Option (as hereinafter defined) to obtain such rights and, in connection therewith, desires to enter into this Agreement in accordance with the terms of the Option and License Agreement.

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 "ABX ANTIBODY" shall mean any antibody or fragment thereof directed to the Target.

1.2 "ADVERSE EVENT" shall mean any serious adverse event or 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.

1.3 "AFFILIATE" shall mean any corporation, firm, limited liability company, partnership or other entity which directly controls or is controlled by or is under common control with a Party to this Agreement. "Control" for purposes of this Section 1.3 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, status as a general partner in any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body of a corporation or other entity.

1.4 "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.

1.5 "CLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1, and/or any other May Compound as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such May Compound for use in human clinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable GMPs and other legal requirements and all applicable Specifications for such Licensed Product for use in human clinical testing of any Licensed Product

1.6 "COMBINATION PRODUCT" shall mean any Licensed Product that contains, in addition to any conjugate of any ABX Antibody with any May Compound, one or more other ingredients that has biologic activity.

1.7 "CONTROL" OR "CONTROLLED" shall mean (a) with respect to patents, know-how or other intangible rights, the possession by Party of the ability to grant a license or sublicense of such patent rights, know-how or other intangible rights as provided for herein without violating the terms of any arrangement or agreements between such Party and any Third Party and (b) with respect to any material, the possession by a Party of the ability to use such material as provided herein without violating the terms of any agreement between such Party and any Third Party.

1.8 "DEVELOPMENT" AND "DEVELOP" shall mean, with respect to any Licensed Product, all activities with respect to such Licensed Product relating to research, development and 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, all human clinical studies, 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.

1.9 "DM1" shall mean that certain maytansine derivative having the specific chemical name N2'-deacetyl-N2'-(3-mercapto-1-oxopropyl)-maytansine.

1.10 "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 required prior to any commercial sale or use of a Licensed Product in the United States, and (b) any equivalent application (including an MAA) 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 country or jurisdiction in the Territory.

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

1.12 "FIELD" shall mean any human medical use.

1.13 "FIRST COMMERCIAL SALE" shall mean the date of the first commercial sale (other than for purposes of obtaining Regulatory Approval) of a Licensed Product by or on behalf of ABX or an Affiliate or Sublicensee of ABX.

1.14 "FOREIGN REGULATORY AUTHORITIES" 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), 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.

1.15 "FULLY BURDENED MANUFACTURING COST" shall mean, with respect to any Preclinical Materials or Clinical Materials produced by IMMUNOGEN for ABX under this Agreement, the sum of the following components as determined by IMMUNOGEN in accordance with generally accepted accounting principles in the United States, consistently applied, and consistent with the application given to other goods produced by IMMUNOGEN: (a) the costs of goods produced, including, without limitation, direct labor, material and product testing costs of such Preclinical Materials or Clinical Materials; (b) any Third Party royalty costs that are actually paid by IMMUNOGEN and are based solely and directly on the manufacture and sale to ABX of such Preclinical Materials or Clinical Materials; (c) all overhead costs incurred by IMMUNOGEN directly and solely attributable to the cost of goods under clause (a) above, including, without limitation, supervisory services, occupancy costs, payroll, information systems, human relations, purchasing, accounts receivable or accounts payable functions, and other general and administrative functions; and (d) any other costs borne by IMMUNOGEN

directly and solely for the transport, customs clearance, duty and/or insurance for such Preclinical Materials or Clinical Materials to ABX hereunder.

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

1.17 "IMMUNOGEN BACKGROUND TECHNOLOGY" shall mean all inventions, discoveries, patent rights, trade secrets and know-how, including without limitation, laboratory scientific information and procedural techniques, Controlled by IMMUNOGEN during the term of the Option and License Agreement or the Term of this Agreement that are necessary or useful for ABX to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import or have imported Licensed Products (or any component thereof, including any linker) for use in the Field; provided, however, that IMMUNOGEN Background Technology shall expressly exclude any Target Specific Rights.

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

1.19 "IND ACCEPTANCE" shall mean the expiration of thirty (30) days following receipt by ABX of a notice from the FDA to ABX that the FDA has received an IND for a Licensed Product filed by ABX for the purpose of obtaining approval or authority to commence human clinical trials in the United States with such Licensed Product; provided, however, that if the FDA puts a clinical hold on the IND during such thirty (30) day period, the term "IND Acceptance" shall mean that date during the term of this Agreement when ABX receives written confirmation from the FDA that the clinical hold has been removed and that ABX has the approval or authority to commence human clinical trials of such Licensed Product under such IND in the United States. Notwithstanding anything set forth herein, "IND Acceptance" shall not have occurred in any circumstances where ABX withdraws any IND filed with the FDA for a Licensed Product at any time prior to the commencement of human clinical trials with such Licensed Product in the United States.

1.20 "INDEMNITEES" AND "INDEMNIFYING PARTY" shall have the meanings set forth in Section 9.

1.21 "JPDC" shall have the meaning set forth in Section 3.4.1.

1.22 "LICENSED PATENT RIGHTS" shall mean all Patent Rights covering IMMUNOGEN Background Technology. All Licensed Patent Rights as of the Effective Date are listed on Schedule I attached hereto.

1.23 "LICENSED PRODUCT" shall mean any product containing any conjugate of any ABX Antibody with any May Compound, and shall include, without limitation, any formulation thereof (including, without limitation, any lyophilized, liquid, sustained release or

aerosolized formulation). "Licensed Product" shall also include any and all Combination Products (if any).

1.24 "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.

1.25 "MAY COMPOUND" shall mean any and all maytansinoid compounds (including, without limitation, maytansine, ansamitocin P-3 and DM1), whether produced by a botanical source, natural fermentation or chemical synthesis, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case owned or otherwise Controlled by IMMUNOGEN. May Compounds shall include, without limitation, DM1. 1.26 "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.

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

1.27.1 trade, cash and quantity discounts or rebates actually allowed or taken, including discounts or rebates to governmental or managed care organizations;

1.27.2 credits or allowances actually given or made for rejection of or return of, and for uncollectible amounts on, previously sold Licensed Products or for retroactive price reductions (including Medicare and similar types of rebates);

1.27.3 any charges for insurance, freight, and other transportation costs directly related to the delivery of Licensed Product to the extent included in the gross invoiced sales price;

1.27.4 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

1.27.5 any import or export duties or their equivalent borne by the seller. "Net Sales" shall not include sales or transfers between ABX and its Affiliates or Sublicensees, unless the Licensed Product is consumed by the Affiliate or Sublicensee.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

1.28 "OPTION" shall have the meaning set forth in the Option and License Agreement.

