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

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED JUNE 30, 1997

OR

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

COMMISSION FILE NUMBER 0-17999

IMMUNOGEN, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

MASSACHUSETTS	04-2726691
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

333 PROVIDENCE HIGHWAY, NORWOOD, MA 02062
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)

(617) 769-4242
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:
None

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
COMMON STOCK, $.01 PAR VALUE
(TITLE OF CLASS)

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 [ ]

Aggregate market value, based upon the closing sale price of the shares as reported by the Nasdaq National Market, of voting stock held by non-affiliates at September 12, 1997: $29,853,133(excludes shares held by Executive Officers, Directors, and beneficial owners of more than 10% of the Company's Common Stock). Exclusion of shares held by any person should not be construed to indicate that such person possesses the power, direct or indirect, to direct or cause the direction of management or policies of the registrant, or that such person is controlled by or under common control with the registrant. Common Stock outstanding at September 12, 1997: 22,979,877 shares.

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Definitive Proxy Statement for its 1997 Annual Meeting of Shareholders are incorporated by reference into Part III of this Report.

ITEM 1. BUSINESS

THE COMPANY

ImmunoGen, Inc. ("ImmunoGen" or the "Company") develops pharmaceuticals, primarily for the treatment of cancer. The Company's first technology platform -- its proprietary immunoconjugate technology -- uses highly potent small-molecule drugs coupled to monoclonal antibodies for the targeted eradication of tumor cells. These small-drug immunoconjugates function as tumor-activated prodrugs ("TAPs"); that is, they are inactive and nontoxic until they bind to the surface of a tumor cell and are further processed by the tumor cell, at which time their full cytotoxicity is restored. Two small-drug TAP product candidates, for the treatment of colorectal cancer and small-cell lung cancer, respectively, are now in preclinical development at the Company. In the past, the Company also developed immunoconjugates comprising blocked ricin, a proprietary derivative of a potent plant toxin, coupled to monoclonal antibodies. In March 1997, following review of data from an ongoing Phase III trial of its lead blocked-ricin product candidate, Oncolysin B, the Company decided to discontinue development of these immunoconjugates to focus its efforts on TAP product candidates.

Through its majority-owned subsidiary, Apoptosis Technology, Inc. ("ATI"), the Company is developing additional technology platforms based on the regulation of programmed cell death, or apoptosis. ATI is applying its understanding of how apoptotic pathways are regulated in cells to identify product candidates for the treatment of cancer and viral infections, conditions in which inhibition of the apoptotic program is recognized as an essential element of the disease. ATI has identified several key proteins which play a role in the regulation of apoptosis in cancer cells and virus-infected cells and, using these, has developed proprietary screens with which to identify leads for drug development. In August 1997, the Company announced a collaboration between ATI and BioChem Pharma Inc. ("BioChem") for the discovery and development of novel anti-cancer therapeutics that restore apoptotic function to tumor cells, triggering cancer cells, in effect, to commit suicide. See "-- Licenses -- BioChem Pharma Inc."

The Company was organized in 1981 as a Massachusetts corporation.

SMALL-DRUG IMMUNOCONJUGATES: TUMOR-ACTIVATED PRODRUGS (TAPS)

Despite recent advances in diagnosis and treatment, cures in many forms of cancer continue to be elusive. Surgery may be used to remove primary masses of some solid tumors, but often is ineffective against metastatic disease. Treatment with combination chemotherapy and radiation also may not be capable of eradicating disease because of inadequate potency at the tumor site, the result of drug doses that must be limited because of side-effects to healthy tissues. These agents attack dividing cells -- not only rapidly dividing cancer cells, but also other dividing cells such as bone marrow and epithelial cells (e.g., hair follicles and the gastrointestinal lining). As a further impediment to successful therapy, tumor cells may be genetically predisposed to become resistant to treatment with chemotherapy or radiation, making repeat courses of therapy ineffective.

Because of non-specific toxicities, limited potency and resistance associated with conventional anti-cancer therapies, a great need exists for new therapeutic products. One way in which the Company is addressing this therapeutic void through applications of its tumor-cell specific TAP immunoconjugate technology for the targeted delivery of highly potent chemotherapeutic drugs to tumor cells. Importantly, because TAPs are inactive until released from the antibody inside the tumor, they are capable of killing tumor cells while sparing normal cells -- even those in close association with a tumor.

Each of the Company's TAPs consists of a monoclonal antibody coupled to a small-molecule, cytotoxic agent (an effector molecule). Antibodies are proteins produced by the immune system in response to the presence of foreign substances in the body. A particular antibody detects and binds to only one specific antigen, or marker. Since cancer cells may have unique antigens on their surfaces, an antibody with the correct specificity for those cells may be used as a targeting agent.

ImmunoGen has identified monoclonal antibodies which it believes possess the requisite characteristics for use in TAPs: two of these, C242 and N901, are used in ImmunoGen's TAP product candidates now in

development for the treatment of colorectal cancer and small-cell lung cancer, respectively. The Company also has developed two classes of small-drug effector molecules whose high potency and other distinct characteristics have yielded compounds it believes are uniquely suited to cancer treatment.

The Company believes the following attributes make its TAP immunoconjugates attractive as anti-cancer agents: (1) targeting, which directs the cytotoxicity of TAPs specifically to the tumor; (2) a stable linkage and release mechanism, allowing the high potency of the effector molecule to be released only after activation by the tumor; (3) a high degree of cytotoxicity at the tumor site; and (4) a tolerable side-effect profile and, consequently, a minimal disturbance of patients' quality of life during treatment.

Small-Drug Effector Molecules: The Company has conducted laboratory and animal tests of two types of small-molecule drugs which it believes offer great promise for use as effector molecules in TAPs. The Company has developed derivatives of these drugs which allow them to be attached to antibodies to target tumor cells and allow for their release in a fully active form only at the target site.

The first compound, DM1, is a potent inhibitor of cell division. It is derived from maytansine, a natural product. The Company has obtained an exclusive license for use of maytansinoids in conjugated form and has received two United States patents covering the use in conjugated form of small-drug immunoconjugates derived from maytansine. See "-- Licenses -- Takeda Chemical Industries Ltd." ImmunoGen has incorporated DM1 into TAPs for the treatment of colorectal cancer and small-cell lung cancer. In August 1997, the Company announced receipt of its second $750,000 Phase II Small Business Innovation Research ("SBIR") grant from the National Cancer Institute ("NCI") of the National Institutes of Health, to support development of its TAP for the treatment of colorectal cancer. See "-- TAP Products -- huC242-DM1."

The second small-drug compound, DC1, is one of a class of agents called DNA groove-binding compounds. After binding to DNA, these agents attach covalently, thereby interfering with cellular function and inducing the death of cells. In June 1995, the Company received its first $750,000 Phase II SBIR grant from the NCI, to help fund development of DC1-based immunoconjugates. The award was for $375,000 annually for two years beginning June 1, 1995. In December 1996, the Company received its second United States patent covering the use of DC1 in immunoconjugates.

The Company has conducted in vitro tests that it believes demonstrate that TAPs containing either DM1 or DC1 are more effective than current anti-cancer drugs at killing tumor cells. This high degree of killing power is important in debulking tumor masses. In animal studies of immunodeficient mice given human tumors, the Company's TAPs have shown therapeutic efficacy and complete cures at doses with no observable toxicity. Based on these data, the Company believes its TAPs may possess wider therapeutic windows and may be a successful first-line cancer therapy.

Antibody Humanization: Humanized antibodies are essential components of ImmunoGen's TAPs. These antibodies, originally derived from mice, have been engineered to appear human to the immune system. In this way, they are not identified as foreign substances and removed from circulation, which may occur over time with antibodies of nonhuman origin. Humanized antibodies therefore are expected to be nonimmunogenic, and may be used as components of immunoconjugates expected to be used for long-term administration and repeated dosing.

The Company, in conjunction with researchers at the University of Bath in the United Kingdom, has developed a proprietary method, called resurfacing, which it uses to humanize the monoclonal antibodies in its immunoconjugates. Using resurfacing, the Company has successfully humanized three monoclonal antibodies, C242, N901 and anti-B4, which targets forms of B-cell cancers including certain lymphomas and leukemias. In February 1995, the Company entered into an agreement with Oxford Molecular Ltd ("OML"), a research and development firm which provides computer software for modeling protein structures, under which OML receives nonexclusive rights to utilize the Company's antibody resurfacing technology. See "-- Licenses -- Oxford Molecular Ltd."

Using resurfacing, only a small number of changes are made to the native antibody -- just enough to make it appear human to the immune system, but not enough to cause structural changes that diminish its essential characteristic of high-affinity binding to its target. The complementarity determining regions, or

CDRs, of an antibody are responsible for high-affinity binding. In the more conventional technique, the CDRs are grafted onto a human framework so that the antibody appears human. However, CDR grafting entails making changes in amino acids in the selected human framework region to ensure that the three-dimensional shape of the CDRs is not negatively affected and high-affinity binding is preserved. Predicting whether a human framework will keep the three-dimensional shape of the CDRs intact is difficult, requiring extensive computer modeling and repeated molecular manipulations. Resurfacing, on the other hand, makes fewer changes to the molecular structure of an antibody than does CDR grafting. Using resurfacing, only a few of the surface accessible regions of the original, mouse-derived antibody framework are changed to make it appear human, and the shape of the CDRs remains intact.

ImmunoGen and its collaborators have shown that resurfacing is an effective and efficient technique which can be used with a high degree of confidence to humanize any monoclonal antibody. Results published in October 1996 in the journal, Protein Engineering, show that resurfaced versions of the antibodies anti-B4 and N901 had comparable binding affinities to the original, mouse-derived antibodies and to versions humanized through CDR grafting. In April 1997, OML and the Company also announced the successful humanization via resurfacing of the C242 antibody. In June 1997, the Company was awarded a United States patent, No. 5,639,641, covering the resurfacing method and its use.

TAP PRODUCTS

HUC242-DM1. ImmunoGen is using an antibody, C242, provided by a major pharmaceutical company, which the Company believes possesses the requisite specificity for a targeting agent in a TAP: the antibody binds strongly to 70% of colorectal cancers and has minimal cross-reactivity with normal human tissues. The Company has linked the humanized version of C242 (huC242) to the small-molecule drug, DM1. Because DM1 is a small-molecule, nonprotein drug, huC242-DM1 is not expected to be immunogenic, which should allow for the administration of repeat courses of therapy. HuC242-DM1 therefore may be a suitable agent for tumor debulking.

In August 1996, the Company published the results of its in vitro and animal studies of C242-DM1 in the Proceedings of the National Academy of Sciences, USA. These tests were done with the original, mouse-derived C242 antibody linked to DM1. In the Company's studies, C242-DM1 completely eradicated large, established human colon tumors in mice at doses well below those which produce toxic side effects and the mice remained free of tumor and were considered cured at 200 days. Significantly, the mice did not lose weight, suggesting the absence of toxic side-effects when treated with the drug.

The Company also compared the effect on tumors of C242-DM1 with that of 5-fluorouracil ("5-FU"), the chemotherapeutic most commonly used against colorectal cancer. While C242-DM1-treated mice were cured, remaining tumor free after 200 days, administration of 5-FU at its maximum tolerated dose only slightly delayed tumor regrowth (for five days). The Company also compared the effectiveness of C242-DM1 to that of 5-FU in mice which had been injected with other types of colon tumors -- those which express the protein recognized by the C242 antibody on only 20-30% of their cells, as opposed to on all of their cells, as in the previous experiments. There were complete tumor regressions of five weeks in all of the animals treated with C242-DM1 and administration of a second course of C242-DM1 extended the tumor-free period to nine weeks without toxic side effects, suggesting that use of multiple cycles of the C242-DM1 for treatment of colorectal cancer may be a feasible clinical regimen. In contrast, these tumors rapidly grew large in the animals treated with 5-FU.

In August 1997, the Company announced receipt of a $750,000 Phase II SBIR grant from the NCI to support preclinical research and development of huC242-DM1, including final product formulation in advance of the start of human clinical studies. The award is for $375,000 annually for two years retroactive to April 1, 1997.

Upon completion of preclinical studies and the successful execution of a licensing agreement to obtain commercial rights to the antibody, the Company expects to begin clinical studies of huC242-DM1. The Company will require additional funding to conduct clinical trials of this product. The Company is actively seeking such additional funding for this program.

HUN901-DM1. This product consists of the humanized version of the antibody, N901, conjugated to DM1. N901 binds specifically to an antigen, CD56, found on the surface of small-cell lung cancer cells. This antibody also has been humanized successfully, and the Company has established cell lines that express humanized N901 at sufficiently high levels to be suitable for scale up. As with huC242-DM1, huN901-DM1 is not expected to be immunogenic, which should allow for the administration of repeat courses of therapy.

In April 1997, the Company presented results of preclinical studies of huN901-DM1 at the American Association for Cancer Research Annual Meeting. In studies substantially similar to those published in 1996 on C242-DM1, the data show that huN901-DM1 completely eradicated human small-cell lung cancer tumors transplanted in mice with no recurrence for 200 days, the length of the experiment. In contrast, even at the maximum tolerated dose, tumor growth in the mice was delayed only briefly after treatment with cisplatin and/or etoposide, standard chemotherapeutics for small-cell lung cancer.

The Company expects to test huN901-DM1 as a tumor debulking agent in small-cell lung cancer. The Company will require additional funding to complete preclinical development and clinical trials of this product. The Company is actively seeking additional funding for this program; clinical testing will not begin until such funding is secured.

The Company also has tested in the laboratory a conjugate comprising huN901 linked to DC1, the second class of potent, small-molecule drugs under development at ImmunoGen. The Company believes that huN901-DM1 offers better pharmacokinetics and specific cytotoxicity to tumors expressing the N901 antigen than does huN901-DC1.

HUANTI-B4-DC1. This TAP consists of the antibody, anti-B4, linked to DC1. Anti-B4 binds specifically to a marker, CD19, found on B-cell malignancies including certain leukemias and lymphomas. The antibody has been humanized successfully using resurfacing, and the Company has expressed it in cells at sufficiently high levels to be suitable for scale up.

The Company submitted an Investigational New Drug Application ("IND") with the U.S. Food and Drug Administration ("FDA") to test a version of the drug containing the original, mouse-derived anti-B4 antibody linked to DC1 in relapsed lymphoma patients in April 1994 and FDA accepted its application. Subsequently, the Company completed humanization of the anti-B4 antibody for use in this TAP. The Company will have to submit a new IND to begin clinical trials of huAntiB4-DC1 and will require additional funding to complete preclinical development.

APOPTOSIS TECHNOLOGY

Recent research has shown that human cells have an intrinsic "suicide program" called apoptosis, one function of which is to destroy certain cells in order to protect the body against disease. Defects in this program may allow cancerous cells to survive and proliferate or viruses to reproduce and spread. Inappropriate signaling of apoptosis or the blocking of apoptotic signals also have emerged as key factors in immunological, neurodegenerative, cardiovascular and other diseases.

Based on the belief that pharmacologic manipulation of apoptosis offers a promising, novel approach to the treatment of disease, in January 1993, the Company established ATI as a majority-owned subsidiary to pursue development of therapeutics based on the regulation of apoptosis. Further, because cancer and viral infections are two targets where inhibition of the apoptotic program is recognized as an essential element of the disease, ATI is focusing its research in these two areas. ATI has identified several key proteins which regulate apoptosis in cancer cells and viruses and, using these, has developed proprietary screens with which to identify leads for drug development.

ATI's strategy has been to leverage existing knowledge in the field of apoptosis by establishing, at the discovery stage, a series of key research collaborations with academic scientists. To this end, ATI has established collaborative ties with leading scientists at academic centers to complement its own internal research team. In August 1997, the Company also announced a collaboration between ATI and BioChem for the discovery and development of novel anti-cancer therapeutics based on the use of ATI's proprietary screens for the identification of products which regulate the activity of "anti-death" genes and cellular survival factors.

A. Regulation of Apoptosis and Cancer

In normal, healthy tissue, cell proliferation and cell death are intimately linked, providing an efficient means for organisms to control unwanted or excess cellular proliferation. Cancer cells have accumulated mutations, however, that circumvent the normal regulation of proliferation and cell death through apoptosis, leading to excess and uncontrolled cell growth. Tumor cells escape apoptosis through the active suppression, or blockage, of stimuli which otherwise would directly induce cell death. The restoration of apoptosis in these cells by interference with such blockage of the cell-death pathway therefore constitutes a promising approach to the eradication of cancer.

It is now well accepted that there are two key, distinct mechanisms that block apoptosis in cancer cells: (i) the activation of "anti-death" genes; and (ii) regulation of cellular survival factors. Some types of cancer cells may survive due to the activation of anti-death genes while others may survive due to the activation of specific survival signals.

Activation of "anti-death" genes. Bcl-2, the product of one of these anti-death genes, is a member of a family of proteins that has been shown to regulate apoptosis. Some of these proteins actively suppress apoptosis while others trigger it. Interactions between those members of the Bcl-2 family which promote apoptosis, and those which suppress it, regulate the cell-death program. The Bcl-2 protein has been shown to block apoptosis in tumors and also to make tumors resistant to chemotherapy. ATI believes that inhibition of the function of Bcl-2 and other Bcl-2 family cell-death suppressors may restore a tumor cell's susceptibility to apoptosis and will provide an innovative approach to the development of anti-cancer therapeutics.

ATI has discovered and characterized several proteins of the Bcl-2 family that are potent promoters of cell death but whose function in tumor cells is disrupted by cell-death suppressors such as Bcl-2. The first of these is the Bak protein. Laboratory experiments published by ATI in the journal, Nature, in April 1995 have shown that expression of Bak induces rapid and extensive apoptosis, raising the possibility that it is directly involved in triggering the cell death program. The Company received a Notice of Allowance for a United States patent claiming methods and use of the Bak protein in June 1996. The cloning and analysis of a second cell death promoter, Bik, discovered and characterized in collaboration with an ATI consultant at St. Louis University Medical Center, were published in November 1995 in the journal, Oncogene. ATI also has discovered a third promoter of cell death, Bbk. Each of these two promoters of apoptosis is the subject of a separate application by ATI for a United States patent.

Importantly, ATI scientists also have identified BH3, a domain present in all three of these promoters of cell death, as well as in other proteins of the Bcl-2 family. The Company believes that BH3, also known as the GD domain, is both necessary and sufficient for the triggering of cell death. ATI believes that the reason apoptosis is blocked in tumor cells is due to binding of Bcl-2-related cell-death suppressors to BH3. Identification of the BH3 domain therefore gives ATI molecular information with which it can design screens for drugs which counteract the influence of Bcl-2 and related suppressors of cell death, thereby restoring apoptosis in tumor cells. The identification of BH3 was published by ATI researchers in November 1995 in the European Molecular Biology Organization Journal. In August 1997, the Company was awarded a U.S. patent, No. 5,656,725, covering the GD (BH3) domain.

Regulation of survival signals. Cells also may suppress the cell death program through survival signals provided by growth factors such as insulin-like growth factor 1 ("IGF-1"). Research by collaborators at the Imperial Cancer Research Fund ("ICRF"), a leading cancer research foundation in the United Kingdom, has shown that survival signals provided by IGF-1 help prevent cancer cells from undergoing apoptosis. ATI has established a research program with ICRF to elucidate the role of IGF-1 and other survival factors in the death pathway and to identify drugs that mimic or disrupt the survival signal of IGF-1 in cells. See "-- Licenses -- Imperial Cancer Research Fund." The IGF-1 receptor ("IGF-1R") is overexpressed on cells of many tumor types, such as breast and small-cell lung carcinoma, and may be a critical requirement for the survival of tumor cells. ATI therefore believes that the suppression of survival signals may induce apoptosis in a great number of tumor types.

In addition to ICRF, ATI also is collaborating in this area with researchers at Thomas Jefferson University, Philadelphia, Pennsylvania, who have shown that IGF-1R is required for cells to become cancerous and that blocking IGF-1R expression can trigger apoptosis. In a collaboration with Thomas Jefferson University, ATI has identified a domain on IGF-1R which is essential for the transmission of the survival signal, thereby providing a molecular target for drug design.

Using this target, ATI and Thomas Jefferson University are collaborating to design screens with which to identify therapeutic agents that will induce apoptosis in tumor cells by blocking IGF-1R-mediated survival.

B. Regulation of Apoptosis and Viral Disease

Viral infection involves the binding of virus to host cells, viral entry into those cells and the ultimate commandeering of the host cells' synthetic machinery, which permits replication of the viral genome and the generation of new virus particles. It is now generally recognized that host cells often use their ability to undergo apoptosis as an effective means of stopping virus propagation: in many viruses, genes have evolved whose action is to block apoptosis in the host cell and so permit viral replication. In vitro experiments with several viruses have demonstrated that suppression of their anti-apoptotic mechanisms may effectively limit viral infection.

Certain viruses which infect human tissue carry genes whose products act as functional homologs of Bcl-2. These genes have evolved in order to prevent apoptosis in the host cell and so allow for viral replication. ATI, with collaborators at St. Louis University Medical Center, has discovered novel anti-death genes through study of these viruses. The Bcl-2-related protein, Bik, for example, interacts with the products of some of these viral genes, suggesting that one mechanism by which viruses survive is through crippling the activity of Bik. ATI is using this information to search for antiviral drugs which block the activity of cell-death suppressors, thereby restoring the natural function of Bik and preventing viral replication.

ATI, in collaboration with St. Louis University Medical Center, also is focusing on the identification of the anti-apoptotic genes of human cytomegalovirus (CMV), a herpes virus which often infects immunocompromised individuals, such as those afflicted with AIDS or following organ transplantation, and which is life threatening. ATI is developing screens based on anti-apoptotic CMV genes that will permit the identification of compounds effective against the propagation of CMV.

ATI has entered into an agreement giving it an option to license technology arising from its collaboration with St. Louis University Medical Center.

ONCOLYSIN PRODUCTS

The Company's initial immunoconjugate product candidates comprised blocked ricin (a proprietary derivative of ricin, a potent, naturally occurring plant toxin readily available from castor beans) linked to a monoclonal antibody to form an immunoconjugate. Four such blocked ricin products -- the Oncolysins -- entered human clinical trials; the Company began a Phase III clinical trial of the most advanced Oncolysin product -- Oncolysin B, for the treatment of lymphoma subsequent to bone marrow transplantation -- in July 1993.

As part of a December 1994 restructuring, the Company stopped development of the three other Oncolysin product candidates then in clinical trials: Oncolysin S, Oncolysin M and Oncolysin CD6, for the treatment of small-cell lung cancer, acute myelogenous leukemia and T-cell malignancies, respectively. In March 1997, an analysis of data from 155 patients enrolled in a Phase III clinical trial of Oncolysin B indicated that the drug offered no advantage when compared to the control arm of the study. Based on these results, the Company decided to discontinue development of that product, also, and to focus its efforts fully on development of its TAP products and apoptosis technology. The Company may obtain a collaborator or licensee for Oncolysin B; however, it currently is not actively seeking such a partnership arrangement, nor does it expect to do so in the near future.

BUSINESS STRATEGY

ImmunoGen's objective is to be a leader in the development of novel pharmaceuticals for the treatment of cancer and other human diseases. The Company has developed a three-fold business strategy to meet this objective:

1. ImmunoGen will continue the preclinical development of its TAP products with the expectation of entering human clinical trials with those products. The Company will aggressively pursue corporate partners to support clinical development and commercialization of the Company's TAPs and to provide the Company with a long-term revenue stream derived from royalties on product sales.

2. The Company will seek to in-license additional antibodies for use in TAP products to broaden applications of its technology to the treatment of other forms of cancer.

3. ATI will continue to leverage its existing knowledge in the field of apoptosis through its collaborations with academic scientists and the development of new screens. Having completed a licensing arrangement for its anti-cancer screens, the Company will continue to seek pharmaceutical partners to use ATI's screens with their libraries of existing drugs in the area of viral disease and to jointly develop small-molecule drugs based on the molecular targets ATI has identified.

LICENSES

The Company and ATI each have entered into license agreements with third parties in order to acquire rights to materials and techniques which strengthen their technology base, usually in exchange for a royalty on sales of products which incorporate such materials and techniques. The principal licenses are listed, below:

LICENSES -- IMMUNOGEN, INC.

DANA-FARBER CANCER INSTITUTE. Under a Research and License Agreement with Dana-Farber, entered into in May 1981, the Company has provided funds for research projects conducted by Dana-Farber involving the development of monoclonal antibodies, toxins and drugs for conjugation and use as cancer therapeutics. Dana-Farber retains ownership of the technology developed through such research and has granted the Company a worldwide exclusive license to use such technology in the Company's products, including the right to sublicense to others.

Several of the Company's products under development use Dana-Farber technology which has been licensed to the Company under this agreement. In return for these rights, the Company agreed to pay Dana-Farber royalties on product sales by ImmunoGen and its sublicensees.

As of June 1996, the Company had satisfied all past and present funding obligations under the Research and License Agreement. The Company has no further funding obligations to Dana-Farber except for payment of royalties on future sales of products which incorporate Dana-Farber technology.

OXFORD MOLECULAR LTD. In March 1995, the Company entered into an agreement with OML under which the two companies cross-licensed technology for the design of monoclonal antibodies. Under the agreement, the Company receives access to OML's molecular modeling software in exchange for granting OML the right to use the Company's proprietary resurfacing technology in the development of monoclonal antibodies outside of the field of oncology and case-by-case rights within oncology areas not under development at the Company. OML also will pay the Company a percentage of the gross revenues it derives from the use of resurfacing.

TAKEDA CHEMICAL INDUSTRIES, LTD. A licensing agreement with Takeda Chemical Industries, Ltd. ("Takeda"), executed in April 1994, gives the Company a worldwide license to make, use and market immunoconjugate products containing maytansine or its analogs. Under the agreement, Takeda will receive a royalty based on ImmunoGen's annual net sales of such products and will have a right of first refusal to market such products in most Asian and certain Middle Eastern countries.

In addition, Takeda will furnish to ImmunoGen, free of charge, up to 40 grams of maytansine for research and development during the term of the license agreement. Subsequent supplies will either be furnished by Takeda on a cost plus basis or produced by ImmunoGen with a royalty payable to Takeda.

LICENSES -- APOPTOSIS TECHNOLOGY, INC.

BIOCHEM PHARMA INC. In July 1997, ATI and BioChem entered into a three-year research collaboration arrangement and a licensing agreement under which ATI grants BioChem an exclusive, worldwide license to ATI's proprietary screens based on Bcl-2 and IGF-1 -- two families of proteins involved in apoptosis -- for use in identifying leads for drug development. The collaboration also covers the identification of novel targets and the development of new screens in the two areas.

Under the collaboration, BioChem will invest $11.125 million in ATI in a series of private placements over a three-year period to fund research conducted by the collaboration during that period. In consideration for their investment, BioChem will receive convertible preferred stock in ATI. The research agreement also may be extended beyond that time under conditions substantially similar to the original three-year term. BioChem will make milestone payments of up to $15 million for each product resulting from the research collaboration over the course of its development. In addition, ATI will receive royalties on the sale of products resulting from the collaboration. BioChem will receive warrants to purchase shares of the Company's stock equal to the amount invested in ATI during the three-year research term.

DANA-FARBER CANCER INSTITUTE. In January 1993, ATI and Dana-Farber entered into a licensing agreement in the field of apoptosis under which ATI was granted an exclusive, worldwide license, with full right to enter into sublicense agreements, for all therapeutic applications and certain diagnostic applications arising from existing inventions and an option to license future inventions made in specified laboratories at Dana-Farber. In consideration for this license, Dana-Farber received a minority equity share in ATI, an initial license fee and a commitment by ATI to fund the research activities of those laboratories at Dana-Farber from which ATI is to derive rights under the agreement.

In June 1996, ATI made its final payment under the license agreement. The Company has no further funding obligations to Dana-Farber except for payment of royalties on future sales of products which incorporate Dana-Farber technology.

IMPERIAL CANCER RESEARCH FUND AND IMPERIAL CANCER RESEARCH TECHNOLOGY LTD. In July 1994, ATI entered into a three-year research and development collaboration agreement in the field of apoptosis and cell proliferation with the Imperial Cancer Research Fund ("ICRF") and the Imperial Cancer Research Technology Ltd ("ICRT"), ICRF's technology transfer arm, under which ATI was granted an exclusive, worldwide license, with full right to enter into sublicense agreements, for all therapeutic and diagnostic applications arising from existing inventions and an option to license future inventions within the scope of the collaboration made in specified laboratories at ICRF. In consideration for this license, ICRT received a minority equity interest in ATI in addition to a commitment by ATI to fund ongoing research in those ICRF laboratories from which ATI will derive rights under the agreement. ATI also will pay ICRT royalties on the sale of any products which incorporate licensed ICRF technology. As of August 1996, no milestone or royalty payments have been made under this agreement.

As of July 1997, the Company has satisfied all past and present obligations under the agreement. The Company has no further funding obligations to ICRF except for payment of royalties on future sales of products which incorporate technology developed under the research collaboration.

PATENTS, TRADEMARKS AND TRADE SECRETS

ImmunoGen and its subsidiary, ATI, seeks patent protection for its proprietary technology and products both in the United States and abroad. The Company has received two United States patents and one European patent claiming the use of maytansinoids in conjugated form as an invention, two United States patents claiming use of DC1 and its analogs in immunoconjugates and one United States patent claiming methods and use of its resurfacing technology. ATI has received a Notice of Allowance of one United States

patent claiming methods and use of the apoptosis-related protein, Bcl-Y (also referred to as Bak), and has received one United States patent claiming the GD (BH3) domain as a molecular target for the development of drugs which regulate apoptosis.

In addition, nine patents have been issued to Dana-Farber in the United States covering immunoconjugate technology and apoptosis-related technology exclusively licensed by ImmunoGen or ATI from Dana-Farber. Two of these patents claim a monoclonal antibody specific to small-cell lung carcinoma cells as an invention, two of these patents claim the use of blocked ricin in immunoconjugates, two of these patents claim composition of TIA-1, a protein implicated in apoptosis, one of these patents claims composition of TIA-R, a TIA-1 related protein, one of these patents claims antibodies against TIA-1 and one of these patents claims composition of TIA-1 binding proteins. Five additional Dana-Farber patents had been exclusively licensed to ImmunoGen and, at the Company's option, have reverted back to Dana-Farber.

Additional patent applications covering proprietary small-drug derivatives, immunoconjugates, apoptosis technology and use of certain of these products and inventions for indicated diseases have been submitted in the United States, Canada, Europe and Japan and are pending or awaiting examination. Work leading to other patent applications is being performed by Company employees. In all such cases, the Company will either be the assignee or owner of such patents or have an exclusive license to the technology covered by the patents. No assurance can be given, however, that the patent applications will issue as patents or that any patents, if issued, will provide ImmunoGen with adequate protection against competitors with respect to the covered products, technology or processes.

Many of the processes and much of the know-how of importance to the Company's technology are dependent upon the skills, knowledge and experience of certain of the Company's key scientific and technical personnel, which skills, knowledge and experience are not patentable. To protect its rights in these areas, the Company requires all employees and its consultants, advisors and collaborators to enter into confidentiality agreements with ImmunoGen. There can be no assurance, however, that these agreements will provide meaningful protection for the Company's trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure of such trade secrets, know-how or proprietary information. Further, in the absence of patent protection, the Company may be exposed to competitors who independently develop substantially equivalent technology or otherwise gain access to the Company's trade secrets, know-how or other proprietary information.

COMPETITION

The areas of product development on which the Company has focused are highly competitive. ImmunoGen's competitors include major pharmaceutical and chemical companies, specialized biotechnology firms, universities and research institutions, many of which have greater resources than the Company. In addition, many specialized biotechnology firms have formed collaborations with large, established companies to support research, development and commercialization of products that may be competitive with those of the Company. Competitive factors within the cancer therapeutic market include the safety and efficacy of products, the timing of regulatory approval and commercial introduction, special regulatory designation of products, such as Orphan Drug status, and the effectiveness of marketing and sales efforts.

The Company's competitive position also depends on its ability to attract and retain qualified personnel, develop effective proprietary products, implement production and marketing plans, obtain patent protection and secure sufficient capital resources.

Competitors have begun clinical trials of monoclonal antibody-based products for the treatment of forms of cancer which could compete with the indications of the Company's TAP product candidates. Additionally, technologies other than those involving monoclonal antibodies can be applied to the treatment of cancer. The application of recombinant DNA technology to develop potential products made of proteins that occur normally in the body in small amounts has been underway for some time. Included in this group are Interleukin-2, the interferons, tumor necrosis factor, colony stimulating factors and a number of other biological response modifiers, as well as second generation analogs of these biologics. More recently, genomics technology has been used to identify new gene-based targets for the development of anti-cancer drugs. The

Company believes that these products offer only limited competition for ImmunoGen's anti-cancer products. Continuing development of conventional and targeted chemotherapeutics by large pharmaceutical companies also may result in the identification of new compounds which may compete with the Company's product candidates. The Company's proprietary antibody resurfacing technology also faces competition from other techniques for the humanization of monoclonal antibodies.

The technology of the Company's subsidiary, ATI, also is highly competitive. Over the past several years, many companies and research institutions, including academic laboratories, biotechnology companies and large pharmaceutical firms, have dedicated resources to apoptosis research. ATI is expected to face competition from other biotechnological approaches as well as more traditional, drug-based approaches to cancer and viral diseases. ATI will experience competition from fully integrated pharmaceutical companies with expertise in research and development, manufacturing and product commercialization, and which have greater resources in these areas than ATI. The Company also is aware of numerous development-stage companies that are exploring new therapies for the same disease targets as ATI.

REGULATORY ISSUES

ImmunoGen's products are regulated in the United States by FDA in accordance with the Federal Food, Drug, and Cosmetic Act as well as the Public Health Service Act. Parenteral monoclonal antibody products are most often considered biologicals and therefore subject to regulation by the Center for Biologics Evaluation and Research within FDA. Thus, human clinical trials of a new product are conducted after submission of an IND application acceptable to FDA and commercial marketing of that product may occur only after approval of a Product License Application ("PLA") and an Establishment License Application ("ELA"). For biologicals such as the Company's products, the PLA/ELA may be combined into a single Biologic Application requesting product marketing approval. Manufacturing must be performed in accordance with Good Manufacturing Practices ("GMPs").

The regulatory issues that have potential impact on future marketing of ImmunoGen products are summarized in the following paragraphs:

Clinical Trials Process: Before a pharmaceutical product may be sold in the United States and other countries, clinical trials of the product must be conducted and the results submitted to the appropriate regulatory agencies for approval.

In the United States, these clinical trial programs generally involve a three-phase process. Typically, Phase I trials are conducted in healthy volunteers to determine the early side-effect profile and the pattern of drug distribution and metabolism. In Phase II, trials are conducted in groups of patients afflicted with the target disease to determine preliminary efficacy and optimal dosages and to expand the safety profile. In Phase III, large-scale comparative trials are conducted in patients with the target disease to provide sufficient data for the proof of efficacy and safety required by federal regulatory agencies. In the case of drugs for cancer and other life-threatening diseases, Phase I human testing often is performed in patients with advanced disease rather than in healthy volunteers. Because these patients are already afflicted with the target disease, it is possible for such studies to provide results traditionally obtained in Phase II trials and they often are referred to as Phase I/II studies.

The Company also will be subject to widely varying foreign regulations governing clinical trials and pharmaceutical sales. Whether or not FDA approval has been obtained, approval of a product by the comparable regulatory authorities of foreign countries must be obtained prior to the commencement of marketing of the product in those countries. The approval process varies from country to country and the time may be longer or shorter than that required for FDA approval. The Company intends to rely on foreign licensees to obtain regulatory approvals to market ImmunoGen products in foreign countries.

Regulatory approval often takes a number of years and involves the expenditure of substantial resources. Approval times also depend on a number of factors, including the severity of the disease in question, the availability of alternative treatments and the risks and benefits demonstrated in clinical trials.

Orphan Drug Designation: The Orphan Drug Act of 1983 generally provides incentives to manufacturers to undertake development and marketing of products to treat relatively rare diseases or diseases affecting fewer than 200,000 persons in the United States at the time of application for Orphan Drug designation.

ImmunoGen may pursue this designation with respect to its products intended for qualifying patient populations. A drug that receives Orphan Drug designation and is the first product to receive FDA marketing approval for its product claim is entitled to a seven-year exclusive marketing period in the United States for that product claim. However, a drug that is considered by FDA to be different from a particular Orphan Drug is not barred from sale in the United States during such seven-year exclusive marketing period.

Treatment IND Status: ImmunoGen may file for Treatment IND status for some indications under provisions of the IND regulations revised in 1987. These regulations apply to products for patients with serious or life-threatening diseases and are intended to facilitate the availability of new products to desperately ill patients after clinical trials have shown convincing evidence of efficacy, but before general marketing approval has been granted by FDA. Under these regulations, the Company anticipates that it will be in a position to recover some of the costs of research, development and manufacture of its products before marketing begins.

Drugs for Life-Threatening Illnesses: FDA regulations issued in October 1988 are intended to speed the availability of new therapies to desperately ill patients. These procedures permit early consultation and commitment from FDA regarding preclinical and clinical studies necessary to gain marketing approval. Additional FDA regulations issued in December 1992 define opportunities for accelerated review and approval of therapies for serious or life-threatening illnesses. Guidelines for FDA accelerated review, articulated in November 1991 by the President's Council on Competitiveness, state that by 1994 such reviews should be made within six months. The Company believes that certain applications for its products qualify for accelerated review.

Further, in March 1996, the President and FDA Commissioner announced four initiatives intended to provide cancer patients with faster access to new cancer therapies. One of these initiatives states that the initial basis for approval of anti-cancer agents to treat refractory, hard-to-treat cancer may be objective evidence of response, rather than statistically improved disease-free and/or overall survival, as has been common practice. The sponsor of a product approved under this accelerated mechanism would be required to follow up with further studies on clinical safety and effectiveness in larger groups of patients.

RESEARCH AND DEVELOPMENT SPENDING

During each of the three years ended June 30, 1995, 1996 and 1997, the Company spent approximately $16.8 million, $9.6 million and $7.4 million, respectively, on research and development activities. Most of these expenditures were for Company-sponsored research and development.

EMPLOYEES

As of June 30, 1997, the Company had 63 full-time employees, of whom 17 held Ph.D. or M.D. degrees. The Company considers its relations with its employees to be good. None of the Company's employees is covered by a collective bargaining agreement. The Company has entered into confidentiality agreements with all of its employees, members of the Scientific Advisory Board and other consultants.

SCIENTIFIC ADVISORY BOARDS

ImmunoGen, Inc.

At June 30, 1997, the members of the Company's Scientific Advisory Board were as follows:

Baruj Benacerraf, M.D. Chairman of the Scientific Advisory Board; Fabyan Professor of Comparative Pathology, Emeritus, Harvard University Medical School; 1980 Nobel Prize in Physiology or Medicine.

Emil Frei, M.D. Physician-in-Chief, Emeritus, and Chief, Division of Cancer Pharmacology, Dana-Farber Cancer Institute and Richard and Susan Smith Professor of Medicine, Harvard University Medical School; 1983 Kettering Prize.

Stuart F. Schlossman, M.D. Professor of Medicine, Harvard University Medical School; member of the National Academy of Sciences; Head of the Division of Tumor Immunology of Dana-Farber Cancer Institute.

Apoptosis Technology, Inc.

Walter A. Blattler, Ph.D. Vice President, ATI and Chairman of the ATI Scientific Advisory Board. Dr. Blattler was the founding scientist of ImmunoGen, Inc. and currently serves as ImmunoGen's Executive Vice President, Science and Technology.

Gerard Evan, Ph.D. Royal Society Napier Research Professor, Department of Biochemistry, University College, London, and Principal Scientist and Head of Biochemistry of the Cell Nucleus Laboratory, Imperial Cancer Research Fund, London. Dr. Evan received his Ph.D. from the University of Cambridge and MRC Laboratory of Molecular Biology and is an authority on the control of cellular proliferation and programmed cell death in mammalian cells.

Elliott D. Kieff, M.D., Ph.D. Professor of Medicine and Professor of Microbiology and Molecular Genetics, Harvard University Medical School; Director of Infectious Diseases, Brigham & Women's Hospital; member of the National Academy of Sciences; Chairman of Virology at Harvard University and an authority on herpes viruses.

Stuart F. Schlossman, M.D. Professor of Medicine, Harvard University Medical School; member of the National Academy of Sciences; Head of the Division of Tumor Immunology of Dana-Farber Cancer Institute.

ITEM 2. PROPERTIES

ImmunoGen leases approximately 52,700 square feet of laboratory and office space at two locations in Cambridge, Massachusetts, of which one facility, or 37,700 square feet, has been subleased by the Company. The Company also leases 27,500 square feet of space in Norwood, Massachusetts, which serves as the Company's pilot manufacturing facility as well as its corporate offices. The Company had also leased 47,000 square feet of space in Canton, Massachusetts until January 1, 1996, when it assigned the lease on that facility to another biotechnology company. The Canton facility had been idle since the Company implemented its restructuring plan in December 1994. The Company believes that the manufacturing portion of the Norwood facility, although not yet inspected by FDA, complies with all applicable FDA Good Manufacturing Practice Regulations.

ITEM 3. LEGAL PROCEEDINGS

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

ImmunoGen's Common Stock is quoted on the Nasdaq National Market under the symbol IMGN. The table below sets forth the high and low sale prices for ImmunoGen Common Stock for each of the quarters indicated during the Company's last two fiscal years.

	HIGH	LOW
Fiscal Year 1997		
First Quarter	5 7/8	2 7/8
Second Quarter	4	2 3/16
Third Quarter	3 3/4	1 1/4
Fourth Quarter	2	1 3/16
Fiscal Year 1996		
First Quarter	5 5/8	3 1/4
Second Quarter	3 7/16	1 5/16
Third Quarter	3 13/16	2 1/16
Fourth Quarter	5 11/16	2 1/4

As of August 11, 1997, there were approximately 773 holders of record of the Company's Common Stock and, according to the Company's estimates, approximately 10,000 beneficial owners of the Company's Common Stock.

The Company has not paid any cash dividends on its Common Stock since its inception and does not intend to pay any cash dividends in the foreseeable future.

On June 27, 1997, the Company sold 1,000 shares of its Series D Convertible Preferred Stock (the "Series D Stock"), $.01 par value, to an institutional investor in connection with the Company's October 1996 private placement (the "October 1996 Private Placement") for an aggregate purchase price of $1 million. Each share is convertible at any time into a number of shares of the Company's Common Stock determined by dividing $1,000 by the lower of (i) $1.4375 and (ii) 85% of the market price of the Company's Common Stock on the date of conversion. Also in connection with the issuance of the Series D Stock, the investor received warrants to purchase 454,545 shares of the Company's Common Stock. These warrants are exercisable at a price of $1.94 per share and expire in 2002. The October 1996 Private Placement, conducted in accordance with Regulation D as promulgated under the Securities Act of 1933, as amended, originally provided for a total of up to $12.0 million of convertible preferred stock to be issued to the investor in a series of private placements. The Company has received a total of $7.0 million under this agreement. No underwriter was involved in this transaction.

ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth consolidated financial data with respect to the Company for each of the five years in the period ended June 30, 1997. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included elsewhere in this report on Form 10-K.

	YEAR ENDED JUNE 30,				
	1993	1994	1995	1996*	1997
Total revenues	$ 1,658	$ 926	$ 512	$ 568	$ 630
Total expenses	20,274	24,606	20,363	19,490	9,711
Net loss to common shareholders	(18,634)	(23,690)	(19,857)	(18,923)	(12,595)
Loss per common share	(1.76)	(2.09)	(1.58)	(1.32)	(0.70)
Total assets	46,458	38,384	17,046	8,506	6,350
Long-term debt and capital lease obligations, less current portion	1,212	3,519	2,456	5,788	59
Stockholders' equity	40,540	29,960	10,123	777	4,462
Weighted average common shares outstanding	10,617,109	11,332,194	12,571,134	14,379,064	17,930,164

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* Restated (see Note B of Item 8. Notes to Consolidated Financial Statements)

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Since inception, the Company has been primarily engaged in research and development of immunoconjugate products which the Company believes have significant commercial potential as human therapeutics. The Company's 95%-owned subsidiary, Apoptosis Technology, Inc. ("ATI"), focuses its efforts on the discovery and development of anti-cancer therapeutics based on the regulation of apoptosis. The major sources of the Company's working capital have been the proceeds of equity and convertible debt financings, license fees, government-sponsored research grants and income earned on investment of its available funds. In July 1997 ATI entered into a research and collaboration agreement with a large biopharmaceutical company which will provide financing for ATI's operations of $11.125 million, to be received in quarterly installments over an initial three-year period, if specified conditions are met, as well as potential milestone and future royalty payments. The Company expects no revenues to be derived from product sales for the foreseeable future.

The Company has been unprofitable since inception and expects to incur net losses over the next several years, if it is able to raise sufficient working capital to continue operations. The Company anticipates that its existing cash resources, excluding $1.852 million ATI received in August 1997 from its collaborator to finance research under the collaboration but including $330,000 ImmunoGen received in July 1997 from the assignee of the Company's facility and equipment leases for its Canton, Massachusetts facility, will enable the Company to maintain its current and planned operations into November 1997. In addition to securing financing for its subsidiary, ATI, the Company was recently awarded a $750,000 grant from the Small Business Innovation Research Program ("SBIR Program") of the National Cancer Institute of the National Institutes of Health to advance development over a two-year period of the Company's lead product candidate, huC242-DM1. In addition, under a financing agreement it entered into in October 1996 (the "October 1996 Private Placement"), the Company was granted the right to require the investor to purchase up to $12.0 million of convertible preferred stock from the Company in a series of private placements, of which an aggregate of $7.0 million had been received through June 30, 1997. Because minimum stock price and minimum market capitalization requirements have not been maintained, the investor is no longer obligated to fund the remaining $5.0 million which had been available to the Company under this agreement. However, in discussions with the Company, the investor has agreed to fund an additional $1.0 million, and has indicated a

willingness to further invest in the Company to the extent required to fund the Company's operations, if necessary, subject to certain conditions to be agreed upon. The Company also continues its stringent cost control efforts begun in December 1994 when it implemented a significant restructuring program.

Because of its continuing losses from operations, the Company will be required to obtain additional capital in the short term to satisfy its ongoing capital needs and to continue its operations. While the Company remains hopeful that it will be able to consummate an additional financing transaction in the near term, no assurance can be given that such financing will be available to the Company on acceptable terms, if at all. If the Company is unable to obtain financing on acceptable terms in order to maintain operations through the fiscal year, it could be forced to curtail or discontinue its operations.

RESULTS OF OPERATIONS

The Company's revenues increased approximately 11% from approximately $512,000 in fiscal 1995 to approximately $568,000 in fiscal 1996 and then increased 11% to approximately $630,000 in fiscal 1997. Revenues in fiscal 1995 were derived principally from interest income on the proceeds of the Company's equity offerings, with smaller amounts of development revenues received under the SBIR Program. In 1996 and 1997, revenues were derived principally under the SBIR Program, with smaller amounts received as interest income and as licensing fees pursuant to two licensing agreements. In addition, in fiscal 1995 and 1996, revenues included a gain on sale of assets which resulted from a sale/leaseback agreement for equipment at the Canton facility executed in fiscal 1994 which had been deferred and recorded as other income through December 1995. Other income in fiscal 1996 and fiscal 1997 includes accretion of interest on a note receivable related to the assignment of the Company's leases on its Canton, Massachusetts, facility and equipment.

Interest income decreased 73% from approximately $459,000 in fiscal 1995 to approximately $124,000 in fiscal 1996 and then increased 69% to approximately $209,000 in fiscal 1997. These changes reflect the differences in cash balances available for investment between these periods.

The Company's total expenses decreased 4% from approximately $20.4 million in fiscal 1995 to approximately $19.5 million in fiscal 1996 and then decreased 50% to approximately $9.7 million in fiscal 1997. Exclusive of the one-time charge to dispose of the Canton assets (approximately $2.0 million) and the financing costs associated with the issuances of debt securities which were charged to interest expense (approximately $5.6 million), the decrease between fiscal 1995 and 1996 operating expenses would have been substantially greater.

Research and development costs constituted the primary component of the Company's total expenses (83%, 49% and 76% in fiscal years 1995, 1996 and 1997, respectively), decreasing from approximately $16.8 million in fiscal 1995 to approximately $9.6 million in fiscal 1996, and then decreasing to approximately $7.4 million in fiscal 1997. These decreases are attributable to the Company's continuing cost reduction efforts begun in fiscal year 1995.

General and administrative expenses decreased 40% from approximately $3.0 million in fiscal year 1995 to approximately $1.8 million in fiscal year 1996 and then increased 23% to approximately $2.2 million in fiscal 1997. The decrease between fiscal 1995 and 1996 is a result of the Company's cost reduction efforts begun in fiscal year 1995. These cost reduction efforts, also reflected in the fiscal 1997 results, are offset in fiscal 1996 and fiscal 1997 by increased charges associated with the Company's financing efforts.

Interest expense increased from approximately $510,000 in fiscal year 1995 to approximately $6.1 million in fiscal year 1996 and then decreased to approximately $79,000 in fiscal year 1997. All periods include interest costs on the remaining principal balances of the Company's capital lease agreements. The substantial costs in fiscal 1996 represent the costs incurred in connection with the issuances of convertible debentures, including a non-cash charge to interest of approximately $2.7 million related to warrants issued in connection with the issuances of convertible debentures, approximately $2.4 million related to a discount in the convertible debentures, and $511,000 of cash fees paid to third parties in connection with the Company's debenture financings. In fiscal 1997, the Company's financing activities included issuances of convertible equity and

common stock purchase warrants, as well as the October 1996 conversion of a $2.5 million convertible debenture to convertible preferred stock, and the value associated with those issuances is reflected as dividends on convertible preferred stock. Total dividends for fiscal year 1997 were approximately $3.5 million, all of which represent non-cash charges to dividends, and include approximately $351,000 of charges associated with the 9% dividend rate on all series of preferred stock, approximately $2.1 million of value associated with common stock purchase warrants issued in connection with the preferred stock and approximately $1.1 million related to the 1997 SEC Staff Interpretation on accounting for debt and equity securities convertible into common stock at a discount to the market price of the common stock.

LIQUIDITY AND CAPITAL RESOURCES

Since July 1, 1994, the Company has financed its operating deficit of approximately $51.4 million from various sources, including issuances in fiscal years 1996 and 1997 of convertible debt and equity securities, amounts received pursuant to its fiscal 1996 assignment of leases, funds received under research grants and the exercise of stock options.

In August 1995, the Company issued $3.6 million of 7% subordinated convertible debentures to a small number of overseas investors. Net proceeds to the Company amounted to approximately $3.3 million. As of June 30, 1996, all of these debentures plus accrued interest thereon had been converted into shares of the Company's Common Stock. In total, 2,753,269 shares were issued to the holders of the $3.6 million 7% subordinated convertible debentures for both principal and interest. In addition, 81,480 shares of the Company's Common Stock were issued to a third party as a finder's fee in connection with the issuance of the debentures. The value of the shares, approximately $108,000, was charged to interest expense.

In March 1996, the Company agreed to issue $5.0 million principal amount convertible debentures in a private placement. As part of the private placement, the Company issued a $2.5 million principal amount debenture in March 1996. In June 1996, the debenture, together with accrued interest thereon, was converted into shares of Common Stock, and warrants to purchase 509,000 shares of Common Stock at an exercise price of $4.00 per share were issued to the holder of the debenture. These warrants expire in March 2001. In June 1996, a second $2.5 million convertible debenture was issued and then converted into Series A Convertible Preferred Stock ("Series A Stock") in October 1996. Each share of Series A Stock is convertible at any time into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $2.50 and (ii) 85% of the average of the closing bid price of the Common Stock for the five days prior to conversion (the "Market Price"). As of June 30, 1997, 1,400 of the 2,500 shares of Series A Stock had been converted into 1,328,744 shares of the Company's Common Stock. As of August 21, 1997, 1,900 of the 2,500 shares of Series A Stock plus accrued dividends thereon had been converted into 1,827,674 shares of the Company's Common Stock. In June 1996, the Company issued additional warrants to purchase 500,000 shares of the Company's Common Stock in connection with the conversion of the March 1996 debenture into Common Stock. These warrants have an exercise price equal to $6.00 per share and expire in March 2001. Additionally, warrants to purchase 250,000 shares of the Company's Common Stock were issued as finder's fees in connection with the issuance of the debentures. The 1,259,000 warrants issued in connection with the debentures had a value of approximately $2.7 million, which was charged to interest expense at the time of issuance of the warrants. Upon conversion of the Series A Stock, the holder receives warrants to purchase a number of shares of Common Stock equal to 50% of the number of shares issuable upon conversion of the Series A Stock. These warrants, valued at $623,000, were accounted for as non-cash dividends to preferred shareholders at the time of issuance of the warrants. These warrants will be exercisable at $4.00 per share and expire five years after the date of issuance. As of June 30, 1997, warrants to purchase 664,372 shares of the Company's Common Stock were issued on conversion of the Series A Stock. As of August 21, 1997, warrants to purchase 913,837 shares of the Company's Common Stock were issued on conversion of the Series A Stock.

In June 1996 the Company satisfied its own and ATI's obligations to Dana-Farber, totaling approximately $1.3 million, by issuing an 11.5% convertible debenture in that amount. In July 1996, the 11.5% debenture and accrued interest thereon, aggregating $1,318,734, was converted into 351,662 shares of the Company's Common Stock.

In October 1996, the Company sold $3.0 million of 9% Series B Convertible Preferred Stock ("Series B Stock") in connection with the October 1996 Private Placement. Each share of Series B Stock was convertible into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $3.60 and (ii) 85% of the Market Price of the Common Stock at the time of conversion. As of February 4, 1997, all 3,000 shares of the Series B Stock plus accrued dividends thereon had been converted into 1,384,823 shares of the Company's Common Stock. In connection with the issuance of the Series B Stock, warrants to purchase 500,000 shares of the Company's Common Stock were also issued. Of these, 250,000 warrants are exercisable at $5.49 per share and expire in October 2001. The remaining 250,000 warrants are exercisable at $3.68 per share and expire in January 2002. These warrants have a value of $618,900, which was accounted for as non-cash dividends to preferred shareholders at the time of issuance of the warrants.

In January 1997, the Company sold $3.0 million of 9% Series C Convertible Preferred Stock ("Series C Stock") in connection with the October 1996 Private Placement. Each share of Series C Stock was convertible into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $2.61 and (ii) 85% of the Market Price of the Company's Common Stock at the time of conversion. As of June 30, 1997, 2,300 shares of the Series C Stock plus accrued dividends thereon had been converted into 2,018,558 shares of the Company's Common Stock. As of August 1, 1997, all 3,000 shares of the Series C Stock plus accrued dividends thereon had been converted into 2,719,738 shares of the Company's Common Stock. In connection with the Series C Stock, warrants to purchase 1,147,754 shares of Common Stock were issued to the investor. These warrants are exercisable at $2.31 per share and expire in April 2002. The $1.2 million value of these warrants was accounted for as non-cash dividends to preferred shareholders at the time of issuance of the warrants.

In June 1997, the Company sold $1.0 million of 9% Series D Convertible Preferred Stock ("Series D Stock") in connection with the October 1996 Private Placement. The Series D Stock is convertible at any time into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $1.4375 and (ii) 85% of the Market Price of the Company's Common Stock at the time of conversion. In addition, the investor received warrants to purchase 454,545 shares of the Company's Common Stock. These warrants have an exercise price of $1.94 per share and expire in 2002. In accordance with the 1997 SEC Staff Interpretation, the value of these warrants, $278,000, was determined at the time of issuance of the convertible securities and was accounted for as non-cash dividends to preferred shareholders at that time.

Also in June 1997, the Company and ATI satisfied an obligation of ATI to one of its scientific advisors, totaling $120,000, by paying the advisor a combination of cash and 41,481 shares of the Company's Common Stock.

ImmunoGen was committed to provide ATI with $3.0 million in research and development services and $2.0 million in cash equity contributions over a three-year period commencing in January 1993. At June 30, 1995, these obligations had been fulfilled by the Company. ImmunoGen had also agreed to obtain or furnish an additional $3.0 million in equity for ATI on such terms and conditions as were mutually agreed to by ATI and the providers of such additional equity. As of June 30, 1996 and 1997, amounts owed by ATI to ImmunoGen approximated $10.0 million and $14.2 million, respectively. In July 1997, the balance due ImmunoGen as of July 31, 1997 based on an estimate of the amount owed as of that date, was converted into shares of ATI common stock, thereby satisfying the agreement to provide an additional $3.0 million in equity and increasing ImmunoGen's majority ownership from 72% to approximately 95%. If the actual amount owed by ATI to ImmunoGen exceeds the estimated amount, the excess amount will also be converted into shares of ATI common stock.

In July 1997, ATI entered into a collaboration with BioChem Pharma Inc. ("BioChem"), a Canadian biopharmaceutical company. The agreement grants BioChem an exclusive, worldwide license to ATI's proprietary screens based on two families of proteins involved in apoptosis, for use in identifying leads for anti-cancer drug development. The agreement also covers the development of new screens in two areas.

Under the agreement, BioChem will invest a total of $11.125 million in non-voting convertible preferred stock of ATI in a series of private placements over a three-year period to be used exclusively to fund research conducted under the collaboration during a three-year research term. On August 1, 1997, BioChem paid ATI

$1.852 million under this agreement. The balance of $9.273 million will be paid in equal quarterly payments of $843,000. The preferred stock is convertible into ATI common stock at any time after three years from the date of first issuance of such stock, at a conversion price equal to the then current market price of the ATI common stock, but in any event at a price that will result in BioChem acquiring at least 15% of the then outstanding ATI common stock. The research agreement may be extended beyond the initial three-year term, on terms substantially similar to those for the original term. BioChem will also make milestone payments of up to $15.0 million for each product over the course of its development. In addition, ATI will receive royalties on the future worldwide sales of products, if any, resulting from the collaboration. BioChem's obligation to provide additional financing to ATI each quarter is subject to satisfaction of specified conditions, including a condition with respect to the level of ATI's cash and other resources in addition to the financing.

As part of the agreement, BioChem will receive warrants to purchase shares of ImmunoGen Common Stock equal to the amount invested in ATI during the three-year research term. These warrants will be exercisable for a number of shares of ImmunoGen's Common Stock determined by dividing the amount of BioChem's investment in ATI by the market price of the ImmunoGen Common Stock on the exercise date, subject to certain limitations. The exercise price is payable either in cash or shares of ATI preferred stock, at BioChem's option. The warrants are expected to be exercised only in the event that the shares of ATI common stock do not become publicly traded. In the event that ATI common shares do not become publicly traded, the Company expects that BioChem will use its shares of ATI preferred stock, in lieu of cash, to exercise the warrants.

In the period since July 1, 1994 approximately $551,000 was expended on property and equipment. No significant amounts were expended in fiscal 1997 or are expected to be expended on property and equipment in fiscal 1998.

Because of its continuing losses from operations, the Company will be required to obtain additional capital in the short term to satisfy its ongoing capital needs and to continue its operations. Although, as noted above, management continues to pursue additional funding arrangements and/or strategic partners, no assurance can be given that such financing will in fact be available to the Company. If the Company is unable to obtain financing on acceptable terms in order to maintain operations, it could be forced to curtail or discontinue its operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

CERTAIN FACTS THAT MAY AFFECT FUTURE RESULTS OF OPERATIONS

This report contains certain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors, including, but not limited to, the following: the uncertainties associated with preclinical studies and clinical trials; the early stage of the Company's initial product development and lack of product revenues; the Company's history of operating losses and accumulated deficit; the Company's limited financial resources and uncertainty as to the availability of additional capital to fund its development on acceptable terms, if at all; the Company's lack of commercial manufacturing experience and commercial sales, distribution and marketing capabilities; reliance on suppliers of antibodies necessary for production of the products and technologies; the potential development by competitors of competing products and technologies; the Company's dependence on potential collaborative partners, and the lack of assurance that the Company will receive any funding under such relationships to develop and maintain strategic alliances; the lack of assurance regarding patent and other protection for the Company's proprietary technology; governmental regulation of the Company's activities, facilities, products and personnel; the dependence on key personnel; uncertainties as to the extent of reimbursement for the costs of the Company's potential products and related treatment by government and private health insurers and other organization; the potential adverse impact of government-directed health care reform; the risk of product liability claims; and general economic conditions. As a result, the Company's future development efforts

involve a high degree of risk. For further information, refer to the more specific risks and uncertainties discussed throughout this Annual Report on Form 10-K.

ITEM 8. FINANCIAL STATEMENTS

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders of ImmunoGen, Inc.:

We have audited the accompanying consolidated balance sheets of ImmunoGen, Inc. as of June 30, 1996 and 1997, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended June 30, 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of ImmunoGen, Inc. as of June 30, 1996 and 1997 and the consolidated results of its operations and its cash flows for each of the three years in the period ended June 30, 1997, in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note A, the Company has suffered recurring losses from operations; at June 30, 1997, the Company has cash resources of $1.7 million which, along with $2.2 million received by the Company in July 1997, management anticipates is sufficient to maintain current and planned operations only into November 1997 and, therefore, requires significant additional financing. These factors raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

COOPERS & LYBRAND L.L.P.

Boston, Massachusetts
July 30, 1997

IMMUNOGEN, INC.

CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 1996 AND JUNE 30, 1997

	JUNE 30, 1996	JUNE 30, 1997
ASSETS		
Cash and cash equivalents	$ 2,796,636	$ 1,669,050
Prepaids and other current assets	163,280	578,497
Total current assets	2,959,916	2,247,547
Property and equipment, net of accumulated depreciation	4,163,416	2,929,733
Note receivable	1,338,929	1,128,910
Other assets	43,700	43,700
Total assets	$ 8,505,961	$ 6,349,890
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 733,446	$ 612,559
Accrued compensation	233,515	248,472
Other accrued liabilities	832,573	841,238
Current portion of capital lease obligations	141,533	37,068
Current portion of deferred lease	--	89,160
Total current liabilities	1,941,067	1,828,497
Capital lease obligations	37,068	--
Deferred lease	--	59,436
Convertible debentures	5,750,443	--
Commitments		
Stockholders' equity:		
Preferred stock; $.01 par value; authorized 5,000,000 as of June 30, 1997:		
Convertible preferred stock, Series A, $.01 par value; issued and outstanding 1,100 shares as of June 30, 1997 (liquidation preference -- stated value plus accrued but unpaid dividends per share	--	11
Convertible preferred stock, Series C, $.01 par value; issued and outstanding 700 shares as of June 30, 1997 (liquidation preference -- stated value plus accrued but unpaid dividends per share	--	7
Convertible preferred stock, Series D, $.01 par value; issued and outstanding 1,000 shares as of June 30, 1997 (liquidation preference -- stated value plus accrued but unpaid dividends per share		10
Common stock, $.01 par value; authorized 30,000,000 shares as of June 30, 1996 and June 30, 1997, respectively; issued and outstanding 16,599,855 and 21,779,767 shares as of June 30, 1996 and June 30, 1997, respectively	165,999	217,797
Additional paid-in capital	128,525,884	144,753,538
	128,691,883	144,971,363
Accumulated deficit	(127,914,500)	(140,509,406)
Total stockholders' equity	777,383	4,461,957
Total liabilities and stockholders' equity	$ 8,505,961	$ 6,349,890

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

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED JUNE 30, 1995, 1996 AND 1997

	JUNE 30,		
	1995	1996	1997
Revenues:			
Development fees		$ 398,289	$ 393,583
Interest	$ 459,293	124,208	209,398
Licensing	--	18,070	27,057
Other	52,571	27,856	--
Total revenues	511,864	568,423	630,038
Expenses:			
Research and development	16,819,082	9,622,132	7,418,315
General and administrative	3,034,087	1,769,414	2,213,205
Interest	509,700	6,096,894	79,150
Loss on disposal of assets	--	2,001,480	--
Total expenses	20,362,869	19,489,920	9,710,670
Loss before income taxes	(19,851,005)	(18,921,497)	(9,080,632)
Income tax expense	6,063	1,640	2,764
Net loss	(19,857,068)	(18,923,137)	(9,083,396)
Dividends on convertible preferred stock	--	--	3,511,510
Net loss to common shareholders	$(19,857,068)	$(18,923,137)	$(12,594,906)
Loss per common share	$ (1.58)	$ (1.32)	$ (0.70)
Shares used in computing loss per share amounts	12,571,134	14,379,064	17,930,164

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

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (NOTE H)
FOR THE YEARS ENDED JUNE 30, 1996 AND 1997

	COMMON STOCK			PREFERRED STOCK				
	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	TOTAL STOCKHOLDERS' EQUITY
Balance at June 30, 1995....	12,578,606	$125,786	$118,988,736	--	$ --	$ --	$(108,991,363)	$ 10,123,159
Stock options exercised...	168,500	1,685	120,900	--	--	--	--	122,585
Conversion of convertible debentures.....	3,852,749	38,528	6,722,763	--	--	--	--	6,761,291
Issuance of common stock warrants.....	--	--	2,693,485	--	--	--	--	2,693,485
Net loss.....	--	--	--	--	--	--	(18,923,137)	(18,923,137)
Balance at June 30, 1996....	16,599,855	165,999	128,525,884	--	--	--	(127,914,500)	777,383
Stock options exercised...	54,644	545	87,310	--	--	--	--	87,855
Issuance of common stock.....	41,481	415	69,585	--	--	--	--	70,000
Conversion of convertible debentures into common stock.....	351,662	3,517	1,315,217	--	--	--	--	1,318,734
Exchange of convertible debentures for series A convertible preferred stock.....	--	--	--	2,500	25	4,749,586	--	4,749,611
Issuance of Series B convertible preferred stock.....	--	--	--	3,000	30	3,486,342	--	3,486,372
Issuance of Series C convertible preferred stock.....	--	--	--	3,000	30	4,720,003	--	4,720,033
Issuance of Series D convertible preferred stock.....	--	--	--	1,000	10	1,287,092	--	1,287,102
Conversion of Series A convertible preferred stock into common stock.....	1,328,744	13,287	2,766,405	(1,400)	(14)	(2,659,763)	--	119,915
Conversion of Series B convertible preferred stock into common stock.....	1,384,823	13,848	3,539,221	(3,000)	(30)	(3,486,342)	--	66,697
Conversion of Series C convertible preferred stock into common stock.....	2,018,558	20,186	2,956,928	(2,300)	(23)	(2,910,669)	--	66,422
Compensation for put right.....	--	--	--	--	--	306,739	--	306,739
Dividends on convertible preferred stock.....	--	--	--	--	--	--	(3,511,510)	(3,511,510)
Net loss for the year ended June 30, 1997.....	--	--	--	--	--	--	(9,083,396)	(9,083,396)
Balance at June 30, 1997....	21,779,767	$217,797	$139,260,550	2,800	$ 28	$5,492,988	$(140,509,406)	$ 4,461,957

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

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 1995, 1996 AND 1997

	JUNE 30,		
	1995	1996	1997
Cash flows from operating activities:			
Net loss	$(19,857,068)	$(18,923,137)	$(12,594,906)
Adjustments to reconcile net loss to net cash used for operating activities:			
Depreciation and amortization	3,350,685	2,516,231	1,496,598
Loss on disposal of facility	(15,630)	2,001,480	--
Non-cash charge for issuance of common stock warrants and payment of interest expense on convertible subordinated debenture	--	5,398,352	--
Amortization of debt issuance costs	--	511,000	--
Other	--	25,674	5,791
Loss on sale of property and equipment	--	--	(8,665)
Accretion of interest on note receivable	--	(48,395)	(119,981)
Dividends payable	--	--	3,511,510
Amortization of deferred lease	--	--	(66,870)
Changes in operating assets and liabilities:			
Other current assets	335,957	267,168	(85,217)
Accounts payable	19,852	(288,690)	(50,881)
Accrued compensation	(619,941)	(163,638)	14,957
Other non-current liabilities	--	(27,856)	--
Other accrued liabilities	48,275	98,777	(88,970)
Net cash used for operating activities	(16,737,870)	(8,633,034)	(7,986,634)
Cash flows from investing activities:			
Capital expenditures	(477,288)	(23,608)	(50,386)
Proceeds from sale/maturity of marketable securities	30,505,763	--	--
Purchase of marketable securities	(10,925,635)	--	--
Proceeds from sale of property and equipment	--	--	11,600
Net cash (used for) provided by investing activities	19,102,840	(23,608)	(38,786)
Cash flows from financing activities:			
Proceeds from convertible debentures	--	8,600,000	--
Proceeds from convertible preferred stock	--	--	6,990,000
Debt issuance costs	--	(511,000)	--
Stock issuances, net	20,387	122,585	87,855
Principal payments on capital lease obligations	(910,510)	(455,543)	(141,533)
Financing costs	--	--	(38,488)
Proceeds from sale of facility	--	650,000	--
Net cash provided by (used for) financing activities	(890,123)	8,406,042	6,897,834
Net change in cash and cash equivalents	1,474,847	(250,600)	(1,127,586)
Cash and cash equivalents, beginning balance	1,572,389	3,047,236	2,796,636
Cash and cash equivalents, ending balance	$ 3,047,236	$ 2,796,636	$ 1,669,050
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 513,635	$ 684,325	$ 15,007
Cash paid (refunded) for income taxes	$ (4,390)	$ 5,000	$ 1,197
Supplemental disclosure of noncash financing activities:			
Conversion of convertible debentures including accrued interest to Common Stock	$ --	$ 6,653,340	$ 1,318,734
Conversion of accounts payable to 11.5% convertible debenture	$ --	$ 1,312,943	$ --
Assignment of capital lease obligations	$ --	$ 2,639,285	$ --
Note receivable issued in relation to assignment of lease	$ --	$ 1,338,929	$ --
Conversion of convertible debentures to preferred stock	$ --	$ --	$ 4,749,611
Third party financing of leasehold improvements	$ --	$ --	$ 215,465
Issuance of Common Stock to relieve accounts payable	$ --	$ --	$ 70,000
Conversion of Series A Preferred Stock to Common Stock	$ --	$ --	$ 2,659,777
Conversion of Series B Preferred Stock to Common Stock	$ --	$ --	$ 3,486,372
Conversion of Series C Preferred Stock to Common Stock	$ --	$ --	$ 2,910,692

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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. NATURE OF BUSINESS AND PLAN OF OPERATION:

ImmunoGen, Inc. ("the Company") was incorporated in Massachusetts on March 27, 1981. The Company was formed to develop, produce and market commercial cancer and other pharmaceuticals based on molecular immunology. The Company continues research and development of its various products, and expects no revenues to be derived from product sales in the foreseeable future.

The Company has been unprofitable since inception and expects to incur net losses over the next several years. The Company's cash resources at June 30, 1997 were approximately $1.7 million. This amount includes $1.0 million received in June 1997 pursuant to a private placement of Series D convertible preferred stock to an institutional investor. In August 1997, the Company's subsidiary, Apoptosis Technology, Inc. ("ATI"), received $1.852 million as a first payment under a research and collaboration agreement with a large biopharmaceutical company (see Note K). This collaboration is expected provide significant funding for ATI's operations for a period of time, initially three years, as well as milestone and royalty payments. Under the terms of the collaboration, the entire $11.125 million investment by BioChem Pharma must be used to finance the research program with BioChem Pharma. Also in July 1997, $330,000 was received from the assignee of the Company's facility and equipment leases at its Canton, Massachusetts facility. In addition to maintaining its stringent cost control program, the Company continues actively to seek additional capital by pursuing one or more financing transactions and/or strategic partnering arrangements.

In addition to securing funding for its subsidiary, ATI, the Company was recently awarded a $750,000 grant from the Small Business Innovation Research (SBIR) Program of the National Cancer Institute of the National Institutes of Health to advance development over a two-year period of the Company's lead product candidate, huC242-DM1. In addition, under a financing agreement entered into in October 1996, the Company was granted the right to require the investor to purchase up to $12.0 million of convertible preferred stock from the Company in a series of private placements, of which an aggregate of $7.0 million had been received through June 30, 1997. Because minimum stock price and minimum market capitalization requirements have not been maintained, the investor is no longer obligated to fund the remaining $5.0 million which had been available to the Company under this agreement. However, in discussions with the Company, the investor has agreed to fund an additional $1.0 million, and has indicated a willingness to further invest in the Company to the extent required to fund the Company's operations, if necessary, subject to certain conditions to be agreed upon.

The Company anticipates that its existing capital resources, which exclude $1.852 million ATI received from its collaborator to be used to fund the research program with the collaborator but include $330,000 ImmunoGen received in July 1997 as noted above, will enable it to maintain its current and planned operations into November 1997. Because of its continuing losses from operations, the Company will be required to obtain additional capital in the short term to satisfy its ongoing capital needs and to continue its operations. Although, as noted above, management continues to pursue additional funding arrangements and/or strategic partners, no assurance can be given that such financing will in fact be available to the Company. If the Company is unable to obtain financing on acceptable terms in order to maintain operations, it could be forced to curtail or discontinue its operations. The financial statements do not include any adjustments that might result from the discontinuance of operations.

B. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, ImmunoGen Securities Corp. (established in December 1989), and its 95%-owned subsidiary, ATI (established in January 1993) (see Note E). All intercompany transactions and balances have been eliminated.

Certain reclassifications have been made to the prior year financial statements to conform to the 1997 presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Research and Development Costs

Research and development costs are expensed as incurred.

Cash and Cash Equivalents

The Company considers all investments purchased with maturity dates of three months or less from the date of acquisition to be cash equivalents.

Cash and cash equivalents include, at cost plus accrued interest which approximates market value, $2,796,636 and $1,669,050 of money market funds and repurchase agreements at June 30, 1996 and 1997, respectively.

Financial Instruments and Concentration of Credit Risk

The Company has a note receivable from a biotechnology company with payments due at various dates to July 1999. Management believes the carrying amount of this note receivable (on a discounted basis) is a reasonable estimate of the fair value based on the current rates offered to the Company for debt with similar maturities.

The Company minimizes the risk associated with concentration of credit by assuring that financial instruments purchased by its cash manager include only high-grade, low-risk investments. At June 30, 1996 and 1997, those investments included various U.S. Government overnight repurchase agreements, money market investments with major financial institutions and cash on deposit with major banks.

Property and Equipment

Property and equipment are stated at cost. The Company provides for depreciation based upon expected useful lives using the straight-line method over the following estimated useful lives:

Machinery and equipment	3-5 years
Computer hardware and software	5 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of lease term or estimated useful life

Maintenance and repairs are charged to expense as incurred. Upon retirement or sale, the cost of disposed assets and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to operations. Gains recorded under sale/leaseback arrangements are deferred and amortized to operations over the life of the lease.

Income Taxes

The Company uses the liability method whereby the deferred tax liabilities and assets are recognized based on temporary differences between the financial statement and tax basis of assets and liabilities using current statutory tax rates. A valuation allowance against net deferred tax assets is recorded if, based on the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

Management evaluates on a quarterly basis the recoverability of the deferred tax assets and the level of the valuation allowance. At such time as it is more likely than not that deferred tax assets are realizable, the valuation allowance will be appropriately reduced.

Impairment of Long-Lived Assets

The Company periodically evaluates the potential impairment of its long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. At the occurrence of a certain event or change in circumstances, the Company evaluates the potential impairment of an asset based on estimated future undiscounted cash flows. In the event impairment exists, the company will measure the amount of such impairment based on the present value of estimated expected future cash flows using a discount rate commensurate with the risks involved. Based on management's assessment as of June 30, 1997, the Company has determined that no impairment of long-lived assets exists.

Recent Accounting Pronouncements

In March 1997, the Securities and Exchange Commission issued a Staff Interpretation related to the accounting for convertible preferred stock and convertible debt instruments issued with provisions providing for conversion into common stock at a discount from the market price of the common stock. The new interpretation provides that assured incremental yield embedded in the convertible instruments' conversion terms' discount from fair market value should be accounted for as either a dividend to preferred shareholders or interest to debtholders. For the year ended June 30, 1996, compliance with this new ruling resulted in a non-cash charge to interest expense of $2.4 million, and accounted for a $.17 per share increase in the Company's loss per share. For the year ended June 30, 1997, this interpretation, together with the value of warrants to be issued to the preferred shareholders, resulted in non-cash dividends to the preferred shareholders of $3,160,843, or an increase in loss per share of $.18. This interpretation also resulted in the restatement of the Company's June 30, 1996 report on Form 10-K and its reports on Form 10-Q for the quarters ended September 30, 1996 and December 31, 1996 as restated on Form 10-K/A and Form 10-Q/A filed on July 7, 1997.

In June 1997, the FASB issued two additional statements, SFAS 130, "Reporting Comprehensive Income" and SFAS 131, "Disclosures About Segments of an Enterprise and Related Information." Both are effective for fiscal years beginning after December 15, 1997. Adoption of these standards will not impact the financial results of the Company.

Also in 1997, the Financial Accounting Standards Board released the Statement of Financial Accounting Standards No. 128 (SFAS 128), "Earnings Per Share." SFAS 128 specifies the computation, presentation and disclosure requirements for earnings per share and is substantially similar to the standards recently issued by the International Accounting Standards (IAS 33), "Earnings Per Share." SFAS 128 is effective for financial statements issued for periods ending after December 15, 1997, including interim periods. SFAS 128 requires restatement of all prior-period earnings per share data presented. Management has not yet determined the impact, if any, of SFAS 128 on the Company's financial statements.

C. LOSS PER COMMON SHARE:

Net loss per common share is based on the weighted average number of common shares outstanding during the periods. Common share equivalents have not been included because their effect would be anti-dilutive. Fully diluted earnings per share are the same as primary earnings per share.

If the conversion of convertible debentures and convertible preferred stock into common shares of the Company which occurred during 1996 and 1997 had occurred at the beginning of each fiscal year, then the weighted average number of shares outstanding used to calculate the loss per share would have been 16,485,630, or a loss per share of $1.15, for fiscal 1996, and 21,714,015, or a loss per share of $0.58, for fiscal 1997.

If the conversions described above for fiscal 1996 plus the conversion in July 1996 had occurred at the beginning of fiscal 1996, the weighted average number of shares outstanding used to calculate the loss per share would have been 16,837,292, and the loss per share would have been $1.12. If the conversions described above for fiscal 1997 plus the conversions in July and August 1997 had occurred at the beginning of fiscal 1997, the weighted average number of shares outstanding used to calculate the loss per share would have been 22,914,125, and the loss per share would have been $0.55.

D. NOTE RECEIVABLE:

Effective January 1, 1996, the Company assigned its leases on its Canton facility and equipment to another biotechnology company. Under the terms of the agreements, the assignee has assumed all payment obligations under the leases, which amount to approximately $116,000 per month and, in addition, will make cash payments to the Company at various dates to July 1999 which will total approximately $2.4 million, of which approximately $786,000 had been received through June 30, 1997. On July 1, 1997, an additional payment of $330,000 was received. Amounts due the Company from the assignee under these agreements were discounted to their present value using a risk-adjusted discount rate of 9%. The Company is accreting interest income over the life of the note and, accordingly, the note receivable balance in the Company's consolidated balance sheets as of June 30, 1997 reflects the original discounted present value of $1,291,000 plus accreted interest of approximately $168,000.

E. AGREEMENTS:

ImmunoGen/Dana-Farber Cancer Institute

The Company had a long-standing research and license agreement with Dana-Farber Cancer Institute, Inc. ("Dana-Farber"), a Massachusetts not-for-profit corporation. As part of the research and license agreement, the Company agreed to fund certain research and development projects conducted by Dana-Farber in relation to the development and eventual commercialization of certain biologicals to be used in the treatment of certain forms of cancer. In fiscal years 1995 and 1996, the Company incurred research and development expenses of approximately $225,000 and $40,000, respectively, in connection with that agreement. No funding of research and development at Dana-Farber occurred in fiscal 1997 and none is expected to occur in the foreseeable future. To the extent that any invention develops at Dana-Farber which derived its principal support and funding from the Company, the Company has the exclusive right to use such invention. Also as part of the arrangement, the Company is required to pay to Dana-Farber, if and when product sales commence, certain royalties based on a formula stipulated in the agreement. The Company owed Dana-Farber approximately $0.9 million at June 28, 1996 for work performed under the agreement. Of the balance due under the agreement at June 28, 1996, the Company accrued interest of approximately $106,000 (which includes interest retroactive to 1993 on ImmunoGen's obligation to Dana-Farber plus interest on ATI's $335,100 obligation to Dana-Farber), and issued a $1.3 million 11.5% convertible debenture as described in

Note H to these financial statements in payment thereof. On July 12, 1996, this debenture was converted into 351,662 shares of the Company's Common Stock.

ATI/Dana-Farber Agreements

ATI was established as a joint venture between ImmunoGen and Dana-Farber to develop therapeutics based on apoptosis technology developed at Dana-Farber. In January 1993, the Company purchased 7,000 shares of Class A Preferred Stock of ATI. The Preferred Stock is voting stock and carries a liquidation preference over the common stock. At June 30, 1997, the Company's investment represented 72% of the then currently authorized equity of ATI and, accordingly, ATI is consolidated. (See Note K.) If ATI has not concluded a public offering of its stock for at least $5.0 million prior to January 11, 1998, certain other stockholders (at June 30, 1997 representing 2,000 shares of common stock) of ATI can require ImmunoGen to purchase, or ImmunoGen can require such stockholders to sell, their shares in ATI at a predetermined price. At ImmunoGen's option, the shares of common stock of ATI can be paid for in cash or by delivery of shares of ImmunoGen Common Stock.

ImmunoGen was committed to provide ATI with $3.0 million in research and development services and $2.0 million in cash equity contributions over a three-year period. At June 30, 1995, these obligations had been fulfilled by the Company. ImmunoGen had also agreed to obtain or furnish an additional $3.0 million in equity for ATI on such terms and conditions as were mutually agreed to by ATI and the providers of such additional equity. As of June 30, 1996 and 1997, amounts owed by ATI to ImmunoGen approximated $10.0 million and $14.2 million, respectively. In July 1997, the balance due ImmunoGen as of June 30, 1997 was converted into shares of ATI common stock, thereby satisfying the agreement to provide an additional $3.0 million in equity and increasing ImmunoGen's majority ownership from 72% to 95%.

Under agreements between ATI and Dana-Farber, ATI was the licensee of Dana-Farber's apoptosis technology and ImmunoGen possessed the exclusive right to license products developed by ATI, including those based on Dana-Farber's apoptosis technology. These agreements were terminated as of January 1, 1996. A portion of the Company's research and development expenses was incurred in connection with an agreement between ATI and Dana-Farber, under which ATI had agreed to fund certain research projects conducted at Dana-Farber. In fiscal 1995 and 1996, these expenses amounted to $670,000 and $327,000, respectively. The balance due Dana-Farber under this agreement of approximately $350,000 was included in the June 28, 1996 debenture issued by the Company to Dana-Farber as described in Note H. Under the terms of the termination agreement, the Company satisfied all past and present obligations under the license agreement and ATI retains any rights to technology developed prior to January 1, 1996.

Other

Development revenues of approximately $398,000 and $394,000 in fiscal 1996 and 1997, respectively, represent income earned under the Small Business Innovation Research Program of the National Institutes of Health and amounts received pursuant to licensing agreements of the Company and its subsidiary, ATI.

F. PROPERTY AND EQUIPMENT:

Property and equipment consisted of the following at June 30, 1996 and 1997:

	JUNE 30,	
	1996	1997
Machinery and equipment	$ 5,235,339	$ 5,213,352
Computer hardware and software	1,054,586	1,057,671
Furniture and fixtures	133,964	120,304
Leasehold improvements	8,131,394	8,346,859
	14,555,283	14,738,186
Less accumulated depreciation and amortization	10,391,867	11,808,453
	$ 4,163,416	$ 2,929,733

Depreciation and amortization expense was $3,350,685, $2,516,231 and $1,496,598 for the years ended June 30, 1995, 1996 and 1997, respectively.

Maintenance and repair expense was approximately $173,000, $120,000 and $52,000 for the fiscal years ended 1995, 1996 and 1997, respectively.

In connection with the Company's assignment of its equipment leases at its Canton facility, as described in Note D, the Company wrote off approximately $9.3 million of assets in fiscal 1996, with a corresponding reduction in accumulated depreciation of approximately $2.3 million. This disposition of the Company's Canton assets included recognition of a net loss on its equipment lease at the Canton facility of approximately $2.0 million for the year ended June 30, 1996.

The Company's policy is to depreciate property and equipment over its remaining useful life, generally three to five years, and to evaluate the remaining life and recoverability of such property and equipment in light of current conditions as discussed in Note B. Since there is doubt about the Company's ability to continue as a going concern, it is reasonably possible that the Company's estimate that it will recover the carrying amount of its property and equipment from future operations will change in the near term; however, management believes the fair value of its property and equipment exceeds its net book value at June 30, 1997.

G. INCOME TAXES:

No income tax provision or benefit has been provided for U.S. federal income tax purposes as the Company has incurred losses since inception. As of June 30, 1997 net deferred tax assets totaled approximately $43.4 million, consisting of federal net operating loss carryforwards of approximately $105.9 million, net book to tax timing differences of approximately $9.3 million and approximately $4.2 million of research and experimentation credit carryforwards. These net operating loss and credit carryforwards will expire at various dates between 1998 and 2012 and may be subject to limitation when used due to certain changes in ownership of the Company's capital stock. Due to the uncertainty surrounding the realization of these favorable tax attributes in future tax returns, the net deferred tax assets of approximately $43.0 million and $43.4 million at June 30, 1996 and 1997, respectively, have been fully offset by a valuation allowance. Income tax expense consists primarily of state income taxes levied on the interest income of the Company's wholly-owned subsidiary, ImmunoGen Securities Corp., at a rate of 1.32%, and state minimum excise tax liability.