1.29 "OPTION AND LICENSE AGREEMENT" shall mean that certain Option and License Agreement dated as of September 5, 2000, by and between IMMUNOGEN and ABX.

1.30 "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, 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.

1.31 "PHASE II CLINICAL STUDY" 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 Phase III Clinical Trial of such Licensed Product for such indication.

1.32 "PHASE III 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 a BLA or NDA to obtain Regulatory Approval to market and sell that Licensed Product in the United States for the indication under investigation in such study.

1.33 "PRECLINICAL MATERIALS" shall mean (a) supplies of ansamitocin P-3, DM1 and/or any other May Compound as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such May Compound for use in preclinical testing, and (b) supplies of any Licensed Product as manufactured in accordance with all applicable legal requirements and all applicable Specifications for such Licensed Product for use in preclinical testing of any Licensed Product.

1.34 "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 its foreign equivalent 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.

1.35 "SPECIFICATIONS" shall mean any specifications specified by ABX and reasonably acceptable to IMMUNOGEN relating to the manufacturing and supply of any May Compound and/or Licensed Product hereunder.

1.36 "SUBLICENSEE" shall have the meaning set forth in Section 2.1.1(b).

1.37 "TARGET" shall mean .

1.38 "TARGET SPECIFIC RIGHTS" shall mean all inventions, discoveries, patent rights, trade secrets and know-how, including without limitation, laboratory scientific information and procedural techniques, Controlled by IMMUNOGEN during the term of the Option and License Agreement or the Term of this Agreement constituting (a) the composition of matter or use of the Target, (b) the composition of matter or use of an antibody binding to the Target, or (c) the composition of matter or use of a conjugate of an antibody binding to the Target with a May Compound.

1.39 "TECHNOLOGY" shall mean and include any and all unpatented proprietary ideas, inventions, discoveries, Confidential Information, materials, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, ideas, 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.

1.40 "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 (including Section 7).

1.41 "TERRITORY" shall mean all countries and jurisdictions of the world.

1.42 "THIRD PARTY" shall mean any person or entity other than ABX, IMMUNOGEN and their respective Affiliates.

1.43 "THIRD PARTY PAYMENTS" shall have the meaning set forth in Section 4.3.2.

1.44 "VALID CLAIM" shall mean a claim in an issued, unexpired patent within the Licensed Patent Rights that (i) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, and (ii) 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 (iii) has not been rendered unenforceable through disclaimer or otherwise, and (iv) is not lost through an interference proceeding.

2. GRANT OF RIGHTS

2.1 LICENSE GRANT.

2.1.1 LICENSE TO ABX.

(a) IMMUNOGEN hereby grants to ABX a nonexclusive license within the Territory, including the right to grant sublicenses as described in Section 2.2 below, under the Licensed Patent Rights and IMMUNOGEN Background Technology to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products, for any and all uses within the Field, subject to the other terms and conditions of this Agreement. Promptly, but not less than quarterly, IMMUNOGEN shall deliver to ABX all IMMUNOGEN Background Technology not previously delivered to ABX.

(b) ABX shall have the right freely to grant sublicenses to all or any portion of its rights under the license granted pursuant to Section 2.1.1 hereof to any Affiliate or Third Party (in any case, a "Sublicensee"); provided, however, that ABX shall remain obligated for payment of royalty and milestone obligations as set forth in Section 4.

2.1.2 License to IMMUNOGEN.

(a) To the extent legally possible, [***] hereby [***] a [***], if any, in any [***] to the [***] to or [***] of the [***] that are [***] of this Agreement, [***] to the [***] to [***] and [***] to [***] to [***] and/or [***] and/or [***(***] to a [***] or a [***], each as defined in the Option and License Agreement). [***] of the [***] of [***] of which it [***].

(b) Such [***] to [***] includes the [***] to [***] from [***] to the [***] they [***] or [***] of the [***] with the [***], and [***] to [***]. Notwithstanding the foregoing, the [***] pursuant to this Section 2.1.2 [***] the [***] (as defined in the Option and License Agreement).

2.2 IMMUNOGEN RETAINED RIGHTS; ABX TECHNOLOGY OR PATENT RIGHTS. Except as otherwise expressly set forth in Section 2.1.2, nothing in this Agreement shall be construed as a grant to IMMUNOGEN of any license or other rights with respect to any Technology (including, without limitation, any Confidential Information) or Patent Rights owned or Controlled (in whole or in part) by ABX.

2.3 In Licenses. IMMUNOGEN represents and warrants to ABX that it has provided ABX true and correct copies of all agreements pursuant to which Licensed Patent Rights or IMMUNOGEN Background Technology existing as of the Effective Date, is licensed to or otherwise acquired by IMMUNOGEN from a Third Party. IMMUNOGEN promptly shall provide ABX with true and correct copies of all agreements pursuant to which Licensed Patent

Rights or IMMUNOGEN Background Technology licensed or acquired after the Effective Date, is licensed to or otherwise acquired by IMMUNOGEN from a Third Party; provided, however, that IMMUNOGEN shall have the right to redact confidential financial information and any provisions that shall not bind ABX. To the extent the Licensed Patent Rights or IMMUNOGEN Background Technology are licensed to or acquired by IMMUNOGEN from a Third Party and are reasonably necessary to permit ABX to exercise its rights granted hereunder, IMMUNOGEN shall use reasonable commercial efforts to maintain in full force and effect such license. In the event of the termination of any such license with a Third Party, IMMUNOGEN shall cause such Third Party to grant a direct license to ABX to the extent necessary to permit ABX to exercise its rights granted hereunder, and all sums owing by ABX to such Third Party shall be fully deducted from any amounts owing to IMMUNOGEN hereunder.

3. DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS.

3.1 DEVELOPMENT AND COMMERCIALIZATION.

3.1.1 RESPONSIBILITY. On and after the Effective Date, ABX shall have full control and authority over all Development and commercialization of Licensed Products in the Field in the Territory, including, without limitation, (i) all pre-clinical Development activities (including any pharmaceutical development work on formulations or process development relating to any Licensed Product), (ii) all activities related to human clinical trials (including any phase I studies, any Phase II Clinical Studies or any Phase III Clinical Trials), (iii) all activities relating to manufacture and supply of all ABX Antibodies, all May Compounds (including ansamitocin P-3 and DM1) and all Licensed Products, solely 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 marketing, promotion, sales, distribution, import and export activities relating to any Licensed Product (including any post-marketing trials or databases and post-marketing safety surveillance), 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, ABX shall own all data, results and all other information 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 information, documentation and materials shall be considered Confidential Information and Technology solely owned by ABX. IMMUNOGEN shall own all data, results and all other information arising from IMMUNOGEN's activities directly regarding the manufacture and supply of May Compounds to ABX (other than activities undertaken at the request of ABX), and all of the foregoing information, documentation and materials shall be considered Confidential Information and Technology solely owned by IMMUNOGEN. All activities relating to Development and commercialization by or on behalf of ABX under this Agreement shall be undertaken at ABX's sole cost and expense, except as otherwise expressly provided in this Agreement.

3.1.2 DILIGENCE. ABX will exercise its good faith efforts in Developing and commercializing Licensed Products in accordance with its business, legal, medical and scientific judgment, and in undertaking investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products in the Field in the Territory. In the event that ABX materially breaches its obligation to use good faith efforts as required hereunder, then on a Licensed Product-by-Licensed Product basis as to the Licensed Product for which ABX has materially breached its obligation to use good faith efforts as required hereunder, IMMUNOGEN's exclusive remedy shall be, in its sole discretion, to terminate the licenses granted under Section 2.1 of this Agreement for breach under Section 7.2.1 below (including the notice and cure provisions therein), only as such licenses apply to such Licensed Product, which termination shall be effective upon expiration of the cure period specified in Section 7.2.1 below provided that such failure remains uncured upon such expiration.

3.2 UPDATES AND REPORTS; EXCHANGES OF ADVERSE EVENT INFORMATION.

3.2.1 UPDATES AND REPORTS. ABX (or its Sublicensee) shall provide IMMUNOGEN with brief written reports no less frequently than on the anniversary of the Effective Date during the Term (commencing with the first anniversary of the Effective Date) summarizing ABX's material efforts to Develop and commercialize all Licensed Products hereunder, identify the Drug Approval Applications with respect to any Licensed Product that ABX 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. In addition, ABX (or its Sublicensee) 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 4.2, and shall provide IMMUNOGEN with prompt written notice of the occurrence of the First Commercial Sale of any particular Licensed Product.

3.2.2 ADVERSE EVENTS. In addition to such reports, ABX agrees to provide IMMUNOGEN with Adverse Event information relating to Licensed Products (but not relating to any other products of ABX) as compiled by ABX in the normal course of business in connection with the Development, commercialization or sale of any Licensed Product, within time frames consistent with IMMUNOGEN's reporting obligations under applicable laws and regulations. IMMUNOGEN agrees to provide ABX with Adverse Event information relating to any product containing any May Compound (but not any other products of IMMUNOGEN or such Third Party) that is compiled by IMMUNOGEN or any Third Party in the normal course of business in connection with the development, commercialization or sale of any such product, within time frames consistent with ABX's reporting obligations under applicable laws and regulations.

3.2.3 CONFIDENTIAL INFORMATION. All reports, updates, Adverse Event and other information provided by one Party to the other Party under this Agreement (including under this Section 3), shall be considered Confidential Information of the disclosing Party, subject to the terms of Section 5.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

3.3 TECHNICAL ASSISTANCE BY IMMUNOGEN. In connection with the nonexclusive grant of rights to ABX under Section 2.1 above, and subject to the other terms of this Agreement, IMMUNOGEN shall provide ABX such information and materials comprising the IMMUNOGEN Background Technology and/or Licensed Patent Rights as ABX may reasonably request. Without limiting the generality of the foregoing, IMMUNOGEN shall provide all of such technical assistance within IMMUNOGEN's area of expertise concerning the Development and commercialization of Licensed Products as may be reasonably requested by ABX from time to time during the Term, provided that such technical assistance and expertise is within the scope of the IMMUNOGEN Background 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 ABX and visits by ABX personnel to IMMUNOGEN, at ABX's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties. Additionally, at the reasonable request of ABX, IMMUNOGEN shall transfer all applicable IMMUNOGEN Background Technology, and provide such technical assistance, to such Third Party collaborator, sublicensee or contract manufacturer as ABX designates.

3.4 JOINT PROCESS DEVELOPMENT COMMITTEE.

3.4.1 MANDATE AND ESTABLISHMENT OF COMMITTEE. The Joint Process Development Committee ("JPDC") formed pursuant to the Option and License Agreement, shall serve as a forum for coordination and communication between the Parties with respect to Development (to the extent ABX requests the assistance or services of IMMUNOGEN) 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), to assist ABX in its exercise of its rights to make or have made Licensed Products under this Agreement. The input of the IMMUNOGEN representatives on the JPDC shall be reasonably considered by the JPDC; provided, however, that, all decisions of the JPDC shall be subject to the final approval of ABX.

3.4.2 CHAIR OF COMMITTEE; MEETINGS. The chair of the JPDC shall be one of the ABX representatives on the JPDC, as designated by ABX. All decisions of the JPDC shall be subject to the approval of ABX. The JPDC 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 there is a determination by the Chair of the JPDC that no new business or other activity has transpired since the previous meeting, and that there is no need for a meeting. In such instance, the next JPDC meeting shall also be scheduled as agreed upon by the Parties. The location of such meetings shall alternate between IMMUNOGEN's offices in the Cambridge, Massachusetts metropolitan area and ABX's offices in the Fremont, California metropolitan area unless otherwise agreed upon between the Parties. As agreed upon by the Parties, JPDC meetings may be face-to-face meetings or may be conducted through teleconferences and/or videoconferences. In addition to its JPDC representatives, each Party shall be entitled to have such additional number (as the Parties mutually agree) of other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear all costs and expenses, including travel and lodging expense, that may be incurred by its JPDC representatives

or other of its attendees at JPDC meetings. Minutes of each JPDC meeting will be transcribed and issued to the members of the JPDC by the Chair within thirty (30) days after each meeting and shall be reviewed and modified as mutually required to obtain approval promptly thereafter.