H. CAPITAL STOCK:

In August 1995, the Company issued $3.6 million of 7% subordinated convertible debentures to a small number of overseas investors. Net proceeds to the Company amounted to approximately $3.3 million. As of June 30, 1996, all of these debentures plus accrued interest thereon had been converted into shares of the Company's Common Stock. In total, 2,753,269 shares were issued to the holders of the $3.6 million 7% subordinated convertible debentures for both principal and interest. In addition, 81,480 shares of the Company's Common Stock were issued to a third party as a finder's fee in connection with the issuance of the debentures. The value of the shares, approximately $108,000, was charged to interest expense in fiscal year 1996.

In March 1996, the Company agreed to issue $5.0 million principal amount convertible debentures in a private placement. As part of the private placement, the Company issued a $2.5 million principal amount debenture on March 25, 1996. In June 1996, the debenture, together with accrued interest thereon, was converted into shares of Common Stock, and warrants to purchase 509,000 shares of Common Stock at an exercise price of $4.00 per share were issued to the holder of the debenture. These warrants expire in March 2001. In June 1996, a second $2.5 million convertible debenture was issued and then converted into Series A Convertible Preferred Stock ("Series A Stock") in October 1996. Each share of Series A Stock is convertible at any time into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $2.50 and (ii) 85% of the average of the closing bid price of the Common Stock for the five days prior to conversion (the "market price"). As of June 30, 1997, 1,400 of the 2,500 shares of the Series A Common Stock plus accrued dividends thereon had been converted into 1,328,744 shares of the Company's Common Stock. As of August 21, 1997, 1,900 of the 2,500 shares of Series A Stock plus accrued dividends thereon had been converted into 1,827,674 shares of the Company's Common Stock. In June 1996, the Company issued additional warrants to purchase 500,000 shares of the Company's Common Stock in connection with the conversion of the March 1996 debenture into Common Stock. These warrants have an exercise price equal to $6.00 per share and expire in March 2001. Additionally, warrants to purchase 250,000 shares of the Company's Common Stock were issued as finder's fees in connection with the issuance of the debentures. The 1,259,000 warrants issued in connection with the debentures had a value of approximately $2.7 million, which was charged to interest expense at the time of issuance of the warrants. Upon conversion of the Series A Stock, the holder receives warrants to purchase a number of shares of Common Stock equal to 50% of the number of shares issuable upon conversion of the Series A Stock. These warrants, valued at $623,000, were accounted for as non-cash dividends to common shareholders at the time of issuance of the warrants. These warrants will be exercisable at $4.00 per share and expire five years after the date of issuance. As of June 30, 1997, warrants to purchase 664,372 shares of the Company's Common Stock were issued on conversion of the Series A Stock. As of August 21, 1997, warrants to purchase 913,837 shares of the Company's Common Stock were issued on conversion of the Series A Stock.

In June 1996 the Company satisfied its own and ATI's obligations to Dana-Farber, totaling approximately $1.3 million, by issuing an 11.5% convertible debenture in that amount. In July 1996, the 11.5% debenture and accrued interest thereon, aggregating $1,318,734, was converted into 351,662 shares of the Company's Common Stock.

In October 1996, the Company sold $3.0 million of 9% Series B Convertible Preferred Stock ("Series B Stock") in connection with the October 1996 Private Placement. Each share of Series B Stock was convertible into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $3.60 and (ii) 85% of the market price of the Common Stock at the time of conversion. As of February 4, 1997, all 3,000 shares of the Series B Stock plus accrued dividends thereon had been converted into 1,384,823 shares of the Company's Common Stock. In connection with the issuance of the Series B Stock, warrants to purchase 500,000 shares of the Company's Common Stock were also issued. Of these, 250,000 warrants are exercisable at $5.49 per share and expire in October 2001. The remaining 250,000 warrants are exercisable at $3.68 per

share and expire in January 2002. These warrants have a value of $618,900, which was accounted for as non-cash dividends to common shareholders at the time of issuance of the warrants.

In January 1997, the Company sold $3.0 million of 9% Series C Convertible Preferred Stock ("Series C Stock") in connection with the October 1996 Private Placement. Each share of Series C Stock was convertible into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $2.61 and (ii) 85% of the market price of the Company's Common Stock at the time of conversion. As of June 30, 1997, 2,300 shares of the Series C Stock plus accrued dividends thereon had been converted into 2,018,558 shares of the Company's Common Stock. As of August 1, 1997, all 3,000 shares of the Series C Stock plus accrued dividends thereon had been converted into 2,719,738 shares of the Company's Common Stock. In connection with the Series C Stock, warrants to purchase 1,147,754 shares of Common Stock were issued to the investor. These warrants are exercisable at $2.31 per share and expire in April 2002. The $1.2 million value of these warrants was accounted for as non-cash dividends to common shareholders at the time of issuance of the warrants.

In June 1997, the Company sold $1.0 million of 9% Series D Convertible Preferred Stock ("Series D Stock") in connection with the October 1996 Private Placement. The Series D Stock is convertible at any time into a number of shares of Common Stock determined by dividing $1,000 by the lower of (i) $1.4375 and (ii) 85% of the market price of the Company's Common Stock at the time of conversion. In addition, the investor received warrants to purchase 454,545 shares of the Company's Common Stock. These warrants have an exercise price of $1.94 per share and expire in 2002. The value of these warrants, $278,000, was determined at the time of issuance of the convertible securities and was accounted for as non-cash dividends to common shareholders at that time.

Also in June 1997, the Company and ATI satisfied an obligation of ATI to one of its scientific advisors, totaling $120,000, by paying the advisor a combination of cash and 41,481 shares of the Company's Common Stock.

Warrants

In addition to the warrants discussed in this footnote, subheading Common Stock, warrants to purchase 26,738 shares of Common Stock were issued in March 1994 in connection with a capital lease financing. These warrants are exercisable at $7.48 per share and expire in April 1999. The value of these warrants, approximating $77,000, was recognized as interest expense over the life of the lease.

Stock Options

Under the Company's Restated Stock Option Plan (the "Plan") originally adopted by the Board of Directors on February 13, 1986, and subsequently amended and restated, employees, consultants and directors may be granted options to purchase up to 2.4 million shares of Common Stock of the Company. Prior to June 7, 1994, 1.7 million shares of Common Stock were reserved for the grant of options under the Plan. On June 7, 1994, the Board of Directors authorized, and the shareholders subsequently approved, an amendment to the Plan to increase the number of shares reserved for the grant of options to 2.4 million shares of Common Stock.

Information related to stock option activity under the Plan during fiscal years 1995, 1996 and 1997 is as follows:

	SHARES	AVERAGE PRICE PER SHARE
Outstanding at June 30, 1994	1,543,513	$7.13
Granted	338,300	2.18
Exercised	10,875	1.23
Canceled	623,572	8.23
Outstanding at June 30, 1995	1,247,366	5.31
Granted	613,900	$2.51
Exercised	108,500	0.76
Canceled	118,904	7.58
Outstanding at June 30, 1996	1,633,862	4.40
Granted	6,400	$2.46
Exercised	36,644	2.07
Canceled	182,850	4.82
Outstanding at June 30, 1997	1,420,768	$4.40

In addition to options granted under the Plan, the Board previously approved the granting of other, non-qualified options. In fiscal year 1988, the Company granted non-qualified options to purchase 130,500 shares of Common Stock at exercise prices ranging from $0.67 to $0.90 per share. In fiscal year 1993, the Company granted non-qualified options to purchase 40,000 shares of Common Stock at exercise prices ranging from $11.50 to $12.00 per share. And in fiscal year 1997, the Company granted non-qualified options to purchase 40,000 shares of Common Stock at exercise prices ranging from $3.375 to $4.375 per share. During fiscal years 1995, 1996 and 1997, options to purchase 13,000, 60,000 and 18,000 shares, respectively, were exercised at a price of $0.67 per share. As of June 30, 1997, options to purchase 19,687 shares had been canceled and options to purchase 80,000 shares were outstanding, of which options to purchase 40,000 shares were exercisable.

The following table summarizes certain information about stock options outstanding at June 30, 1997:

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE (YEARS)	WEIGHTED-AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE	WEIGHTED-AVERAGE EXERCISE PRICE
$ 0.90 - 2.50	958,698	6.86	$ 2.11	804,860	$ 2.04
2.51 - 5.00	50,075	8.90	4.00	2,925	3.65
5.01 - 7.50	210,470	6.46	5.91	164,250	5.93
7.51 - 10.00	6,200	6.35	8.44	4,650	8.44
10.01 - 12.50	215,625	4.66	11.52	215,625	11.52
12.51 - 14.75	59,700	4.08	14.75	59,700	14.75
	1,500,768			1,252,010	

The Company has granted options at the fair market value of the Common Stock at the date of such grant. Under the Company's stock option plans, the following options and their respective average prices per share were outstanding and exercisable at June 30, 1995, 1996 and 1997:

	OUTSTANDING	AVERAGE PRICE PER SHARE	EXERCISABLE	AVERAGE PRICE PER SHARE
June 30, 1995	1,371,329	$5.23	697,632	$5.14
June 30, 1996	1,691,862	4.54	1,095,967	4.79
June 30, 1997	1,500,768	4.59	1,252,010	4.82

Options vest at various rates over periods of up to four years and may be exercised within ten years from the date of grant.

In October 1995, the FASB issued SFAS 123, "Accounting for Stock-Based Compensation." SFAS 123 is effective for periods beginning after December 15, 1995. SFAS 123 requires that companies either recognize compensation expense for grants of stock, stock options, and other equity instruments based on fair value, or provide pro forma disclosure of net income and earnings per share in the notes to the financial statements. The Company adopted the disclosure provisions of SFAS 123 for the fiscal year ended June 30, 1997, and has applied APB Opinion 25 and related interpretations in accounting for its plans. Accordingly, no compensation cost has been recognized for its stock option plans.

Had compensation for the Company's stock-based compensation plans been determined based on the fair value at the grant dates as calculated in accordance with SFAS 123, the Company's net income and earnings per share for the years ended June 30, 1996 and 1997 would have been reduced to the pro forma amounts as indicated below:

	JUNE 30, 1996	JUNE 30, 1997
Net Loss	$ 19,329,698	$ 12,852,855
Loss Per Share	$1.34	$0.72

The above amounts only include grants within the last two years and may not be indicative of future pro forma net income amounts because expense is recognized over the vesting period which is greater than the two years shown.

The fair value of each stock option is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions: an expected life of 5.5 years, expected volatility of 75%, no dividends, and risk-free interest rates of 6.11% and 6.49% for the years ended June 30, 1996 and 1997, respectively. Using the Black-Scholes option pricing model, the fair value of options granted during fiscal 1997 was $2.67.

Common Stock Reserved

Shares of authorized Common Stock have been reserved for the exercise of all options and warrants outstanding.

I. COMMITMENTS:

Operating Leases

At June 30, 1997, the Company is leasing facilities in Norwood and Cambridge, Massachusetts. In fiscal year 1997, the Company amended its lease on the Norwood facility, extending the lease term to June 30, 2000, with an option to renew until June 30, 2003. The Cambridge facilities are rented under two separate lease arrangements. In fiscal year 1997, the Company entered into a three-year lease renewal for one of these properties, to September 2000. The lease term for the second Cambridge facility expires in 2003. This facility

is subject to a sublease agreement, with the current sublease term expiring in August 1999, with a further sublease extension option available to the sublessor through February 2000. Total net receipts under the sublease agreement, which are credited to operating expenses, are expected to total approximately $3.1 million through August 1999, of which approximately $753,000 was received by the Company in fiscal 1997. The Company is required to pay all operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount. Rent expense for leased facilities and equipment was approximately $913,000, $382,000 and ($15,000) (net of sublease income of $753,000) during fiscal years 1995, 1996 and 1997.

The minimum rental commitments, including real estate taxes, for the next five years under the lease agreements are as follows:

FISCAL YEAR	COMMITMENTS	SUBLEASE INCOME	NET
1998....	$1,135,742	$ 789,290	$ 346,452
1999....	1,239,166	845,137	394,029
2000....	1,150,764	140,856	1,009,908
2001....	558,336	--	558,336
2002....	455,263	--	455,263

In January 1996, the Company assigned the lease on its Canton facility to a third party (see Note D).

Capital Leases

In fiscal year 1988, the Company, as part of one of its lease arrangements, arranged financing for $989,975 of improvements to one of its leased facilities through the lessor. The lessor obtained a five-year promissory note with a bank specifically to finance the improvements to the facility. The promissory note was amortized over a ten-year period. At the end of the first five years, the lessor refinanced the unamortized principal due the bank. Interest expense on the new note is incurred at the rate of 7.50% per annum. The remaining balance due on this note will be repaid as of September 1997, on expiration of the original lease term.

In March 1994, the Company executed a sale/leaseback agreement to finance approximately $4.0 million of equipment at its Canton facility. As of June 30, 1994, all funds available under this agreement had been received. In January 1996, all obligations under this lease agreement were assigned to another biotechnology company, along with the Canton facility (see Note D).

Assets recorded under capital leases as of June 30, 1996 and 1997 are included in property and equipment as follows:

	JUNE 30,	
	1996	1997
Machinery and equipment	$989,975	$989,975
Leasehold improvements	--	--
Less accumulated depreciation	866,230	965,228
Net book value	$123,745	$ 24,747

The future minimum lease payments are as follows:

FISCAL YEAR	AMOUNT
1998	$37,532
Total future minimum lease payments	37,532
Less amount representing interest	464
Present value of minimum lease payments	37,068
Current portion	$37,068

J. EMPLOYEE BENEFIT PLANS:

Effective September 1, 1990, the Company implemented a deferred compensation plan under Section 401(k) of the Internal Revenue Code (the "Plan"). Under the Plan, eligible employees are permitted to contribute, subject to certain limitations, up to 15% of their gross salary. The Company makes a matching contribution which currently totals 20% of the employee's contribution, up to a maximum amount equal to 1% of the employee's gross salary. In fiscal 1995, 1996 and 1997, the Company's contributions to the Plan amounted to $51,000, $31,000 and $29,500, respectively.

K. SUBSEQUENT EVENT:

In July 1997, ATI entered into a collaboration with BioChem Pharma Inc. ("BioChem"), a Canadian biopharmaceutical company. The agreement grants BioChem an exclusive, worldwide license to ATI's proprietary screens based on two families of proteins involved in apoptosis, for use in identifying leads for anti-cancer drug development. The agreement also covers the development of new screens in two areas.

Under the agreement, BioChem will invest a total of $11.125 million in non-voting convertible preferred stock of ATI in a series of private placements over a three-year period to be used exclusively to fund research conducted under the collaboration during a three-year research term. On August 1, 1997, BioChem paid ATI $1.852 million under this agreement. The balance of $9.273 million will be paid in equal quarterly payments of $843,000. The preferred stock is convertible into ATI common stock at any time after three years from the date of first issuance of such stock, at a conversion price equal to the then current market price of the ATI common stock, but in any event at a price that will result in BioChem acquiring at least 15% of the then outstanding ATI common stock. The research agreement may be extended beyond the initial three-year term, on terms substantially similar to those for the original term. BioChem will also make milestone payments of up to $15.0 million for each product over the course of its development. In addition, ATI will receive royalties on any future worldwide sales of products resulting from the collaboration. BioChem's obligation to provide additional financing to ATI each quarter is subject to satisfaction of specified conditions, including a condition with respect to the level of ATI's cash and other resources in addition to the financing.

As part of the agreement, BioChem will receive warrants to purchase shares of ImmunoGen Common Stock equal to the amount invested in ATI during the three-year research term. These warrants will be exercisable for a number of shares of ImmunoGen's Common Stock determined by dividing the amount of BioChem's investment in ATI by the market price of the ImmunoGen Common Stock on the exercise date, subject to certain limitations. The exercise price is payable either in cash or shares of ATI preferred stock, at BioChem's option. The warrants are expected to be exercised only in the event that the shares of ATI common stock do not become publicly traded. In the event that ATI common shares do not become publicly traded, the Company expects that BioChem will use its shares of ATI preferred stock, in lieu of cash, to exercise the warrants.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS

DIRECTORS

The section entitled "Election of Directors" in the Company's definitive proxy statement for its 1997 Annual Meeting of Shareholders, which the Company intends to file with the Securities and Exchange Commission on or about October 8, 1997, is hereby incorporated by reference.

EXECUTIVE OFFICERS

The following is a list of the executive officers of the Company and their positions with the Company. Each individual officer serves at the pleasure of the Board of Directors.

NAME	AGE	POSITIONS WITH THE COMPANY
Mitchel Sayare, Ph.D.....	49	Chairman of the Board of Directors, Chief Executive Officer and President
Walter A. Blattler, Ph.D.....	48	Executive Vice President, Science and Technology
John M. Lambert, Ph.D.....	46	Vice President, Research and Development
Kathleen A. Carroll.....	45	Vice President, Finance and Administration, Treasurer and Assistant Secretary

The background of these executive officers is as follows:

Mitchel Sayare, Chief Executive Officer, a Director since 1986 and Chairman of the Board since 1989, joined the Company in 1986. From 1986 to July 1992 and currently since 1994, Mr. Sayare has served as President of the Company. From 1982 to 1985, Mr. Sayare was Vice President for Development at Xenogen, Inc., a biotechnology company specializing in monoclonal antibody-based diagnostic systems for cancer. From 1977 to 1982, Mr. Sayare was Assistant Professor of Biophysics and Biochemistry at the University of Connecticut. He holds a Ph.D. in Biochemistry from Temple University School of Medicine.

Walter A. Blattler, Ph.D., elected a Director in September 1995, served as Vice President, Research and Development from 1987 to October 1994 and as Senior Vice President, Research and Development from October 1994 to October 1996. Since October 1996 Dr. Blattler has served as Executive Vice President, Science and Technology. Dr. Blattler joined the Company in October 1987. From 1981 to 1987 Dr. Blattler was chief scientist for the ImmunoGen-supported research program at Dana-Farber Cancer Institute. Dr. Blattler received his Ph.D. from the Swiss Federal Institute of Technology in Zurich in 1978.

John M. Lambert, Ph.D., Vice President, Research and Development since November 1996, joined the Company in 1987. Dr. Lambert served as Senior Director of Research from November 1992 to October 1994 and served as Vice President of Research from October 1994 to November 1996. Prior to joining ImmunoGen, Dr. Lambert was Assistant Professor of Pathology at the Dana-Farber Cancer Institute, where he worked on the research program supported by ImmunoGen. Dr. Lambert received his Ph.D. in Biochemistry from Cambridge University in England.

Kathleen A. Carroll, Vice President, Finance and Administration, Treasurer and Assistant Secretary, joined the Company in 1987. Ms. Carroll served as Controller from October 1990 to October 1996 and has served as Vice President, Finance and Administration since November 1996, Assistant Secretary since April 1997 and Treasurer since June 1997. Prior to joining ImmunoGen, Ms. Carroll held various positions in both private industry and public accounting. Ms. Carroll received her B.S. in Finance from Boston University and a J.D. from Suffolk University Law School.

The section entitled "Section 16(a) Beneficial Ownership Reporting Compliance" in the Company's definitive proxy statement for its 1997 Annual Meeting of Shareholders is hereby incorporated by reference.

ITEM 11. EXECUTIVE COMPENSATION

The section entitled "Executive Compensation" and "Employment Contracts, Termination of Employment and Change in Control Agreements" in the Company's definitive proxy statement for its 1997 Annual Meeting of Shareholders are hereby incorporated by reference.

ITEM 12. SECURITIES OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The section entitled "Principal Shareholders" in the Company's definitive proxy statement for its 1997 Annual Meeting of Shareholders is hereby incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The section entitled "Certain Transactions" in the Company's definitive proxy statement for its 1997 Annual Meeting of Shareholders is hereby incorporated by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) Financial Statements

(1) and (2) See "Index to Consolidated Financial Statements and Supplemental Schedules" at Item 8 of this Annual Report on Form 10-K. Schedules not included herein are omitted because they are not applicable or the required information appears in the Consolidated Financial Statements or Notes thereto.

(3) Exhibits

EXHIBIT NO.	DESCRIPTION
(3.1)	Restated Articles of Organization(1)
(3.2)	By-Laws, as amended(2)
(4.1)	Article 4 of the Restated Articles of Organization as amended (See Exhibits 3.1 and 3.2)(1)
(4.2)	Designation of Series A Preferred Stock(3)
(4.3)	Designation of Series B Preferred Stock(4)
(4.4)	Designation of Series C Preferred Stock(4)
(4.5)	Designation of Series D Preferred Stock
(4.6)	Form of Common Stock Certificate(5)
(10.1)	Research and License Agreement dated as of May 22, 1981 by and between the Registrant and Sidney Farber Cancer Institute, Inc. (now Dana-Farber Cancer Institute, Inc.) with addenda dated as of August 13, 1987 and August 22, 1989(5)
(10.2)	Amended and Restated Registration Rights Agreement dated as of December 23, 1988 by and among the Registrant and various beneficial owners of the Registrant's securities(5)
(10.3)x	Restated Stock Option Plan(6)
(10.4)x	Letter Agreement Regarding Employment dated as of October 14, 1988 between the Registrant and Mr. Frank J. Pocher(5)
(10.5)x	Letter Agreement Regarding Employment dated as of October 1, 1987 between the Registrant and Dr. Walter A. Blattler(5)
(10.6)	Lease dated June 30, 1987 by and between Edward S. Stimpson, III and Harry F. Stimpson, III, as trustees, lessor, and the Registrant, lessee(7)
(10.7)	Lease dated May 15, 1997 by and between Harry F. Stimpson, III, as trustee, lessor, and the Registrant, lessee
(10.8)	Leases dated as of December 1, 1986 and June 21, 1988 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and Charles River Biotechnical Services, Inc. ("Lessee") together with Assignment of Leases dated June 29, 1989 between Lessee and the Registrant(8)
(10.9)	First Amendment, dated as of May 9, 1991, to Lease dated as of June 21, 1988 by and between James A. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant(9)
(10.10)	Confirmatory Second Amendment to Lease dated June 21, 1988 by and between James A. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant, lessee
(10.11)x	Letter Agreement Regarding Compensation of Mitchel Sayare, dated April 29, 1994(10)
(10.12)	Lease dated as of December 23, 1992 by and between Massachusetts Institute of Technology, lessor, and the Registrant, lessee(6)
(10.13)	Option Agreement dated April 5, 1990 by and between the Registrant and Takeda Chemical Industries, Ltd.(11)
(10.14)x	Letter Agreement Regarding Employment dated September 15, 1993 between the Registrant and Carol A. Gloff(10)

(10.15)	Capital Lease Agreement dated March 31, 1994 by and between the Registrant and Aberlyn Capital Management Limited Partnership(10)
(10.16)	Sublease dated as of August 31, 1995 by and between the Registrant, as landlord, and Astra Research Center Boston, Inc., as tenant(12)
(10.17)	Equipment Use and Services Agreement dated as of August 31, 1995 by and between the Registrant, as landlord, and Astra Research Center Boston, Inc., as tenant(12)
(10.18)	Consent to Sublease and Agreement dated as of August 31, 1995 by and between Massachusetts Institute of Technology, as lessor, the Registrant, as sublessor, and Astra Research Center Boston, Inc., as sublessee(12)
(10.19)	Amendment to Lease dated August 31, 1995 between Massachusetts Institute of Technology, as lessor, and the Registrant, as lessee(12)
(10.20)	Securities Purchase Agreement, including the Form of Convertible Debenture and The Form of Stock Purchase Warrant, dated as of March 15, 1996 by and among the Registrant and Capital Ventures International(13)
(10.21)	Registration Rights Agreement dated as of March 15, 1996 by and among the Registrant and Capital Ventures Internationa1(13)
(10.22)	Letter Agreement dated as of March 21, 1996 by and among the Registrant and Capital Ventures International regarding the Securities Purchase Agreement dated as of March 15, 1996(13)
(10.23)	Letter Agreement dated as of June 6, 1996 by and among the Registrant and Capital Ventures International regarding an amendment to their agreement dated March 15, 1996(14)
(10.24)	First Amendment to Sublease dated August 31, 1995 by and between the Registrant, as landlord, and Astra Research Center Boston, Inc., as tenant(15)
(10.25)	Convertible Preferred Stock Purchase Agreement dated as of October 16, 1996 between Southbrook International Investments, Ltd. and the Registrant, as amended by an agreement dated October 16, 1996 and attached thereto(3)
(10.26)	Registration Rights Agreement dated as of October 16, 1996 between Southbrook International Investments, Ltd. and the Registrant(3)
(10.27)	Warrant dated October 16, 1996 issued to Southbrook International Investments, Ltd.(3)
(10.28)	Warrant dated October 16, 1996 issued to Brown Simpson, LLC(3)
(10.29)	Warrant dated January 6, 1997 issued to Southbrook International Investments, Ltd.(4)
(10.30)	Convertible Debenture, dated as of June 28, 1996, by and among the Registrant and The Dana-Farber Cancer Institute, Inc.(16)
(10.31)	Form of Warrant issued by the Registrant to LBC Capital Resources, Inc.(16)
(10.32)	Research Collaboration Agreement dated July 31, 1997 between Apoptosis Technology, Inc. and BioChem Therapeutic Inc.*
(10.33)	License Agreement dated July 31, 1997 between Apoptosis Technology, Inc., BioChem Pharma, Inc., Tanaud Holdings (Barbados) Ltd. and Tanaud L.L.C.*
(10.34)	Stock Purchase Agreement dated July 31, 1997 by and among Apoptosis Technology, Inc., BioChem Pharma (International) Inc., and the Registrant*
(10.35)	Registration Agreement dated July 31, 1997 between the Registrant and BioChem Pharma (International) Inc.
(10.36)	Registration Agreement dated July 31, 1997 between Apoptosis Technology, Inc. and the Registrant
(10.37)	Form of Warrant issued by the Registrant to BioChem Pharma (International) Inc.
(21)	Subsidiaries of the Registrant
(23)	Consent of Coopers & Lybrand L.L.P.
(27)	Financial Data Schedule

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(1) Previously filed with the Commission as Exhibits to, and incorporated herein by reference from, the Registrant's Registration Statement on Form S-1, File No. 33-38883.

(2) Previously filed with the Commission as Exhibits to, and incorporated herein by reference from, the Registrant's annual report on Form 10-K for the fiscal year ended June 30, 1990.

(3) Previously filed with the Commission as an exhibit to, and incorporated herein by reference from, the Registrant's quarterly report on Form 10-Q, as amended by Form 10-Q/A, for the quarter ended September 30, 1996.

(4) Previously filed with the Commission as exhibits to, and incorporated herein by reference from, the Registrant's quarterly report on Form 10-Q, as amended by Forms 10-Q/A, for the quarter ended December 31, 1996.

(5) Previously filed with the Commission as Exhibits to, and incorporated herein by reference from, the Registrant's Registration Statement on Form S-1, File No. 33-31219.

(6) Previously filed with the Commission as Exhibits to, and incorporated herein by reference from, the Registrant's quarterly report on Form 10-Q for the quarter ended December 31, 1992.

(7) Previously filed with the Commission as Exhibit No. 10.8 to, and incorporated herein by reference from, the Registrant's Registration Statement on Form S-1, File No. 33-31219.

(8) Previously filed with the Commission as Exhibit No. 10.10 to, and incorporated herein by reference from, the Registrant's Registration Statement on Form S-1, File No. 33-31219.

(9) Previously filed with the Commission as Exhibit No. 10.10a to, and incorporated herein by reference from, the Registrant's Registration Statement on Form S-1, File No. 33-43725, as amended.

(10) Previously filed with the Commission as Exhibits to, and incorporated herein by reference from the registrant's annual report on Form 10-K in the fiscal year ended June 30, 1994.

(11) Previously filed with the Commission as Exhibit No. 10.15 to, and incorporated herein by reference from, the Registrant's Registration Statement on Form S-1, File No. 33-38883.

(12) Previously filed with the Commission as Exhibits to, and incorporated herein by reference from, the Registrant's annual report on Form 10-K for the fiscal year ended June 30, 1995.

(13) Previously filed as exhibits to the Registrant's Current Report on Form 8-K for the March 25, 1996 event, and incorporated herein by reference.

(14) Previously filed as Exhibit 10.29 to the Registrant's Current Report on Form 8-K for the June 6, 1996 event, and incorporated herein by reference.

(15) Previously filed as Exhibit 10.33 to the Registrant's annual report on Form 10-K for the fiscal year ended June 30, 1996.

(16) Previously filed with the Commission as an exhibit to, and incorporated herein by reference from the Registrant's Registration Statement on Form S-3, File No. 333-07661.

(x) Exhibit is a management contract or compensatory plan, contract or arrangement required to be filed as an exhibit to Form 10-K.

(*) The Registrant has filed a confidential treatment request with the Commission with respect to this document.

(b) The Company filed a Current Report on Form 8-K on April 15, 1997 announcing the death of Frank J. Pocher, Executive Vice President, Operations, Chief Financial Officer and a Director.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IMMUNOGEN, INC.

By: /s/ MITCHEL SAYARE

Mitchel Sayare
Chairman of the Board and
Chief Executive Officer

Dated: September 26, 1997

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ MITCHEL SAYARE Mitchel Sayare	Chairman of the Board of Directors, Chief Executive Officer and President (principal executive officer)	September 26, 1997
/s/KATHLEEN A. CARROLL Kathleen A. Carroll	Vice President, Finance and Administration, Treasurer and Assistant Secretary (principal financial officer and principal accounting officer)	September 26, 1997
/s/ WALTER A. BLATTLER Walter A. Blattler	Executive Vice President, Science and Technology, and Director	September 26, 1997
/s/ DAVID W. CARTER David W. Carter	Director	September 26, 1997
/s/ MICHAEL EISENSON Michael Eisenson	Director	September 26, 1997
/s/ STUART F. FEINER Stuart F. Feiner	Director	September 26, 1997
/s/ DONALD E. O'NEILL Donald E. O'Neill	Director	September 26, 1997

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION
4.5	Designation of Series D Preferred Stock
10.7	Lease dated May 15, 1997 by and between Harry F. Stimpson, III, as trustee, lessor, and the Registrant, lessee
10.10	Confirmatory Second Amendment to Lease dated June 21, 1988 by and between James A. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant, lessee
10.32	Research Collaboration Agreement dated July 31, 1997 between Apoptosis Technology, Inc. and BioChem Therapeutic Inc.
10.33	License Agreement dated July 31, 1997 between Apoptosis Technology, Inc., BioChem Pharma, Inc., Tanaud Holdings (Barbados) Ltd. and Tanaud L.L.C
10.34	Stock Purchase Agreement dated July 31, 1997 by and among Apoptosis Technology, Inc., BioChem Pharma (International) Inc. and the Registrant
10.35	Registration Agreement dated July 31, 1997 between the Registrant and BioChem Pharma (International) Inc.
10.36	Registration Agreement dated July 31, 1997 between Apoptosis Technology, Inc. and BioChem Pharma (International) Inc.
10.37	Form of Warrant issued by the Registrant to BioChem Pharma (International) Inc.
21	Subsidiaries of the Registrant
23	Consent of Coopers & Lybrand L.L.P.
27	Financial Data Schedule

EXHIBIT 4.5

The Commonwealth of Massachusetts
Office of the Massachusetts Secretary of State
WILLIAM FRANCIS GALVIN, Secretary
ONE ASHBURTON PLACE, BOSTON, MASS 02108

Federal Identification
No. 04 2726691

CERTIFICATE OF VOTE OF DIRECTORS ESTABLISHING
A SERIES OF A CLASS OF STOCK

General Laws Chapter 156B, Section 26

We, Mitchel Sayare ,President and

Jonathan L. Kravetz , Clerk of
ImmunoGen, Inc.
located at 148 Sidney Street, Cambridge, MA 02139 do hereby certify that at a meeting of the directors of the corporation held on June 17, 1997, the following vote establishing and designating a series of a class of stock and determining the relative rights and preferences thereof was duly adopted.

See continuation Sheets Attached
Page 1-10

Note: Votes for which the space provided above is not sufficient should be set out on continuation sheets to be numbered 2A, 2B, etc. Continuation sheets must have a left-hand margin 1 inch wide for binding and shall be 8 1/2" by 11". Only one side should be used.

CONTINUATION SHEETS

DESCRIPTION AND DESIGNATION OF SERIES D PREFERRED STOCK

SECTION 1. DESIGNATION, AMOUNT AND PAR VALUE. The series of Preferred Stock shall be designated as the Series D Convertible Preferred Stock (the "Series D Preferred Stock"), and the number of shares so designated shall be 1,000. The par value of each share of Series D Preferred Stock shall be $.01. Each share of Series D Preferred Stock shall have a stated value of $1,000 per share (the "Stated Value").

SECTION 2. DIVIDENDS.

A. Holders of outstanding shares of Series D Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors out of funds legally available therefor, and the Company shall pay, cumulative dividends at the rate per share (as a percentage of the Stated Value per share) equal to 9% per annum, in cash or (at the option of the Company) shares of Common Stock, in arrears on the Conversion Date (as defined in Section 5(B)) or earlier if so determined by the Company. If the Company exercises its option to pay dividends in shares of Common Stock, the number of shares issuable shall be determined by dividing the accrued dividends payable by the Conversion Price (as defined in Section 5(D)(1)) then in effect. Dividends on the Series D Preferred Stock shall accrue daily commencing on the Original Issue Date (as defined in Section 6) and shall be deemed to accrue on such date whether or not earned or declared and whether or not there are profits, surplus or other funds of the Company legally available for the payment of dividends. The party that holds the Series D Preferred Stock on an applicable record date for any dividend payment will be entitled to receive such dividend payment and any other accrued and unpaid dividends which accrued prior to such dividend payment date, without regard to any sale or disposition of such Series D Preferred Stock subsequent to the applicable record date but prior to the applicable dividend payment date. Except as otherwise provided herein, if at any time the Company pays less than the total amount of dividends then accrued on account of the Series D Preferred Stock, such payment shall be distributed ratably among the holders of Series D Preferred Stock.

B. So long as any Series D Preferred Stock shall remain outstanding, neither the Company nor any subsidiary thereof shall redeem, purchase or otherwise acquire directly or indirectly any Junior Securities (as hereinafter defined), nor shall the Company directly or indirectly pay or declare any dividend or make any distribution (other than a dividend or distribution described in Section 5) upon, nor shall any distribution be made in respect of, any Junior Securities, nor shall any monies be set aside for or applied to the purchase or redemption (through a sinking fund or otherwise) of any Junior Securities, unless in each case all dividends on the Series D Preferred Stock for all past dividend periods shall have been paid or declared and a sum sufficient for the payment thereof set aside (or, if payment thereof is to be made in stock, such number of shares of Common Stock as are required to pay such dividend shall have been duly reserved for issuance to the holders of Series D Preferred Stock for payment thereof).

SECTION 3. VOTING RIGHTS. Except as otherwise provided herein and as otherwise provided by law, the Series D Preferred Stock shall have no voting rights. However, so long as any shares of Series D Preferred Stock are outstanding, the Company shall not, without the affirmative vote of the holders of a majority of the shares of the Series D Preferred Stock then outstanding, (a) alter or change adversely the powers, preferences or rights given to the Series D Preferred Stock or (b) authorize or create any class of stock ranking as to dividends or distribution of assets upon a Liquidation senior to, prior to or pari passu with the Series D Preferred Stock.

SECTION 4. LIQUIDATION. Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary (a "Liquidation"), the holders of shares of Series D Preferred Stock shall be entitled to receive out of the assets of the Company, whether such assets are capital or surplus, for each share of Series D Preferred Stock an amount equal to the Stated Value, plus an amount equal to accrued but unpaid dividends per share, whether declared or not, but without interest, before any distribution or payment shall be made to the holders of any Junior Securities, and if the assets of the Company shall be insufficient to pay in full such amounts, then the entire assets to be distributed shall be distributed among the holders of Series D Preferred Stock ratably in accordance with the respective amounts that would be payable on such shares if all amounts payable thereon were paid in full. A sale, conveyance or disposition of all or substantially all of the assets of the Company or the effectuation by the Company of a transaction or series of related transactions in which more than 50% of the voting power of the Company is disposed of shall be deemed a Liquidation; PROVIDED THAT, a consolidation or merger of the Company with or into any other company or companies shall not be treated as a Liquidation, but instead shall be subject to the provisions of Section 5. The Company shall mail written notice of any such Liquidation, not less than 45 days prior to the payment date stated therein, to each record holder of Series D Preferred Stock.

SECTION 5. CONVERSION.

A. Each share of Series D Preferred Stock shall be convertible into shares of Common Stock at the Conversion Ratio, at the option of the holder in whole or in part at any time after the Original Issue Date. Any conversion under this Section 5(A) shall be of a minimum amount of 100 shares of Series D Preferred Stock. The holder of the Series D Preferred Stock shall effect conversions by surrendering the certificate or certificates representing the shares of Series D Preferred Stock to be converted to the Company, together with the form of conversion notice attached hereto as EXHIBIT A (the "Holder Conversion Notice") in the manner set forth in Section 5(J). Each Holder Conversion Notice shall specify the number of shares of Series D Preferred Stock to be converted and the date on which such conversion is to be effected, which date may not be prior to the date the holder of Series D Preferred Stock delivers such Notice by facsimile (the "Holder Conversion Date"). Subject to Section 5(C), each Holder Conversion Notice, once given, shall be irrevocable, except that the original holder of the Series D Preferred Stock may revoke in whole or in part the conversion requested by such Holder Conversion Notice to the extent the conversion contemplated by such notice would result in such holder owning more than 4.9% of the then outstanding shares of the Common Stock. If a holder of Series D Preferred Stock is converting less than all of the shares of Series D Preferred Stock represented by the certificate(s) tendered by such holder with the Holder Conversion Notice, the Company shall promptly deliver to such holder a certificate for such number of shares as have not been converted.

B. Provided that ten (10) Trading Days (as defined in Section 6) shall have elapsed from the date the Securities and Exchange Commission (the "Commission") has declared a registration statement registering the resale of the shares of Common Stock issuable upon conversion of the Series D Preferred Stock and related warrants (the "Underlying Shares Registration Statement") effective under the Securities Act of 1933, as amended (the "Securities Act"), each share of the Series D Preferred Stock shall be convertible into shares of Common Stock at the Conversion Ratio at the option of the Company in whole or in part at any time on or after the expiration of four (4) years after the Original Issue Date; PROVIDED, HOWEVER, that the Company is not permitted to deliver a Company Conversion Notice (as defined below) within ten (10) days of issuing any press release or other public statement relating to such conversion or during any Event (as defined in Section 5(D)(1) below). The Company shall effect such conversion by delivering to the holders of such shares of Series D Preferred Stock to be converted a written notice in the form attached hereto as EXHIBIT B (the "Company Conversion Notice"), which Company Conversion Notice, once given, shall be irrevocable. Each Company Conversion Notice shall specify the number of shares of Series D Preferred Stock to be converted and the

date on which such conversion is to be effected, which date will be at least one (1) Trading Day after the date the Company delivers such Notice by facsimile to the holder (the "Company Conversion Date"). The Company shall give such Company Conversion Notice in accordance with Section 5(J) below at least one (1) Trading Day before the Company Conversion Date. Any such conversion shall be effected on a pro rata basis among the holders of Series D Preferred Stock. Upon the conversion of shares of Series D Preferred Stock pursuant to a Company Conversion Notice, the holders of the Series D Preferred Stock shall surrender the certificates representing such shares at the office of the Company or of any transfer agent for the Series D Preferred Stock or Common Stock not later than three (3) Trading Days after the Company Conversion Date. Each of a Holder Conversion Notice and a Company Conversion Notice is sometimes referred to herein as a "Conversion Notice," and each of a "Holder Conversion Date" and a "Company Conversion Date" is sometimes referred to herein as a "Conversion Date."

C. Not later than three (3) Trading Days after the Conversion Date, the Company will deliver to the holder of Series D Preferred Stock (i) a certificate or certificates which shall be free of restrictive legends and trading restrictions (other than those then required by law), representing the number of shares of Common Stock being acquired upon the conversion of shares of Series D Preferred Stock, and (ii) one or more certificates representing the number of shares of Series D Preferred Stock not converted; PROVIDED, HOWEVER, that the Company shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon conversion of any shares of Series D Preferred Stock until certificates evidencing such shares of Series D Preferred Stock are either delivered for conversion to the Company or any transfer agent for the Series D Preferred Stock or Common Stock, or the holder of Series D Preferred Stock notifies the Company that such certificates have been lost, stolen or destroyed and provides a bond (or other adequate security reasonably acceptable to the Company) reasonably satisfactory to the Company to indemnify the Company from any loss incurred by it in connection therewith and PROVIDED, FURTHER, that no dividends shall accrue on the Series D Preferred Stock after the Conversion Date unless the Company fails to deliver a certificate or certificates representing the shares of Common Stock issuable upon the Conversion in question, in which event such dividends shall accrue until such certificates are delivered. The Company shall, upon request of the holder of Series D Preferred Stock, use its best efforts to deliver any certificate or certificates required to be delivered by the Company under this Section 5(C) electronically through the Depository Trust Corporation or another established clearing corporation performing similar functions. In the case of a conversion pursuant to a Holder Conversion Notice, if such certificate or certificates are not delivered by the date required under this Section 5(C), the holder shall be entitled by written notice to the Company at any time on or before its receipt of such certificate or certificates thereafter, to rescind such conversion, in which event the Company shall immediately return the certificates representing the shares of Series D Preferred Stock tendered for conversion.

D. 1. The conversion price for each share of Series D Preferred Stock (the "Conversion Price") in effect on any Conversion Date shall be the lesser of (a) $1.4375 (the "Initial Conversion Price") and (b) the "Applicable Percentage" (as defined below) of the average Per Share Market Value for the five (5) Trading Days immediately preceding the Conversion Date; PROVIDED, HOWEVER, (x) if the Underlying Shares Registration Statement is not filed with the Commission on or prior to the 25th day after the Original Issue Date, or (y) if the Underlying Shares Registration Statement is not declared effective by the Commission on or prior to the 80th day after the Original Issue Date, or (z) if the Underlying Shares Registration Statement is declared effective but thereafter ceases to be effective at any time between the date originally declared effective and the date which is four (4) years after the Original Issue Date or such earlier date when all securities subject to the registration requirements of the Registration Rights Agreement and covered by such Underlying Shares Registration Statement have been sold or may be sold without volume or other restrictions pursuant to Rule 144 or 144A (each as promulgated under the Securities Act), as the case may be, as determined by counsel to the Company pursuant to a written opinion letter addressed to the holders of the then outstanding shares of Series D Preferred Stock to such effect, without being succeeded within 30 days by a subsequent

registration statement filed with and declared effective by the Commission (any such failure being hereinafter referred to as an "Event", and for purposes of clauses (x) or (y), the date on which such Event occurs, or for purposes of clause (z), the date on which such 30-day limit is exceeded, being hereinafter referred to as an "Event Date"), the Conversion Price shall be decreased by 3% per month (for example, if the Applicable Percentage is 90%, 87% at the Event Date and 84% commencing the 30th day after such Event Date) and the dividends to be paid in respect of the Series D Preferred Stock shall be increased to 18% per annum. Commencing on the 60th day after the Event Date, the 3% monthly penalty shall be paid to the holder in cash. "Applicable Percentage" means (i) 100% if the Conversion Date occurs on or prior to the 40th day after the Original Issue Date, (ii) 90% if the Conversion Date occurs between the 41st and 80th day after the Original Issue Date, and (iii) 85% if the Conversion Date is more than 80 days after the Original Issue Date.

2. If the Company, at any time while any shares of Series D Preferred Stock are outstanding, (a) shall pay a stock dividend or otherwise make a distribution or distributions on shares of its Junior Securities payable in shares of its capital stock (whether payable in shares of its Common Stock or of capital stock of any class), (b) subdivide outstanding shares of Common Stock into a larger number of shares, (c) combine outstanding shares of Common Stock into a smaller number of shares, or (d) issue by reclassification of shares of Common Stock any shares of capital stock of the Company, the Initial Conversion Price designated in Section 5(D)(1) shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock of the Company outstanding before such event and of which the denominator shall be the number of shares of Common Stock outstanding after such event. Any adjustment made pursuant to this Section 5(D)(2) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

3. If the Company, at any time while any shares of Series D Preferred Stock are outstanding, shall issue rights or warrants to all holders of Common Stock entitling them to subscribe for or purchase shares of Common Stock at a price per share less than the Per Share Market Value of Common Stock at the record date mentioned below, the Initial Conversion Price designated in Section 5(D)(1) shall be multiplied by a fraction, of which the denominator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding on the date of issuance of such rights or warrants plus the number of additional shares of Common Stock offered for subscription or purchase, and of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding on the date of issuance of such rights or warrants plus the number of shares which the aggregate offering price of the total number of shares so offered would purchase at such Per Share Market Value. Such adjustment shall be made whenever such rights or warrants are issued, and shall become effective immediately after the record date for the determination of stockholders entitled to receive such rights or warrants. However, upon the expiration of any right or warrant to purchase Common Stock the issuance of which resulted in an adjustment in the Initial Conversion Price designated in Section 5(D)(1) pursuant to this Section 5(D)(3), if any such right or warrant shall expire and shall not have been exercised, the Initial Conversion Price designated in Section 5(D)(1) shall immediately upon such expiration be recomputed and effective immediately upon such expiration be increased to the price which it would have been (but reflecting any other adjustments in the Initial Conversion Price made pursuant to the provisions of this Section 5 after the issuance of such rights or warrants) had the adjustment of the Initial Conversion Price made upon the issuance of such rights or warrants been made on the basis of offering for subscription or purchase only that number of shares of Common Stock actually purchased upon the exercise of such rights or warrants actually exercised.

4. If the Company, at any time while shares of Series D Preferred Stock are outstanding, shall distribute to all holders of Common Stock (and not to holders of Series D

Preferred Stock) evidences of its indebtedness or assets or rights or warrants to subscribe for or purchase any security (excluding those referred to in Section 5(D)(3) above), then in each such case the Initial Conversion Price at which each share of Series D Preferred Stock shall thereafter be convertible shall be determined by multiplying the Initial Conversion Price in effect immediately prior to the record date fixed for determination of stockholders entitled to receive such distribution by a fraction of which the denominator shall be the Per Share Market Value of Common Stock determined as of the record date mentioned above, and of which the numerator shall be such Per Share Market Value of the Common Stock on such record date less the then fair market value at such record date of the portion of such assets or evidence of indebtedness so distributed applicable to one outstanding share of Common Stock as determined by the Board of Directors in good faith; PROVIDED, HOWEVER, that in the event of a distribution exceeding ten percent (10%) of the net assets of the Company, such fair market value shall be determined by a nationally recognized or major regional investment banking firm or firm of independent certified public accountants of recognized standing (which may be the firm that regularly examines the financial statements of the Company) (an "Appraiser") selected in good faith by the holders of a majority in interest of the shares of Series D Preferred Stock then outstanding; and PROVIDED, FURTHER, that the Company, after receipt of the determination by such Appraiser shall have the right to select an additional Appraiser, in which case the fair market value shall be equal to the average of the determinations by each such Appraiser. In either case the adjustments shall be described in a statement provided to the holders of Series D Preferred Stock of the portion of assets or evidences of indebtedness so distributed or such subscription rights applicable to one share of Common Stock. Such adjustment shall be made whenever any such distribution is made and shall become effective immediately after the record date mentioned above.

5. All calculations under this Section 5 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be.

6. Whenever the Initial Conversion Price is adjusted pursuant to Section 5(D)(2),(3), (4) or (5), the Company shall promptly mail to the holders of Series D Preferred Stock, a notice setting forth the Initial Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

7. In case of any reclassification of the Common Stock, any consolidation or merger of the Company with or into another person, the sale or transfer of all or substantially all of the assets of the Company or any compulsory share exchange pursuant to which the Common Stock is converted into other securities, cash or property, the holders of Series D Preferred Stock then outstanding shall have the right thereafter to convert such shares only into the shares of stock and other securities and property receivable upon or deemed to be held by holders of Common Stock following such reclassification, consolidation, merger, sale, transfer or share exchange, and the holders of Series D Preferred Stock shall be entitled upon such event to receive such amount of securities or property as the shares of the Common Stock into which such shares of Series D Preferred Stock could have been converted immediately prior to such reclassification, consolidation, merger, sale, transfer or share exchange would have been entitled. The terms of any such consolidation, merger, sale, transfer or share exchange shall include such terms so as to continue to give to the holder of Series D Preferred Stock the right to receive the securities or property set forth in this Section 5(D)(7) upon any conversion following such consolidation, merger, sale, transfer or share exchange. This provision shall similarly apply to successive reclassifications, consolidations, mergers, sales, transfers or share exchanges.

8. If:

(A) the Company shall declare a dividend (or any other distribution) on its Common Stock; or

(B) the Company shall declare a special nonrecurring cash dividend on or a redemption of its Common Stock; or

(C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights; or

(D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock of the Company (other than a subdivision or combination of the outstanding shares of Common Stock), any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property; or

(E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding-up of the affairs of the Company;

then the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of Series D Preferred Stock, and shall cause to be mailed to the holders of Series D Preferred Stock at their last respective addresses as they shall appear upon the stock books of the Company, at least 30 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, share exchange, dissolution, liquidation or winding-up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, share exchange, dissolution, liquidation or winding-up; PROVIDED, HOWEVER, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice.

E. If at any time conditions shall arise by reason of action taken by the Company which in the opinion of the Board of Directors are not adequately covered by the other provisions hereof and which might materially and adversely affect the rights of the holders of Series D Preferred Stock (different than or distinguished from the effect generally on rights of holders of any class of the Company's capital stock) or if at any time any such conditions are expected to arise by reason of any action contemplated by the Company, the Company shall, at least 30 calendar days prior to the effective date of such action, mail a written notice to each holder of Series D Preferred Stock briefly describing the action contemplated and the material adverse effects of such action on the rights of such holders and an Appraiser selected by the holders of majority in interest of the Series D Preferred Stock shall give its opinion as to the adjustment, if any (not inconsistent with the standards established in this Section 5), of the Conversion Price (including, if necessary, any adjustment as to the securities into which shares of Series D Preferred Stock may thereafter be convertible) and any distribution which is or would be required to preserve without diluting the rights of the holders of shares of Series D Preferred Stock; PROVIDED, HOWEVER, that the Company, after receipt of the determination by such Appraiser, shall have the right to select an additional Appraiser, in which case the adjustment shall be equal to the average of the adjustments recommended by each such Appraiser. The Board of Directors shall make the adjustment recommended forthwith upon the receipt of such opinion or opinions or the taking of any such action contemplated, as the case may be; PROVIDED, HOWEVER, that no such adjustment of the Conversion Price shall be made which in the opinion of the Appraiser(s) giving the aforesaid

opinion or opinions would result in an increase of the Conversion Price to more than the Conversion Price then in effect.

F. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued Common Stock solely for the purpose of issuance upon conversion of Series D Preferred Stock as herein provided, free from preemptive rights or any other actual contingent purchase rights of persons other than the holders of Series D Preferred Stock, such number of shares of Common Stock as shall be issuable (taking into account the adjustments and restrictions of Section 5(D) hereof) upon the conversion of the aggregate principal amount of all outstanding shares of Series D Preferred Stock. The Company covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly and validly authorized, issued and fully paid and nonassessable.

G. Upon a conversion hereunder the Company shall not be required to issue stock certificates representing fractions of shares of Common Stock, but may if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the Per Share Market Value at such time. If the Company elects not to, or is unable to, make such a cash payment, the holder of Series D Preferred Stock shall be entitled to receive, in lieu of the final fraction of a share, one whole share of Common Stock.

H. The issuance of certificates for shares of Common Stock on conversion of Series D Preferred Stock shall be made without charge to the holders thereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificate, provided that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the holder of such shares of Series D Preferred Stock so converted and the Company shall not be required to issue or deliver such certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

I. Shares of Series D Preferred Stock converted into Common Stock shall be canceled and shall have the status of authorized but unissued shares of preferred stock.

J. Each Holder Conversion Notice shall be given by facsimile and by mail, postage prepaid, addressed to the attention of the Chief Financial Officer of the Company at the facsimile telephone number and address of the principal place of business of the Company. Each Company Conversion Notice shall be given by facsimile and by mail, postage prepaid, addressed to each holder of Series D Preferred Stock at the facsimile telephone number and address of such holder appearing on the books of the Company or provided to the Company by such holder for the purpose of such Company Conversion Notice, or if no such facsimile telephone number or address appears or is so provided, at the principal place of business of the holder. Any such notice shall be deemed given and effective upon the earliest to occur of (i)(a) if such Conversion Notice is delivered via facsimile at the facsimile telephone number specified in this Section 5(J) prior to 4:30 p.m. (Eastern Standard Time) on any date, such date (or, in the case of a Company Conversion Notice, the next Trading Day) or such later date as is specified in the Conversion Notice, and (b) if such Conversion Notice is delivered via facsimile at the facsimile telephone number specified in this Section 5(J) after 11:59 p.m. (Eastern Standard Time) on any date, the next date (or, in the case of a Company Conversion Notice, the next Trading Day after such next day) or such later date as is specified in the Conversion Notice, (ii) five days after deposit in the United States mails or (iii) upon actual receipt by the party to whom such notice is required to be given.

SECTION 6. DEFINITIONS. For the purposes hereof, the following terms shall have the following meanings:

"Business Day" means any day of the year on which commercial banks are not required or authorized to be closed in New York City.

"Common Stock" means shares now or hereafter authorized of the class of Common Stock, $.01 par value, of the Company and stock of any other class into which such shares may hereafter have been reclassified or changed.

"Conversion Ratio" means, at any time, a fraction, of which the numerator is the Stated Value plus accrued but unpaid dividends, and of which the denominator is the Conversion Price at such time.

"Junior Securities" means the Common Stock, and all other classes of equity securities of the Company, other than the 1,100 issued and outstanding shares of the Company's Series A Convertible Preferred Stock, the 1,075 issued and outstanding shares of the Company's Series C Convertible Preferred Stock, and shares of the Company's Convertible Preferred Stock issued to the original holder of the Series D Preferred Stock.

"Original Issue Date" shall mean the date of the first issuance of any shares of the Series D Preferred Stock regardless of the number of transfers of any particular shares of Series D Preferred Stock and regardless of the number of certificates which may be issued to evidence such Series D Preferred Stock.

"Per Share Market Value" means on any particular date (a) the closing bid price per share of the Common Stock on such date on The Nasdaq National Market or Nasdaq Small Cap Market or other stock exchange on which the Common Stock has been listed or if there is no such price on such date, then the closing bid price on such exchange on the date nearest preceding such date, or (b) if the Common Stock is not listed on The Nasdaq National Market or Nasdaq Small Cap Market or any stock exchange, the closing bid price for a share of Common Stock in the over-the-counter market, as reported by the Nasdaq Stock Market at the close of business on such date, or (c) if the Common Stock is not quoted on the Nasdaq Stock Market, the closing bid price for a share of Common Stock in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), or (d) if the Common Stock is not reported by the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), then the average of the "Pink Sheet" quotes for the relevant conversion period, as determined in good faith by the holder, or (e) if the Common Stock is not publicly traded the fair market value of a share of Common Stock as determined by an Appraiser (as defined in Section 5(D)(4) above) selected in good faith by the holders of a majority in interest of the shares of the Series D Preferred Stock; PROVIDED, HOWEVER, that the Company, after receipt of the determination by such Appraiser, shall have the right to select an additional Appraiser, in which case, the fair market value shall be equal to the average of the determinations by each such Appraiser.

"Person" means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

"Trading Day" means (a) a day on which the Common Stock is traded on The Nasdaq National Market or Nasdaq Small Cap Market or principal stock exchange on which the Common Stock has been listed, or (b) if the Common Stock is not listed on The Nasdaq National Market or Nasdaq Small Cap Market or any stock exchange, a day on which the Common Stock is traded in the over-the-counter market, as reported by the Nasdaq Stock Market, or (c) if the Common Stock is not quoted on the Nasdaq Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding its functions of reporting prices).

EXHIBIT A

NOTICE OF CONVERSION
AT THE ELECTION OF HOLDER

(To be Executed by the Registered Holder to Convert shares of Series D Preferred Stock)

The undersigned hereby irrevocably elects to convert the number of shares of Series D Convertible Preferred Stock indicated below into shares of Common Stock, par value $.01 per share (the "Common Stock"), of ImmunoGen, Inc. (the "Company") according to the conditions hereof, as of the date written below. If shares are to be issued in the name of a person other than undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Company in accordance therewith. No fee will be charged to the Holder for any conversion, except for such transfer taxes, if any.

Conversion calculations:

Date to Effect Conversion

Number of shares of Series D Preferred Stock to be Converted

Applicable Conversion Price

Number of shares of Common Stock to Issue

Signature

Name:

Address:

The Company undertakes to promptly upon its receipt of this conversion notice (and, in any case prior to the time it effects the conversion requested hereby), notify the converting holder by facsimile and telephone of the number of shares of Common Stock outstanding on such date and the number of shares of Common Stock which would be issuable to the holder if the conversion requested in this conversion notice were effected in full, whereupon, the holder may, within one day of the notice from the Company, revoke in whole or in part the conversion requested hereby to the extent that it determines that such conversion would result in it owning in excess of 4.9% of the outstanding shares of Common Stock on such date, and the Company shall issue to the holder one or more certificates representing shares of Series D Preferred Stock which have not been converted as a result of this provision. If the holder waives the applicability of this limitation by notice to the Company delivered upon its receipt of the Company's notice regarding the number of outstanding shares of Common Stock or if the Purchaser fails to respond to the Company's notice within one day thereafter, the Company shall effect in full the conversion requested in this notice.

EXHIBIT B

IMMUNOGEN, INC.

NOTICE OF CONVERSION AT
THE ELECTION OF THE COMPANY

The undersigned in the name and on behalf of ImmunoGen, Inc. (the "Company") hereby notifies the addressee hereof that the Company hereby elects to exercise its right to convert [ ] shares of its Series D Convertible Preferred Stock held by the Holder into shares of Common Stock, par value $.01 per share (the "Common Stock") of the Company according to the terms hereof, as of the date written below. No fee will be charged to the Holder for any conversion hereunder, except for such transfer taxes, if any which may be incurred by the Company if shares are to be issued in the name of a person other than the person to whom this notice is addressed.

Conversion calculations:

Date to Effect Conversion

Number of Shares of Series D Preferred Stock to be Converted

Applicable Conversion Price

Number of Shares of Common Stock outstanding at close of trading on Conversion Date

---

Number of shares of Common Stock to Issue

Signature

Name:

Address:

IN WITNESS WHEREOF AND UNDER THE PENALTIES OF PERJURY, we have hereto signed our names this

26th day of June in the year 1997

_____/s Mitchel Sayare _____ President

_____/s/ Jonathan L. Kravetz _____ Clerk

580788
RECEIVED
JUN 27, 1997
SECRETARY OF THE COMMONWEALTH
CORPORATION DIVISION

THE COMMONWEALTH OF MASSACHUSETTS

Certificate of Vote of Directors Establishing
A Series of a Class of Stock
(General Laws, Chapter 156B, Section 26)

I hereby approve the within certificate and, the filing fee in the amount of $ having been paid, said certificate is hereby filed this 27th day of June 1997

/s/ William Francis Galvin
WILLIAM FRANCIS GALVIN
Secretary of State

TO BE FILLED IN BY CORPORATION
Photo copy of Certificate to be sent

TO:

Anne T. Leland, Legal Assistant
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center, Boston, MA 02111
Telephone 617 542 6000

Copy Mailed

EXHIBIT 10.7

LEASE

DATED MAY 15, 1997

BETWEEN

HARRY F. STIMPSON, III, AS
TRUSTEE UNDER THE WILL OF HARRY F. STIMPSON, AS LANDLORD

AND

IMMUNOGEN, INC., AS TENANT

148 SIDNEY STREET
CAMBRIDGE, MASSACHUSETTS

TABLE OF CONTENTS

ARTICLE I
REFERENCE DATA

1.1 SUBJECTS REFERRED TO:

Each reference in this Lease to any of the following subjects shall be construed to incorporate the data stated for that subject in this Section l.l:

Landlord:	Harry F. Stimpson, III, Trustee under the Will of Harry F. Stimpson One Apple Hill Natick, Massachusetts 01760
Landlord's Representative:	Kristin E. Blount
Tenant:	ImmunoGen, Inc. 148 Sidney Street Cambridge, Massachusetts 02138
Tenant's Representative:	Kathleen Carroll
Premises:	Premises consisting of the land and a building containing 15,000 rentable square feet known as 148 Sidney Street, Cambridge, Massachusetts assessed by the City of Cambridge as block 67 - lot 48 together with 45 parking spaces in the Parking Lot.
Parking Lot:	The parking area and driveway servicing the parking area located on 2 parcels of land on Merriam Street, Cambridge, Massachusetts assessed by the City of Cambridge as block 67 - lots 45 and 46 with a land area of 17,072 square feet.
Building:	The building located on the Premises containing approximately 15,000 rentable square feet.
Term:	Three (3) years, commencing on the Lease Commencement Date and expiring three (3) years thereafter (the "Term"), except as the Term may be terminated as provided herein.

Tenant's Lease Execution Date:	May __, 1997
Lease Year:	As defined in Section 2.2.
Lease Commencement Date:	October 1, 1997
Annual Fixed Rent:	$322,500.00/year
Additional Rent:	Tenant's Proportionate Share of Taxes and Operating Expenses as defined in Section 4.2.
Tenant's Proportionate Share:	100%
Permitted Uses:	General office and laboratory space for a medical research business, provided, however, that the foregoing use is in compliance with all applicable zoning, land use, licensing and other laws and regulations.
Tenant's Public Liability Insurance, Bodily Injury Insurance:	$1,000,000 each accident.
Tenant's Property Damage Insurance:	$300,000 each accident.
Brokers:	Meredith & Grew Incorporated
Security Deposit:	$53,750.00, subject to the provisions of Section 10.16.
Event of Default:	As defined in Section 9.1.

ARTICLE II
PREMISES AND TERM

2.1 PREMISES

Landlord hereby leases to Tenant, subject to and with the benefit of the provisions of this Lease, the Premises. Tenant is currently in possession of the Premises and is fully aware of the existing conditions of the Premises and agrees to take the same on a strictly "as is" basis without warranty or representation, express or implied, except as expressly set forth herein.

2.2 TERM

Tenant shall have and hold the Premises for a period commencing with the Lease Commencement Date and continuing for the Term, unless sooner terminated as provided in Section 7.l or in Article IX. As used in this Lease, "Lease Year" shall mean the twelve (12) full calendar months plus the partial calendar month, if any, commencing on the Lease Commencement Date, and each anniversary thereof, and expiring twelve (12) calendar months thereafter. If this Lease ends on a day other than the last day of a Lease Year, as herein defined, the last Lease Year shall end on the termination date.

ARTICLE III
CONSTRUCTION

3.1 GENERAL PROVISIONS APPLICABLE TO CONSTRUCTION

All construction work in the Premises shall be first approved by Landlord and shall be done in a good and workmanlike manner and in compliance with all applicable laws, ordinances, regulations and orders of governmental authority and insurers of the Building. Either party may inspect the work of the other at reasonable times, and shall promptly give notice of observed defects. Prior to the commencement of any construction work at the Premises, Tenant shall: (a) secure all licenses and permits necessary therefor and provide copies thereof to Landlord; (b) deliver to Landlord a statement of the names and addresses of all its contractors and subcontractors and the estimated cost of all labor and material to be furnished by them; (c) cause each contractor to carry worker's compensation insurance in statutory amounts covering all of the contractor's and subcontractor's employees, and comprehensive public liability insurance with such limits as are set forth in Section 1.1 (all such insurance to be written insuring Landlord and Tenant as well as the contractors); and (d) deliver to Landlord certificates of all such insurance. Tenant agrees to pay promptly when due the entire cost of any work done on the Premises by Tenant, its agents, employees, or independent contractors, and not to cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Premises. Tenant agrees to discharge or bond over any such liens which may so attach and agrees to indemnify Landlord for, from and against any and all loss, cost or expense, including reasonable attorneys' fees and expenses

incurred by Landlord as a result of any construction work undertaken by Tenant at the Premises.

3.2 REPRESENTATIVES

Each party authorizes the other to rely in connection with matters of design and construction, upon approval and other actions on the party's behalf by the Representative of the party named in Section 1.1 hereto or any person hereafter designated in substitution or addition by notice to the party so relying.

3.3 PARKING AREA AND DRIVEWAY

Tenant shall be entitled to the use of forty-five (45) parking spaces in the Parking Lot. Landlord covenants to regrade, repave and restripe the Parking Lot prior to October 1, 1997 subject to Unavoidable Delays (as defined in Section 10.15 of this Lease).

Landlord reserves the right to impose reasonable rules and controls on the operation of the Parking Lot provided such rules and controls do not conflict with the provisions of this Lease.

ARTICLE IV
RENT

4.1 ANNUAL FIXED RENT

Tenant agrees to pay, without any offset or deduction whatever, fixed rent to Landlord at the Annual Fixed Rent set forth in Section 1.1 beginning with the Lease Commencement Date, in equal installments of l/l2th of the Annual Fixed Rent, in advance on the first day of each calendar month included in the Term.

Annual Fixed Rent shall be increased annually in proportion to seventy percent (70%) of the change in the National Consumer Price Index for all Urban Consumers (the "Index") published by the United States Bureau of Labor Statistics, using the month in which occurs the first date of the term as the base with the first such adjustment to be made for the month beginning October 1, 1998. In the event of a change in Annual Fixed Rent, Landlord shall send a notice to Tenant setting forth the new fee and Tenant shall pay to the Landlord, within 15 days of receiving such notice, the additional lease fee owed for the months which have elapsed since the effective date of such adjustment, and each installment thereafter shall be paid in the amount as so adjusted until the next adjustment, if any. In the event that any substantial change is made in the method of establishing the Index, then the Index shall, if possible, be adjusted so that the resulting Annual Fixed Rent is that which would have resulted had no change occurred in the manner of computing such Index. In the event that the Index (or its successor or substitute Index) is unavailable, or substantially changed in the manner which makes the adjustment contemplated above and practical, a reliable governmental or other non-

partisan publication evaluating substantially the same information theretofore used in determining the Index shall be used by Landlord in lieu of such Index.

4.2 ADDITIONAL RENT

4.2.1 ADDITIONAL RENT

In order that the Annual Fixed Rent shall be absolutely net to Landlord, Tenant covenants and agrees to pay either directly or to the Landlord, as Additional Rent, Tenant's Proportionate Share of Taxes and charges for utilities and other services with respect to the Premises as hereinafter provided in this Lease. Landlord shall only be responsible for the payment of costs incurred in connection with its obligations under Sections 5.1.1. and 5.1.3 of this Lease. Appropriate prorations (on a daily basis) of Tenant's Proportionate Share of Taxes shall be made at the beginning and end of the Term for any calendar year (or other accounting period), only part of which falls within the Term. Tenant's obligation to pay such amounts as Additional Rent shall survive any termination of this Lease by lapse or otherwise.

4.2.2 TENANT'S PROPORTIONATE SHARE OF TAXES

For the purposes hereof, "Taxes" shall mean: all taxes, assessments (special or otherwise), levies, fees and all other government levies, exactions and charges in the nature of real estate taxes or real estate special assessments of every kind and nature, general and special, ordinary and extraordinary, foreseen and unforeseen, which are, with respect to any annual accounting period used by Landlord pursuant to Section 4.2, imposed or levied upon, or assessed against the Premises or any portion thereto, and reasonable expenses of any proceeding for abatement of the foregoing items included in Taxes; provided, however, that Landlord shall pay any taxes, assessments, levies, fees, exactions and charges over the longest period allowed by law, and only the portion required to be paid during any annual accounting period shall be included in Taxes for such accounting period. Nothing contained in this Lease shall, however, require Tenant to pay any franchise, corporate, estate, inheritance, secession, capital, levy or transfer tax of Landlord, or any net income, profits or revenue tax or charge upon the rent payable by Tenant under this Lease.

If there is an abatement in Taxes with respect to any portion of an annual accounting period during the Term with respect to which Tenant paid Additional Rent, and Landlord receives a tax refund or reimbursement as a result thereof, then Taxes for such annual accounting period shall be reduced by the amount of such tax refund or reimbursement after repayment of Landlord's expenses incurred in connection therewith. Landlord shall inform Tenant of any action to seek an abatement of Taxes. Additionally, Landlord agrees that Tenant, after notice and in cooperation with Landlord, may, at its sole cost and expense, commence any proceedings to contest the validity or amount of any such tax. Landlord shall cooperate, at the cost of Tenant, on any such proceeding

and any such proceeding shall be conducted in accordance with the provisions of any mortgage encumbering the Premises.

4.3 ACCOUNTING

As of the date of this Lease, Landlord's accounting period is the calendar year. Landlord shall have the right from time to time to change the periods of accounting hereunder to any annual period other than a calendar year, and upon any such change, all items referred to in said Sections 4.2 and 4.3 shall be appropriately apportioned on a daily basis. In all statements rendered under Section 4.3, amounts for periods partially within and partially without the accounting periods shall be appropriately apportioned on a daily basis. Any costs which are not determinable at the time of a statement shall be included therein on the basis of Landlord's reasonable estimate, and Landlord shall render promptly after determination of such costs a supplemental statement and appropriate adjustment shall be made according thereto, including any adjustments resulting in a refund to Tenant due for the award of a tax abatement to Landlord relating to Tenant's Proportionate Share of Taxes paid during the term of this Lease. All statements shall be prepared on an accrual basis of accounting.

4.4 PAYMENT OF ADDITIONAL RENT, OPERATING STATEMENTS

Beginning on the Lease Commencement Date and thereafter on the first day of each month of the Term, Tenant shall make "Estimated Additional Rent Payments" in equal monthly amounts reasonably determined by Landlord from time to time to provide in the aggregate, a fund adequate to pay Tenant's Proportionate Share of Taxes for such calendar year (or other annual accounting period) without need for adjustment as hereinafter described. If the Term includes a partial calendar month at its beginning or end, the Estimated Additional Rent Payment for such partial month shall be pro rated for each day in such partial month within the Term, and shall be payable on the first day of such partial month during the Term. Landlord shall provide notice to Tenant of the amount of the Estimated Additional Rent Payments, and of any increases therein. If the aggregate amount of Estimated Additional Rent Payments with respect to any calendar year (or other annual accounting period) exceeds the amount of Tenant's Proportionate Share of Taxes with respect to such calendar year (or other annual accounting period), then such excess shall be applied as a credit against the next ensuing Estimated Additional Rent Payment(s) after Landlord delivers its Operating Statement for such year (or other accounting period); or, if the Term has then expired, Landlord shall promptly pay to Tenant such excess.

Within a reasonable period after the end of the first calendar year occurring within the Term and of each succeeding calendar year during the Term or fraction thereof at the beginning or end of the Term, Landlord shall render to Tenant a statement ("Operating Statement") in reasonable detail and prepared according to generally accepted accounting practices, certified by a representative of Landlord, showing for the preceding calendar year (or other accounting period) or fraction thereof, as the case may be (a) actual

Taxes with respect to such calendar year (or other accounting period), and (b) Tenant's Proportionate Share of actual Taxes. Landlord shall use reasonable efforts to deliver the Operating Statement within one hundred twenty (120) days after the end of each calendar year (or other accounting period). Any items which are not determinable at the time an Operating Statement is rendered shall be included on the basis of Landlord's reasonable estimate and with respect thereto Landlord shall promptly after determination, render a supplemental Operating Statement, and appropriate adjustment shall be made according thereto. Within thirty (30) days after the date of delivery of each such Operating Statement, Tenant shall pay to Landlord as additional rent, the amount of Tenant's Proportionate Share of Operating Expenses and Taxes shown thereon for the preceding calendar year (or other accounting period) or fraction thereof, less the aggregate amount of any Estimated Additional Rent Payments previously paid as hereinafter provided with respect to said calendar year (or other accounting period) or fraction thereof.

Tenant or its representatives shall have the right, upon reasonable prior notice, to examine Landlord's books and records with respect to items in the Operating Statement during normal business hours at Landlord's offices where such books and records are maintained within sixty (60) days following the delivery by Landlord to Tenant of such Operating Statement. Within such sixty (60) day period, Tenant may file written exception to any items of expense, provided, however, that nothing herein shall be deemed to afford Tenant any right to withhold any disputed payment claimed by Landlord to be due from Tenant to Landlord, and Tenant shall promptly make all such payments as aforesaid. All information and calculations set forth in the Operating Statement shall be binding upon Tenant and no longer subject to challenge or dispute following such sixty (60) day period unless and to the extent Tenant shall have timely disputed the same and such dispute shall not have been resolved. If it is determined that Landlord overcharged Tenant, then Landlord shall promptly refund any overcharge to Tenant.

4.5 UTILITIES

Electricity and all other utilities for Tenant's operations in the Premises shall be separately metered. The cost of such utility usage shall be billed directly to and paid directly by Tenant.

4.6 NET LEASE

It is understood and agreed that this Lease is a net lease and that the Annual Fixed Rent is absolutely net to Landlord excepting only those matters which Landlord is required to pay under this Lease.

ARTICLE V
LANDLORD'S COVENANTS

5.1 LANDLORD'S COVENANTS

Landlord covenants:

5.1.1 except as otherwise provided in Article VII, to make such repairs and/or replacements to the boiler, roof, foundation, other structural components, exterior walls, floor slabs and to the underground storage tank as may be necessary to keep them in serviceable condition unless such repairs and/or replacements are due to the negligence or neglect of Tenant, its agents, contractors or employees.

5.1.2 that Landlord has the right to make this Lease and that Tenant, on paying the rent and performing its obligations under this Lease, shall peacefully and quietly have, hold and enjoy the Premises throughout the Term, subject to all terms and provisions hereof.

5.1.3 that Landlord shall insure the Premises for full replacement value under an "all-risk" insurance policy, with such reasonable deductibles as a prudent owner of similar properties would obtain.

5.2 INTERRUPTIONS

Except if due to the gross negligence or willful misconduct of Landlord or its agents, contractors or employees, Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from power losses and shortages, the necessity of Landlord's entering the Premises for any of the purposes in this Lease authorized, or for repairing the Premises or any portion of the Building or Lot, however the necessity may occur; provided, however, that Landlord shall use reasonable efforts to avoid interference with Tenant's use and operations at the Premises. In case Landlord is prevented or delayed from making any repairs, alterations or improvements, or from furnishing any services or performing any other covenant or duty to be performed on Landlord's part under this Lease by reason of any cause reasonably beyond Landlord's control, including, without limitation, the causes set forth in Section 10.15, Landlord shall not be liable to Tenant therefor, nor, except as expressly otherwise provided in Section 7.l, shall Tenant be entitled to any abatement or reduction of rent by reason thereof, nor shall the same give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, or total or partial, eviction from the Premises.

Landlord reserves the right to stop any service or utility system when necessary by reason of accident or emergency, until necessary repairs have been completed; provided, however, that in each instance of stoppage, Landlord shall exercise reasonable diligence to eliminate the cause thereof, and except in case of emergency repairs, Landlord will give

Tenant reasonable advance notice of any contemplated stoppage and will use reasonable efforts to avoid inconvenience to Tenant by reason thereof.

ARTICLE VI
TENANT'S COVENANTS

6.1 TENANT'S COVENANTS

Tenant covenants during the Term and such further time as Tenant occupies any part of the Premises:

6.1.1 to pay when due all Annual Fixed Rent, Additional Rent, all taxes which may be imposed on Tenant's personal property on the Premises (including without limitation, Tenant's fixtures and equipment) regardless to whomever assessed and all other charges and sums due under this Lease.

6.1.2 except as otherwise provided in Article VII and Section 5.1, to keep the Premises in good order, repair and in a first class condition, including, without limitation, periodic cleaning of the Premises and plowing of the Parking Area at its sole cost and expense, reasonable wear, and damage by fire and casualty and eminent domain only excepted, and at the expiration or termination of this Lease peaceably to yield up the Premises and all changes and additions therein (except Tenant's removable property) in such order, repair and condition, first removing all goods, effects, and fixtures of Tenant including Tenant's removable property and any of Tenant's signage which may be attached to the Building or to the Premises, and repairing all damage caused by such removal and restoring the Premises (or the Building, as required) and leaving them clean and neat. If Tenant fails to surrender possession of the Premises in the condition required under the terms of this Lease (including, but not limited to, the removal of signage) the Tenant shall be deemed a tenant-at-sufferance and hereby agrees that the fair rental value for the Premises for each month after the expiration of the term shall be the sum of (x) one hundred fifty percent (150%) of the then-applicable Annual Fixed Rent, and (y) all Additional Rent and other charges and sums due under this Lease. Acceptance by Landlord of such payments shall not constitute a consent to Tenant's holding over nor result in a renewal of Tenant's rights to occupy the Premises. All payments during any holdover period shall be in addition to, and shall not affect or limit, Landlord's right of reentry, or any other rights of Landlord under this Lease or as provided at law or in equity.

6.1.3 not to injure or deface the Premises nor to permit in the Premises any auction sale, or nuisance, or the emission from the Premises of any reasonably objectionable noise or odor, nor to use or devote the Premises or any part thereof for any purpose other than the Permitted Uses, nor any use thereof which is contrary to law or ordinance (including, without limitation, the Cambridge Zoning Ordinance) or which is liable to invalidate or increase the premiums for any insurance on the Building (unless

Tenant pays such increase) or its contents or is liable to render necessary any alteration or addition to the Building.

6.1.4 not without prior consent of Landlord to permit the painting or placing of any signs or the placing of any curtains, blinds, shades, awnings, aerials or flagpoles, or the like, visible from the atriums, elevator lobby or from outside the Premises; and to comply with all reasonable rules and regulations hereafter made by Landlord, of which Tenant has been given notice, for the care and use of the Premises and their facilities and approaches.

6.1.5 to keep the Premises equipped with all safety appliances required by law or ordinance or any other regulation of any public authority because of any use made by Tenant other than normal office use, and to procure all licenses and permits so required because of such use and, if requested by Landlord, to do any work so required because of such use, it being understood that the foregoing provisions shall not be construed to broaden in any way the Permitted Uses.

6.1.6 not without prior consent of Landlord to assign, mortgage, pledge or otherwise transfer this Lease or to make any sublease, or to permit occupancy of the Premises or any part thereof by anyone other than Tenant. In connection with any request by Tenant for Landlord's consent to the assignment of this Lease or subletting of all or any part of the Premises, Tenant shall submit to Landlord in writing (i) the name of the proposed assignee or subtenant, (ii) such information as to the nature of the business of the proposed assignee or subtenant, the financial responsibility and standing of the proposed assignee or subtenant as Landlord may reasonably require and such further information as Landlord may request, and (iii) all of the terms and provisions upon which the proposed assignment or subletting is to be made. Upon receipt from Tenant of such request and information, Landlord shall have an option to be exercised in writing within thirty (30) days after its receipt from Tenant of such request and information if the request is to assign the Lease or to sublet all of the Premises, to cancel or terminate this Lease, or, if the request is to sublet a portion of the Premises only, to cancel and terminate this Lease with respect to such portion, in each case as of the date set forth in Landlord's notice of exercise of such option, which shall be not less than sixty (60) nor more than one hundred and twenty (120) days following the giving of such notice. In the event Landlord shall exercise such option, Tenant shall surrender possession of the entire Premises, or the portion which is the subject of the option, as the case may be, on the date set forth in such notice in accordance with the provisions of this Lease relating to surrender of the Premises at the expiration of the Lease Term.

If this Lease shall be canceled as to a portion of the Premises only, the Annual Fixed Rent and applicable items of Additional Rent shall thereafter be abated proportionately according to the ratio that the number of square feet in the portion of the space surrendered bears to the Rentable Floor Area of Tenant's Space; as additional charges and sums due under the Lease, Tenant shall reimburse Landlord promptly for

reasonable legal and other reasonable expenses incurred by Landlord in connection with any request by Tenant for consent to assignment or subletting.

In the event Landlord shall not exercise its option to cancel this Lease pursuant to the foregoing provisions, Landlord shall not unreasonably withhold its consent to the requested assignment or subletting, provided that the terms and provisions of such assignment or subletting shall specifically make this Section 6.1.6 applicable to such assignee or sublessee so that Landlord shall have against the assignee or sublessee all rights with respect to any further assignment and subletting which are set forth herein; no assignment or subletting shall affect the continuing primary liability of Tenant (which, following assignment, shall be joint and several with the assignee); no consent to any of the foregoing in a specific instance shall operate as a waiver in a subsequent instance; and no assignment shall be binding upon Landlord or any of Landlord's mortgagees, unless Tenant shall deliver to Landlord an instrument in recordable form which contains a covenant of assumption of all the obligations of this Lease by the assignee running to Landlord and all persons claiming by, through or under Landlord; such instrument of assumption shall not release or discharge assignee from its liability as Tenant hereunder. In the event Landlord shall not exercise its option to cancel this Lease pursuant to the foregoing provisions, Landlord shall be entitled to receive all amounts received by Tenant in excess of the Annual Fixed Rent and Additional Rent reserved in this Lease applicable to the space being so assigned or sublet after deduction of Tenant's actual costs associated with the assignment or sublease.

Notwithstanding the foregoing, no consent shall be required for the assignment of the lease to a wholly owned subsidiary of Tenant or a purchaser of all or substantially all of Tenant's assets or to an entity which controls, is controlled by or is under common control with Tenant, provided in each case the resulting entity assumes all of Tenant's obligations and agrees to be bound by all of the terms and conditions of this Lease.

6.1.7 to defend, with counsel approved by Landlord, or, in the case of actions defended by Tenant's insurer, by counsel approved by such insurer, save harmless, and indemnify Landlord from any liability or injury, loss, accident or damage to any person or property, and from any claims, actions, proceedings and expenses and costs in connection therewith (including without limitation reasonable counsel fees), (i) arising from the willful act or negligence of Tenant or from any use made or thing done or occurring on the Premises not due to the willful act or negligence of Landlord or willful act or gross negligence of its agents, contractors or employees or (ii) resulting from the failure of Tenant to perform and discharge its covenants and obligations under this Lease.

6.1.8 to maintain public liability insurance in the Premises in the amounts which shall, at the beginning of the Term, be at least equal to the limits set forth in Section l.l, and, from time to time during the Term shall be for such higher limits, if any, as are

customarily carried in the area in which the Premises are located on property similar to the Premises and used for similar purposes and to furnish Landlord with the certificates thereof.

6.1.9 to keep all Tenant's employees working in the Premises covered by worker's compensation insurance in statutory amounts and to furnish Landlord with certificates thereof.

6.1.10 to permit Landlord and Landlord's agents to examine the Premises at reasonable times, if Landlord shall so elect, to make any repairs or replacements Landlord may deem necessary to address or avert an emergency, and to remove, at Tenant's expense, any changes, additions, signs, curtains, blinds, shades, awnings, aerials, flagpoles, or the like, not consented to in writing pursuant to Section 6.1.4, and to show the Premises to prospective tenants of the Premises during the twelve (12) months preceding expiration of the Term (or earlier termination date if applicable) and to prospective purchasers and mortgagees and prospective tenants of the Premises at all reasonable times upon reasonable telephonic notice to Tenant.

6.1.11 not to place a load upon the Premises exceeding an average rate of eighty (80) pounds of live load per square foot of floor area.

6.1.12 all the furnishings, fixtures, equipment, effects and property of every kind, nature and description of Tenant and of all persons claiming by, through or under Tenant which, during the continuance of this Lease or any occupancy of the Premises by Tenant or anyone claiming under Tenant, may be on the Premises or elsewhere in the Building, shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft or from any other cause, no part of said loss or damage is to be charged to or to be borne by Landlord, unless caused by the gross negligence or willful misconduct of Landlord or its agents, employees or contractors.

6.1.13 not to suffer or permit any liens to stand against the Premises by reason of work, labor services or materials done for or at the request of Tenant. Tenant shall cause any such liens to be discharged or bonded over immediately.

6.1.14 in case Landlord shall, without any fault on its part, be made party to any litigation commenced by or against Tenant or by or against any parties in possession of the Premises or any party thereof claiming under Tenant, to pay, as additional rent, all costs, including without limitation, reasonable counsel fees incurred by or imposed upon Landlord in connection with such litigation, and as additional rent, also to pay all such costs and fees incurred by Landlord in connection with the successful enforcement by Landlord of any obligations of Tenant under this Lease.

6.1.15 to pay on demand the Landlord's expenses, including reasonable attorneys' fees and expenses, incurred in enforcing the obligation of Tenant under this Lease or in curing any default by Tenant under this Lease.

6.1.16 to pay directly to the provider of the service, all separately metered charges for electricity and all charges for janitorial services snowplowing and other services furnished to the Premises.

6.1.17 to comply with all laws, ordinances, rules, regulations and governmental and provisional guidelines with respect to the storage and disposal of medical waste and/or hazardous materials, and to cause any medical waste and/or hazardous materials generated by the Tenant to be removed from the Premises, Building and Lot in conformity with all such laws, ordinances, rules, regulations and guidelines at Tenant's sole cost and expense.