3.5 SUPPLY OF PRECLINICAL MATERIALS. In the event that, during the Term of this Agreement, ABX desires IMMUNOGEN to supply ABX with quantities of Preclinical Materials in order to conduct all pre-clinical Development activities relating to Licensed Products, ABX shall provide IMMUNOGEN with written notice of same and the Parties shall negotiate in good faith and execute a supply agreement providing for such supply. IMMUNOGEN shall deliver all ordered amounts in accordance with advance ordering timeframes and delivery timeframes to be agreed upon by the Parties through such mutually acceptable written supply agreement for such purpose. In connection with any ordering of Preclinical Materials by ABX, IMMUNOGEN shall provide ABX promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Preclinical Materials. IMMUNOGEN's price to supply Preclinical Materials to ABX shall equal [***] of IMMUNOGEN's Fully Burdened Manufacturing Cost for such Preclinical Materials as approved by ABX. Nothing herein shall preclude ABX from making its own arrangements for manufacture and supply of Preclinical Materials on its own or with Third Parties. ABX hereby agrees that (a) it shall not use the Preclinical Materials in any human subject, and (b) it shall use the Preclinical Materials in compliance with all applicable federal, state and local laws and regulations.

3.6 SUPPLY OF CLINICAL MATERIALS. In the event that, during the Term of this Agreement, IMMUNOGEN desires to supply ABX with quantities of Clinical Materials in order to conduct all human clinical trials of Licensed Products through the conclusion of Phase II Clinical Studies, ABX shall provide IMMUNOGEN with written notice of same and the Parties shall negotiate in good faith and execute a supply agreement providing for such supply. IMMUNOGEN shall deliver all ordered amounts in accordance with forecasting parameters, advance ordering timeframes and delivery timeframes to be agreed upon by the Parties such mutually acceptable written supply agreement for such purpose. In connection with any ordering of Clinical Materials by ABX, IMMUNOGEN shall provide ABX promptly with IMMUNOGEN's good faith estimate of the Fully Burdened Manufacturing Cost for manufacture and supply of such Clinical Materials. IMMUNOGEN's price to supply Clinical Materials to ABX shall equal [***] of IMMUNOGEN's Fully Burdened Manufacturing Cost for such Clinical Materials as approved by ABX. Nothing herein shall preclude ABX from making its own arrangements for manufacture and supply of Clinical Materials on its own or with Third Parties. ABX hereby agrees that it shall use the Clinical Materials in compliance with all applicable federal, state and local laws. IMMUNOGEN shall provide ABX with all information, filings and assistance regarding manufacturing as reasonably requested by ABX in connection with applications for Regulatory Approvals.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

4. PAYMENTS AND ROYALTIES

4.1 LICENSE FEE. Within thirty (30) days after the Effective Date, ABX shall pay to IMMUNOGEN the nonrefundable, noncreditable license fee of [***].

4.2 MILESTONE PAYMENTS FOR LICENSED PRODUCTS.

4.2.1 MILESTONES. ABX will make the following nonrefundable, noncreditable payments to IMMUNOGEN within thirty (30) days after the first achievement of each of the milestones set forth below:

Milestone	Milestone Payment
(a) [***]	[***]
(b) [***]	[***]
(c) [***]	[***]
(d) [***]	[***]
(e) [***]	[***]
(f) [***]	[***]
(g) [***]	[***]

4.2.2 If the milestone described in [***] is [***] of the milestone described [***], then [***] to IMMUNOGEN hereunder of the milestone payment described [***], [***] of the milestone payment described in [***].

4.2.3 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 for the first Licensed Product, regardless of how many times such milestones are achieved by Licensed Products and regardless of how many times a particular Licensed Product achieves such milestones. ABX shall notify IMMUNOGEN of the achievement of milestones hereunder as provided in Section 3.2.1 above.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

4.3 PAYMENT OF ROYALTIES; ROYALTY RATES; ACCOUNTING FOR ROYALTIES AND RECORDS.

4.3.1 ROYALTY PAYMENTS.

(a) In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement (including the remainder of this Section 4), commencing on the first date of First Commercial Sale of each Licensed Product in such country or jurisdiction in the Territory, ABX shall pay to IMMUNOGEN the following royalties based on total Net Sales of each Licensed Product sold by ABX and/or its Affiliates, on an incremental basis in each calendar year during the Term, at the following rates:

For Net Sales of Licensed Product in any Calendar Year During the Term:	Royalty Rate (% of Net Sales)
[***]	[***]
[***]	[***]

(b) In consideration of the grant of the license by IMMUNOGEN hereunder, and subject to the other terms of this Agreement (including the remainder of this Section 4), commencing on the first date of First Commercial Sale of each Licensed Product in such country or jurisdiction in the Territory, ABX shall pay to IMMUNOGEN the following royalties based on total Net Sales of each Licensed Product sold by each Sublicensee, on an incremental basis in each calendar year during the Term, at a rate equal to [***] in consideration for the grant of the sublicense under the Licensed Patents and IMMUNOGEN Background Technology; provided, however, that the royalty rate under this Section 4.3.1(b) for any royalty period shall not be (i) less than [***], or (ii) more than [***].

4.3.2 [***]. Notwithstanding anything set forth in Section 4.3.1 above, [***] set forth therein shall apply, [***], to [***] of [***] or [***] would, [***] (excluding any [***]). Subject to the other terms of this Agreement, [***] where and as of when [***] under Section 4.3.1 [***] this Section 4.3.2, [***] a [***] set forth in Section 4.3.1 for [***] of [***].

4.3.3 [***]. In the event that in any royalty period, [***], in order to [***] of this Agreement [***] , is [***] to [*** ("***] ") (a) to [***] in the [***] the [***] of a [***] and/or (b) to [***] to the [***] to [***], in the [***] the [***] to [***] to an [***] as part of a [***](as evidenced, to the [***], by [***]), then [***] the [***] to [***] for [***] by [***] of [***]. Notwithstanding the foregoing, such [***] for [***] in [***] to [***] of [***] in [***].

4.3.4 [***]. In determining [***]of any [***] under this Agreement, [***]shall first [***] in accordance with the definition of "Net Sales" above, then [***] by [***] of the [***] in the [***], [***] of the [***]. The [***] of the [***] shall be for a [***] to that [***] and of the [***]. When [***] is [***] for the [***] a [***] for the [***] of [***] as are then [***] to all [***] and having an [***]; provided, however, that if [***], the Parties shall [***] and [***].