6.1.18 With respect to Tenant's breach of any covenant contained in this Article 6, Tenant agrees to indemnify and hold Landlord harmless from any liability or injury, loss, accident or damage and from any claims, actions, proceedings and expenses and costs in connection therewith relating to such breach.

ARTICLE VII
CASUALTY AND TAKING

7.1 CASUALTY AND TAKING

In case during the Term all or any substantial part of the Premises are damaged materially by fire or other casualty or by action of public or other authority in consequence thereof, or are taken by eminent domain or Landlord receives compensable damage by reason of anything lawfully done in pursuance of public or other authority, this Lease shall terminate at Landlord's or Tenant's election, which may be made notwithstanding Landlord's entire interest may have been divested, by notice given to the other within sixty (60) days after receipt by each party of notice of the occurrence of the event giving rise to the election to terminate, which notice shall specify the effective date of termination. Tenant shall also have the right to terminate as described above, (a) in the event of damage to or taking of the Premises which renders Tenant unable to conduct its business in the Premises and which cannot be restored within one hundred twenty (120) days, or (b) in the event of damage to the Premises in the last ninety (90) days of the Term. The effective date of any termination by Landlord or Tenant under this Section shall be not less than fifteen (l5) nor more than thirty (30) days after the date of such notice of termination. In case of any such damage or taking, Landlord shall notify Tenant within thirty (30) days after the occurrence thereof of Landlord's estimate of the time needed to do the construction work necessary to put the Premises or such remainder in proper condition for use and occupancy, or of the percentage of the Building, Premises taken.

If in any such case the Premises are rendered unfit for use and occupation by the Tenant and the Lease is not so terminated, Landlord shall use due diligence (following the expiration of all periods in which either party may terminate this Lease pursuant to the foregoing provisions of this Section 7.l) to put the Premises, or in case of a taking, what may remain thereof (excluding any items installed or paid for by Tenant which Tenant may be required to remove pursuant to Section 3.l), into proper condition for Tenant's use and occupation, and a just proportion of the Annual Fixed Rent and Additional Rent due hereunder, according to the nature and extent of the injury, shall be abated until the Premises or such remainder shall have been put by Landlord in such condition. In case of a taking which permanently reduces the area of the Premises, a just proportion of the Annual Fixed Rent and Additional Rent shall be abated for the remainder of the Term.

7.2 RESERVATION OF AWARD

Landlord reserves to itself any and all rights to receive awards made for damages to the Premises and the leasehold hereby created, or any one or more of them, accruing by reason of exercise of eminent domain or by reason of anything lawfully done in pursuance of public or other authority. Tenant hereby releases and assigns to Landlord all Tenant's rights to such awards, and covenants to deliver such further assignments and assurances thereof as Landlord may from time to time request hereby. It is agreed and understood, however, that Landlord does not reserve to itself, and Tenant does not assign to Landlord, any damages payable for (i) trade fixtures, furniture or equipment owned and installed by Tenant or anybody claiming under Tenant at its own expense, or fixtures or items the removal of which is required or permitted by any agreement given pursuant to Section 3.l, (ii) relocation expenses allocated or awarded to Tenant or recoverable by Tenant from such authority in a separate action or (iii) leasehold improvements which were directly paid for by Tenant (i.e. not paid for by Landlord and reimbursed over time by Tenant).

ARTICLE VIII
RIGHTS OF MORTGAGEE

8.1 SUBORDINATION

The Lease shall be subject and subordinate to any mortgage on the Premises or any part thereof, now or at any time hereafter in effect, and to all advances made thereunder and to the interest thereon and all renewals, replacements and extensions thereof provided the holder of the mortgage agrees in writing to recognize the rights of Tenant under this Lease, unless the holder of such mortgage elects by notice to Tenant to have this Lease superior to its mortgage. Any such mortgage to which the Lease shall be subordinated may contain such terms, provisions and conditions as the holder deems usual or customary. The Premises or Building, or both, are separately and together hereinafter in this Article VIII referred to as "the mortgaged premises". The word "mortgagee" as used in this Lease shall include the holder for the time being whenever the context permits.

8.2 ENTRY OTHER THAN FOR FORECLOSURE

Upon entry and taking possession of the mortgaged premises for any purpose other than foreclosure, and during the period of such possession, the holder of a mortgage shall have all rights of Landlord and shall have the duty to perform all of Landlord's obligations under this Lease. No such holder shall be liable to perform any other of Landlord's covenants and obligations arising under this Lease prior to its taking possession.

8.3 ENTRY FOR FORECLOSURE

Except as otherwise provided in Section 8.2 hereof, no such holder of a mortgage shall be liable, either as mortgagee or as holder of a collateral assignment of this Lease, to perform, or be liable in damages for failure to perform, any of the obligations of Landlord unless and until such holder shall enter and take possession of the mortgaged premises for the purpose of foreclosing a mortgage. Upon entry for the purpose of foreclosing a mortgage or upon conveyance pursuant to a deed in lieu of foreclosure, such holder shall be liable to perform all of the subsequent obligations of Landlord, subject to the provisions of Section 8.6 and subject to and with the benefit of the provisions of Section l0.5.

8.4 NO PREPAYMENT

No Annual Fixed Rent, Additional Rent, or any other charge or sum under the Lease shall be paid more than ten (10) days prior to the due dates thereof and payments made in violation of this provision shall (except to the extent that such payments are actually received by a mortgagee in possession or in the process of foreclosing its mortgage) be a nullity as against such mortgagee and Tenant shall be liable for the amount of such payments to such mortgagee.

8.5 NO RELEASE OR TERMINATION

No act or failure to act on the part of Landlord which would entitle Tenant under the terms of this Lease, or by law, to be relieved of Tenant's obligations hereunder or to terminate this Lease, shall result in a release or termination of such obligations or a termination of this Lease unless (i) Tenant shall have first given written notice of Landlord's act or failure to act to Landlord's mortgagees of record, if any, specifying the act or failure to act on the part of Landlord which could or would give basis to Tenant's rights; and (ii) such mortgagees, after receipt of such notice, have failed or refused to commence a cure of the condition complained of within a reasonable time thereafter; but nothing contained in this Section 8.5 shall be deemed to impose any obligation on any such mortgagee to correct or cure any such condition. "Reasonable time" as used above means and includes a reasonable time to obtain possession of the mortgaged premises, if the mortgagee elects to do so, and a reasonable time to correct or cure the condition if such condition is determined to exist.

8.6 NO MODIFICATION, ETC.

No assignment of this Lease and no agreement to make or accept any surrender, termination or cancellation of this Lease and no agreement to modify so as to reduce the rent, change the Term, or otherwise materially change the rights of Landlord under this Lease, or to relieve Tenant of any obligations or liability under this Lease, shall be valid unless consented to in writing by Landlord's mortgagees of record, if any.

8.7 CONTINUING OFFER

The covenants and agreements contained in this Lease with respect to the rights, powers and benefits of a mortgagee (particularly, without limitation thereby, the covenants and agreement contained in this Article VIII) constitute a continuing offer to any person, corporation or other entity, which by accepting or requiring an assignment of this Lease or by entry or foreclosure assumes the obligations herein set forth with respect to such mortgagee; such mortgagee is hereby constituted a party to this Lease as an obligee hereunder to the same extent as though its name were written hereon as such, and such mortgagee shall be entitled to enforce such provisions in its own name.

8.8 IMPLEMENTATION

Tenant agrees on request of Landlord to execute and deliver from time to time any agreement which may reasonably be deemed necessary to implement the provisions of this Article VIII.

ARTICLE IX
DEFAULTS

9.1 EVENTS OF DEFAULT

If (a) Tenant shall fail to pay Annual Fixed Rent or Additional Rent or any other charge or sum due under the Lease within ten (10) business days after written notice of Tenant's failure to pay on the date when due (or if during any twelve month period in which Tenant has previously failed two times to pay Annual Fixed Rent or Additional Rent or any other charge or sum when due, Tenant thereafter fails to pay Annual Fixed Rent or Additional Rent or any other charge or sum on the date when due); or (b) if Tenant shall fail to perform any of Tenant's other covenants, agreements or obligations hereunder, and such failure shall continue for more than thirty (30) days after written notice thereof from Landlord to Tenant (or, if such failure is not susceptible of cure within thirty (30) days, Tenant fails to pursue diligently and continuously such cure to completion); or (c) if any assignment shall be made by Tenant or any guarantor of Tenant for the benefit of creditors; or (d) if Tenant's leasehold interest shall be taken on execution; or (e) if a lien or other involuntary encumbrance is filed against Tenant's leasehold interest or Tenant's other property, including said leasehold interest, and is not discharged or bonded over within thirty (30) days after Tenant receives notice thereof; or (f) if a petition is filed by Tenant or any guarantor of Tenant for adjudication as a bankrupt, or for reorganization or an arrangement under any provision of the Bankruptcy Act as then in force

and effect; or (g) if an involuntary petition under any of the provisions of said Bankruptcy Act is filed against Tenant or any guarantor of Tenant and such involuntary petition is not dismissed within sixty (60) days thereafter, then, and in any of such cases (each such case being deemed an "Event of Default"), Landlord and the agent and servants of Landlord lawfully may, in addition to and not in derogation of any remedies for any preceding breach of covenant, immediately or at any time thereafter and without demand or notice and with process of law (forcibly, if necessary) enter into and upon the Premises or any part thereof in the name of the whole or mail a notice of termination addressed to Tenant in accordance with Section 10.4, and repossess the same as Landlord's former estate and expel Tenant and those claiming through or under Tenant and remove its and their effects (forcibly, if necessary) without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or prior breach of covenant, and upon such entry or mailing as aforesaid, this Lease shall terminate.

9.2 TENANT'S OBLIGATIONS AFTER TERMINATION

In the event that this Lease is terminated due to an Event of Default, Tenant covenants to pay forthwith to Landlord, as compensation, the total rent reserved for the residue of the Term discounted over the balance of the lease term at a rate of nine percent (9%). In calculating the rent reserved there shall be included, in addition to the Annual Fixed Rent, all Additional Rent and all charges and sums due under the Lease, the value of all other considerations agreed to be paid or performed by Tenant for said residue. In calculating the amounts to be paid by Tenant hereunder, Tenant shall be credited with the net proceeds of any rent obtained by Landlord by reletting the Premises, after deducting all Landlord's actual expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, fees for legal services and expenses of preparing the Premises for such reletting. Any action of Landlord in accordance with this Section 9.2 or any failure of Landlord to relet or collect rent after reletting shall not operate or be construed to release or reduce Tenant's liability as aforesaid, provided, however, that Landlord hereby agrees to exercise commercially reasonable good faith efforts to relet the Premises and otherwise to mitigate damages arising out of an Event of Default.

Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency, by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater than, equal to, or less than the amount of the loss or damages referred to above.

9.3 LANDLORD'S DEFAULT

Landlord shall not be deemed to be in default hereunder unless its default shall continue for thirty (30) days, or such additional time as is reasonably required to correct its default, provided that Landlord shall begin such correction within such thirty (30) day period and thereafter prosecute the curing of such default to completion with due diligence after written notice thereof has been given by Tenant to Landlord specifying the nature of the alleged default. Landlord shall have the right to dispute Tenant's allegation of default. In no event hereunder shall Tenant be entitled to a right of set-off. In the event of Landlord's default, Tenant shall be obligated to continue to pay all rent due hereunder in full.

9.4 ADMINISTRATIVE CHARGE FOR LATE RENT

If any payment of Annual Fixed Rent or Additional Rent or any other charges and sums is in default as provided in Section 9.1 hereof, Tenant shall pay Landlord as late rent, upon demand, an amount equal to three percent (3%) of the amount in default as compensation for Landlord's extra administrative costs in investigating and collecting such late rent.

ARTICLE X
MISCELLANEOUS

10.1 TITLES

The titles of the Articles are for convenience only and are not to be considered in construing this Lease.

10.2 NOTICE OF LEASE

This Lease shall not be recorded; provided however that at the request of either party hereto, both parties shall execute and deliver a notice of this Lease in form appropriate for recording or registration. If this Lease is terminated before the Term expires, upon request of either party, each party shall execute and deliver an instrument in such form acknowledging the date of termination.

10.3 CONSENT

Except where otherwise provided herein, whenever any approval, consent, authorization or the like by Landlord or Tenant is expressly required by this Lease, the approval, consent, authorization or the like shall not be delayed or withheld unreasonably.

10.4 NOTICE

Whenever any notice, approval, consent, request or election is given or made pursuant to this Lease it shall be in writing. Communications and payments shall be addressed if to

Landlord at Landlord's Address as set forth in Section 1.1 or at such other address as may have been specified by prior notice to Tenant, and if to Tenant, at Tenant's Address as set forth in Section 1.1 or at such other address as may have been specified by prior notice to Landlord. Any communication or notice so addressed shall be deemed duly served if mailed by registered or certified mail, return receipt requested; delivered by hand; or sent by overnight delivery service. Notice shall be deemed effective on the earlier of the date of actual delivery as shown by the return receipt or forty eight (48) hours after notice is sent in accordance with this Section 10.4.

10.5 BIND AND INURE

The obligations of this Lease shall run with the land, and this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that only the original Landlord named herein shall be liable for obligations accruing before the beginning of the Term, and thereafter the original Landlord named herein and each successive owner of the Premises shall be liable only for the obligations accruing during the period of its ownership. Whenever the Premises are owned by a partnership, no general partner or limited partner of such partnership shall have any personal liability hereunder.

10.6 NO SURRENDER

The delivery of keys to any employee of Landlord or to Landlord's agent or any employee thereof shall not operate as a termination of this Lease or a surrender of the Premises.

10.7 NO WAIVER, ETC.

The failure of Landlord or of Tenant to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease or any of the rules and regulations referred to in Section 6.1.4 shall not be deemed a waiver of such violation nor prevent a subsequent act which would have originally constituted a violation, from having all the force and effect of an original violation. The failure of Landlord to enforce any of said rules and regulations against any other tenant in the Building shall not be deemed a waiver of any such rules or regulations. The receipt by Landlord of Annual Fixed Rent or Additional Rent with knowledge of the breach of any covenant of this Lease shall not be deemed to be a waiver of such breach by Landlord or by Tenant, unless such waiver is in a writing signed by the party so waiving. No consent or waiver, express or implied, by Landlord or Tenant to or of any breach of any agreement or duty shall be construed as a waiver or consent to or of any other breach of the same or any other agreement or duty.

10.8 NO ACCORD AND SATISFACTION

No acceptance by Landlord of a sum lesser than the Annual Fixed Rent, Additional Rent or other charges and sums then due shall be deemed to be other than on account of the earliest

installment of such rent due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other remedy provided for in this Lease.

10.9 CUMULATIVE REMEDIES

The specific remedies to which Landlord or Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which either of them may be lawfully entitled in case of any breach or threatened breach by the other party of any provisions of this Lease. In addition to the other remedies provided in this Lease, Landlord and Tenant shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the covenants, conditions or provisions of this Lease, or to a decree compelling specific performance of any such covenants, conditions or provisions.

10.10 PARTIAL INVALIDITY

If any term of this Lease, or the application thereof to any person or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

10.11 LANDLORD'S RIGHT TO CURE TENANT'S DEFAULT

In the event of an Event of Default on the part of Tenant hereunder, Landlord shall have the right, but shall not be obligated, to enter upon the Premises and to cure such Event of Default notwithstanding the fact that no specific provisions for such substituted performance by Landlord is made in this Lease with respect to such Event of Default. Except in case of emergency, these rights shall be exercised only after ten (l0) days' prior written notice from Landlord to Tenant of Landlord's intention to do so. In performing such cure, Landlord may make any payment of money or perform any other act. All sums so paid by Landlord (together with interest at the rate of eighteen percent (18%) per annum) and all necessary incidental out-of-pocket costs and expenses in connection with the performance of any such act by Landlord shall be deemed to be charges and sums due under this Lease and shall be payable to Landlord immediately on demand. Landlord may exercise the foregoing rights without waiving any other of its rights or releasing Tenant from any of its obligations under this Lease.

10.12 ESTOPPEL CERTIFICATES

Both parties agree from time to time, upon not less than fifteen (15) days' prior written request by the other party, to execute, acknowledge and deliver to the other party a statement in writing certifying, to the extent true, that this Lease is unmodified and in full force and

effect and that Tenant has no defenses, offsets or counterclaims against its obligations to pay the Annual Fixed Rent, Additional Rent and other charges and sums due under the Lease and to perform its other covenants under this Lease and that there are no uncured defaults of Landlord or Tenant under this Lease (or, if there have been any modifications, that the same is in full force and effect as modified and stating the modifications and, if there are any defenses, offsets, counterclaims or defaults, setting them forth in reasonable detail), and the dates to which the Annual Fixed Rent, Additional Rent and other charges and sums have been paid. Any such statement delivered pursuant to this Section 10.12 may be relied upon by any prospective purchaser or mortgagee of the Premises or any prospective assignee of any mortgagee of the Premises.

10.13 WAIVER OF SUBROGATION

Any insurance carried by either party with respect to the Premises and property therein or occurrences thereon shall, if the other party so requests and if it can be so written without additional premium, or with an additional premium which the other party agrees to pay, include a clause or endorsement denying to the insurer rights of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of injury of loss. Each party, notwithstanding any provisions of this Lease to the contrary, hereby waives any rights of recovery against the other for injury or loss due to hazards covered by insurance containing such clause of endorsement to the extent of the indemnification received thereunder.

10.14 BROKERAGE

Tenant and Landlord represent and warrant to the other that such representing party has dealt with no broker in connection with this transaction other than the Broker named in Section 1.1. In the event of a breach of such representation, the misrepresenting party agrees to defend, indemnify and save the other party from and against any and all claims for a commission arising out of this Lease, other than from the Broker.

10.15 UNAVOIDABLE DELAYS

Except as otherwise set forth herein, this Lease and the obligations of Tenant to pay rent hereunder and the obligations of Landlord or Tenant, respectively, to perform all of the other covenants and agreements hereunder on the part of Landlord or Tenant, respectively, to be performed shall in no way be affected, impaired or excused because Landlord is unable to fulfill any of its obligations under this Lease or to supply or is delayed in supplying any service expressly or impliedly to be supplied, or is unable to make, or is delayed in making any repair, additions, alterations, or decorations or is unable to supply or is delayed in supplying any equipment or fixtures if Landlord is prevented or delayed from so doing by any cause beyond Landlord's or Tenant's reasonable control, including without limitation, strike or labor troubles, delays in obtaining governmental approvals, inability or delays in obtaining labor or materials, government pre-emption in connection with a National Emergency or by reason of any rule, order or regulation of any department or subdivision thereof or by reason of

conditions of supply and demand which have been or are affected by war or other emergency but excluding financial incapability of Landlord. Such delays shall hereinbefore and hereinafter be referred to as "Unavoidable Delays."

10.16 SECURITY DEPOSIT

Upon the execution of this Lease, the Tenant shall pay to the Landlord the amount of $53,750.00 which shall be held as security for the Tenant's performance, as herein provided, and refunded to the Tenant in full at the end of the Term, provided that the Tenant has fully performed all of Tenant's obligations hereunder.

Upon an Event of Default, then Landlord may, at its option and without prejudice to any other remedy which Landlord may have on account thereof, appropriate and apply said entire Security Deposit or so much thereof as may be necessary to compensate Landlord toward the payment of Annual Fixed Rent, Additional Rent or other sums for loss or damage sustained by Landlord due to such breach on the part of Tenant; and Tenant shall forthwith upon demand restore said security to the original sum deposited. In the event of bankruptcy or other creditor-debtor proceedings against Tenant, the Security Deposit shall be deemed to be applied first to the payment of rents and other charges due Landlord for all periods prior to the filing of such proceedings.

10.17 LIABILITY OF LANDLORD

Tenant specifically agrees to look solely to Landlord's then equity interest in the Premises at the time owned, for recovery of any judgment from Landlord; it being specifically agreed that neither Landlord (original or successor) nor any partner of Landlord (nor any principal of any such partners) shall ever be personally liable for any such judgment, or for the payment of any monetary obligation to Tenant. In no event shall either party ever be liable to the other for any loss of business or any other indirect or consequential damages.

10.18 PARKING LOT

In accordance of the provisions of this Lease, Tenant has the right to use 45 spaces in the Parking Lot. At the present time Landlord has not granted anyone else the right to use parking spaces in the Parking Lot and accordingly, Tenant shall be responsible for all maintenance and repair with respect to the Parking Lot. In the event that Landlord provides Tenant with written notice that Landlord is granting another party the right to use parking spaces in the Parking Lot in excess of the 45 parking spaces leased by Tenant, Landlord shall be responsible for the maintenance and repair of the Parking Lot and Tenant shall be responsible for reimbursing Landlord, as additional rent, for its proportionate share of such costs based on the percentage of use determined by the number of spaces leased by Tenant divided by the number of spaces authorized to be leased by Tenant and the other party or parties which Landlord has identified in its notice or notices to Tenant. Tenant shall pay such amounts in accordance with Section 4.4 of the Lease.

Executed as a sealed instrument in two or more counterparts on this 15 day of May, 1997.

LANDLORD:

TRUSTEE UNDER THE WILL OF
HARRY F. STIMPSON

By: /s/ H. F. Stimpson, Trustee

Harry F. Stimpson, III, Trustee

TENANT:

IMMUNOGEN, INC., A MASSACHUSETTS CORPORATION

By: /s/ Kathleen A. Carroll

Name: Kathleen A. Carroll
Title: Vice President Finance and Administration

EXHIBIT 10.10

CONFIRMATORY SECOND AMENDMENT TO LEASE

Reference is hereby made to a Lease dated June 21, 1988, as amended (the "Lease") by and between James H. Mitchell, Trustee of New Providence Realty Trust, as Lessor ("Lessor"), and ImmunoGen, Inc. as Lessee ("Lessee").

Whereas Lessor and Lessee intend to make certain changes in the Lease,

Now, therefore, in consideration of the mutual conditions and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The size of the Premises now consists of 27,650 square feet, and all references thereto in the Lease shall be so amended.

2. The term of the Lease is hereby extended for the period beginning July 1, 1997 and ending on June 30, 2000.

3. Lessee shall have the right to extend this Lease for one 3-year period by notifying Lessor in writing at least 120 days before the Expiration Date of Lessee's election to extend the Lease Term. The Extension Term shall commence immediately after the original Expiration Date set forth in paragraph 2 herein. All other terms and conditions of the Lease shall remain in full force and effect, except as provided herein.

4. The Yearly Fixed Base Rent during the term set forth in paragraph 2 herein shall be $214,287.50, payable in monthly installments of $17,857.29. The Yearly Fixed Base Rent during the Extension Term shall be $248,850, payable in monthly installments of $20,737.50.

5. Tenant's Pro-Rata share of Operating Costs and Real Estate Taxes, subject to adjustment as provided in the Lease, shall be paid monthly in advance together with Fixed Base Rent, as follows:

Real Estate Taxes	$23,382.70/year	$2,115.22/month
Operating Costs	$21,152.25/year	$1,762.68/month

Executed as a sealed instrument this 17th day of September 1997.

LESSOR: New Providence Realty Trust LESSEE: ImmunoGen, Inc.

By: /s/James H. Mitchell
James H. Mitchell, Trustee
and not individually

By: /s/Kathleen A.Carroll
Kathleen A. Carroll, Vice President
Finance and Administration,
duly authorized

EXHIBIT 10.32

IMMUNOGEN, INC. HAS OMITTED FROM THIS EXHIBIT 10.32 PORTIONS OF THE AGREEMENT FOR WHICH IMMUNOGEN, INC. HAS REQUESTED CONFIDENTIAL TREATMENT FROM THE SECURITIES AND EXCHANGE COMMISSION. THE PORTIONS OF THE AGREEMENT FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED ARE MARKED WITH AN ASTERISK AND SUCH CONFIDENTIAL PORTIONS HAVE BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

RESEARCH COLLABORATION AGREEMENT

THIS AGREEMENT ("Agreement") effective this July 31, 1997 (the "Effective Date"), between Apoptosis Technology, Inc., a corporation organized and existing under the laws of the Commonwealth of Massachusetts having a place of business at 148 Sidney Street, Cambridge, Massachusetts, USA (hereinafter "ATI"), and BioChem Therapeutic Inc., a corporation organized and existing under the laws of the Province of Quebec having a place of business at 275 Armand-Frappier Boulevard, Laval, Quebec, Canada (hereinafter "BioChem").

WITNESSETH:

WHEREAS, ATI has expertise in the biology of major diseases and discovery of targets for the therapy of such diseases, including targets in the regulatory pathways of apoptosis, such as pathways comprising proteins of the Bcl-2 family of proteins and the IGF-I Receptor ("IGF-IR") and has developed screens based on these targets to identify and test human therapeutic products;

WHEREAS, BioChem has expertise in the synthesis of chemical compounds and in discovering, developing and marketing human therapeutic products;

WHEREAS, BioChem desires to use screens developed by ATI to screen various compounds for therapeutic activity; and

WHEREAS, ATI and BioChem desire that ATI and BioChem apply their technology and expertise to discover and develop additional screens and to discover, develop, manufacture and sell human therapeutic products for the prevention or treatment of human diseases;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

As used in this Agreement, the following terms, whether used in the singular or plural, shall have the respective meanings set forth below:

1.1 "Affiliate" shall mean any individual or entity directly or indirectly controlling, controlled by or under common control with, a Party to this Agreement. For purposes of this Agreement, the direct or indirect ownership of over fifty percent (50%) of the outstanding voting securities of an entity, or the right to receive over fifty percent (50%) of the profits or earnings of an

entity shall be deemed to constitute "control". Such other relationship as in fact gives such individual or entity the power or ability to control the management, business and affairs of an entity shall also be deemed to constitute control.

1.2 "Agreement" shall mean this Agreement and all instruments supplemental hereto or in amendment or confirmation hereof; "herein," "hereof," "hereto," "hereunder," "herewith" and similar expressions mean and refer to this Agreement and not to any particular Article, Section, Subsection or other subdivision; "Article", "Section", "Subsection" or other subdivision of this Agreement means and refers to the specified Article, Section, Subsection or other subdivision of this Agreement.

1.3 "Annual Research Plan" shall mean the written plan describing the research in the Field to be carried out during each year of the Research Program by ATI and BioChem pursuant to this Agreement. Each Annual Research Plan will be set forth in a written document adopted by the Joint Steering Committee (as defined below).

1.4 "ATI Patent Rights" shall mean Patent Rights owned or licensed by ATI, with the right to sublicense, which are necessary or useful to make or have made, sell or have sold, use or make use of ATI Screens, Research Inventions and/or Commercialized Products. For greater certainty, ATI Patent Rights shall include, without limitation, the patent rights identified in Schedule 1.4 hereto, as well as those Patent Rights, as defined in Section 1.19 hereof, which are owned by ATI or licensed to ATI with the right to sublicense to BioChem.

1.5 "ATI Screens" shall mean pre-existing screening assays developed by ATI and screening assays developed in the Research Program.

1.6 "ATI Technology" shall mean all information and materials, including but not limited to, discoveries, improvements, processes, formulas, data, inventions, know-how and trade secrets, instructions, technology, biological substances (including, but not limited to, genes, DNA fragments, primers and gene products), nucleic acid constructs, and other intellectual property, patentable or otherwise, in each case which during the term of this Agreement (i) are in ATI's possession or control and/or are useful in the Field or necessary or useful to conduct the Research Program and/or the Drug Discovery and Development Program; and/or (ii) which arise out of the Research Program or are necessary or useful to BioChem in the performance of its obligations under the Research Program. ATI Technology shall include, without limitation, all biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, clinical, safety, manufacturing and quality control data and information related thereto, and all applications, registrations, licenses, authorizations, approvals and correspondence related to ATI Screens, including, without limitation, correspondence submitted to regulatory authorities with jurisdiction over the ATI Screens.

1.7 "BioChem Patent Rights" shall mean Patent Rights owned or licensed by BioChem, with the right to sublicense, which are necessary or useful to make or have made, sell or have sold, use or make use of ATI Screens, research Inventions and/or Commercialized Products. For greater certainty, BioChem Patent Rights shall include, without limitation, those Patent Rights, as defined in Section 1.19 hereof, which are owned by BioChem or licensed to BioChem with the right to sublicense to ATI.

1.8 "BioChem Technology" shall mean all information and materials, including but not limited to, discoveries, improvements, processes, formulas, data, inventions, know-how and trade

secrets, instructions, technology, biological substances (including, but not limited to, genes, DNA fragments, primers and gene products), nucleic acid constructs, and other intellectual property, patentable or otherwise, in each case which during the term of the Agreement (i) are in BioChem's possession and control and are useful in the Field or necessary or useful to conduct the Research Program and/or the Drug Discovery and Development Program; and/or (ii) which arise out of the Research Program or are necessary or useful to BioChem in the performance of its obligations under the Research Program. BioChem Technology shall include, without limitation, all biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, clinical, safety, manufacturing and quality control data and information related thereto, and all applications, registrations, licenses, authorizations, approvals and correspondence related to Commercialized Products, including, without limitation, correspondence submitted to regulatory authorities with jurisdiction over the Commercialized Products.

1.9 "Commercialized Product(s)" shall mean any preparation or product including all formulations and mixtures, compositions or therapeutic utilities thereof, for use in the diagnosis, prevention or treatment of any clinical indication in humans, which is, or comprises a Compound, which is conceived, discovered, invented or the utility of which is conceived, discovered, reduced to practice or invented or developed in the Research Program or the Drug Discovery and Development Program and which is commercialized by BioChem or its Affiliates anywhere in the Territory.

1.10 "Compound Leads" shall mean any and all Compounds, including all formulations, mixtures, compositions, or therapeutic utilities thereof discovered by the Parties in the Research Program that the Joint Steering Committee may so formally designate for further development by reason of belief that such Compound Leads have demonstrated such properties of chemical structure, potency, mechanism of action, selectivity and non-cytotoxicity as deemed necessary by the Joint Steering Committee to warrant committing resources to conduct chemical optimization studies with respect thereto.

1.11 "Compounds" shall mean any compounds delivered by BioChem to ATI for use in, or used by BioChem or ATI in the Research Program, or otherwise discovered by the Parties in carrying out the Research Program, including, without limitation, Compound Leads and Commercialized Products, together with any modifications, analogues, isolates, derivatives, improvements, uses, methods of preparation or treatment relating thereto of each of the foregoing, whether developed by BioChem or BioChem Affiliates or consultants or agents and provided to ATI as Compounds, or by ATI as a result of its evaluation and analysis hereunder.

1.12 "Dollars" shall mean U.S. Dollars.

1.13 "Drug Discovery and Development Program" shall have the meaning set forth in Section 2.5.1.

1.14 "FDA" shall mean the United States Food and Drug Administration or any replacement or successor entity thereto.

1.15 "Field" shall mean the diagnosis, treatment or prevention of cancer in humans.

1.16 "Joint Steering Committee" shall have the meaning set forth in Section 2.3.

1.17 "License Agreement" shall mean the License Agreement of even date executed between the Parties.

1.18 "Party" shall mean ATI or BioChem and when used in the plural, shall mean ATI and BioChem.

1.19 "Patent Rights" shall mean the rights and interests in and to issued patents and pending patent applications relating to ATI Screens, Compounds, Compound Leads, Commercialized Products and/or Research Inventions filed, or which claim priority from a patent application filed, in any country at any time prior to the end of the first year following the termination of the Research Program; including, but not limited to, ATI Patent Rights, BioChem Patent Rights, all provisional applications, substitutions, continuations, continuations-in-part, divisions, and renewals, all letters patent granted thereon, patents-of-additions and all reissues, reexaminations and extensions thereof, whether owned solely or jointly by a Party or jointly owned by the Parties or licensed in by a Party with the right to sublicense to the other Party.

1.20 "Person(s)" shall mean an individual, partnership, corporation, business, trust, joint venture or other entity of a similar nature.

1.21 "Proprietary Information" shall mean all ATI Screens, ATI Technology, BioChem Technology, and all other scientific, clinical, regulatory, marketing, financial and commercial information or data, whether communicated in writing or orally or by sensory detection, which is provided by one Party to the other Party in connection with this Agreement.

1.22 "Research Inventions" shall have the meaning set forth in Section 2.5.

1.23 "Research Program" shall mean the collaborative research program to be conducted by ATI and BioChem pursuant to Article II of this Agreement to discover Compound Leads, Commercialized Products and reflected in the Annual Research Plans in effect during the Research Term.

1.24 "Research Term" shall have the meaning set forth in Section 2.8.

1.25 "Stock Purchase Agreement" shall mean the stock purchase agreement of even date executed between ImmunoGen, BioChem Pharma (International) Inc. and ATI.

1.26 "Targets" shall mean the elements of biological pathways upon which ATI develop screens.

1.27 "Territory" shall mean all of the countries in the world, including their respective territories and possessions.

1.28 "Valid Patent Claim" shall mean a claim of an issued and unexpired patent included within the Patent Rights, which has not been revoked or held unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise.

ARTICLE II
RESEARCH PROGRAM

2.1 GENERAL. ATI and BioChem shall engage in the Research Program upon the terms and conditions set forth in this Agreement. The objectives of the Research Program shall be the discovery, characterization, and development of Compound Leads, ATI Screens and Targets and Commercialized Products in the Field according to the priorities established by the Joint Steering Committee. The Research Program will be based on the "Collaborative Research Plan for BioChem Therapeutic and Apoptosis Technology, Inc." dated April 14, 1997 and the "ATI Research Plan Outline" which are attached to this Agreement as Schedule 2.1.

2.2 CONDUCT OF RESEARCH; STAFFING, RESEARCH PLANS AND EXCLUSIVITY

2.2.1 STANDARDS. ATI and BioChem each shall conduct its respective activities for the Research Program in good scientific manner, and in compliance in all material respects with all requirements of applicable laws, rules and regulations to attempt to achieve their objectives efficiently and expeditiously. In carrying out the Research Program, ATI and BioChem, respectively, shall use commercially reasonable efforts to perform such tasks as are set forth in and as are in accordance with the time schedules in the Annual Research Plans. Scientists at ATI and BioChem shall cooperate in the performance of the Research Program and, subject to any confidentiality obligations to third Persons, shall exchange information and materials as necessary to carry out the Research Program. Each Party will attempt to accommodate the reasonable requests of the other Party to send or receive personnel for purposes of collaborating or exchanging information under the Research Program. Such visits and/or access will have defined purposes and will be scheduled in advance. The requesting Party will bear the travel and lodging costs of any such personnel.

2.2.2 STAFFING. ATI will provide for use in the Research Program a minimum of [*] full-time equivalent employees ("FTEs") of ATI per Calendar Year during the term of the Research Program. The initial [*] FTEs shall be those Persons identified on the document attached to this Agreement as Schedule 2.2.2, who shall fill the positions set forth opposite their names on such Schedule. Subject to Subsection 2.2.1, ATI shall have sole discretion in naming replacements for such Persons throughout the Research Term, provided that any such replacement shall have qualifications at least comparable to the Person being replaced. The Joint Steering Committee will be responsible for reviewing the FTE levels annually and can determine to increase or decrease the number of FTEs assigned to the Research Program, provided that at no time during the Initial Research Term, shall there be a decrease below [*] FTEs. In the event that the number of FTEs assigned to the Research Program is more than [*], BioChem (as defined in the Stock Purchase Agreement) will make an additional equity investment in ATI, in a manner to be governed by the Stock Purchase Agreement.

2.2.3 PRINCIPAL SCIENTISTS. The principal scientists and primary contacts for the Research Program are Dr. Walter Blattler for ATI and Dr. Terry Bowlin for BioChem. The Research Program and all work assignments to be performed by ATI and BioChem shall be carried out under the direction and supervision of the principal scientists noted above.

2.2.4 ANNUAL RESEARCH PLANS. For each year of the Research Program commencing with the second year, the Annual Research Plan shall be prepared and approved by the Joint Steering Committee no later than thirty (30) days before the end of the prior year. The Annual Research Plan for the first year shall be determined by the Joint Steering Committee no later than (30) days after the

Effective Date. Each Annual Research Plan shall be in writing countersigned by ATI and BioChem and shall set forth with reasonable specificity research objectives, milestones and budgetary (including personnel) requirements for the period covered by the Annual Research Plan.

2.2.5 EXCLUSIVITY. ATI agrees that during the Research Term, it will not collaborate with or grant license rights to any other Person in the Field (or outside the Field for specific ATI Screens if BioChem exercises its option under Subsection 2.1(b) of the License Agreement with respect to such ATI Screens) and will not utilize any BioChem Technology for any purpose other than (i) as provided for herein or in the License Agreement or (ii) otherwise for the benefit of BioChem. BioChem agrees that during the Research Term, it will not utilize any ATI Technology for any purpose other than (i) as provided for herein or in the License Agreement or (ii) otherwise for the benefit of ATI.

2.2.6 COLLABORATIVE EFFORTS. The Parties agree that the successful execution of the Research Program will require the collaborative use of both Parties' areas of expertise. The Parties shall keep the Joint Steering Committee and each other fully informed about the status of the Research Program.

2.3 JOINT STEERING COMMITTEE. The Parties hereby establish a joint steering committee ("Joint Steering Committee") to facilitate the Research Program as follows:

2.3.1 JOINT STEERING COMMITTEE ACTIVITIES. The Joint Steering Committee shall plan, administer and monitor the Research Program. The Joint Steering Committee shall prepare each Annual Research Plan, review progress in the Research Program and recommend necessary adjustments to the Research Program as the research takes place. In particular, the activities of the Joint Steering Committee shall include the selection of Compounds to move into high-throughput screens and selection of candidates for secondary biological screening assays for their specificity, ability to antagonize Bcl-2 and IGF-1R related proteins and their potential therapeutic activity.

2.3.2 COMPOSITION OF THE JOINT STEERING COMMITTEE. The Joint Steering Committee shall be comprised of three (3) named representatives of BioChem and three (3) named representatives of ATI. Each Party shall appoint its respective representatives to the Joint Steering Committee from time to time, and may substitute one or more of its representatives, in its sole discretion, effective upon notice to the other Party of such change; provided that the substitute representative shall have experience, expertise and stature at least comparable to the representative being replaced. Additional representatives or consultants may from time to time, by mutual consent of the Parties, be invited to attend Joint Steering Committee meetings, subject to these representatives and consultants agreeing in writing to comply with the confidentiality obligations in Article V hereof. The Joint Steering Committee may establish such sub-committees as it may deem appropriate in connection with the Research Program.

2.3.3 MEMBERSHIP.

The members of the Joint Steering Committee initially shall be:

ATI Appointees:

[*]

BioChem Appointees:

[*]

2.3.4 MEETINGS. During the Research Term, the Joint Steering Committee shall meet at least once each Calendar Quarter with the location for such meetings alternating between ATI and BioChem facilities (or such other locations as is determined by the Joint Steering Committee). With respect to meetings located at the ATI facilities, such meetings shall be at the Cambridge, Massachusetts facility. With respect to meetings located at the BioChem facilities, such meetings shall be at the Laval, Quebec facility. The Joint Steering Committee may meet by means of conference call or other similar communications equipment, with the approval of all members of the Joint Steering Committee. An agenda for each meeting shall be issued by the Joint Steering Committee two (2) weeks prior to the meeting.

2.3.5 CHAIRS AND ISSUE RESOLUTION. The Joint Steering Committee shall be chaired by a chairperson appointed by BioChem. Notwithstanding anything contained herein to the contrary, in the event that the Joint Steering Committee cannot, after good faith efforts, reach agreement on an issue related to the conduct of the Research Program, the issue shall be referred to the President of BioChem and the President of ATI for resolution. In the event that such individuals cannot agree, the resolution and/or course of conduct shall be determined by BioChem, in its sole discretion.

2.3.6 MINUTES. The Joint Steering Committee shall keep accurate minutes of its deliberations which record all proposed decisions and all actions recommended or taken. Drafts of the minutes shall be delivered to all Joint Steering Committee members within thirty (30) days after the relevant meeting. The Party hosting the meeting shall be responsible for the preparation and circulation of the draft minutes. Draft minutes shall be issued in final form only with the approval of both ATI and BioChem.

2.3.7 EXPENSES. ATI and BioChem shall each bear all expenses of their respective Joint Steering Committee members related to their participation on the Joint Steering Committee and attendance at Joint Steering Committee meetings.

2.4 DRUG DISCOVERY AND DEVELOPMENT PROGRAM.

2.4.1 BIOCHEM'S DUTIES. BioChem shall be primarily responsible for screening Compounds to identify Compounds which may yield Compound Leads. Once ATI or BioChem has identified a Compound discovered or developed by it (or jointly by it and the other Party) in the Research Program as a Compound Lead, or otherwise believes that such a Compound should be considered as a Compound Lead, it shall notify the Joint Steering Committee in writing, and shall provide to the Joint Steering Committee the data and information demonstrating that the Compound satisfies the criteria for a Compound Lead or the data and information on the basis of which such Party believes such Compound should be considered as a Compound Lead. The Joint Steering Committee shall decide which Compounds will be considered Compound Leads. BioChem is responsible for the development of Compound Leads and conducting all chemical, pharmacological and clinical research and development activities, including but not limited to product formulation, stability, safety and efficacy evaluation and designing and conducting clinical trial programs. Upon the identification of a Compound Lead, BioChem shall commence the development of Commercialized Products based on Compound Leads identified or discovered in the Research Program (the "Drug Discovery and Development Program"). BioChem agrees to use commercially reasonable efforts to pursue the Drug Discovery and Development Program and commercialization of Commercialized Products in accordance with the provisions hereof and of the License Agreement.

2.4.2 ATI DUTIES. ATI shall be primarily responsible for developing ATI Screens and the development and discovery of Targets. ATI is also primarily responsible for characterizing Compounds in secondary biological screening assays and for developing additional screening assays based on the identification of new Targets which have been selected by the Joint Steering Committee.

2.4.3 THIRD PERSON CONTRACTS. The Parties acknowledge and agree that BioChem shall have the right, at BioChem's sole discretion and expense, to contract with its Affiliates and/or third Persons for the performance of work, or the provision of consulting services, in connection with the carrying out of its obligations under the Research Program and/or the Drug Discovery and Development Program; provided that ATI shall have the right to review, comment and approve any such proposed contract with third Persons relating solely to the Research Program and to review and comment upon any such proposed contract with third Persons relating solely to the Drug Discovery and Development Program, in each case, prior to its execution. Approval of any such contract with third Persons with respect to contracts relating to the Research Program shall not be unreasonably withheld or delayed. Except as otherwise provided for in Schedule 2.4.3 hereof with respect to agreements between ATI and ATI's Affiliate ImmunoGen, Inc. ("ImmunoGen"), ATI shall not have the right to contract with its Affiliates and/or third Persons for the performance of work, or the provision of consulting services, in connection with the carrying out of its obligations under the Research Program without the approval of the Joint Steering Committee, which consent shall not be unreasonably withheld or delayed.

2.4.4 REPORTS. BioChem shall keep ATI fully informed about the status of the Drug Discovery and Development Program for each Compound Lead under development. In particular, without limitation, BioChem shall (a) report to ATI no less frequently than semi-annually concerning the status of the Drug Discovery and Development Program; and (b) provide such other reports and information as to the Drug Discovery and Development Program as ATI may reasonably request from time to time including summaries of clinical trials and regulatory filings for Compound Leads and

Commercialized Products, as the case may be. Unless ATI requests paper copies, all such documents and reports will be provided electronically.

2.5 RESEARCH INFORMATION AND INVENTIONS. Subject to Section 9.1 hereof and Section 10.1 of the License Agreement, the entire right, title and interest in all discoveries, improvements, processes, formulas, data, inventions, know-how and trade secrets, whether or not patentable, and any patent applications or patents based thereon, arising from the Research Program, made, conceived or reduced to practice in the Research Program or Drug Discovery and Development Program (collectively the "Research Inventions"):

(a) which are related to the ATI Screens and/or Targets shall be owned solely by ATI ("ATI Inventions") and BioChem agrees to assign all of its ownership rights to ATI Inventions, if any, to ATI; and

(b) which are related to Compounds shall be owned solely by BioChem ("BioChem Inventions"). ATI agrees to assign all of its ownership rights to BioChem Inventions, if any, to BioChem.

Inventorship of Research Inventions (including the meanings of "solely" and "jointly") shall be determined in accordance with United States patent law. Each Party hereby represents and warrants to the other that it shall take the appropriate measures to assure that it shall own any and all Research Inventions invented by its employees, agents and consultants. The filing, prosecution, and maintenance of patents relating to Research Inventions shall be carried out in accordance with Article IV of the License Agreement.

2.6 LICENSE OF RESEARCH INVENTIONS. ATI and BioChem shall promptly disclose to the other the making, conception or reduction to practice of Research Inventions. When a Research Invention has been made which may reasonably be considered to be patentable, a patent application shall be filed as soon as reasonably possible in accordance with the provisions of Article IV hereof. Such Research Inventions shall be deemed to be "Patent Rights" in accordance with Section 1.19 hereof and shall be licensed in accordance with the terms and conditions contained in the License Agreement, as the case may be. With respect to Research Inventions which are not patentable, such research information shall, be deemed to be "ATI Technology" and/or "BioChem Technology", as the case may be, and shall be licensed in accordance with the terms and conditions contained in the License Agreement.

2.7 EXCHANGE OF INFORMATION; ETC. ATI and BioChem shall promptly disclose to each other orally on an ongoing basis all ATI Technology, or BioChem Technology, as the case may be, and Proprietary Information and other useful information not previously disclosed. If and as reasonably requested by either Party, the other Party's Technology and Proprietary Information shall be reduced to writing and provided to the Party requesting it within a reasonable period of time. ATI shall advise and provide a reasonable description to BioChem of any governmental visits to, or written or oral inquiries about, any facilities or procedures related to the Research Program or Commercialized Products promptly (if feasible, prior to a scheduled visit, but in no event later than five (5) calendar days) after the beginning of such visit or inquiry. BioChem shall have the right to participate in any communications, inspections or meetings with regulatory authorities if such communications, inspections or inquiries may impact the Research Program in the Territory as reasonably determined by ATI. ATI shall furnish to BioChem, (a) within two (2) days after receipt, any report or correspondence issued by the governmental authority in connection with such visit or inquiry, including but not limited

to any FDA Form 483, Establishment Inspection Reports, and warning letters, and (b) five (5) days prior to delivery to a governmental authority, copies of any and all responses or explanations relating to items set forth above, in each case, subject to Article V.

2.8 RESEARCH TERM. Except as otherwise provided herein, the term of the Research Program shall commence on the Effective Date and continue for a period of three (3) years (the "Initial Research Term"). BioChem shall have the exclusive option, in its discretion, to extend the Initial Research Term on a year-by-year basis, initially by notice given at least ninety (90) days prior to the third (3rd) anniversary of the commencement of the Research Program and, thereafter, at least ninety (90) days prior to the scheduled end of the then current Research Term; provided that BioChem (as defined in the Stock Purchase Agreement) makes an additional equity financing for such extension of the Research Program at a financing level equal to at least three million three hundred seventy-five thousand Dollars ($3,375,000.00) per year, as governed by the Stock Purchase Agreement. BioChem may exercise such option by written notice to ATI received by ATI within the notice period set forth above. Should BioChem not exercise its option as aforesaid in any given year, the Research Program shall automatically terminate at the end of such year. The Research Program shall otherwise terminate upon termination of this Agreement in accordance with the provisions of Article VIII hereof. The Initial Research Term of the Research Program, together with any extensions hereunder, shall be referred to as the "Research Term."

ARTICLE III
RESEARCH FUNDING

3.1 RESEARCH PROGRAM FUNDING. Except as otherwise specifically provided for herein, each Party shall be responsible for all costs and expenses incurred by it, its employees, its Affiliates and its consultants in the performance of its obligations under the Research Program, including, without limitation, in respect of salaries of its employees, fees of consultants, materials, equipment, administrative and travel costs of its employees, employees of its Affiliates and consultants; provided that BioChem (as defined in the Stock Purchase Agreement) shall perform its financing obligations pursuant to the Stock Purchase Agreement.

ARTICLE IV
PROPRIETARY RIGHTS; ETC.

4.1 PROPRIETARY RIGHTS. Subject to the licenses and other rights granted to ATI under the License Agreement; Compounds, BioChem Inventions and BioChem Technology supplied or made available to ATI by BioChem and/or its delegates during the term of this Agreement shall be the sole and exclusive property of BioChem. Subject to the licenses and other rights (including security interests in Collateral) granted to BioChem hereunder and under the License Agreement, ATI Screens; ATI Inventions and ATI Technology supplied or made available to BioChem by ATI and/or its delegates during the term of this Agreement shall be the sole and exclusive property of ATI.

ARTICLE V
CONFIDENTIALITY AND PUBLICATION

5.1 NONDISCLOSURE OBLIGATION.

ATI and BioChem shall use all Proprietary Information only in accordance with this Agreement and, except as specifically provided for in Section 5.2, shall not disclose to any third Person any Proprietary Information disclosed by one Party to the other, without the prior written consent of the other Party. The foregoing obligations shall survive the expiration or termination of this Agreement until the relevant Information falls within one of the exceptions listed in paragraphs (a) to (g) of this Section 5.1. These obligations shall not apply to any Proprietary Information that:

(a) is known by the receiving Party at the time of its receipt, and not through a prior disclosure by the disclosing Party, as documented by business records;

(b) is at the time of disclosure or thereafter becomes published or otherwise part of the public domain without breach of this Agreement by the receiving Party;

(c) is subsequently disclosed to the receiving Party by a third Person who has the right to make such disclosure;

(d) is developed by the receiving Party independently of Proprietary Information or other information received from the disclosing Party and such independent development can be properly demonstrated by the receiving Party;

(e) is disclosed to governmental or other regulatory agencies in order to obtain patents or to gain approval to conduct clinical trials or to market Commercialized Product, but such disclosure may be only to the extent reasonably necessary to obtain such patents or authorizations and provided that protectable trade secrets are redacted;

(f) is necessary to be disclosed to sublicensees, agents, consultants, Affiliates and/or other third Persons for the research and development, manufacturing and/or marketing of Commercialized Product (or for such Persons to determine their interest in performing such activities) in accordance with this Agreement on the condition that such third Persons agree to be bound by the confidentiality obligations contained in this Agreement, provided that the term of confidentiality for such third Persons shall be no less than that provided herein; or

(g) is required to be disclosed by law or court order, provided that notice is promptly delivered to the other Party in order to provide an opportunity to seek a protective order or other similar order with respect to such Proprietary Information and thereafter discloses only the minimum information required to be disclosed in order to comply with the request, whether or not a protective order or other similar order is obtained by the other Party.

5.2 PERMITTED USES AND DISCLOSURES. Nothing in this Article V shall restrict BioChem's right to transfer any of its rights hereunder in accordance with the terms hereof or prohibit or restrict BioChem from disclosing information hereunder for the purposes of filing an IND (as such term is defined in the License Agreement), carrying out clinical trials or performing such other acts as are necessary or commercially desirable in the course of seeking governmental approvals of

Commercialized Products under the License Agreement. Nothing in this Article V shall restrict ATI's right to commercialize the ATI Screens for use outside the Field in accordance with the provisions hereof. Each Party may use or disclose confidential information disclosed to it by the other Party to the extent such use or disclosure is reasonably necessary in prosecuting or defending litigation, complying with applicable laws or otherwise submitting information to tax or other governmental bodies, conducting clinical trials, or making a permitted sublicense or transfer or otherwise exercising its rights hereunder or under the License Agreement, provided that if a Party is required to make any such disclosure of the other Party's Proprietary Information, other than pursuant to a confidentiality agreement containing provisions substantially similar to those contained in this Article V, it will give reasonable advance notice to the latter Party of such disclosure and shall secure confidential treatment of such information prior to its disclosure (whether through protective orders or otherwise). Should either Party wish to use or disclose Proprietary Information disclosed to it by the other Party in filing or prosecuting patent applications, prior to so doing, such Party shall submit a copy of any proposed application to the other Party. If filing such application could jeopardize the Proprietary Information of the other Party, such other Party shall have the right to oblige the filing Party to modify the application, so as to protect the confidentiality of such information.

5.3 NO PUBLICITY. A Party may not use the name of the other Party in any publicity or advertising and, except as provided in Section 5.4, 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 agree on a form of initial press release that may be used by either Party to describe this Agreement. Nothing in the foregoing, however, shall prohibit a Party from making such disclosures to the extent deemed necessary under applicable federal, state or provincial securities laws or any rule or regulation of any nationally recognized securities exchange; in such event, however, 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.

5.4 PUBLICATION. During the term of the Research Program, BioChem and ATI each acknowledge the other Party's interest in publishing its results to obtain recognition within the scientific community and to advance the state of scientific knowledge. Each Party also recognizes the mutual interest in obtaining valid patent protection and in protecting business interests and trade secret information. Consequently, either Party, its employees or consultants wishing to make a publication covering information arising from the Research Program, Drug Discovery and Development Program or in the Field shall deliver to the other Party a copy of the proposed written publication or an outline of an oral disclosure at least sixty (60) days prior to submission for publication or presentation (the "Review Period"). If either Party reasonably determines that the proposed disclosure would reveal a Research Invention or Proprietary Information, then such Party shall notify the other of such determination and its basis prior to the expiration of the Review Period. With respect to disclosure of a Research Invention, both Parties agree not to submit the written publication or presentation of the oral public disclosure, or otherwise disclose the results of the Research Program in any manner that would compromise ATI's or BioChem's ability to obtain valid Patent Rights covering such invention. Neither Party shall disclose results of the Research Program and/or any Research Invention until one of the following events occurs: (i) BioChem and ATI agree that no patentable Research Invention or protectable trade secret exists; (ii) BioChem or ATI files a patent application claiming the relevant Research Invention pursuant to Section 4.2 and otherwise agree that no trade secret information shall be jeopardized by such disclosure; or (iii) BioChem and ATI jointly agree upon revisions that prevent disclosure of any Research Invention and trade secret information. The foregoing notwithstanding, in

the event that either of BioChem or ATI (hereinafter referred to as a "notifying Party") notifies the other that a proposed publication of results of the Research Program contains information which is of substantial commercial importance to the notifying Party, the proposed publication shall be delayed by the publishing Party (including any other form of public disclosure of such information) for a period not to exceed eighteen (18) months from the filing date of the first patent application covering the information contained in the proposed publication. In the case of a proposed publication involving an academic (i.e. University) collaborator, the aforementioned delay period shall be decreased to a period reasonably acceptable to the Joint Steering Committee and such collaborator, which period shall be no less than three (3) months. In the event that the notifying Party notifies the other of evidence that an independent third Person is preparing to publish, or otherwise publicly disclose, essentially the same information as that contained in the proposed publication which has been delayed, the notifying Party will seriously consider a request by the publishing Party to allow such delayed publication to occur on an expedited bases, provided that absent written approval from the notifying Party no such expedited publication shall occur.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES

6.1 REPRESENTATIONS AND WARRANTIES OF EACH PARTY. Each of ATI and BioChem hereby represents, warrants and covenants to the other Party hereto as follows:

(a) it is a corporation duly organized and validly existing under the laws of the state or other jurisdiction of incorporation or formation;

(b) the execution, delivery and performance of this Agreement by such Party has been duly authorized by all requisite corporate action, subject only to receipt of requisite boards of directors' approvals;

(c) it has the right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder, including, without limitation, the right, power and authority to grant the rights granted hereunder and the licenses granted under Article II of the License Agreement;

(d) the execution, delivery and performance by such Party of this Agreement and its compliance with the terms and provisions hereof does not and will not conflict with or result in a breach of any of the terms and provisions of or constitute a default under (i) a loan agreement, guaranty, financing agreement, agreement affecting a product or other agreement or instrument binding or affecting it or its property; (ii) the provisions of its charter documents or bylaws; or (iii) any order, writ, injunction or decree of any court or governmental authority entered against it or by which any of its property is bound;

(e) except for the governmental and regulatory approvals required to market the Commercialized Product in the Territory, the execution, delivery and performance of this Agreement by such Party does not require the consent, approval or authorization of, or notice, declaration, filing or registration with, any governmental or regulatory authority and the execution, delivery or performance of this Agreement will not violate any law, rule or regulation applicable to such Party;

(f) this Agreement has been duly authorized, executed and delivered and constitutes such Party's legal, valid and binding obligation enforceable against it in accordance with its terms;

(g) it shall comply with all applicable material laws and regulations relating to its activities under this Agreement;

(h) neither Party has in effect and after the Effective Date neither Party shall enter into any oral or written agreement or arrangement that would be inconsistent with its obligations under this Agreement;

(i) in respect of ATI only, to the best of ATI's knowledge after due inquiry, on the Effective Date, there is no outstanding claim or allegation that the ATI Screens, ATI Patent Rights and/or ATI Technology infringe upon any rights of a third Person nor any threatened claim or allegation that the ATI Screens, ATI Patent Rights and/or ATI Technology infringe upon the rights of a third Person; and Schedule 1.4 hereto is a true and complete list of all patents and patent applications existing on the date of execution hereof with respect to the ATI Screens, ATI Patent Rights and/or ATI Technology;

(j) in respect of BioChem only, to the best of BioChem's knowledge after due inquiry, on the Effective Date, there is no outstanding claim or allegation that the BioChem Technology infringes upon any rights of a third Person nor any threatened claim or allegation that the BioChem Technology infringes upon the rights of a third Person;

(k) in respect of ATI only, without limiting the generality of Subsections 6.1(c) or (d), on the Effective Date, except as otherwise specifically provided for herein, (i) ATI holds valid rights to the ATI Screens, ATI Patent Rights and ATI Technology and has the full right, power and authority to grant the rights granted to BioChem hereunder, free and clear of any mortgage, lien, encumbrance or other third Person interest of any kind (subject to Section 9.1 hereof and to Section 10.1 of the License Agreement) and (ii) neither the ATI Screens, ATI Patent Rights nor ATI Technology is subject to any restrictions, covenants, licenses, judicial or administrative orders of any kind which detract in any material respect from the value of either or which would interfere with the use thereof by BioChem as contemplated in this Agreement. With respect to the ownership and licensing of any intellectual property rights arising out of (i) the Research Agreement between Thomas Jefferson University ("TJU") and ATI dated December 14, 1994; (ii) the Option Agreement between TJU and ATI dated May 1, 1997; and (iii) the Option Agreement between St. Louis Medical Center ("SLMC") and ATI dated March 1, 1994, ATI has disclosed to BioChem that ATI does not have the exclusive rights to such inventions or intellectual property rights and that ATI has an exclusive option to negotiate a royalty-bearing, exclusive license of each Invention under those Agreements. [*].

(l) in respect of BioChem only, without limiting the generality of Subsection 6.1(c) or (d), on the Effective Date, BioChem holds valid rights to the BioChem Technology and has the full right, power and authority to grant the rights granted to ATI hereunder, free and clear of any mortgage, lien, encumbrance or other third Person interest of any kind, and except as specifically provided for herein, the BioChem Technology is not subject to any restrictions, covenants, licenses, judicial or administrative orders of any kind which detract in any material respect from the value thereof or which would interfere with the use thereof by ATI as contemplated in this Agreement.

ARTICLE VII
INDEMNIFICATION AND LIMITATION ON LIABILITY

7.1 INDEMNIFICATION BY BIOCHEM. BioChem shall indemnify, defend and hold harmless ATI and its Affiliates, and each of its and their respective employees, officers, directors and agents (each, an "ATI Indemnified Party") from and against any and all liability, loss, damage, cost, and expense (including reasonable attorneys' fees), subject to the limitations in Sections 7.6 and 7.7 (collectively, a "Liability") which the ATI Indemnified Party may incur, suffer or be required to pay resulting from or arising in connection with (i) the breach or misstatement by BioChem of any of its obligations, covenants, representations or warranties contained in this Agreement, (ii) any negligent act or omission or willful misconduct of BioChem (or any Affiliate thereof) in the performance of the Research Program or fulfillment of its obligations under this Agreement or any strict liability claim based on the promotion, marketing and sale of a Commercialized Product; or (iii) the successful enforcement by an ATI Indemnified Party of its rights under this Section 7.1.

7.2 INDEMNIFICATION BY ATI. ATI shall indemnify, defend and hold harmless BioChem and its Affiliates, and each of its and their respective employees, officers, directors and agents (each, a "BioChem Indemnified Party") from and against any Liability which the BioChem Indemnified Party may incur, suffer or be required to pay resulting from or arising in connection with (i) the breach or misstatement by ATI of any of its obligations, covenants, representations or warranties contained in this Agreement; (ii) any negligent act or omission or willful misconduct of ATI (or any Affiliate thereof) in the performance of the Research Program or fulfillment of its obligations under this Agreement; or (iii) the successful enforcement by a BioChem Indemnified Party of its rights under this Section 7.2.

7.3 CONDITIONS TO INDEMNIFICATION. The obligations of the indemnifying Party under Sections 7.1 and 7.2 are conditioned upon the delivery of written notice to the indemnifying Party of any potential Liability provided however, that the indemnifying Party shall not be released from any obligation unless it is substantially damaged by the delay.

7.4 SETTLEMENTS. Neither Party may settle a claim or action related to a Liability without the consent of the other Party, if such settlement would impose any monetary obligation on the other Party or require the other Party to submit to an injunction or otherwise limit the other Party's rights under this Agreement. Any payment made by a Party to settle any such claim or action shall be at its own cost and expense.

7.5 THIRD PERSON INDEMNIFICATION PROCEDURES. A Party (the "indemnitee") which intends to claim indemnification under this Article VII shall promptly notify the other Party (the "indemnitor") in writing of the Liability with respect to which the claim of indemnification relates. The indemnitee shall permit, and shall cause its employees and agents to permit, the indemnitor, at its discretion, to settle any such Liability, the defense and settlement of which shall be under the complete control of the indemnitor; provided, however, that such settlement shall not adversely affect the indemnitee's rights hereunder or impose any obligations on the indemnitee in addition to those set forth herein in order for it to exercise those rights. No such Liability shall be settled without the prior written consent of the indemnitor and the indemnitor shall not be responsible for any legal fees or other costs incurred other than as provided herein. The indemnitee, its employees and agents shall co-operate fully with the indemnitor and its legal representatives in the investigation and defense of any Liability covered by this indemnification. The indemnitee shall have the right, but not the obligation, to be represented by counsel of its own selection and expense.

7.6 EXCEPTION. No indemnification shall be made to a Party to the extent any Liability arises out of, results from or involves (i) the breach or misstatement by such Party of its obligations, covenants, representations or warranties under this Agreement (including the Schedules hereto) or (ii) the negligence or willful misconduct of such Party.

7.7 LIMITATION OF LIABILITY. WITH RESPECT TO ANY CLAIM BY ONE PARTY AGAINST THE OTHER FOR INDEMNIFICATION, THE PARTIES EXPRESSLY AGREE THAT THE LIABILITY OF SUCH PARTY TO THE OTHER PARTY SHALL BE LIMITED UNDER THIS AGREEMENT OR OTHERWISE AT LAW OR EQUITY TO DIRECT DAMAGES ONLY AND IN NO EVENT SHALL A PARTY BE LIABLE FOR LOST PROFITS, COVER DAMAGES, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES.

7.8 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY EXPRESS OR IMPLIED WITH RESPECT TO ANY TECHNOLOGY, PRODUCTS, GOODS, SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT AND OTHER THAN AS PROVIDED FOR IN SECTIONS 2.5 AND 6.1, EACH PARTY HEREBY DISCLAIMS ALL WARRANTIES INCLUDING, WITHOUT LIMITATION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE VIII
TERM AND TERMINATION

8.1 TERM AND EXPIRATION. This Agreement shall be effective as of the Effective Date and, unless terminated earlier pursuant to Sections 8.2 or 8.3 below, shall continue in effect until the end of the Research Term. Upon termination of this Agreement otherwise than in accordance with Sections 8.2 or Section 8.3, the licenses granted pursuant to Sections 2.1 and 2.3 of the License Agreement shall become fully paid-up, irrevocable, worldwide, perpetual licenses.

8.2 TERMINATION ON NOTICE BY BIOCHEM. Notwithstanding anything contained herein to the contrary, BioChem shall have the right to unilaterally terminate this Agreement after the third (3rd) anniversary hereof, with or without cause, at any time by giving ninety (90) days' advance written notice to ATI. Upon termination of this Agreement under this Section 8.2, BioChem shall have the right to continue to develop and commercialize Commercialized Products and the development of Compound Leads, subject to the obligation to pay milestones and royalties due pursuant to the License Agreement. Subject to the immediately preceding sentence, upon termination of this Agreement pursuant to this Section 8.2, BioChem shall have no continuing right whatsoever with respect to ATI Technology and ATI Screens for any purpose either in the Field or outside the Field. Upon the date of termination of this Agreement under this Section 8.2, BioChem shall immediately transfer to ATI all documents, instruments, records and ATI Technology in its possession with respect to the ATI Screens.

8.3 TERMINATION FOR CAUSE. This Agreement may be terminated by notice by either Party at any time during the term of this Agreement:

(a) (i) with respect to obligations other than payment obligations, if the other Party (or its relevant Affiliate, as the case may be) is in breach of its material obligations hereunder or under the

License Agreement or the Stock Purchase Agreement and has not cured or taken steps to substantially cure such breach within ninety (90) days (or such shorter time period as may apply under the relevant provision of the License Agreement or the Stock Purchase Agreement) after notice of the breach with reasonable detail of the particulars of the alleged breach, (ii) with respect to payment obligations due and owing, if the breaching Party has not cured or taken steps to substantially cure such breach (such as the mailing of the check therefore) within fifteen (15) days (or such shorter time period as may apply under the relevant provision of the License Agreement or the Stock Purchase Agreement) after notice of the particulars of the alleged breach, and/or (iii) if a condition to a Subsequent Closing has not been satisfied under the Stock Purchase Agreement, such that BioChem (as defined in the Stock Purchase Agreement) has the right to terminate such agreement; or

(b) upon the filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by the other Party, or in the event a receiver or custodian is appointed for such Party's business or if a substantial portion of such Party's business is subject to attachment or similar process; provided, however, in the case of any involuntary bankruptcy proceeding such right to terminate shall only become effective if the Party consents to the involuntary bankruptcy or such proceeding is not dismissed within sixty (60) days after the filing thereof.

8.4 CHANGE OF CONTROL. BioChem shall have the right, exercisable immediately and at its sole discretion, to terminate this Agreement should ATI undergo a change in control (as such term is defined in Section 1.1 hereof). In the event BioChem terminates this Agreement because of a change of control of ATI (whether before or after the end of the Research Term), (i) BioChem shall continue to have access to the ATI Screens, ATI Inventions, ATI Patent Rights and ATI Technology in accordance with the provisions of Article II of the License Agreement for the remainder of the Research Term (i.e. for the period of time between the early termination date of the Research Program and the scheduled end of the Research Term, had such termination for change of control not occurred); and (ii) the licenses for commercial purposes granted to BioChem under Article II of the License Agreement shall otherwise continue, such that BioChem shall have the right to continue to develop and commercialize Commercialized Products and to develop Compound Leads; subject to the obligation to pay royalties and milestones due under the License Agreement.

8.5 EFFECT OF TERMINATION. Except as otherwise set forth herein, in the event of termination, the rights and obligations of both Parties shall terminate. Expiration or termination of the Agreement shall not relieve the Parties of any obligation accrued or accruing prior to such expiration or termination, and the provisions of Articles V, VII, and VIII and of Sections 9.1, 9.3, 9.4 and 9.5 shall survive the expiration or termination of the Agreement. Any expiration or early termination of this Agreement shall be without prejudice to the rights of either Party against the other accrued or accruing under this Agreement prior to expiration or termination.

ARTICLE IX
MISCELLANEOUS

9.1 GRANT OF SECURITY INTEREST. ATI hereby assigns and transfers to BioChem, and hereby grants to BioChem, a security interest in ATI Screens, ATI Inventions, ATI Technology and ATI Patent Rights now owned or at any time hereafter acquired by ATI or in which ATI now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), and any proceeds and products of such Collateral as collateral security for the prompt and complete

performance when due of ATI's obligations under this Agreement. BioChem shall have the right to satisfy any and all claims for breach of this Agreement out of the Collateral; and BioChem shall have the rights of a secured creditor under applicable law, including the Uniform Commercial Code.

9.2 ASSIGNMENT. Except as otherwise specifically provided for herein, neither this Agreement nor any or all of the rights and obligations of a Party hereunder shall be assigned, delegated, sold, transferred, or otherwise disposed of, by operation of law or otherwise, without the prior written consent of the other Party, and any attempted assignment, delegation, sale, transfer, or other disposition, by operation of law or otherwise, of this Agreement or of any rights or obligations hereunder contrary to this Section 9.2 shall be void and without force or effect; provided, however, that BioChem may, without the consent of ATI, assign this Agreement and its rights and obligations hereunder to an Affiliate or in connection with the transfer or sale of all or substantially all of its assets related to the division or the subject business relating hereto, or in the event of a change in control of BioChem. This Agreement shall be binding upon and inure to the benefit of each Party, its Affiliates, and its permitted successors and assigns. Nothing in this Section 9.2 shall be construed to restrict (i) BioChem's right to sublicense referred to in Article II of the License Agreement; or (ii) BioChem's right to engage third Persons or Affiliates under Subsection 2.4.3 hereof. Each Party shall be responsible for the compliance by its Affiliates with the terms and conditions of this Agreement.

9.3 GOVERNING LAW. Except for disputes between the Parties relating to the ownership and enforcement of Patent Rights under Article IV of the License Agreement which will be governed by Federal law and brought in the Federal District Court of Massachusetts, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without regard to the conflict of laws provisions thereof and will be subject to the arbitration procedures set forth herein.

9.4 ARBITRATION. The Parties shall mutually consult in good faith in an attempt to settle amicably in the spirit of co-operation any and all disputes arising out of or in connection with this Agreement or questions regarding the interpretation of the provisions hereof. Subject to Subsection 2.3.5, each dispute arising out of or in connection with this Agreement or question regarding the interpretation hereof which cannot be settled amicably within two (2) months from the date of notification of either Party to the other of such dispute or question, which notice shall specify the details of such dispute or question, shall be finally settled by binding arbitration, in English, in accordance with the Commercial Arbitration Rules of the American Arbitration Association, by one (1) arbitrator appointed in accordance with such Rules. If the Parties cannot agree on the arbitrator to be so appointed, each Party shall be entitled to appoint one (1) arbitrator and the two (2) arbitrators so appointed shall agree upon a third. The arbitrator(s) shall have the technical expertise required to understand and arbitrate the dispute. Such arbitration shall be held in Laval, Quebec if initiated by ATI and in Cambridge, Massachusetts if initiated by BioChem. The costs of any arbitration, including administrative and arbitrators' fees, shall be shared equally by the Parties and each Party shall bear its own costs and attorneys' and witness' fees provided, however, that the prevailing Party, if determined by the arbitrator(s), shall be entitled to an award against the other Party in the amount of the prevailing Party's costs (including arbitration costs) and reasonable attorney's fees. The arbitration carried out hereunder shall apply to the exclusion of regular legal means, provided that the rights of the Parties in urgent situations in which time is of the essence to obtain proper remedies in courts of law or equity shall remain unimpaired. There shall be no appeal from the decision or findings of the arbitrator(s), which shall be final and binding upon the Parties and may be entered in any court having proper jurisdiction.

9.5 PROHIBITION ON HIRING. Neither Party nor its Affiliates shall, during the period commencing with the Effective Date and ending five (5) years after the Research Term, hire any Person employed by the other Party or its Affiliates during such period, whether such Person is hired as an employee, investigator, independent contractor or otherwise, without the express written consent of the other Party. However, the prohibition on hiring in this Section 9.5 shall no longer apply if ATI and/or ImmunoGen files for bankruptcy protection as described in Subsection 8.3(b) hereof.

9.6 WAIVER. Any delay or failure in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's rights to the future enforcement of its rights under this Agreement, nor operate to bar the exercise or enforcement thereof at any time or times thereafter, excepting only as to an express written and signed waiver as to a particular matter for a particular period of time.

9.7 INDEPENDENT RELATIONSHIP. Nothing herein contained shall be deemed to create an employment, agency, joint venture or partnership relationship between the Parties hereto or any of their agents or employees, or any other legal arrangement that would impose liability upon one Party for the act or failure to act of the other Party. Neither Party shall have any power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other Party, or to bind the other Party in any respect whatsoever.

9.8 EXPORT CONTROL. BioChem agrees that it will not export, directly or indirectly, any technical information acquired from ATI under this Agreement to any country for which the United States government or any agency thereof at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the Department of Commerce or other agency of the United States government when required by an applicable statute or regulation.

9.9 ENTIRE AGREEMENT; AMENDMENT. This Agreement, including the Schedules hereto and the License Agreement and Stock Purchase Agreement, sets forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto and supersedes and terminates all prior agreements, writings and understandings between the Parties. However, the Confidentiality obligations contained in the Non-Disclosure Agreement between the Parties dated January 27, 1997 shall survive the termination of this Agreement for all confidential information (as defined in the Non-Disclosure Agreement) disclosed by either Party prior to the Effective Date of this Agreement. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, between the Parties other than as are set forth herein and therein. No terms or provisions of this Agreement shall be varied or modified and no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party.

9.10 NOTICES. Each notice required or permitted to be given or sent under this Agreement shall be given by facsimile transmission (with confirmation copy by registered first-class mail) or by registered or overnight courier (return receipt requested), to the Parties at the addresses and facsimile numbers indicated below.

If to ATI, to:

Apoptosis Technology, Inc.
333 Providence Highway
Norwood, MA 02062
Attn: Mitch Sayare, President
Facsimile: (617) 255-9679

with copies to:

Mintz, Levin, Cohn, Ferris,
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Attn: Jeffrey M. Wiesen
Facsimile: (617) 542-2241

If to BioChem, to:

BioChem Therapeutic Inc.
275 Armand-Frappier Boulevard
Laval, Quebec, Canada
Attn: President
Facsimile: (514) 978-7767

with copies to:

BioChem Pharma Inc.
275 Armand-Frappier Boulevard
Laval, Quebec, Canada
Attn: Charles Tessier, Vice President, Legal Affairs
Facsimile: (514) 978-7755

Any such notice shall be deemed to have been received on the earlier of the date actually received or the date five (5) days after the same was posted or sent. Either Party may change its address or its facsimile number by giving the other Party written notice, delivered in accordance with this Section.

9.11 FORCE MAJEURE. Failure of any Party to perform its obligations under this Agreement (except the obligation to make payments when properly due) shall not subject such Party to any liability or place it in breach of any term or condition of this Agreement to the other Party if such failure is caused by any cause beyond the reasonable control of such non-performing Party, including without limitation acts of God, fire, explosion, flood, drought, war, riot, sabotage, embargo, strikes or other labor trouble, failure in whole or in part of suppliers to deliver on schedule materials, equipment or machinery, interruption of or delay in transportation, a national health emergency or compliance with any order or regulation of any government entity acting with color of right; provided however, that the Party affected shall promptly notify the other Party for the condition constituting force majeure as defined herein and shall exert reasonable efforts to eliminate, cure and overcome any such causes and to resume performance of its obligations with all possible speed. If a condition constituting force majeure as defined herein exists for more than ninety (90) consecutive days, the Parties shall meet to negotiate a mutually satisfactory solution to the problem, if practicable.

9.12 SEVERABILITY. If any provision of this Agreement is declared invalid or unenforceable by a court having competent jurisdiction, it is mutually agreed that this Agreement shall endure except for the part declared invalid or unenforceable by order of such court; provided, however, that in the event that the terms and conditions of this Agreement are materially altered the Parties will, in good faith, renegotiate the terms and conditions of this Agreement to reasonably substitute such invalid or unenforceable provision in light of the intent of this Agreement.

9.13 RECORDING. Each Party shall have the right, at any time, to record, register, or otherwise notify this Agreement in appropriate governmental or regulatory offices anywhere in the Territory, and ATI or BioChem, as the case may be, shall provide reasonable assistance to the other in effecting such recording, registering or notifying.

9.14 FURTHER ACTIONS. Each Party agrees to execute, acknowledge and deliver such further instruments 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. Without limiting the generality of the foregoing, in case at any time after the Initial Closing (as such term is defined in the Stock Purchase Agreement), any further action is necessary or desirable to carry out the purposes of this Agreement (including the execution by ATI and filing with the appropriate governmental entity of statements (and any renewals or amendments thereto) acknowledging, evidencing and/or perfecting the security interest of BioChem in the Collateral), ATI and BioChem will take such further action as the other Party may request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Article VII hereof.)

9.15 COUNTERPARTS. This Agreement shall become binding when any one or more counterparts hereof, individually or taken together, shall bear the signatures of each of the Parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be an original as against either Party whose signature appears thereon, but all of which taken together shall constitute but one and the same instrument.

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

APOPTOSIS TECHNOLOGY, INC.

By: _____

Title: _____

BIOCHEM THERAPEUTIC INC.

By: _____

Title: _____

By: _____

Title: _____

SCHEDULE 1.4
TO THE RESEARCH COLLABORATION AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM THERAPEUTIC INC. ("BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

ATI PATENT RIGHTS

July 22, 1997

SCHEDULE 1.4

ATI Patent Portfolio

Bcl-2 and IGF-IR Projects

U.S. Patent Application

Application No.	Filing Date	Title and Description
08/408,095	March 21, 1995	[*]
08/321,071	October 11, 1994	[*]
Allowed (6/5/96)		
08/440,391	May 12, 1995	[*]
08/625,819	April 1, 1996	[*[
08/652,245	May 23, 1996	[*]
08/632,514	May 29, 1996	[*]

Corresponding Foreign Patent Applications

Application No.	Filing Date	Title and Description
PCT/US95/10103	Aug. 9, 1995	[*]
PCT/US96/06122	May 6, 1996	[*]
PCT/US97/06087	Apr. 1, 1997	[*]
PCT/US97/09194	May 29, 1997	[*]

[SEE ATTACHED LIST.]SCHEDULE 2.1
TO THE RESEARCH COLLABORATION AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM THERAPEUTIC INC. ("BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

COLLABORATIVE RESEARCH PLAN & ATI RESEARCH PLAN OUTLINE

SCHEDULE 2.1

Collaborative Research Plan for BioChem Therapeutic and Apoptosis Technology, Inc.

14 April, 1997

Apoptosis is a defined genetic and biochemical machinery that regulates apoptosis, leading to enhanced levels of cell survival. This proposal outlines strategies for developing novel therapeutics for cancer that will selectively induce apoptosis of tumor cells. The collaboration will focus on two biochemical pathways altered in tumor cells; the Bel-2 family and insulin-like growth factor-I receptor. ATI scientists have identified and validated BH3 domains of Bel-2 homologues as initial targets. They will identify and validate additional targets and work with BioChem scientists to develop biochemical screens for drug discovery. Primary screening will be performed at BioChem, and secondary assays will be performed at ATI. Medicinal and combinatorial chemistry, molecular modeling, in vivo lead evaluation, pharmacology and toxicology will be performed at BioChem. This collaboration is established to provide a competitive research program for developing important new therapeutics targeting defective apoptotic pathways in solid tumors.

Summary of projected milestones

BCL-2 PROJECT

[*]

IGF-IR PROJECT

[*]

Apoptosis Technology Research Plan (summary)

[* 2 pages]

SCHEDULE 2.2.2
TO THE RESEARCH COLLABORATION AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM THERAPEUTIC INC. ("BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

FTE'S

BH3/BCL-2 FAMILY PROJECT

[*]

IGF-1 RECEPTOR PROJECT

[*]

Summary: [*]

SCHEDULE 2.4.3
TO THE RESEARCH COLLABORATION AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM THERAPEUTIC INC. ("BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

AGREEMENTS BETWEEN ATI AND IMMUNOGEN

[SEE ATTACHED LIST.]

SCHEDULE 6.1(k)
TO THE RESEARCH COLLABORATION AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM THERAPEUTIC INC. ("BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

FORM OF LETTER AGREEMENT

[* one page]

EXHIBIT 10.33

IMMUNOGEN, INC. HAS OMITTED FROM THIS EXHIBIT 10.33 PORTIONS OF THE AGREEMENT FOR WHICH IMMUNOGEN, INC. HAS REQUESTED CONFIDENTIAL TREATMENT FROM THE SECURITIES AND EXCHANGE COMMISSION. THE PORTIONS OF THE AGREEMENT FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED ARE MARKED WITH AN ASTERISK AND SUCH CONFIDENTIAL PORTIONS HAVE BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

LICENSE AGREEMENT

THIS AGREEMENT effective this July 31, 1997 (the "Effective Date"), between Apoptosis Technology, Inc., a corporation organized and existing under the laws of the Commonwealth of Massachusetts having a place of business at 148 Sidney Street, Cambridge, Massachusetts, USA (hereinafter "ATI"), BioChem Pharma Inc., a corporation organized and existing under the laws of Canada having a place of business at 275 Armand-Frappier Boulevard, Laval, Quebec, Canada, Tanaud Holdings (Barbados) Ltd., a corporation organized and existing under the laws of Barbados having a place of business at Chancery Chambers, Chancery House, High Street, Bridgetown, Barbados, and Tanaud L.L.C., a limited liability company organized and existing under the laws of the State of Delaware having a place of business at Bush Hill, Bay Street, Bridgetown, Barbados. For the purposes of this Agreement, BioChem Pharma Inc., Tanaud Holdings (Barbados) Ltd. and Tanaud L.L.C. shall be referred to collectively as "BioChem".

WITNESSETH:

WHEREAS ATI and an Affiliate of BioChem have executed a Research Collaboration Agreement of even date in which they have agreed to apply their technology and expertise to discover and develop additional screens and to discover, develop, manufacture and sell human therapeutic products for the prevention or treatment of human diseases (the "Research Collaboration Agreement");

WHEREAS BioChem and ATI wish to grant licenses to one another to assist in the carrying out of the Research Program and the Drug Discovery and Development Program and the development and commercialization of Lead Compounds and Commercialized Products, as more fully described hereinbelow;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

As used in this Agreement, the following terms, whether used in the singular or plural, shall have the respective meanings set forth below:

1.1 "Affiliate" shall mean any individual or entity directly or indirectly controlling, controlled by or under common control with, a Party to this Agreement. For

purposes of this Agreement, the direct or indirect ownership of over fifty percent (50%) of the outstanding voting securities of an entity, or the right to receive over fifty percent (50%) of the profits or earnings of an entity shall be deemed to constitute "control". Such other relationship as in fact gives such individual or entity the power or ability to control the management, business and affairs of an entity shall be deemed to constitute control.

1.2 "Agreement" shall mean this License Agreement and all instruments supplemental hereto or in amendment or confirmation hereof; "herein," "hereof," "hereto," "hereunder," "herewith" and similar expressions mean and refer to this Agreement and not to any particular Article, Section, Subsection or other subdivision; "Article," "Section," "Subsection" or other subdivision of this Agreement means and refers to the specified Article, Section, Subsection or other subdivision of this Agreement.

1.3 "ATI Inventions" shall have the meaning ascribed thereto in Section 2.5 of the Research Collaboration Agreement.

1.4 "ATI Patent Rights" shall mean Patent Rights owned or licensed by ATI, with the right to sublicense, which are necessary or useful to make or have made, sell or have sold, use or make use of ATI Screens, Research Inventions and/or Commercialized Products. For greater certainty, ATI Patent Rights shall include, without limitation, the patent rights identified in Schedule 1.4 hereto, as well as those Patent Rights, as defined in Section 1.27 hereof, which are owned by ATI or licensed to ATI with the right to sublicense to BioChem.

1.5 "ATI Screens" shall mean pre-existing screening assays developed by ATI and screening assays developed in the Research Program.

1.6 "ATI Technology" shall mean all information and materials, including but not limited to, discoveries, improvements, processes, formulas, data, inventions, know-how and trade secrets, instructions, technology, biological substances (including, but not limited to, genes, DNA fragments, primers and gene products), nucleic acid constructs, and other intellectual property, patentable or otherwise, in each case which during the term of this Agreement (i) are in ATI's possession or control and/or are useful in the Field or necessary or useful to conduct the Research Program and/or the Drug Discovery and Development Program; and/or (ii) which arise out of the Research Program or are necessary or useful to BioChem in the performance of its obligations under the Research Program. ATI Technology shall include, without limitation, all biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, clinical, safety, manufacturing and quality control data and information related thereto, and all applications, registrations, licenses, authorizations, approvals and correspondence related to ATI Screens, including, without limitation, correspondence submitted to regulatory authorities with jurisdiction over the ATI Screens.

1.7 "BioChem Inventions" shall have the meaning ascribed thereto in Section 2.5 of the Research Collaboration Agreement.

1.8 "BioChem Patent Rights" shall mean Patent Rights owned or licensed by BioChem, with the right to sublicense, which are necessary or useful to make or have made, sell or have sold, use or make use of ATI Screens, Research Inventions and/or Commercialized Products. For greater certainty, BioChem Patent Rights shall include, without limitation, those Patent Rights, as defined in Section 1.27 hereof, which are owned by BioChem or licensed to BioChem with the right to sublicense to ATI.

1.9 "BioChem Technology" shall mean all information and materials, including but not limited to, discoveries, improvements, processes, formulas, data, inventions, know-how and trade secrets, instructions, technology, biological substances (including, but not limited to, genes, DNA fragments, primers and gene products), nucleic acid constructs, and other intellectual property, patentable or otherwise, in each case which during the term of the Agreement (i) are in BioChem's possession and control and are useful in the Field or necessary or useful to conduct the Research Program and/or the Drug Discovery and Development Program; and/or (ii) which arise out of the Research Program or are necessary or useful to BioChem in the performance of its obligations under the Research Program. BioChem Technology shall include, without limitation, all biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, clinical, safety, manufacturing and quality control data and information related thereto, and all applications, registrations, licenses, authorizations, approvals and correspondence related to Commercialized Products, including, without limitation, correspondence submitted to regulatory authorities with jurisdiction over the Commercialized Products.