4.3.5 [***]. If IMMUNOGEN

[***] or [***] a [***] to a [***] for a [***], then the [***] set forth in this Section 4.3 that are [***] as a [***].

4.4 ONE ROYALTY. Only one royalty, calculated at the highest applicable royalty rate under this Section 4, shall be payable to IMMUNOGEN hereunder for each sale of a Licensed Product.

4.5 ROYALTY TERM. ABX shall pay royalties with respect to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until [***] (a) the [***] of [***] of [***], or (b) [***] of the [***]

of [***] in [***]. Following such royalty term, ABX shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and IMMUNOGEN Background Technology, to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products for any and all uses within the Field in such country.

4.6 PAYMENT TERMS.

4.6.1 PAYMENT OF MILESTONES; PAYMENT OF ROYALTIES; ROYALTY REPORTS. ABX shall make any milestone payments owed to IMMUNOGEN hereunder in United States Dollars, using the wire transfer provisions of this Section 4.6. ABX shall make any royalty payments owed to IMMUNOGEN in United States Dollars, [***] for which such royalties accrue (as provided in the next sentence), using the wire transfer provisions of this Section 4.6. For purposes of determining when a sale of any Licensed Product occurs under this Agreement, royalties shall accrue on 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 4.6; and the royalties payable in United States Dollars.

4.6.2 FOREIGN CURRENCY EXCHANGE. All royalties shall be payable in full in the United States in United States Dollars, regardless of the countries in which sales are made. For the purpose of computing Net Sales for Licensed Products sold in any currency other than United States Dollars, the quarterly royalty payment will be calculated as follows:

> (A/B) x C = United States Dollars royalty payment on foreign current sales, where A = foreign "Net Sales" (as defined above) per quarter; B = foreign exchange conversion rate, expressed in local currency per United States Dollar (using as the applicable foreign exchange rate the rate published in the western edition of The Wall Street Journal, under the heading "Money Rates," or any other mutually agreed upon source, for the last business day of the calendar quarter); and C = the royalty rate applicable to such Net Sales under this Agreement.
>
> 4.6.3 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). ABX shall make any applicable withholding payments due on behalf of IMMUNOGEN and shall promptly provide IMMUNOGEN with such written documentation of any such payment as available to ABX relating to an application by IMMUNOGEN for a foreign tax credit for such payment with the United States Internal Revenue Service. 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 reasonably designated by IMMUNOGEN by written notice to ABX. 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 as such prohibition is in effect and as soon as such prohibition ceases to be in effect, all royalties that ABX would have been under an obligation to transmit or deposit but for the prohibition shall forthwith be deposited or transmitted, to the extent allowable.

4.6.4 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 ABX from time to time.

4.7 RECORDS RETENTION; REVIEW.

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

4.7.2 FULLY BURDENED MANUFACTURING COSTS. Commencing as of the Effective Date, IMMUNOGEN shall keep for at least [***] following the end of the calendar year to which they pertain complete and accurate records of all of IMMUNOGEN's Fully Burdened Manufacturing Costs for Preclinical Materials and Clinical Materials supplied to ABX (or its Sublicensee) hereunder, in sufficient detail to allow the accuracy of the Fully Burdened Manufacturing Costs to be confirmed.

4.7.3 REVIEW. Subject to the other terms of this Section 4.7.3, at the request of either Party, upon at least thirty (30) days' prior written notice from the requesting Party, and at the expense of the requesting Party (except as otherwise provided herein), the other Party shall permit an independent certified public accountant of nationally recognized standing reasonably selected by the requesting Party and reasonably acceptable to the other Party to inspect (during regular business hours) the relevant records required to be maintained by the other Party under this Section 4.7. At IMMUNOGEN's request (which shall not be made more frequently than once per year during the Term), the accountant shall be entitled to review the then-preceding [***] of ABX's records under this Section 4.7 for purposes of verifying ABX's royalty calculations. At ABX's request (which shall not be made more frequently than once per year during the Term), the accountant shall be entitled to review the then-preceding [***] of IMMUNOGEN's records under this Section 4.7 for purposes of verifying IMMUNOGEN's Fully Burdened Manufacturing Cost calculations. In every case the accountant must have previously entered into a confidentiality agreement with both Parties substantially similar to the provisions of Section 5 and limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 4.7. Such accountant shall report to the Parties only whether or not such calculations are

correct and the amount of any discrepancy. No other information shall be shared. Results of any such review shall be binding on both Parties absent manifest error. Each Party agrees to treat the results of any such accountant's review of the other Party's records under this Section 4.7 as Confidential Information of the other Party subject to the terms of Section 5. If any review reveals a deficiency in the calculation of royalties resulting from any underpayment by ABX, ABX shall promptly pay IMMUNOGEN the amount remaining to be paid, and if such underpayment is by [***] or more, ABX shall pay the reasonable out-of-pocket costs and expenses of the review. If any review reveals a deficiency in the calculation of Fully Burdened Manufacturing Costs resulting from any overpayment by ABX, IMMUNOGEN shall promptly refund ABX the amount of any such overpayment, and if such overpayment is by [***] or more, IMMUNOGEN shall pay the reasonable out-of-pocket costs and expenses of the review.

5. TREATMENT OF CONFIDENTIAL INFORMATION

5.1 CONFIDENTIAL INFORMATION. During the Term of this Agreement, each Party may disclose to the other Party confidential information, including but not limited to IMMUNOGEN Background Technology, Research Inventions, Research Data and Research Materials. Such information of the disclosing Party hereunder, if so identified in writing by the disclosing Party to the receiving Party either pursuant to this Section 5.1 or otherwise upon disclosure to the receiving Party, shall be "Confidential Information" of the disclosing Party. During the Term of this Agreement and during the term of any License Agreement, and for a period of five (5) years thereafter, except as expressly permitted hereunder, the receiving Party shall keep confidential all such Confidential Information of the other Party and will not disclose such Confidential Information of the other Party to Third Parties by publication or otherwise. Each Party further agrees not to use Confidential Information of the other Party for any purpose other than conducting research hereunder or exercising any rights granted to it or reserved by it hereunder. Upon any termination or expiration of this Agreement, upon request, a Party shall return to a requesting Party all copies of any of such requesting Party's Confidential Information which is not the subject of a License Agreement or the grant of a license hereunder, provided that it may retain one copy for its legal files. Notwithstanding the foregoing, it is understood and agreed that the receiving Party's obligations of confidentiality and nonuse herein shall not apply to any information which:

(a) is, at the time of disclosure by the disclosing Party hereunder, or thereafter becomes, a part of the public domain or publicly known or available through no fault or negligence of the receiving Party or any of its Affiliates; or

(b) was otherwise in the receiving Party's lawful possession prior to disclosure by the disclosing Party, other than under an obligation of confidentiality; or

(c) was independently discovered or developed by the receiving Party or any of its Affiliates, without use of the other Party's Confidential Information, as can be demonstrated by competent proof; or

(d) is lawfully disclosed to the receiving Party or any of its Affiliates on a non-confidential basis by a third party who is not in violation of an obligation of confidentiality to the disclosing Party relative to such information.