1.10 "Calendar Quarter" shall mean the respective periods of three consecutive calendar months ending on March 31, June 30, September 30 and December 31.

1.11 "Calendar Year" shall mean each successive period of twelve (12) months commencing on January 1 and ending on December 31.

1.12 "Commercialized Product(s)" shall mean any preparation or product including all formulations and mixtures, compositions or therapeutic utilities thereof, for use in the diagnosis, prevention or treatment of any clinical indication in humans, which is, or comprises, a Compound, which is conceived, discovered, invented or the utility of which is conceived, discovered, reduced to practice or invented or developed in the Research Program or the Drug Discovery and Development Program and which is commercialized by BioChem or its Affiliates anywhere in the Territory.

1.13 "Compound Leads" shall mean any and all Compounds, including all formulations, mixtures, compositions, or therapeutic utilities thereof discovered by the Parties in the Research Program that the Joint Steering Committee may so formally designate for further development by reason of belief that such Compound Leads have demonstrated such properties of chemical structure, potency, mechanism of action, selectivity and non-cytotoxicity as deemed necessary by the Joint Steering Committee to warrant committing resources to conduct chemical optimization studies with respect thereto.

1.14 "Compounds" shall mean any compounds delivered by BioChem to ATI for use in, or used by BioChem or ATI in the Research Program, or otherwise discovered by the Parties in carrying out the Research Program, including, without limitation, Compound Leads and Commercialized Products, together with any modifications, analogues, isolates, derivatives, improvements, uses, methods of preparation or treatment relating thereto of each of the foregoing, whether developed by BioChem or BioChem Affiliates or consultants or agents and provided to ATI as Compounds, or by ATI as a result of its evaluation and analysis under the Research Program.

1.15 "CPMP" shall mean the Committee on Proprietary Medicinal Products of the European Union.

1.16 "Discontinued Compound" shall have the meaning ascribed thereto in Subsection 2.2(b) hereof.

1.17 "Dollars" shall mean U.S. Dollars.

1.18 "Drug Discovery and Development Program" shall have the meaning ascribed thereto in Section 2.4.1 of the Research Collaboration Agreement.

1.19 "FDA" shall mean the United States Food and Drug Administration or any replacement or successor entity thereto.

1.20 "Field" shall mean the diagnosis, treatment or prevention of cancer in humans.

1.21 "First Commercial Sale" shall mean, with respect to any Commercialized Product, the first sale (including to wholesalers) for end use or consumption of such Commercialized Product in a country after all required approvals, including marketing and pricing approvals, have been granted by the governing health authority of such country.

1.22 "Joint Steering Committee" shall have the meaning ascribed thereto in Section 2.3 of the Research Collaboration Agreement.

1.23 "Major Market Countries" shall mean the countries of Canada, France, Germany, Italy, Japan, Spain, the United Kingdom, and the United States; and "Major Market Country" shall mean any one of the foregoing.

1.24 "Net Invoiced Sales Value" shall mean the aggregate arms' length gross invoiced sales price charged for commercial use of the Commercialized Products(s) sold by BioChem and, if applicable, BioChem Affiliates and sublicensees, to non-Affiliated third Persons in the Territory after deduction of the following items, provided and to the extent that such items were actually incurred and included in the gross price charged and do not exceed customary amounts in the market in which such sale occurred:

i) trade, quantity and cash discounts or rebates;

ii) credits or allowances for rejection or return of previously sold goods;

iii) any tax or charge (other than an income tax) levied on the sale, transportation or delivery of a product and borne by the seller thereof; and

iv) any charge for freight or insurance.

In determining Net Invoiced Sales Value, no allowance or deductions shall be made for any commissions or sales fees. To the extent that BioChem uses a third Person sales or marketing organization to sell the Commercialized Product(s) to wholesalers or dispensers of the Commercialized Product(s), Net Invoiced Sales Value shall be calculated starting from the aggregate arms' length invoice sales price charged for sale for commercial use to such wholesaler or such dispenser less the deductions listed in items (i) to (iv), it being understood that "Net Invoiced Sales Value" shall be calculated on the basis of sales of each such Commercialized Product by BioChem, BioChem's Affiliates or its sublicensees (as the case may be) to a non-Affiliated third Person.

1.25 "Net Sales" shall mean, in the case of any Commercialized Product sold in a particular jurisdiction by BioChem, BioChem's Affiliates or its sublicensees (as the case may be) to a non-Affiliated third Person:

(i) in bulk and/or uncompounded with any other active ingredient, the Net Invoiced Sales Value of such Commercialized Product;

(ii)compounded with any other active ingredient, the value of the total declared amount of the Commercialized Product contained therein, as agreed between the parties, except that if such value cannot be agreed upon, it shall be decided by an independent accountant mutually acceptable to the Parties, whose decision shall be binding upon them; and

(iii) for diagnostic products which are sold in combination with any other product or device, the value of the total declared amount of the Commercialized Product contained therein, as agreed between the Parties, except that if such value cannot be mutually agreed upon it shall be decided by an independent accountant mutually acceptable to the Parties, whose decision shall be binding upon them.

1.26 "Party" shall mean ATI or BioChem and when used in the plural, shall mean ATI and BioChem.

1.27 "Patent Rights" shall mean the rights and interests in and to issued patents and pending patent applications relating to ATI Screens, Compounds, Compound Leads, Commercialized Products and/or Research Inventions filed, or which claim priority from a patent application filed, in any country at any time prior to the end of the first year following the termination of the Research Program; including, but not limited to, ATI Patent Rights, BioChem Patent Rights, all provisional applications, substitutions, continuations, continuations-in-part, divisions, and renewals, all letters patent granted

thereon, patents-of-additions and all reissues, reexaminations and extensions thereof, whether owned solely or jointly by a Party or jointly owned by the Parties or licensed in by a Party with the right to sublicense to the other Party.

1.28 "Person(s)" shall mean an individual, partnership, corporation, business, trust, joint venture or other entity of a similar nature.

1.29 "Research Inventions" shall have the meaning ascribed thereto in Section 2.6 of the Research Collaboration Agreement.

1.30 "Research Program" shall mean the collaborative research program to be conducted by ATI and BioChem pursuant to Article II of the Research Collaboration Agreement to discover Compound Leads and Commercialized Products and reflected in the Annual Research Plans (as defined in the Research Collaboration Agreement) in effect during the Research Term.

1.31 "Research Term" shall have the meaning ascribed thereto in Section 2.8 of the Research Collaboration Agreement.

1.32 "Stock Purchase Agreement" shall mean the stock purchase agreement of even date executed between BioChem's Affiliate, BioChem Pharma (International) Inc., ATI and ATI's Affiliate, ImmunoGen, Inc.

1.33 "Territory" shall mean Canada, for BioChem Pharma Inc.; the United States of America for Tanaud L.L.C.; and the rest of the countries in the world for Tanaud Holdings (Barbados) Ltd., including, in the case of each such country, its respective territories and possessions; such that the entire "Territory" hereunder shall mean all of the countries in the world, including their respective territories and possessions.

1.34 "Valid Patent Claim" shall mean a claim of an issued and unexpired patent included within the Patent Rights, which has not been revoked or held unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise.

ARTICLE II
LICENSE; DEVELOPMENT AND COMMERCIALIZATION

2.1 LICENSE GRANTS.

(a) Upon the terms and conditions set forth herein, ATI hereby grants to BioChem an exclusive license (even as to ATI) in the Territory and in the Field under the ATI Patent Rights, ATI Inventions and ATI Technology to discover, develop, make, use, offer to sell, sell, import and export, and have discovered, developed, made, used, offered for sale, sold, imported and exported, Commercialized Product(s) and to carry out the

Research Program and the Drug Discovery and Development Program. For the avoidance of any doubt, such license shall exclude veterinary products.

(b) Upon the terms and conditions set forth herein, ATI hereby grants to BioChem an exclusive license (even as to ATI) in the Territory to utilize ATI Screens to discover and develop Compound Leads (without restriction as to Field) during the first year after the transfer of each ATI Screen to BioChem. One year after the transfer of each ATI Screen to BioChem, this license shall become an exclusive license (even as to ATI) in the Territory to utilize that specific ATI Screen to discover and develop Compound Leads in the Field for the remainder of the Research Program, subject to Subsection 2.1(d) hereof, and a non-exclusive license in the Territory to utilize that specific ATI Screen to discover and develop Compound Leads outside the Field for the remainder of the Research Program. During the first year after the transfer of each ATI Screen to BioChem, subject to the following provisions of this subsection 2.1(b), BioChem shall have the exclusive right to negotiate in good faith with ATI an exclusive license in the Territory to utilize that specific ATI Screen to discover and develop Compound Leads outside the Field for the remainder of the Research Program. The Parties agree that BioChem shall notify ATI, in writing, at least sixty (60) days prior to the end of the above-described first (1st) year, of its desire to negotiate such exclusive license. The Parties will then have thirty (30) days to negotiate such exclusive license (the "Negotiation Period"). If the Parties are making progress in the negotiations, the thirty (30) day period shall automatically be extended for an additional (30) days. If the Parties are unable to negotiate an exclusive license as described in this Subsection 2.1(b) within the Negotiation Period or extended Negotiation Period, ATI may enter into a license with respect to the non-exclusive use of such ATI Screen outside the Field with a third Person; and BioChem shall retain its non-exclusive license to the ATI Screens for non-Field use granted hereunder.

(c) Upon the terms and conditions set forth herein, BioChem hereby grants to ATI an exclusive royalty-bearing license (even as to BioChem) in the Territory under the BioChem Patent Rights, BioChem Inventions and BioChem Technology developed in the Research Program to discover, develop, make, use, offer to sell, sell, import and export, and have developed, made, used, offered for sale, sold, imported and exported, veterinary products. The royalty and milestones paid by ATI to BioChem shall be at the rate and upon the terms and conditions contained in Article III of this Agreement, mutatis mutandis.

(d) The licenses set forth in Subsections 2.1(a), (b) and (c) above shall include the right to grant sublicenses to Affiliates and any other third Person; however, pursuant to its nonexclusive license in Section 2.1(b), ATI shall have the right only to license ATI Screens (and reagents) along with the know-how necessary to utilize the ATI Screens to a third Person with no other input or collaborative efforts by ATI. No sublicense granted by BioChem shall be inconsistent with its obligations under this Agreement or have any effect on BioChem's performance of its obligations under this Agreement.

2.2 DEVELOPMENT AND COMMERCIALIZATION

(a) Subject to Subsection 2.2(b), BioChem shall, at its own expense, use reasonable commercial efforts to develop Compound Leads and to commercialize Commercialized Products in such countries in the Territory where in BioChem's opinion it is commercially viable to do so.

(b) BioChem shall have the right to decide, in its sole discretion, which Compound Leads to develop and which Commercialized Products to commercialize. In the event BioChem decides, in its sole discretion, not to develop and commercialize a Compound Lead or a Commercialized Product or discontinues commercialization and development of a Compound Lead or a Commercialized Product (collectively, "Discontinued Compounds"), ATI shall have the right and license from BioChem hereunder to pursue the development and commercialization of such Discontinued Compound either alone or through licenses with one or more third Persons both within and outside the Field. The license to develop and commercialize such Discontinued Compounds shall be a royalty-bearing license, payable by ATI to BioChem at the same rate and upon the same terms and conditions (including milestone payments) as those contained in Article III of this Agreement, mutatis mutandis. Notwithstanding anything to the contrary herein contained, for so long as BioChem continues the development and/or commercialization of one (1) Compound Lead in a therapeutic class, other Compound Leads in that therapeutic class shall not be considered Discontinued Compounds. The Joint Steering Committee shall determine whether Compound Leads are in the same therapeutic class; bearing in mind that it is the expressed intention of the Parties that, while BioChem shall have the right to develop more than one Compound Lead for the same clinical indication at the same time, should BioChem decide not to develop more than one Compound Lead at the same time, the Compound Lead not developed by BioChem would not be considered a Discontinued Compound.

(c) BioChem shall keep ATI fully informed concerning the status of its program to develop Compound Leads and to commercialize a Commercialized Product.

2.3 EXCLUSIVITY. ATI agrees that during the Research Term, it will not collaborate with or grant license rights to any other Person in the Field (or outside the Field for specific ATI Screens if BioChem exercises its option under Subsection 2.1(b) hereof with respect to such ATI Screens) and will not utilize any BioChem Technology for any purpose other than (i) as provided for herein or in the Research Collaboration Agreement or (ii) otherwise for the benefit of BioChem. BioChem agrees that during the Research Term, it will not utilize any ATI Technology for any purpose other than (i) as provided for herein or in the License Agreement or (ii) otherwise for the benefit of ATI.

2.4 EXCHANGE OF INFORMATION; ETC. ATI and BioChem shall promptly disclose to each other orally on an ongoing basis all ATI Technology, or BioChem Technology, as the case may be, and Proprietary Information and other useful information not previously disclosed. If and as reasonably requested by either Party, the other Party's Technology and Proprietary Information shall be reduced to writing and provided to the Party requesting it within a reasonable period of time. ATI shall advise and provide a reasonable

description to BioChem of any governmental visits to, or written or oral inquiries about, any facilities or procedures related to the Research Program or Commercialized Products promptly (if feasible, prior to a scheduled visit, but in no event later than five (5) calendar days) after the beginning of such visit or inquiry. BioChem shall have the right to participate in any communications, inspections or meetings with regulatory authorities if such communications, inspections or inquiries may impact the Research Program in the Territory as reasonably determined by ATI. ATI shall furnish to BioChem, (a) within two (2) days after receipt, any report or correspondence issued by the governmental authority in connection with such visit or inquiry, including but not limited to any FDA Form 483, Establishment Inspection Reports, and warning letters, and (b) five (5) days prior to delivery to a governmental authority, copies of any and all responses or explanations relating to items set forth above, in each case, subject to Article V hereof.

ARTICLE III
PAYMENTS

3.1 MILESTONE PAYMENTS. Subject to the terms and conditions contained in this Agreement, BioChem shall pay to ATI the following payments:

(a) MILESTONES.

[*]

IT BEING UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES THAT THE MAXIMUM AMOUNT POTENTIALLY PAYABLE BY BIOCHEM TO ATI AS MILESTONE PAYMENTS UNDER THIS AGREEMENT PER COMMERCIALIZED PRODUCT, REGARDLESS OF THE NUMBER OF APPROVED INDICATIONS OR JURISDICTIONS OR DIFFERENT FORMULATIONS FOR WHICH ANY OF THE AFOREMENTIONED MILESTONES ARE ACHIEVED FOR SUCH COMMERCIALIZED PRODUCT IS FIFTEEN MILLION DOLLARS ($15,000,000).

BioChem shall not be required to make the first and second milestone payments listed in Subsection 3.1(a) for any Compound Lead which BioChem replaces or substitutes for the original Compound Lead utilized in a Phase I trial as long as it is a Compound Lead of the same chemical class. The Joint Steering Committee shall determine whether Compound Leads are in the same chemical class.

BioChem shall notify ATI in writing within thirty (30) calendar days upon the achievement of each milestone. Within five (5) business days of such notice, BioChem shall make payment of the appropriate milestone amount in accordance with Section 3.6(b).

(b) ROYALTIES. BioChem shall pay to ATI royalties on sales of Commercialized Products in the Territory, in an amount equal to [*] of Net Sales in the Territory of such Commercialized Products.

3.2 TERM OF ROYALTY OBLIGATION; CERTAIN CONDITIONS. Royalties on each Commercialized Product at the rate set forth above in Subsection 3.1(b) (unless otherwise adjusted in accordance with the provisions of Section 7.4), shall be effective as of the date of First Commercial Sale of Commercialized Product in a country and shall be payable until the later of (i) the expiration of the last applicable patent having a Valid Patent Claim covering a Commercialized Product in such country in the case of sales where there is a Valid Patent Claim covering the Commercialized Product or a Valid Patent Claim continues to cover an ATI Screen which was utilized to discover, develop, or make, or have discovered, developed, or made such Commercialized Product in such country; or (ii) until the tenth (10th) anniversary after the First Commercial Sale of the Commercialized Product in such country.

3.3 REPORTS; METHOD OF PAYMENT; PAYMENT EXCHANGE RATE AND CURRENCY CONVERSIONS.

(a) Within ninety (90) days following the close of each Calendar Quarter following the First Commercial Sale of a Commercialized Product, BioChem shall furnish to ATI a written report for the Calendar Quarter showing the Net Sales of Commercialized Product in the Territory during such Calendar Quarter and the royalties payable under this Agreement for such Calendar Quarter. Simultaneously with the submission of the written report, BioChem shall pay to ATI a sum equal to the aggregate royalty due for such Calendar Quarter calculated in accordance with this Agreement (reconciled for any previous overpayments or underpayments).

(b) Payments to be made by BioChem to ATI under this Agreement shall be paid by check made to the order of ATI or by bank wire transfer in immediately available funds to such bank account in the United States designated in writing by ATI from time to time. Royalties shall be deemed paid by the entity making the Net Sales from the country in which earned in local currency and subject to foreign exchange regulations then prevailing. Royalty payments shall be made in Dollars to the extent that free conversions to are permitted. The rate of exchange to be used in any such conversion from the currency in the country where such Net Sales are made shall be the arithmetic average of the applicable buying rate for such currency as reported in the Wall Street Journal for each of the last ten (10) days of the Calendar Quarter for which such payments are made. Payments shall be free and clear of any fees and charges other than applicable taxes which BioChem is required to pay or withhold with respect to payments to be made to ATI.

3.4 MAINTENANCE OF RECORDS; AUDITS

(a) BioChem shall keep complete and accurate records in sufficient detail to enable the royalties payable hereunder to be determined. Upon the written request of ATI and not more than once in each Calendar Year, BioChem shall permit an independent certified public accounting firm of nationally recognized standing selected by ATI and reasonably acceptable to BioChem, at ATI's expense, to have access during normal business hours to such of the records of BioChem as may be reasonably necessary to verify the accuracy of the royalty reports hereunder for any Calendar Year ending not more than twenty-four (24) months prior to the date of such request and no later than forty-five (45) days after written request is made. The accounting firm shall disclose to ATI and BioChem only whether the royalty reports are correct or incorrect and the specific details concerning any discrepancies.

(b) If such accounting firm correctly concludes within the same thirty (30) day period that additional royalties were owed during such period, BioChem shall pay the additional royalties within thirty (30) days of the date ATI delivers to BioChem such accounting firm's written report so correctly concluding. BioChem shall receive a credit for any overpayment of royalties within the same thirty (30) day period. The fees charged by such accounting firm shall be paid by ATI except BioChem shall pay such fees in the event that the additional royalties owed by BioChem vary from royalties paid with respect to the Calendar Year in question by five percent (5%) or greater.

(c) BioChem shall include in each sublicense granted by it pursuant to this Agreement a provision requiring the sublicensee to make reports to BioChem, to keep and maintain records of sales made pursuant to such sublicense and to grant access to such records to an independent accountant acting on BioChem's behalf.

(d) ATI will require that its accounting firm treat all financial information subject to review under this Section 3.4 in accordance with the confidentiality provisions of this Agreement.

ARTICLE IV
PATENTS; ETC.

4.1 PROPRIETARY RIGHTS. Subject to the licenses and other rights granted to ATI hereunder and under the Research and Collaboration Agreement, Compounds and BioChem Technology supplied or made available to ATI by BioChem and/or its delegates during the term of this Agreement shall be the sole and exclusive property of BioChem. Subject to the licenses and other rights (including security interests in Collateral) granted to BioChem hereunder and under the Research and Collaboration Agreement, ATI Screens and ATI Technology supplied or made available to BioChem by ATI and/or its delegates during the term of this Agreement shall be the sole and exclusive property of ATI.

4.2 FILING, PROSECUTION AND MAINTENANCE OF PATENTS.

(a) Each of ATI and BioChem agrees to file, prosecute and maintain in the Territory, upon appropriate consultation with the other, its respective Patent Rights under this Agreement. Except for expenses already incurred by ATI for patents filed by or granted to ATI prior to the Effective Date of this Agreement, except as otherwise provided for in Subsection 4.2(b), BioChem shall be responsible for the costs and expenses for the filing, prosecution and maintenance of all Patent Rights during the Research Term and for one (1) year after the end of the Research Term. Starting with the second year after the Research Term, each Party shall be responsible for the costs and expenses for the filing, prosecution and maintenance of all of its respective Patent Rights. The costs and expenses incurred by BioChem to file, prosecute and maintain ATI Patent Rights will be credited in full against the royalties to be paid by BioChem to ATI pursuant to Article III hereof, in accordance with the provisions hereof. Notwithstanding anything contained herein to the contrary, ATI shall be responsible for the filing, prosecution and maintenance in the Territory and the costs and expenses therefore for Patent Rights relating solely to veterinary products.

(b) Each of BioChem and ATI shall provide to the other reasonable assistance to file and prosecute such other Party's Patent Rights, which shall include, without limitation, providing any data and information relating to the invention and access to the inventors of said inventions, as well as causing the execution of any patent documents. Each of BioChem and ATI shall have the right to use outside counsel to file and prosecute its respective Patent Rights, in the case of BioChem Patent Rights to be selected by BioChem and reasonably acceptable to ATI and, in the case of ATI Patent Rights, to be selected by ATI and reasonably acceptable to BioChem. In each case, the filing Party shall give the non-filing Party an opportunity to review the text of the proposed applications at least thirty (30) days before filing, shall consult with the non-filing Party with respect thereto, and shall afford due consideration to the other Party's comments and concerns with respect to matters relating to the filing Party's Patent Rights, including the choice of countries in which to file such applications. Notwithstanding anything to the contrary herein contained, ATI shall seek approval of the Joint Steering Committee before filing any patent application in a country other than a Major Market Country, failing which

BioChem shall have no obligation to pay any costs or expenses for the filing, prosecution and maintenance of any Patent Rights relating to such applications. If either Party believes that the proposed patent application of the other Party relates to an invention which is or contains information relevant to the non-filing Party's Patent Rights, such matters shall be submitted to the Joint Steering Committee for resolution prior to the filing of such patent application. The filing Party shall supply the non-filing Party with a copy of the applications as filed, together with notice of its filing date and serial number; and shall keep the non-filing Party advised of the status of the actual and prospective patent filings (including, without limitation, the grant of any Patent Rights) and upon the request of a Party, provide advance copies of any papers related to the filing, prosecution and maintenance of such patent filings.

4.3 OPTION TO PROSECUTE AND MAINTAIN PATENTS. A filing Party shall give timely advanced notice to the other of any desire to cease prosecution and/or maintenance of such Party's Patent Rights and, in such case, shall permit the original non-filing Party, at its sole discretion, to continue prosecution or maintenance at its own expense. If an original non-filing Party elects to continue prosecution or maintenance, the original Party responsible for filing and maintenance of the Patent Rights shall execute such documents and perform such acts as may be reasonably necessary to effect an assignment of such Patent Rights to the original non-filing Party in a timely manner to allow such Party to continue such prosecution or maintenance. Any patents or patent applications so assigned shall no longer be considered Patent Rights.

4.4 THIRD PERSON INFRINGEMENT SUIT.

(a) In the event that either Party determines that a third Person (other than a permitted sublicensee, transferee or distributor of that Party or permitted licensee of the other Party) is making, using, or selling a product or process that may infringe a Patent Right, it will promptly notify the other Party in writing. A Party may but shall have no obligation to bring suit against such alleged infringer. In the event that a Party decides to bring suit, it shall give prompt written notice to the other Party of that fact and that other Party shall take all reasonable steps to assist the initiating Party in such suit and shall proceed according to the procedure outlined hereinbelow in Subsections 4.4(b) and (c).

(b) ATI shall be responsible for, in its sole discretion, obtaining a discontinuance of such infringement or bringing suit against the third Person infringer with respect to (i) ATI Patent Rights or (ii) BioChem Patent Rights that are specifically directed to veterinary products. Notwithstanding anything contained herein to the contrary, ATI shall have the right, but not the obligation, to bring such a suit. ATI shall bear all the expenses of any such suit brought by it and shall retain any and all recovery and damages therefrom; provided, however, after all costs and expenses have been deducted from the recovery and damages, then from the remaining amount BioChem will receive royalties equal to those due under the terms hereof either (i) for the sale of any products or processes which are found to be infringing Patent Rights in the final decision of a court or arbitrator or (ii) for patent infringement claims which are settled for the sale of any products or processes which were alleged to have infringed Patent Rights.

BioChem shall cooperate with ATI (with any reasonable, receipted out-of-pocket expenses being reimbursed to BioChem by ATI) in any such suit for infringement of a Patent Right with respect to veterinary products brought by ATI against a third Person (which shall include providing any necessary assistance and executing any necessary documents), and shall have the right to consult with ATI and to participate in and be represented by independent counsel in such litigation at its own expense. Except as otherwise specifically provided for in this Article IV, ATI shall have control over any such suit, and decisions as to settlement, methods and/or terms and conditions for resolving the suit shall be made by ATI after consultation with BioChem. ATI shall incur no liability to BioChem as a consequence of such litigation with respect to veterinary products or any unfavorable decision resulting therefrom. In the event ATI chooses not to prosecute an infringement as aforesaid, BioChem shall have the right to do so. In such event, ATI shall cooperate with BioChem (which shall include providing any necessary assistance and executing any necessary documents) and BioChem shall retain any and all recovery and damages from such suit. No settlement, consent judgment or other voluntary final disposition of the suit may be entered into without the consent of ATI.

(c) BioChem shall be responsible for, in its sole discretion, obtaining a discontinuance of any infringement or bringing suit against a third Person infringer with respect to any BioChem Patent Rights other than BioChem Patent Rights that are specifically directed to veterinary products. Notwithstanding anything contained herein to the contrary, BioChem shall have the right, but not the obligation, to bring such a suit. BioChem shall bear all the expenses of any such suit brought by it and shall retain any and all recovery and damages therefrom; provided, however, after all costs and expenses have been deducted from the recovery and damages, then from the remaining amount ATI will receive royalties equal to those due under the terms hereof either (i) for the sale of any products or processes which are found to be infringing BioChem Patent Rights in the final decision of a court or arbitrator or (ii) for patent infringement claims which are settled for the sale of any products or processes which were alleged to have infringed BioChem Patent Rights. ATI agrees to be named as a co-plaintiff if BioChem brings suit and shall cooperate with BioChem (with any reasonable, receipted out-of-pocket expenses being reimbursed to ATI by BioChem) in any such suit for infringement of a BioChem Patent Right brought by BioChem against a third Person (which shall include providing any necessary assistance and executing any necessary documents), and shall have the right to consult with BioChem and to participate in and be represented by independent counsel in such litigation at its own expense. Except as otherwise specifically provided in this Article IV, BioChem shall have control over any such suit, and decisions as to settlement, methods and/or terms and conditions for resolving the suit shall be made by BioChem after consultation with ATI. BioChem shall incur no liability to ATI as a consequence of such litigation or any unfavorable decision resulting therefrom. In the event BioChem chooses not to prosecute an infringement as aforesaid, ATI shall have the right to do so. In such event, BioChem shall cooperate with ATI (which shall include providing any necessary assistance and executing any necessary documents) and ATI shall retain any and all recovery and damages from such suit. No settlement, consent judgment or other voluntary final disposition of the suit may be entered into without the consent of BioChem.

4.5 LIMITATIONS ON PAYMENTS. Notwithstanding anything to the contrary contained herein or in the Research Collaboration Agreement, no royalties shall be payable by BioChem, BioChem's Affiliates or sublicensees with respect to the sale of any Commercialized Product in any jurisdiction in the Territory, if the discovery, testing, manufacture, sale or use of such Commercialized Product or an ATI Screen from which such Commercialized Product was discovered or developed in such jurisdiction would infringe or violate any patent or other intellectual property rights of any third Person; provided, however, that in the event that BioChem obtains a license from such third Person (the "Third Person Licensor"), such that the discovery, testing, manufacture, sale or use of such Commercialized Product or ATI Screen (as the case may be) does not infringe any patent or other intellectual property rights of the Third Person Licensor, the royalties payable on Net Sales by BioChem, BioChem's Affiliates, and/or sublicensees of such Commercialized Product in such jurisdiction shall be reduced by an amount equal to one-half of the royalty payable by BioChem to the Third Person Licensor under such license. In no case shall the royalty otherwise payable to ATI by BioChem hereunder with respect to a Commercialized Product in any given Calendar Quarter be decreased by more than fifty percent (50%) by the operation of this Section 4.5. Any amount credited for reduction under this Section 4.5 which remains unused at the end of a Calendar Quarter may be carried forward and deducted against royalties payable in subsequent Calendar Quarters with respect to Net Sales of such Commercialized Products, subject always to the aforementioned fifty percent (50%) payment provision. If any warning letter or other notice of infringement is received by a Party, or an action, suit or proceeding is brought against a Party alleging infringement of a patent right of any third Person by reason of the manufacture, use or sale of a Commercialized Product or ATI Screen, the recipient Party shall promptly notify the other Party. The Parties shall consult with each other to consider appropriate steps to respond to such claims including, without limitation, litigation, the undertaking of a license with the third Person patent holder or termination of any license granted pursuant hereto. Neither Party shall enter into any settlement agreement, or make any admission relating to the validity or enforceability of the other Party's Patent Rights without the prior written consent of such other Party.

4.6 CERTIFICATION UNDER DRUG PRICE COMPETITION AND PATENT TERM RESTORATION ACT. ATI and BioChem each shall immediately give notice to the other of any certification of which they become aware filed under the United States "Drug Price Competition and Patent Term Restoration Act of 1984" claiming that Patent Rights covering Compound(s) or Commercialized Product(s) are invalid or that infringement will not arise from the manufacture, use, import, export, offer to sell or sale of Compound(s) or Commercialized Product(s) by a third Person. If ATI or BioChem (depending on which Party is defending the Patent Rights) decides not to bring infringement proceedings against the entity making such a certification, such Party shall give notice to the other Party of its decision not to bring suit within twenty-one (21) days after receipt of notice of such certification. The Party receiving such notice may then, but is not required to, bring suit against the Party that filed the certification. For this purpose, the Party not bringing suit shall execute such legal papers necessary for the prosecution of such suit as may be reasonably requested by the Party bringing suit.

4.7 ABANDONMENT. Subject to Section 4.2, each of BioChem and ATI shall promptly give notice to the other, and in no case later than ninety (90) days prior to, the lapse, revocation, surrender, invalidation or abandonment of any Patent Rights for which it is responsible for the filing, prosecution and maintenance.

4.8 PATENT TERM RESTORATION. The Parties hereto shall 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 Patent Rights. In the event that elections with respect to obtaining such patent term restoration are to be made, each of BioChem and ATI shall have the right to make the election and non-selecting Party agrees to abide by such election.

ARTICLE V
CONFIDENTIALITY

The Parties agree that the provisions of Article V of the Research Collaboration Agreement shall apply, mutatis mutandis, to any information furnished by one Party to the other Party pursuant to this Agreement.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES

6.1 REPRESENTATIONS AND WARRANTIES OF EACH PARTY. Each of ATI and BioChem hereby represents, warrants and covenants to the other Party hereto as follows:

(a) it is a corporation duly organized and validly existing under the laws of the state or other jurisdiction of incorporation or formation;

(b) the execution, delivery and performance of this Agreement by such Party has been duly authorized by all requisite corporate action, subject only to receipt of requisite boards of directors' approvals;

(c) it has the right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder, including, specifically, the right, power and authority to grant the licenses granted under Article II hereof;

(d) the execution, delivery and performance by such Party of this Agreement and its compliance with the terms and provisions hereof does not and will not conflict with or result in a breach of any of the terms and provisions of or constitute a default under (i) a loan agreement, guaranty, financing agreement, agreement affecting a product or other agreement or instrument binding or affecting it or its property; (ii) the provisions of its charter documents or bylaws; or (iii) any order, writ, injunction or decree of any court or governmental authority entered against it or by which any of its property is bound;

(e) except for the governmental and regulatory approvals required to market the Commercialized Product(s) in the Territory, the execution, delivery and performance of this Agreement by such Party does not require the consent, approval or authorization of, or notice, declaration, filing or registration with, any governmental or regulatory authority and the execution, delivery or performance of this Agreement will not violate any law, rule or regulation applicable to such Party;

(f) this Agreement has been duly authorized, executed and delivered and constitutes such Party's legal, valid and binding obligation enforceable against it in accordance with its terms;

(g) it shall comply with all applicable material laws and regulations relating to its activities under this Agreement;

(h) neither Party has in effect and after the Effective Date neither Party shall enter into any oral or written agreement or arrangement that would be inconsistent with its obligations under this Agreement;

(i) in respect of ATI only, to the best of ATI's knowledge after due inquiry, on the Effective Date, there is no outstanding claim or allegation that the ATI Screens, ATI Patent Rights and/or ATI Technology infringe upon any rights of a third Person nor any threatened claim or allegation that the ATI Screens, ATI Patent Rights and/or ATI Technology infringe upon the rights of a third Person; and Schedule 1.4 hereof is a true and complete list of all patents and patent applications existing on the date of execution hereof with respect to the ATI Screens, ATI Patent Rights and/or ATI Technology;

(j) in respect of BioChem only, to the best of BioChem's knowledge after due inquiry, on the Effective Date, there is no outstanding claim or allegation that the BioChem Technology infringes upon any rights of a third Person nor any threatened claim or allegation that the BioChem Technology infringes upon the rights of a third Person;

(k) in respect of ATI only, without limiting the generality of Subsections 6.1(c) or (d), on the Effective Date, except as otherwise specifically provided for herein, (i) ATI holds valid rights to the ATI Screens, ATI Patent Rights and ATI Technology and has the full right, power and authority to grant the rights granted to BioChem hereunder, free and clear of any mortgage, lien, encumbrance or other third Person interest of any kind (subject to Section 10.1 hereof and to Section 9.1 of the Research Collaboration Agreement) and (ii) neither the ATI Screens, ATI Patent Rights nor ATI Technology is subject to any restrictions, covenants, licenses, judicial or administrative orders of any kind which detract in any material respect from the value of either or which would interfere with the use thereof by BioChem as contemplated in this Agreement. With respect to the ownership and licensing of any intellectual property rights arising out of (i) the Research Agreement between Thomas Jefferson University ("TJU") and ATI dated December 14, 1994; (ii) the Option Agreement between TJU and ATI dated May 1, 1997; and (iii) the Option Agreement between St. Louis Medical Center ("SLMC") and ATI dated March 1, 1994, ATI has disclosed to BioChem that ATI does not have the exclusive rights to such

inventions or intellectual property rights and that ATI has an exclusive option to negotiate a royalty-bearing, exclusive license of each Invention under those Agreements. [*].

(l) in respect of BioChem only, without limiting the generality of Subsection 6.1(c) or (d), on the Effective Date, BioChem holds valid rights to the BioChem Technology and has the full right, power and authority to grant the rights granted to ATI hereunder, free and clear of any mortgage, lien, encumbrance or other third Person interest of any kind, and except as specifically provided for herein, the BioChem Technology is not subject to any restrictions, covenants, licenses, judicial or administrative orders of any kind which detract in any material respect from the value thereof or which would interfere with the use thereof by ATI as contemplated in this Agreement.

ARTICLE VII
TERM AND TERMINATION

7.1 TERM AND EXPIRATION. This Agreement shall be effective as of the Effective Date and, unless terminated earlier pursuant to Sections 7.2 or 7.3 below, the term of this Agreement shall continue in effect until royalties are no longer due under this Agreement, otherwise than in accordance with Section 7.4. Upon termination of this Agreement otherwise than in accordance with Sections 7.2 or 7.3, the licenses pursuant to Sections 2.1 and 2.3 shall become fully paid-up, irrevocable, worldwide, perpetual licenses.

7.2 TERMINATION ON NOTICE BY BIOCHEM. Notwithstanding anything contained herein to the contrary, BioChem shall have the right to unilaterally terminate this Agreement after the third (3rd) anniversary hereof, with or without cause, at any time by giving ninety (90) days' advance written notice to ATI. Upon termination of this Agreement under this Section 7.2, BioChem shall have the right to continue to develop and commercialize Commercialized Products and the development of Compound Leads, subject to the obligation to pay milestones and royalties due under this Agreement. Subject to the immediately preceding sentence, upon termination of this Agreement pursuant to this Section 7.2, BioChem shall have no continuing right whatsoever with respect to ATI Technology and ATI Screens for any purpose either in the Field or outside the Field. Upon the date of termination of this Agreement under this Section 7.2, BioChem shall immediately transfer to ATI all documents, instruments, records and ATI Technology in its possession with respect to the ATI Screens.

7.3 TERMINATION FOR CAUSE. This Agreement may be terminated by notice by either Party at any time during the term of this Agreement:

(a) (i) with respect to obligations other than payment obligations, if the other Party (or its relevant Affiliate, as the case may be) is in breach of its material obligations hereunder or under the Research Collaboration Agreement or the Stock Purchase Agreement and has not cured or taken steps to substantially cure such breach within ninety (90) days (or such shorter time period as may apply under the relevant provision of the Research Collaboration Agreement or the Stock Purchase Agreement) after notice of the breach with reasonable detail of the particulars of the alleged breach, (ii) with respect to

payment obligations due and owing, if the breaching Party has not cured or taken steps to substantially cure such breach (such as the mailing of the check therefore) within fifteen (15) days (or such shorter time period as may apply under the relevant provision of the Research Collaboration Agreement or the Stock Purchase Agreement) after notice of the particulars of the alleged breach and/or (iii) if a condition to a Subsequent Closing has not been satisfied under the Stock Purchase Agreement, such that BioChem (as defined in the Stock Purchase Agreement) has the right to terminate such agreement; or

(b) upon the filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by the other Party, or in the event a receiver or custodian is appointed for such Party's business or if a substantial portion of such Party's business is subject to attachment or similar process; provided, however, in the case of any involuntary bankruptcy proceeding such right to terminate shall only become effective if the Party consents to the involuntary bankruptcy or such proceeding is not dismissed within sixty (60) days after the filing thereof.

7.4 EFFECT OF TERMINATION ON LICENSE

(a) In the event ATI terminates this Agreement because of material breach by BioChem (whether before or after the end of the Research Term), the licenses for commercial purposes granted to BioChem under Sections 2.1 and 2.3 shall continue; [*]

(b) In the event BioChem terminates this Agreement because of material breach by ATI (whether before or after the Research Term), BioChem shall continue to have access to the ATI Screens and ATI Technology in accordance with the provisions of Article II hereof for the remainder of the Research Term (i.e. for the period of time between the early termination date and the scheduled end of the Research Term, had such termination for breach not occurred) and the licenses for commercial purposes granted to BioChem under Sections 2.1 and 2.3 hereof shall otherwise continue;[*]

(c) In the event ATI becomes a debtor under the Bankruptcy Code, all rights and licenses granted under or pursuant to this Agreement by ATI to BioChem are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(35)(a) of the Bankruptcy Code. The Parties agree that BioChem, in addition to the rights granted to it pursuant to Section 9.1 hereof and of the Research Collaboration Agreement, as a licensee of rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy case by or against ATI under the Bankruptcy Code, BioChem shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property upon written request therefor by BioChem. Such intellectual property and all embodiments thereof shall be promptly delivered to BioChem (i) upon any such commencement of a bankruptcy case upon written request therefore by BioChem, unless ATI elects to continue to perform all of its obligations under this Agreement or (ii) if not

delivered under (i) above, upon the rejection of this Agreement by or on behalf of ATI upon written request therefor by BioChem. ATI shall not interfere with the rights of BioChem as provided in this Agreement, or any agreement supplementary hereto, to such intellectual property (including all such embodiments thereof), including any right of BioChem to obtain such intellectual property (or such embodiment) from any other entity.

7.5 CHANGE OF CONTROL. BioChem shall have the right, exercisable immediately and at its sole discretion, to terminate this Agreement should ATI undergo a change in control (as such term is defined in Section 1.1 hereof). In the event BioChem terminates this Agreement because of a change of control of ATI (whether before or after the end of the Research Term), (i) BioChem shall continue to have access to the ATI Screens, ATI Inventions, ATI Patent Rights and ATI Technology in accordance with the provisions of Article II hereof for the remainder of the Research Term (i.e. for the period of time between the early termination date of the Research Program and the scheduled end of the Research Term, had such termination for change of control not occurred); and (ii) the licenses for commercial purposes granted to BioChem under Article II hereof shall otherwise continue, such that BioChem shall have the right to continue to develop and commercialize Commercialized Products and to develop Compound Leads; subject to the obligation to pay royalties and milestones due hereunder.

7.6 RETENTION OF LICENSE. Upon the termination or expiration of this Agreement for any reason other than (a) termination by ATI under Subsection 7.3(a) following a default by BioChem; (b) termination on notice by BioChem under Section 7.2; or (c) termination by ATI under Subsection 7.3(b) (i.e. bankruptcy, insolvency, etc. of BioChem), BioChem shall retain a paid-up, royalty-free, exclusive license (with the right to sublicense) to the ATI Patent Rights to discover, make, use, offer to sell, sell, import and export, and have developed, made, used, offered for sale, sold, imported and exported the Commercialized Product(s) in the Territory, without any further consideration whatsoever being payable by BioChem to ATI; except as otherwise specifically provided for in Section 7.4.

7.7 EFFECT OF TERMINATION. Except as otherwise set forth herein, in the event of termination, the rights and obligations of both Parties, including any payment obligations not due and owing as of the termination date, shall terminate. Expiration or termination of the Agreement shall not relieve the Parties of any obligation accrued or accruing prior to such expiration or termination, and the provisions of Article V, VII and VIII and of Sections 3.3, 3.4, 10.1, 10.3 and 10.4 shall survive the expiration or termination of this Agreement. Any expiration or early termination of this Agreement shall be without prejudice to the rights of either Party against the other accrued or accruing under this Agreement prior to expiration or termination.

ARTICLE VIII
INDEMNIFICATION AND LIMITATION ON LIABILITY

8.1 INDEMNIFICATION BY BIOCHEM. BioChem shall indemnify, defend and hold harmless ATI and its Affiliates, and each of its and their respective employees, officers,

directors and agents (each, an "ATI Indemnified Party") from and against any and all liability, loss, damage, cost, and expense (including reasonable attorneys' fees), subject to the limitations in Sections 8.6 and 8.7 (collectively, a "Liability") which the ATI Indemnified Party may incur, suffer or be required to pay resulting from or arising in connection with (i) the breach or misstatement by BioChem of any of its obligations, covenants, representations or warranties contained in this Agreement, (ii) any negligent act or omission or willful misconduct of BioChem (or any Affiliate thereof) in the performance or fulfillment of its obligations under this Agreement or any strict liability claim based on the promotion, marketing and sale of a Commercialized Product; or (iii) the successful enforcement by an ATI Indemnified Party of its rights under this Section 8.1.