Each Party may disclose information to the extent such disclosure is reasonably necessary in (i) filing and prosecuting patent applications and maintaining patents, or (ii) filing, prosecuting or defending litigation or (iii) complying with applicable laws, regulations or court orders; provided, however, that if a Party is required to make any such disclosure of the other Party's Confidential Information or the terms of this Agreement, it will give reasonable advance notice to the other Party of such disclosure requirement and will use reasonable efforts to assist such other Party in efforts to secure confidential treatment of such information required to be disclosed.

5.2 PUBLICITY. A Party may not use the name of the other Party in any publicity or advertising and, except as provided in Section 5.1, may not issue a press release or otherwise publicize or disclose any information related to the other Party's activities under this Agreement or the terms or conditions hereof, without the prior written consent of the other Party. Prior to execution of this Agreement, the parties have agreed upon the substance of information that can be used to describe the terms and conditions of this Agreement, and each party may disclose such information, as modified by mutual written agreement the parties, without the consent of the other party. Once any written statement is approved for disclosure by both Parties, either Party may make subsequent public disclosures of the contents of such statement without the further approval of the other Party. Nothing in the foregoing, however, shall prohibit a Party from making such disclosures to the extent deemed necessary under applicable federal or state securities laws or any rule or regulation of any nationally recognized securities exchange; provided, however, that such party shall provide written notice thereof to the other party, consult with the other party with respect to such disclosure and provide the other party sufficient opportunity to comment on or object to any such disclosure or to request confidential treatment thereof.

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

6.1 PATENT FILING, PROSECUTION AND MAINTENANCE. Subject to the other terms of this Section 6.1, IMMUNOGEN shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights. Any such preparation, filing, prosecution and maintenance shall be conducted with commercially reasonable diligence by IMMUNOGEN, using patent counsel selected by IMMUNOGEN and reasonably acceptable to ABX. IMMUNOGEN (i) will provide ABX with a copy of any proposed patent application within Licensed Patent Rights for review and comment reasonably in advance of filing (which shall under no circumstances be in excess of thirty (30) days), and (ii) will keep ABX reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, (A) by providing ABX with copies of all communications received from or filed in patent office(s) with respect to such filing, and (B) by providing ABX, 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) 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 ABX has a reasonable opportunity to review and comment. [***] for [***] of [***] with respect to [***] shall be [***]. If IMMUNOGEN fails to undertake the filing(s) of any patent application or submission with respect to any invention under such Licensed Patent Rights, then not less than ninety (90) days prior to the last date for making the applicable filing or submission to preserve rights under such patent application, ABX may undertake such filing(s) at its own expense, in which case IMMUNOGEN will assign to ABX all of its rights to such patent application and invention and any subsequently issued patent thereon, each of which thereafter will be owned solely by ABX.

6.2 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.

6.3 INFRINGEMENT OF PATENT RIGHTS. IMMUNOGEN shall have the first right (but not the obligation), at its own expense and with legal counsel of its own choice, to bring suit (or take other appropriate legal action) against any actual, alleged or threatened infringement of the Licensed Patent Rights caused by the research, development, manufacture, use, offer for sale, sale or import of Licensed Products. ABX shall have the right, at its own expense, to be represented in any such action by IMMUNOGEN by counsel of ABX's own choice; provided, however, that under no circumstances shall the foregoing affect the right of IMMUNOGEN to control the suit as described in the first sentence of this Section 6.3. If IMMUNOGEN does not file any action or proceeding against such infringement within one hundred twenty (120) days after the later of (i) IMMUNOGEN's notice to ABX under Section 6.2 above, (ii) ABX's notice to IMMUNOGEN under Section 6.2 above, or (iii) a written request from ABX to take action with respect to such infringement, then ABX 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. 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 6.3, shall applied as follows:

6.3.1 First, to reimburse the Parties for their respective costs and expenses (including reasonable attorneys' fees and costs) incurred in prosecuting such enforcement action;

6.3.2 Second, [***] associated with

[***] and to [***] based on [***]

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

6.3.3 Third, any amounts remaining shall be allocated as follows: (a) if IMMUNOGEN is the Party bringing such suit or proceeding or taking such other legal action, [***], (b) if ABX is the Party bringing such suit or proceeding or taking such other legal action, [***], and (c) if the suit is brought jointly, [***].

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.

6.4 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 a response.

6.5 TRADEMARKS. All Licensed Products shall be sold under one (1) or more trademarks and tradenames selected by ABX (or its Sublicensee) in the Territory. IMMUNOGEN shall notify ABX promptly upon learning of any actual, alleged or threatened infringement of a trademark or tradename 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 trademarks or tradenames owned by ABX (or its Sublicensee) hereunder, and any damages or other recovery, shall be ABX's (or its Sublicensee's) sole responsibility, and taken in its sole discretion.

7. TERM AND TERMINATION

7.1 TERM; EXPIRATION. The term of this Agreement shall expire upon the expiration of the final royalty payment obligation under Section 4.5 above. Upon such expiration of the Term of this Agreement, ABX shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and IMMUNOGEN Background Technology, to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products, for any and all uses within the Field in the Territory.

7.2 TERMINATION. Subject to the other terms of this Agreement:

7.2.1 BREACH. This Agreement and the rights and options granted herein may be terminated by either Party upon any material breach by the other Party of any material obligation or condition, effective [***] after giving written notice to the breaching Party of such termination in the case of a payment breach and [***] after giving written notice to the breaching Party of such termination in the case of any other breach, which notice shall describe such breach in reasonable detail. The foregoing notwithstanding, if such

default or breach is cured or shown to be non-existent within the aforesaid [***] or [***] period, the notice shall be automatically withdrawn and of no effect. However, prior to giving any notice for breach, the Parties shall first attempt to resolve any disputes as to the existence of any breach as set forth in Section 8.14.

7.2.2 UNILATERAL TERMINATION BY ABX. ABX, in its sole discretion, at any time may terminate this Agreement, and the rights and obligations hereunder, or may remove any Licensed Product and the licenses related thereto from operation of this Agreement, in any case effective [***] after written notice thereof to IMMUNOGEN. In the event of any termination under this Section 7.2.2 only as to a Licensed Product, the consequences set forth in Section 7.3 below relating to termination of the Agreement under this Section 7.2.2 shall apply only with respect to such terminated Licensed Product, and this Agreement and the rights and obligations hereunder shall continue in full force and effect as to any and all other Licensed Products.

7.3 EFFECTS OF TERMINATION.

7.3.1 Upon any termination of this Agreement by IMMUNOGEN under Section 7.2.1 or by ABX under Section 7.2.2, as of the effective date of such termination, all relevant licenses and sublicenses granted by IMMUNOGEN to ABX 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 in writing to assume all applicable obligations of ABX under this Agreement, and (b) ABX and its Sublicensees shall have the right, for [***] 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. Nothing set forth in this Section 7 or any other provision of this Agreement shall entitle IMMUNOGEN to any ownership interest in, or to any license under or other rights with respect to (including any rights to use or request any transfer to IMMUNOGEN or any Third Party), any Confidential Information of ABX or any Technology or Patent Rights owned by ABX under this Agreement.

7.3.2 Upon any termination of this Agreement by ABX under Section 7.2.1, as of the effective date of such termination, ABX thereafter automatically shall have a fully sublicensable, fully paid up (subject to the remainder of this Section 7.3.2), nonexclusive license in the Territory under the Licensed Patent Rights and IMMUNOGEN Background Technology, to research, develop, make, have made, use, have used, sell, offer for sale, have sold, import and have imported Licensed Products, for any and all uses within the Field in the Territory, provided that ABX shall pay, for the remainder of the royalty term under Section 4.5 above, in lieu of any payments including milestones or royalties it would otherwise owe to IMMUNOGEN under this Agreement, a royalty equal to [***]

with respect to the Licensed Product under Section 4 of this Agreement.

7.4 REMEDIES. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 7 are in addition to any other relief and remedies available to either Party at law.

7.5 SURVIVING PROVISIONS. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 4.7, 5, 6, 7.3, 7.4, 8.3, 8.4, 8.7, 8.14, 8.16, 8.17, 8.18 and 8.19 hereof, 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, ABX 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.

8. MISCELLANEOUS

8.1 IMMUNOGEN REPRESENTATIONS. IMMUNOGEN represents and warrants to ABX 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 rights to ABX pursuant to Section 2 above without violating the rights of any Third Party; (d) IMMUNOGEN is the sole owner or exclusive licensee of the IMMUNOGEN Background Technology; (e) IMMUNOGEN is not aware of any Third Party patent, patent application or other intellectual property rights that would be infringed (i) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in, or which constitutes, IMMUNOGEN Background Technology, or (ii) by making, using, offering for sale, selling or importing Licensed Products; and (f) IMMUNOGEN is not aware of any infringement or misappropriation by a Third Party of the IMMUNOGEN Background Technology.

8.2 ABX REPRESENTATIONS. ABX 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 ABX corporate action; (b) this Agreement is a legal and valid obligation binding upon ABX 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 ABX is a party of or by which it is bound; and (c) ABX has the full right and legal capacity to grant the rights to IMMUNOGEN pursuant to Section 2 above without violating the rights of any Third Party.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

8.3 NO WARRANTIES.

8.3.1 Nothing in this Agreement is or shall be construed as:

(a) a warranty or representation by either Party as to the validity or scope of any patent application or patent licensed hereunder;

(b) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted pursuant to this Agreement is or will be free from infringement of patents, copyrights, and other rights of third parties.

8.3.2 Except as expressly set forth in this Agreement, NEITHER

PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OF NON-INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS OF THIRD PARTIES, OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.

8.4 [***]. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT OR OTHERWISE, [***] WILL BE [***] TO [***] OF THIS AGREEMENT [***] OR [***] FOR (I) [***] OR [***] OR (II) [***].

8.5 NOTICES. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to ABX or IMMUNOGEN shall be in writing and shall be effective on receipt when delivered to the applicable address specified below (or to such other 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: Jeffrey M. Wiesen, Esq Telecopy: 617-542-2241

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

If to ABX: Abgenix, Inc. 7601 Dumbarton Circle Fremont, California 94555 Attn: President

With a copy to: Gray Cary Ware & Freidenrich LLP 4365 Executive Drive, Suite 1600 San Diego, California 92121-2189 Attn: Mark R. Wicker

8.6 GOVERNING LAW. This Agreement will be construed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts (excluding its body of law controlling conflicts of law).

8.7 LIMITATIONS. Except as set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

8.8 ENTIRE AGREEMENT. This is the entire Agreement between the Parties with respect to the subject matter hereof and supersedes all prior representations, understandings and agreements between the Parties with respect to the subject matter hereof. No modification shall be effective unless in writing with specific reference to this Agreement and signed by the Parties.

8.9 WAIVER. The terms or conditions of this Agreement may be waived only by a written instrument executed by 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.

8.10 HEADINGS. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

8.11 ASSIGNMENT. Neither this Agreement nor any right or obligation hereunder may be assigned, delegated or otherwise transferred , in whole or part, by either party without the prior express written consent of the other; provided, however, that either party may, without the written consent of the other, assign this Agreement and its rights and delegate its obligations hereunder to its Affiliates, or in connection with the transfer or sale of all or substantially all of such party's assets or business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 8.11 shall be void. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties.

8.12 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.

8.13 CONSTRUCTION. The Parties hereto acknowledge and agree that: (i) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (ii) 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 (iii) the terms and provisions of this Agreement shall be construed fairly as to all Parties hereto and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

8.14 DISPUTES.

8.14.1 The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement which relates to either Party's rights and/or obligations hereunder. In the event of the occurrence of such a dispute, either Party may, by written notice to the other Party, have such dispute referred to their respective senior officials designated below or their successors, for attempted resolution by good faith negotiations within thirty (30) days after such notice is received. Said designated senior officials are as follows:

For ABX: Chief Executive Officer

For IMMUNOGEN: Chief Executive Officer

In the event the designated senior officials are not able to resolve such dispute within the thirty (30) day period, either Party may invoke the provisions of Section 8.14.2.

8.14.2 Any dispute, controversy or claim initiated by either Party arising out of, resulting from or relating to this Agreement, or the performance by either Party of its obligations under this Agreement (other than bona fide third party actions or proceedings filed or instituted in an action or proceeding by a Third Party against a Party), whether before or after termination of this Agreement, shall be finally resolved by binding arbitration. Whenever a Party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other Party. Any such arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators appointed in accordance with such rules. Any such arbitration shall be held in Boston, Massachusetts if initiated by ABX, and in San Francisco, California if initiated by IMMUNOGEN. The method and manner of discovery in any such arbitration proceeding shall be governed by California Code of Civil Procedure ss. 1282 ET SEQ. (including without limitation California Code of Civil Procedure ss. 1283.05). The arbitrators shall have the authority to grant specific performance and to allocate between the parties the costs of arbitration in such equitable manner as they determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of

enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either Party shall have the right, without waiving any right or remedy available to such Party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such Party, pending the selection of the arbitrators hereunder or pending the arbitrators' determination of any dispute, controversy or claim hereunder.

8.15 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.

8.16 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.

8.17 INDEMNIFICATION.

8.17.1 ABX Indemnity. ABX shall [***] and [***] and [***] and [***] (the "Indemnitees") [***] (including [***] and [***]) [***] or [***], or [***], in connection with [***], including, without limitation, [***](but [***], which are [***]), to the extent arising out of (i) [***] in the [***] of [***( ) ***] under this Agreement, (ii) [***] of this Agreement [***], or (iii) [***] of the [***], in any [***] under this Section 8.17.1 except to [***] therefor under Section 8.17.2 below.

8.17.2 IMMUNOGEN INDEMNITY. Subject to Section 8.17.1 above, IMMUNOGEN shall indemnify, defend and hold harmless ABX, its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (also the "Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon

such 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 (but excluding any patent, trademark or tradename infringement matters, which are governed by Section 6 above), to the extent arising out of (i) any actions or omissions of IMMUNOGEN or subcontractor of IMMUNOGEN in the development, testing, production, manufacture or supply of any Licensed Product (or any component thereof) manufactured and supplied by IMMUNOGEN or any subcontractor of IMMUNOGEN under this Agreement, (ii) any material breach of this Agreement by IMMUNOGEN, or (iii) gross negligence or willful misconduct on the part of IMMUNOGEN.

8.18 INDEMNIFICATION PROCEDURES. In the event that any Indemnitee is seeking indemnification under Section 8.17 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. The indemnification obligations under Section 8.17 shall not apply to amounts paid in settlement of any claim, demand, action or other proceeding if such settlement is effected without the consent of the Indemnifying Party, which consent shall not be withheld or delayed unreasonably. The Indemnitee, its employees and agents, shall reasonably cooperate with the Indemnifying Party and its legal representatives in the investigation of any claim, demand, action or other proceeding covered by Section 8.17.

8.19 SECTION 365(n). All licenses granted under this Agreement are deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of right to "intellectual property" as defined in Section 101 of such Code. The Parties agree that the licensee may fully exercise all of its rights and elections under the U.S. Bankruptcy Code, regardless of whether either Party files for bankruptcy in the United States or other jurisdiction. The Parties further agree that, in the event a licensee elects to retain its rights as a licensee under such Code, the licensee shall be entitled to complete access to any technology licensed to it hereunder and all embodiments of such technology. Such embodiments of the technology shall be delivered to the licensee not later than:

8.19.1 the commencement of bankruptcy proceedings against the licensor, upon written request, unless the licensor elects to perform its obligations under the Agreement, or

8.19.2 if not delivered under Section 8.19.1 above, upon the rejection of this Agreement by or on behalf of the licensor, upon written request.

8.20 FURTHER ASSURANCES. Each Party agrees to execute, acknowledge and deliver such further instructions, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

***Portions of this Exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

8.21 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.

8.22 [***].

8.22.1 If [***] or [***] to a [***] a [***] under the [***] or [***] to [***].

8.22.2 If the [***] of [***] are [*** ( )] to [***] than the [***] hereunder are to [***] in the [***] of [***] after [***] of any [***], if [***] of [***], the [***] of this Agreement shall be [***] to [***] to [***]. If [***] as set forth in this Section 8.22.2 [***], then [***] in accordance with this Section 8.22 with respect to a [***] shall [***].

8.22.3 If [***] that the [***] of [***] are [***( )] than the [***] are to [***], then [***] an [*** ( ] and [***] to [***] and [***] as may be reasonably requested [***]) to have [***] and [ ] at [***] and to [***] whether such [***] are [***] ( ]) than the [***] are to [***] (without disclosing to [***] the [***] or [***] of [***]). In the event of [***] as to [***] ( )], then [***] shall be [***].

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

ABGENIX, INC.	IMMUNOGEN, INC.
By: _____	By: _____
Title: _____	Title: _____

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

SCHEDULE I

LICENSED PATENT RIGHTS

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]	[***]	[***]		[***]		
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]*	[***]	[***]	[***]	[***]	[***]	[***]
	*[***]						
[***]	[***]	[***]	[***]	[***]	[***]		
[***]	[***]	[***]	[***]	[***]	[***]		

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]	[***]						
		[***]	[***]		[***]		

[***]

Attorney Reference No.	Country	Appl. No.	Filing Date	Priority Date	Patent No.	Issue Date	Exp. Date
[***]							
	[***]	[***]	[***]		[***]		

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 31.1

CERTIFICATIONS

I, Daniel Junius, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) 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

   d) 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: October 31, 2011

/s/ Daniel M. Junius
Daniel M. Junius
President, Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, Gregory D. Perry, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) 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

   d) 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: October 31, 2011

/s/ Gregory D. Perry
Gregory D. Perry
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting 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 September 30, 2011 (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: October 31, 2011

/s/ DANIEL M. JUNIUS

Daniel M. Junius
President, Chief Executive Officer
(Principal Executive Officer)

Dated: October 31, 2011

/s/ GREGORY D. PERRY

Gregory D. Perry
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)