8.2 INDEMNIFICATION BY ATI. ATI shall indemnify, defend and hold harmless BioChem and its Affiliates, and each of its and their respective employees, officers, directors and agents (each, a "BioChem Indemnified Party") from and against any Liability which the BioChem Indemnified Party may incur, suffer or be required to pay resulting from or arising in connection with (i) the breach or misstatement by ATI of any of its obligations, covenants, representations or warranties contained in this Agreement; (ii) any negligent act or omission or willful misconduct of ATI (or any Affiliate thereof) in the performance or fulfillment of its obligations under this Agreement; or (iii) the successful enforcement by a BioChem Indemnified Party of its rights under this Section 8.2.

8.3 CONDITIONS TO INDEMNIFICATION. The obligations of the indemnifying Party under Sections 8.1 and 8.2 are conditioned upon the delivery of written notice to the indemnifying Party of any potential Liability; provided, however, that the indemnifying Party shall not be released from any obligation unless it is substantially damaged by the delay.

8.4 SETTLEMENTS. Neither Party may settle a claim or action related to a Liability without the consent of the other Party, if such settlement would impose any monetary obligation on the other Party or require the other Party to submit to an injunction or otherwise limit the other Party's rights under this Agreement. Any payment made by a Party to settle any such claim or action shall be at its own cost and expense.

8.5 THIRD PERSON INDEMNIFICATION PROCEDURES. A Party (the "indemnitee") which intends to claim indemnification under this Article VIII shall promptly notify the other Party (the "indemnitor") in writing of the Liability with respect to which the claim of indemnification relates. The indemnitee shall permit, and shall cause its employees and agents to permit, the indemnitor, at its discretion, to settle any such Liability, the defense and settlement of which shall be under the complete control of the indemnitor; provided, however, that such settlement shall not adversely affect the indemnitee's rights hereunder or impose any obligations on the indemnitee in addition to those set forth herein in order for it to exercise those rights. No such Liability shall be settled without the prior written consent of the indemnitor and the indemnitor shall not be responsible for any legal fees or other costs incurred other than as provided herein. The indemnitee, its employees and agents shall co-operate fully with the indemnitor and its legal representatives in the

investigation and defense of any Liability covered by this indemnification. The indemnitee shall have the right, but not the obligation, to be represented by counsel of its own selection and expense.

8.6 EXCEPTION. No indemnification shall be made to a Party to the extent any Liability arises out of, results from or involves (i) the breach or misstatement by such Party of its obligations, covenants, representations or warranties under this Agreement or the Research Collaboration Agreement or (ii) the negligence or willful misconduct of such Party.

8.7 LIMITATION OF LIABILITY. WITH RESPECT TO ANY CLAIM BY ONE PARTY AGAINST THE OTHER FOR INDEMNIFICATION, THE PARTIES EXPRESSLY AGREE THAT THE LIABILITY OF SUCH PARTY TO THE OTHER PARTY SHALL BE LIMITED UNDER THIS AGREEMENT OR OTHERWISE AT LAW OR EQUITY TO DIRECT DAMAGES ONLY AND IN NO EVENT SHALL A PARTY BE LIABLE FOR LOST PROFITS, COVER DAMAGES, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES.

8.8 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY EXPRESS OR IMPLIED WITH RESPECT TO ANY TECHNOLOGY, PRODUCTS, GOODS, SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT AND OTHER THAN AS PROVIDED FOR IN SECTION 6.1, EACH PARTY HEREBY DISCLAIMS ALL WARRANTIES INCLUDING, WITHOUT LIMITATION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE IX
MANUFACTURING

9.1 SUPPLY AGREEMENT. ATI and BioChem agree that prior to approaching any third Person to manufacture the Commercialized Products, BioChem will notify ATI of its intent to enter into a Manufacturing and Supply Agreement specifying in reasonable detail the rights it intends to license (the "Offer"). BioChem agrees to negotiate with ATI, in good faith, for a period of thirty (30) days after the date of the Offer (the "Negotiation Period") to enter into a Manufacturing and Supply Agreement. If the Parties are making progress in the negotiations, the thirty (30) day period shall be automatically extended for one (1) additional thirty (30) day period. If the Parties are unable to negotiate and execute a Manufacturing and Supply Agreement within the Negotiation Period or the extended Negotiation Period, BioChem may enter into a Manufacturing and Supply Agreement with any third Person.

ARTICLE X
MISCELLANEOUS

10.1 GRANT OF SECURITY INTEREST. ATI hereby assigns and transfers to BioChem, and hereby grants to BioChem, a security interest in ATI Screens, ATI Inventions, ATI Technology and ATI Patent Rights now owned or at any time hereafter acquired by ATI or in which ATI now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), and any proceeds and products of such Collateral as collateral security for the prompt and complete performance when due of ATI's obligations under this Agreement. BioChem shall have the right to satisfy any and all claims for breach of this Agreement out of the Collateral; and BioChem shall have the rights of a secured creditor under applicable law, including the Uniform Commercial Code.

10.2 ASSIGNMENT. Except as otherwise specifically provided for herein, neither this Agreement nor any or all of the rights and obligations of a Party hereunder shall be assigned, delegated, sold, transferred, or otherwise disposed of, by operation of law or otherwise, without the prior written consent of the other Party, and any attempted assignment, delegation, sale, transfer, or other disposition, by operation of law or otherwise, of this Agreement or of any rights or obligations hereunder contrary to this Section 10.2 shall be void and without force or effect; provided, however, that BioChem may, without the consent of ATI, assign this Agreement and its rights and obligations hereunder to an Affiliate or in connection with the transfer or sale of all or substantially all of its assets related to the division or the subject business relating hereto, or in the event of a change in control of BioChem. This Agreement shall be binding upon and inure to the benefit of each Party, its Affiliates, and its permitted successors and assigns. Nothing in this Section 10.2 shall be construed to restrict (i) BioChem's right to sublicense referred to in Article II hereof; or (ii) BioChem's right to engage third Persons or Affiliates under Subsection 2.5.2 of the Research Collaboration Agreement. Each Party shall be responsible for the compliance by its Affiliates with the terms and conditions of this Agreement.

10.3 GOVERNING LAW. Except for disputes between the Parties relating to the ownership and enforcement of Patent Rights under Article IV (which will be governed by Federal law and brought in the Federal District Court of Massachusetts), this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without regard to the conflict of laws provisions thereof and will be subject to the arbitration procedures set forth herein.

10.4 DISPUTES. Subject to Section 10.3, any dispute arising out of or in connection with this Agreement shall be handled in accordance with Section 9.4 of the Research Collaboration Agreement and may be entered in any court having proper jurisdiction.

10.5 WAIVER. Any delay or failure in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's rights to the future enforcement of its rights under this Agreement, nor operate to bar the exercise or enforcement thereof at any time or times thereafter,

excepting only as to an express written and signed waiver as to a particular matter for a particular period of time.

10.6 INDEPENDENT RELATIONSHIP. Nothing herein contained shall be deemed to create an employment, agency, joint venture or partnership relationship between the Parties hereto or any of their agents or employees, or any other legal arrangement that would impose liability upon one Party for the act or failure to act of the other Party. Neither Party shall have any power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other Party, or to bind the other Party in any respect whatsoever.

10.7 EXPORT CONTROL. BioChem agrees that it will not export, directly or indirectly, any technical information acquired from ATI under this Agreement to any country for which the United States government or any agency thereof at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the Department of Commerce or other agency of the United States government when required by an applicable statute or regulation.

10.8 ENTIRE AGREEMENT; AMENDMENT. This Agreement, including the Schedule hereto and the Research Collaboration Agreement and Stock Purchase Agreement set forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto and thereto, supersede and terminates all prior agreements, writings and understandings between the Parties. However, the Confidentiality obligations contained in the Non-Disclosure Agreement between the Parties dated January 27, 1997 shall survive the termination of this Agreement for all confidential information (as defined in the Non-Disclosure Agreement) disclosed by either Party prior to the Effective Date of this Agreement. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, between the parties other than as are set forth herein and therein. No terms or provisions of this Agreement shall be varied or modified and no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties unless reduced to writing and signed by an authorized officer of each Party.

10.9 NOTICES. Each notice required or permitted to be given or sent under this Agreement shall be given by facsimile transmission (with confirmation copy by registered first-class mail) or by registered or overnight courier (return receipt requested), to the Parties at the addresses and facsimile numbers indicated below.

If to ATI, to:

Apoptosis Technology, Inc. 333 Providence Highway Norwood, MA 02062 Attn: Mitch Sayare, President Facsimile: (617) 255-9679	with copies to:	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. One Financial Center Boston, MA 02111 Attn: Jeffrey M. Wiesen Facsimile: (617) 542-2241

If to BioChem to:

BioChem Pharma Inc. 275 Armand-Frappier Blvd. Laval, Quebec, Canada Attn: Charles Tessier Vice President, Legal Affairs Facsimile: (514) 978-7755	Tanaud Holdings (Barbados) Ltd. c/o Chancery, Chambers Chancery House, High Street Bridgetown, Barbados, WI Attn: Trevor A. Carmichael, Pres. & Sec. Facsimile: (246) 431-0070	Tanaud L.L.C. Ernst and Young Building Bush Hill, Bay Street Bridgetown, Barbados, WI Attn: Betty Straughn, Esq. Facsimile: (809) 429-6446

Any such notice shall be deemed to have been received on the earlier of the date actually received or the date five (5) days after the same was posted or sent. Either Party may change its address or its facsimile number by giving the other Party written notice, delivered in accordance with this Section.

10.10 FORCE MAJEURE. Failure of any Party to perform its obligations under this Agreement (except the obligation to make payments when properly due) shall not subject such Party to any liability or place it in breach of any term or condition of this Agreement to the other Party if such failure is caused by any cause beyond the reasonable control of such non-performing Party, including without limitation acts of God, fire, explosion, flood, drought, war, riot, sabotage, embargo, strikes or other labor trouble, failure in whole or in part of suppliers to deliver on schedule materials, equipment or machinery, interruption of or delay in transportation, a national health emergency or compliance with any order or regulation of any government entity acting with color of right; provided however, that the Party affected shall promptly notify the other Party for the condition constituting force majeure as defined herein and shall exert reasonable efforts to eliminate, cure and overcome any such causes and to resume performance of its obligations with all possible speed. If a condition constituting force majeure as defined herein exists for more than ninety (90) consecutive days, the parties shall meet to negotiate a mutually satisfactory solution to the problem, if practicable.

10.11 SEVERABILITY. If any provision of this Agreement is declared invalid or unenforceable by a court having competent jurisdiction, it is mutually agreed that this Agreement shall endure except for the part declared invalid or unenforceable by order of such court; provided, however, that in the event that the terms and conditions of this Agreement are materially altered the parties will, in good faith, renegotiate the terms and conditions of this Agreement to reasonably substitute such invalid or unenforceable provision in light of the intent of this Agreement.

10.12 RECORDING. Each Party shall have the right, at any time, to record, register, or otherwise notify this Agreement in appropriate governmental or regulatory offices

anywhere in the Territory, and ATI or BioChem, as the case may be, shall provide reasonable assistance to the other in effecting such recording, registering or notifying.

10.13 FURTHER ACTIONS. Each Party agrees to execute, acknowledge and deliver such further instruments 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. Without limiting the generality of the foregoing, in case at any time after the Initial Closing (as such term is defined in the Stock Purchase Agreement), any further action is necessary or desirable to carry out the purposes of this Agreement (including the execution by ATI and filing with the appropriate governmental entity of statements (and any renewals or amendments thereto) acknowledging, evidencing and/or perfecting the security interest of BioChem in the Collateral), ATI and BioChem will take such further action as the other Party may request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Article VIII hereof.)

(REST OF PAGE INTENTIONALLY LEFT BLANK)

10.14 COUNTERPARTS. This Agreement shall become binding when any one or more counterparts hereof, individually or taken together, shall bear the signatures of each of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be an original as against either Party whose signature appears thereon, but all of which taken together shall constitute but one and the same instrument.

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

APOPTOSIS TECHNOLOGY, INC.

By: _____

Title: _____

BIOCHEM PHARMA INC.

By: _____

Title: _____

By: _____

Title: _____

TANAUD L.L.C.

By: _____

Title: _____

By: _____

Title: _____

TANAUD HOLDINGS (BARBADOS) LTD.

By: _____

Title: _____

By: _____

Title: _____

SCHEDULE 1.4
TO THE LICENSE AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM PHARMA INC., TANAUD HOLDINGS (BARBADOS) LTD. AND TANAUD L.L.C.
(COLLECTIVELY, "BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

July 22, 1997

ATI Patent Portfolio

Bcl-2 and IGF-IR Projects

U.S. Patent Application

Application No.	Filing Date	Title and Description
08/408,095	March 21, 1995	[*]
08/321,071 Allowed (6/5/96)	October 11, 1994	[*]
08/440,391	May 12, 1995	[*]
08/625,819	April 1, 1996	[*[
08/652,245	May 23, 1996	[*]
08/632,514	May 29, 1996	[*]

Corresponding Foreign Patent Applications

Application No.	Filing Date	Title and Description
PCT/US95/10103	Aug. 9, 1995	[*]
PCT/US96/06122	May 6, 1996	[*]
PCT/US97/06087	Apr. 1, 1997	[*]
PCT/US97/09194	May 29, 1997	[*]

ATI PATENT RIGHTS

[SEE ATTACHED LIST.]

SCHEDULE 6.1(k)
TO THE LICENSE AGREEMENT
DATED THIS JULY 31, 1997
BETWEEN
BIOCHEM PHARMA INC., TANAUD HOLDINGS (BARBADOS) LTD. AND TANAUD L.L.C.
(COLLECTIVELY, "BIOCHEM") AND APOPTOSIS TECHNOLOGY, INC. ("ATI")

FORM OF LETTER AGREEMENT

[SEE ATTACHED LETTER]

[*]

EXHIBIT 10.34

IMMUNOGEN, INC. HAS OMITTED FROM THIS EXHIBIT 10.34 PORTIONS OF THE AGREEMENT FOR WHICH IMMUNOGEN, INC. HAS REQUESTED CONFIDENTIAL TREATMENT FROM THE SECURITIES AND EXCHANGE COMMISSION. THE PORTIONS OF THE AGREEMENT FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED ARE MARKED WITH AN ASTERISK AND SUCH CONFIDENTIAL PORTIONS HAVE BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

STOCK PURCHASE AGREEMENT

BY AND AMONG

APOPTOSIS TECHNOLOGY, INC.,

IMMUNOGEN, INC.,

AND

BIOCHEM PHARMA (INTERNATIONAL) INC.

JULY 31, 1997

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this "Agreement") is made this 31st day of July, 1997 by and among ImmunoGen, Inc., a Massachusetts corporation (the "Company"), Apoptosis Technology, Inc., a Massachusetts corporation ("ATI"), and BioChem Pharma (International) Inc., a Canadian corporation ("BioChem").

WHEREAS, ATI is a subsidiary of the Company;

WHEREAS, ATI and BioChem Therapeutic Inc. ("BTI") are entering into a Research Collaboration Agreement (the "Research Agreement") and ATI and BioChem Pharma, Inc. ("BPI"), Tanaud Holdings (Barbados) Ltd. ("Tanaud Barbados") and Tanaud L.L.C. are entering into a License Agreement (the "License Agreement") of even date herewith (BioChem, BTI, BPI, Tanaud Barbados and Tanaud L.L.C. being hereinafter referred to individually as a "BioChem Party," and collectively as the "BioChem Parties");

WHEREAS, ATI and the Company desire that the Company issue and sell to BioChem and BioChem desires to acquire common stock purchase warrants substantially in the form of EXHIBIT A hereto (each, an "ImmunoGen Warrant" and collectively, the "ImmunoGen Warrants") to purchase shares of the Company's common stock, par value $.01 per share (the "ImmunoGen Common Stock");

WHEREAS, ATI and the Company desire that ATI issue and sell to BioChem and BioChem desires to acquire shares (the "Preferred Shares") of ATI's Series B convertible preferred stock, par value $.01 per share, convertible into shares of ATI's Common Stock, par value $.00002 per share ("ATI Common Stock"), and having the designations, powers, preferences, and other terms set forth on EXHIBIT B hereto;

WHEREAS, the proceeds from the issuance and sale of the Preferred Shares and the ImmunoGen Warrant will be used to finance the Research Program (as defined in the Research Agreement) to be undertaken by ATI pursuant to the terms of the Research Agreement; and

WHEREAS, ATI, the Company and BioChem desire to set forth certain matters to which they have agreed relating to the ImmunoGen Warrant and the Preferred Shares;

NOW THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, the parties agree as follows:

ARTICLE I -- ISSUANCE AND TERMS OF IMMUNOGEN
WARRANT AND PREFERRED SHARES

SECTION 1.1 AUTHORIZATION OF IMMUNOGEN WARRANT AND PREFERRED Shares. Subject to the terms and conditions of this Agreement, the Company has authorized the issuance of the ImmunoGen Warrant and ATI has authorized the issuance of the Preferred Shares pursuant to this Agreement.

SECTION 1.2 PURCHASE AND SALE OF IMMUNOGEN WARRANT. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Company and BioChem contained herein, BioChem agrees to acquire from the Company and the Company agrees to issue to BioChem an ImmunoGen Warrant on the Initial Closing Date (as hereinafter defined) and on each Subsequent Closing Date (as hereinafter defined), in consideration for BioChem's investment in ATI.

SECTION 1.3 PURCHASE AND SALE OF PREFERRED SHARES. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of ATI and BioChem contained herein, BioChem agrees to purchase from ATI and ATI agrees to sell to BioChem, (a) for a purchase price of one million eight hundred fifty-two thousand dollars ($1,852,000), 1,852 Preferred Shares on the Initial Closing Date, and, if the conditions contained in Section 6.2 are satisfied, (b) for a purchase price of eight hundred forty-three thousand dollars ($843,000), an additional 843 Preferred Shares on each Subsequent Closing Date (as hereinafter defined), such that BioChem shall have acquired an aggregate of 11,125 Preferred Shares for an aggregate purchase price of eleven million one hundred twenty-five thousand dollars ($11,125,000) pursuant to this Section 1.3.

SECTION 1.4 PAYMENT. BioChem agrees to make payment of the full purchase price of Preferred Shares being delivered at the Initial Closing or the Subsequent Closing, as the case may be, by certified check or wire transfer on the Initial Closing Date or Subsequent Closing Date, as applicable.

SECTION 1.5 RESALE LIMITATIONS. BioChem hereby agrees not to sell, pledge, assign or otherwise transfer the ImmunoGen Warrant or the Preferred Shares during the Initial Research Term (as defined in the Research Agreement); provided that BioChem shall have the right to transfer the ImmunoGen Warrants and Preferred Shares to its Affiliates (as defined in the Research Agreement) during the Initial Research Term so long as those Affiliates agree in writing to be bound by the restrictions on the sale, pledge, assignment and transfer of the ImmunoGen Warrant and the Preferred Shares set forth in this Section 1.5.

SECTION 1.6 ADDITIONAL CLOSINGS. The parties acknowledge and agree that the Research Agreement provides for successive renewal terms after the Initial Research Term (as defined in the Research Agreement). In the event that BioChem exercises its option to extend the Research Program (as defined in the Research Agreement), the parties agree that BioChem will provide additional equity financing for such extension of the Research Program at a financing

level equal to at least three million three hundred seventy-five thousand dollars ($3,375,000) per year upon the same terms and conditions as the investment made pursuant to this Agreement. In the event that, pursuant to the terms of the Research Agreement, the number of full-time equivalent employees ("FTEs") of ATI assigned to the Research Program at any time is more than [*], BioChem will provide additional equity financing to ATI of an additional [*] per FTE above [*] per annum upon the same terms and conditions as the financing made pursuant to this Agreement.

ARTICLE II -- CLOSING

SECTION 2.1 INITIAL CLOSING. Subject to the satisfaction of Articles VI and VII hereof, the initial closing hereunder (the "Initial Closing") shall take place at a place and time (the "Initial Closing Date") mutually agreed by ATI, the Company and BioChem, but in any event no later than July 31, 1997. At the Initial Closing, (a) ATI shall deliver to BioChem one or more stock certificates registered in the name of "BioChem Pharma (International) Inc." or in such name or names as may be designated by BioChem at least five (5) calendar days in advance of the Initial Closing Date, for 1,852 Preferred Shares, against payment to ATI of the purchase price therefor pursuant to Section 1.4, and (b) the Company shall deliver to BioChem an ImmunoGen Warrant registered in the name of "BioChem Pharma (International) Inc." or in such name or names as may be designated by BioChem at least five (5) calendar days in advance of the Initial Closing Date to purchase the number of shares indicated on EXHIBIT A hereof.

SECTION 2.2 SUBSEQUENT CLOSINGS If the conditions contained in Articles VI and VII hereof are satisfied, each subsequent closing hereunder (each, a "Subsequent Closing") shall take place at a place and time (the "Subsequent Closing Date") mutually agreed by ATI, the Company and BioChem, in each case within five (5) calendar days prior to March 31, June 30, September 30 and December 31 of each year during the Initial Research Term (unless postponed pursuant to Section 6.2(i)) through and including March 31, 2000. At each Subsequent Closing, (a) ATI shall deliver to BioChem one or more stock certificates registered in the name of "BioChem Pharma (International) Inc." or in such name or names as may be designated by BioChem at least five (5) calendar days in advance of the Subsequent Closing Date, for 843 Preferred Shares against payment to ATI of the purchase price therefor pursuant to Section 1.4, and (b) the Company shall deliver to BioChem an ImmunoGen Warrant registered in the name of "BioChem Pharma (International) Inc." or such name or names as may be designated by BioChem at least five (5) calendar days in advance of the Subsequent Closing Date to purchase the number of shares indicated on EXHIBIT A hereto. Upon each Subsequent Closing Date which is not a June 30 closing date, BioChem shall reimburse ATI and ImmunoGen for their closing costs (including attorneys' fees and expenses) incurred in connection with such Subsequent Closing, together with a sum which represents the amount of income ATI would have received on the proceeds paid to ATI on the Subsequent Closing Date if it had been invested since the previous June 30 at an annual rate of five percent (5%); provided that BioChem shall not be obligated to pay ATI more than $50,000 on account of such costs and interest in any twelve month period commencing on June 30 of each year.

SECTION 2.3 LEGEND. The certificates representing the ImmunoGen Warrant and the Preferred Shares shall be subject to a legend restricting transfer under the Securities Act of 1933, as amended (the "Securities Act"), such legend to be substantially as follows:

"THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THESE SECURITIES MAY NOT BE SOLD OR OTHERWISE TRANSFERRED BY ANY PERSON UNLESS (1) EITHER (A) A REGISTRATION STATEMENT WITH RESPECT TO SUCH SECURITIES SHALL BE EFFECTIVE UNDER THE SECURITIES ACT OF 1933 ("ACT"), OR (B) THE COMPANY SHALL HAVE REASONABLY REQUESTED AND RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO IT THAT AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT IS THEN AVAILABLE, AND (2) THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE SECURITIES LAWS."

ARTICLE III -- REPRESENTATIONS AND WARRANTIES OF ATI

ATI hereby represents and warrants to BioChem that, as of the date of this Agreement, the following are true and correct:

SECTION 3.1 ORGANIZATION AND STANDING OF ATI. ATI is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts. ATI has full corporate power and authority to enter into, deliver, and perform its obligations and undertakings under this Agreement. ATI has no subsidiaries. ATI is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required, except where the lack of such qualification would not have a material adverse effect on the business, financial condition, operations, results of operations, or future prospects of ATI. ATI has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it.

SECTION 3.2 CAPITALIZATION. ATI's entire authorized capital stock consists of: 35,000,000 shares of ATI Common Stock, and 18,125 shares of preferred stock, $.01 par value per share ("ATI Preferred Stock"), of which 7,000 shares have been designated Class A Convertible Preferred Stock (the "Class A Stock") and of which 11,125 shares will be designated Series B Convertible Preferred Stock pursuant to the Certificate of Vote (as defined in Section 6.1(j) hereof). All of ATI's outstanding shares of ATI Common Stock and ATI Preferred Stock are listed on SCHEDULE 3.2 hereto. The ATI Common Stock and the Class A Stock have the preferences, voting powers, qualifications, and special or relative rights or privileges set forth in ATI's Restated Articles of Organization. Other than as indicated on SCHEDULE 3.2 hereto, ATI does not have outstanding any option, warrant, purchase right, subscription right, stock appreciation right, phantom stock right, profit participation right, agreement or other commitment to issue or to acquire any shares of its capital stock, or any securities or obligations convertible into or exchangeable for its capital stock, and ATI has not given any person any right to acquire from ATI or sell to ATI any shares of its capital stock. Except as set forth on SCHEDULE 3.2, there

are no voting trust, proxies, or other agreements or understandings with respect to the voting of the capital stock of ATI.

SECTION 3.3 VALIDITY OF THIS AGREEMENT. The execution and delivery by ATI of this Agreement and the performance by ATI of its obligations under this Agreement, and the issue and sale of the Preferred Shares and ATI Common Shares, have been duly authorized and approved by all necessary corporate action. This Agreement has been duly executed and delivered by ATI and constitutes a valid and binding obligation of ATI, enforceable in accordance with its terms. The execution and delivery by ATI of this Agreement, the performance by ATI of its obligations under this Agreement and the issuance and sale of the Preferred Shares and the ATI Common Shares will not (i) conflict with, or result in any breach of any of the terms of, or constitute a default under, the Restated Articles of Organization or By-Laws of ATI, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, license, lease, instrument, covenant or other restriction or arrangement to which ATI is a party or by which it or any of its properties or assets is bound.

SECTION 3.4 GOVERNMENTAL CONSENT, ETC. Except for filings, consents, permits, approvals and authorizations which will be obtained by ATI prior to the Initial Closing or Subsequent Closing, as applicable, and which are set forth in SCHEDULE 3.4 hereto, no consent, approval, authorization or other order of, action by, filing with, or notification to any governmental authority is required under existing law or regulation in connection with the execution, delivery and performance of the Agreement or the offer, issue, sale or delivery of the Preferred Shares or ATI Common Shares pursuant to the Agreement or the consummation of any other transactions contemplated thereby.

SECTION 3.5 VALID ISSUANCE OF PREFERRED SHARES AND ATI COMMON SHARES. When issued and delivered against payment therefor in accordance with the terms and conditions of this Agreement and EXHIBIT B hereto, the Preferred Shares and the shares of ATI Common Stock issuable upon conversion of the Preferred Shares (the "ATI Common Shares") shall be (i) duly authorized and validly issued, fully paid and non-assessable and (ii) not subject to any preemptive rights, liens, claims or encumbrances, or other restrictions on transfer or other agreements or understandings with respect to the voting of the ATI Common Shares, except as set forth in this Agreement.

SECTION 3.6 ABSENCE OF MATERIAL ADVERSE CHANGE. Since March 31, 1997, there has not been any material adverse change in the business, financial condition, operations, results of operation, assets, employee relations, customer or supplier relations, or future prospects of ATI, except continuing operating losses, depletion of cash resources and changes in the ordinary course of business and except for the sale of 1,000 shares of the Company's Series D Convertible Preferred Stock in June, 1997.

SECTION 3.7 NO VIOLATION. Neither the execution and delivery by ATI of this Agreement, nor the consummation of the transactions contemplated hereby, will violate any

constitution, statute, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency, or court to which ATI is subject, or any provision of its Restated Articles of Organization or By-Laws.

ARTICLE IV -- REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to BioChem that, as of the date of this Agreement, the following are true and correct:

SECTION 4.1 ORGANIZATION AND STANDING OF THE COMPANY. The Company is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts. The Company has full corporate power and authority to enter into, deliver, and perform its obligations and undertakings under this Agreement. The Company is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required, except where the lack of such qualification would not have a material adverse effect on the business, financial condition, operations, results of operations, or future prospects of the Company. The Company has full corporate power and authority to carry on the business in which it is engaged and to own and use the properties owned and used by it.

SECTION 4.2 CAPITALIZATION. The Company's entire authorized capital stock consists of: 30,000,000 shares of ImmunoGen Common Stock, and 5,000,000 shares of Preferred Stock, $.01 par value per share (the "ImmunoGen Preferred Stock"). All of the Company's outstanding shares of ImmunoGen Common Stock and ImmunoGen Preferred Stock are listed on SCHEDULE 4.2 hereto and are validly issued, fully paid, and non-assessable. The ImmunoGen Common Stock and the ImmunoGen Preferred Stock have the preferences, voting powers, qualifications, and special or relative rights or privileges set forth in the Company's Restated Articles of Organization, as amended. As of March 31, 1997, the Company had 899,234 shares of ImmunoGen Common Stock available for issuance under the Company's Restated Stock Option Plan (the "Stock Plan"). Other than as indicated on SCHEDULE 4.2 hereto or in the SEC Reports (as hereinafter defined), the Company does not have outstanding any option, warrant, purchase right, subscription right, stock appreciation right, phantom stock right, profit participation right, agreement or other commitment to issue or to acquire any shares of its capital stock, or any securities or obligations convertible into or exchangeable for its capital stock, and the Company has not given any person any right to acquire from the Company or sell to the Company any shares of its capital stock. There are no voting trusts, proxies, or other agreements or understandings with respect to the voting of the capital stock of the Company.

SECTION 4.3 VALIDITY OF THIS AGREEMENT. The execution and delivery by the Company of this Agreement and the performance by the Company of its obligations under this Agreement, and the issue, sale and delivery of the ImmunoGen Warrant and the Warrant Shares have been duly authorized and approved by all necessary corporate action, except for stockholder approval of an increase in the authorized number of shares of ImmunoGen Common Stock as contemplated by Section 8.1 below. This Agreement has been duly executed and delivered by the Company and constitutes a valid and binding obligation of the Company, enforceable in accordance with its

terms. The execution and delivery by the Company of this Agreement and the performance by the Company of its obligations under this Agreement and the issuance, sale and delivery of the ImmunoGen Warrant and the Warrant Shares will not (i) conflict with, or result in any breach of any of the terms of, or constitute a default under, the Restated Articles of Organization or By-laws of the Company, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, instrument, covenant or other restriction or arrangement to which the Company is a party or by which it or any of its properties or assets is bound.

SECTION 4.4 GOVERNMENTAL CONSENT, ETC. Except for filings, consents, permits, approvals and authorizations which will be obtained by the Company prior to the Initial Closing or the Subsequent Closing, as applicable, and which are set forth in SCHEDULE 4.4 and approval by the Company's stockholders of an increase in the Company's authorized Common Stock, no consent, approval, authorization or other order of, action by, filing with, or notification to of any governmental authority is required under existing law or regulation in connection with the execution, delivery and performance of the Agreement or the offer, issue, sale or delivery of the ImmunoGen Warrant and the Warrant Shares pursuant to the Agreement or the consummation of any other transactions contemplated thereby.

SECTION 4.5 VALID ISSUANCE OF IMMUNOGEN WARRANT. When issued and delivered against payment therefor in accordance with the terms and conditions of this Agreement and EXHIBIT A hereto, the ImmunoGen Warrant and the shares of ImmunoGen Common Stock issuable upon exercise of the ImmunoGen Warrant in accordance with the terms of the ImmunoGen Warrant (the "Warrant Shares") shall be (i) duly authorized and validly issued, fully paid and non-assessable, except that, as of the date of the Initial Closing, the Company does not have sufficient authorized ImmunoGen Common Stock reserved for issuance of or to issue the Warrant Shares, and (ii) not subject to any preemptive rights, liens, claims or encumbrances, or other restrictions on transfer or other agreements or understandings with respect to the voting of the Warrant Shares, except as set forth in this Agreement or EXHIBIT A hereto.

SECTION 4.6 FINANCIAL STATEMENTS. The ImmunoGen Common Stock is registered pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Copies of all reports filed by the Company with the United States Securities and Exchange Commission (the "Commission") pursuant to the Exchange Act during the period from June 30, 1996 to the date of this Agreement (the "SEC Reports") have been furnished to BioChem. The audited financial statements of the Company contained in the Company's Annual Report on Form 10-K for the year ended June 30, 1996, as amended, and the interim financial statements of the Company for the fiscal quarters ended September 30, 1996, December 31, 1996 and March 31, 1997, each as amended, contained in the Company's Quarterly Report on Form 10-Q for the quarters then ended, in each case as amended to date, including the notes relating thereto, disclose all material liabilities of the Company as of the respective dates thereof, except as set forth on SCHEDULE 4.6(A) hereto. Since March 31, 1997, there has not been any material adverse change in the business, financial condition, operations, results of operations, assets, employee relations,

customer or supplier relations or future prospects of the Company, except continuing operating losses, depletion of cash resources and changes in the ordinary course of business and except for the sale of 1,000 shares of the Company's Series D Convertible Preferred Stock in June, 1997. The Company's total assets and total liabilities and stockholders' equity reflected in the Company's audited consolidated balance sheet as of June 30, 1997, and the Company's net loss reflected in the Company's audited consolidated statement of operations for the fiscal year ended June 30, 1997 will not be materially less favorable than the corresponding entries on the draft financial statements (the "Draft Financial Statements") attached hereto as SCHEDULE 4.6(b). For purposes of the preceding sentence, (a) any increase in long-term liabilities and (b) a decrease of five percent (5%) or more in net assets, in each case from the Draft Financial Statements to the June 30, 1997 audited financial statements, shall be deemed to be "materially less favorable."

SECTION 4.7 INDEBTEDNESS TO THE COMPANY. Other than the ImmunoGen Note (as defined in Section 6.1(k)), there is no other indebtedness owed by ATI to the Company as of the date of this Agreement (assuming without representing and warranting that the amount owed for July 1997 is the same as the amount owed for June 1997).

SECTION 4.8 NO VIOLATION. Neither the execution and delivery by the Company of this Agreement, nor the consummation of the transactions contemplated hereby will violate any constitution, statute, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency, or court to which the Company is subject, or any provision of its Restated Articles of Organization or By-Laws.

ARTICLE V -- REPRESENTATIONS AND WARRANTIES OF BIOCHEM

BioChem hereby acknowledges, represents, warrants and agrees as follows:

SECTION 5.1 AUTHORITY OF BIOCHEM; VALIDITY OF THIS AGREEMENT. BioChem has all requisite power and authority to enter into this Agreement and perform its obligations hereunder. The execution, delivery and performance by BioChem of this Agreement, and the purchase of the ImmunoGen Warrant and the Preferred Shares have been duly authorized and approved by all necessary corporate action. This Agreement has been duly executed and delivered and constitutes a valid and binding obligation of BioChem, enforceable in accordance with its terms, subject to laws of general application from time to time in effect affecting creditors' rights and the exercise of judicial discretion in accordance with general equitable principles. The execution, delivery and performance of this Agreement and the purchase of the ImmunoGen Warrant and the Preferred Shares will not conflict with, or result in a material breach of any of the terms of, or constitute a material default under, any charter, by-law, agreement, instrument, covenant or other restriction to which BioChem is a party or by which it or any of its properties or assets is bound.

SECTION 5.2 INVESTMENT REPRESENTATIONS. BioChem hereby acknowledges, represents, warrants and agrees as follows:

BioChem has reviewed the SEC Reports and the financial statements contained therein. BioChem acknowledges that ATI and the Company have made available to BioChem all documents and information that it has requested relating to ATI and the Company and have provided answers to all of its questions concerning ATI and the Company and the ImmunoGen Warrant and the Preferred Shares. In evaluating the suitability of the acquisition of the ImmunoGen Warrant and the Preferred Shares hereunder, BioChem has not relied upon any representations or other information (whether oral or written) other than as set forth in the SEC Reports or as contained herein or in any writing provided by ATI or the Company to BioChem.

BioChem is an "accredited investor" as defined in Rule 501(a)(3) of the Securities Act.

BioChem understands that the offering of the ImmunoGen Warrant and the Preferred Shares has not been registered under the Securities Act or the securities laws of any state or other jurisdiction and that such ImmunoGen Warrant and the Preferred Shares must be held indefinitely unless an exemption from registration is available. BioChem understands that the offering and sale of the ImmunoGen Warrant and the Preferred Shares is intended to be exempt from registration under the Securities Act, by virtue of Section 4(2) and/or Section 4(6) of the Securities Act and the provisions of Regulation D promulgated thereunder, based, in part, upon the representations, warranties and agreements of BioChem contained in this Agreement and the Company may rely on such representations, warranties and agreements in connection therewith. In addition to the restrictions set forth in Section 1.5 of this Agreement, BioChem will not transfer the ImmunoGen Warrant and the Preferred Shares in violation of the provisions of any applicable Federal or state securities statute.

BioChem is acquiring the ImmunoGen Warrant and the Preferred Shares for investment, and not with a view to the resale or distribution thereof; it has no present intention of selling, negotiating, or otherwise disposing of the ImmunoGen Warrant and the Preferred Shares. BioChem's financial condition and investments are such that it is in a financial position to hold the ImmunoGen Warrant and the Preferred Shares for an indefinite period of time and to bear the economic risk of, and withstand a complete loss of, such ImmunoGen Warrant and the Preferred Shares. In addition, by virtue of its expertise, the advice available to it, and its previous investment experience, BioChem has sufficient knowledge and experience in financial and business matters, investments, securities, and private placements and the capability to evaluate the merits and risks of the transactions contemplated by this Agreement.

ARTICLE VI -- CONDITIONS TO BIOCHEM'S OBLIGATIONS

SECTION 6.1 CONDITIONS TO INITIAL CLOSING ON INITIAL CLOSING DATE. The obligation of BioChem to purchase and pay for the ImmunoGen Warrant and the Preferred Shares on the Initial Closing Date is subject to the following:

(a) REPRESENTATIONS AND WARRANTIES. The representations and warranties of ATI and the Company made herein shall be true, correct and complete on and as of the Initial Closing Date with the same force and effect as if they had been made on and as of the Initial Closing Date.

(b) PERFORMANCE. All covenants, agreements and conditions contained in this Agreement to be performed or complied with by ATI and the Company on or prior to the Initial Closing Date shall have been performed or complied with.

(c) OPINION OF COMPANY'S COUNSEL. BioChem shall have received an opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., counsel for ATI and the Company, substantially in the form of EXHIBIT C hereto.

(d) CORPORATE PROCEEDINGS; CONSENTS, ETC. All corporate and other proceedings to be taken and all waivers and consents to be obtained in connection with the transactions contemplated by this Agreement shall have been taken or obtained and all documents incident thereto shall be reasonably satisfactory in form and substance to BioChem and its counsel, each of whom shall have received all such originals or certified or other copies of such documents as each may reasonably request.

(e) NO PROCEEDING. No action, suit, investigation or proceeding shall be pending or threatened before any court or governmental agency to restrain, prohibit, collect damages as a result of or otherwise challenge this Agreement, the Research Agreement or the License Agreement, or any transaction contemplated hereby or thereby.

(f) NO LAW PROHIBITING OR RESTRICTING SUCH SALE. There shall not be in effect any law, rule or regulation prohibiting or restricting such sale, or requiring any consent or approval of any person which shall not have been obtained to issue the ImmunoGen Warrant and the Preferred Shares (except as otherwise provided in this Agreement).

(g) OFFICER'S CERTIFICATE DELIVERED BY ATI. ATI shall have delivered to BioChem a certificate, dated the Initial Closing Date and signed by the Chief Executive Officer or the President of ATI, to the effect that each of the conditions to be satisfied by ATI pursuant to this Section 6.1 on or before the Initial Closing Date has been duly satisfied.

(h) OFFICER'S CERTIFICATE DELIVERED BY COMPANY. The Company shall have delivered to BioChem a certificate, dated the Initial Closing Date and signed by the Chief Executive Officer or the President of the Company, to the effect that each of the conditions to be satisfied by the Company pursuant to this Section 6.1 on or before the Initial Closing Date has been duly satisfied.

(i) RESEARCH AGREEMENT AND LICENSE AGREEMENT. The Research Agreement and the License Agreement shall have been executed and delivered by the parties thereto.

(j) CERTIFICATE OF VOTE. A Certificate of Vote of Directors Establishing a Series of a Class of Stock having the terms set forth on EXHIBIT B hereto (the "Certificate of Vote") shall have been filed with the Secretary of State of the Commonwealth of Massachusetts.

(k) AMOUNTS OWED TO THE COMPANY CONVERTED TO ATI COMMON STOCK. An estimated $14,435,178 owed by ATI to the Company (the "ImmunoGen Note") as of the date of this Agreement (based on the actual amount owed through June 30,1997, and assuming that the amount owed for July 1997 is the same as the amount owed for June 1977) shall have been converted into 22,207,966 shares of ATI Common Stock.

(l) SECURITY INTEREST. ATI shall have granted BioChem a security interest in the Collateral (as hereinafter defined) and shall have executed financing statements for filing with appropriate government entities.

(m) ASSIGNMENT AGREEMENT AND SERVICES AGREEMENT. ATI and ImmunoGen shall have entered into an Assignment Agreement and a Services Agreement in the form of EXHIBIT D and EXHIBIT E hereto, respectively.

(n) ATI EMPLOYEES. The persons listed on Exhibit 2.2.2 to the Research Agreement shall have become employees of ATI and shall have entered into Proprietary Information and Inventions Agreements with ATI in the form of EXHIBIT F hereto.

(o) REGISTRATION AGREEMENTS. ATI and BioChem, and ImmunoGen and BioChem, shall have executed and delivered Registration Agreements in the form of EXHIBIT G hereto.

SECTION 6.2 CONDITIONS TO SUBSEQUENT CLOSINGS. BioChem shall have no obligation to purchase and pay for the Preferred Shares and the ImmunoGen Warrant on each Subsequent Closing Date unless:

(a) INITIAL CLOSING OCCURRED. The Initial Closing shall have occurred.

(b) REPRESENTATIONS AND WARRANTIES. The representations and warranties of ATI and the Company made herein shall be true, correct and complete on and as of the Subsequent Closing Date with the same force and effect as if they had been made on and as of the Subsequent Closing Date.

(c) PERFORMANCE. All covenants, agreements and conditions contained in this Agreement to be performed or complied with by ATI and the Company on or prior to the Subsequent Closing Date shall have been performed or complied with.

(d) OPINION OF COMPANY'S COUNSEL. BioChem shall have received an opinion of counsel for ATI and the Company, substantially in the form of EXHIBIT C hereto.

(e) CORPORATE PROCEEDINGS; CONSENTS, ETC. All corporate and other proceedings to be taken and all waivers and consents to be obtained in connection with the transactions contemplated by this Agreement shall have been taken or obtained and all documents incident thereto shall be reasonably satisfactory in form and substance to BioChem and its counsel, each of

whom shall have received all such originals or certified or other copies of such documents as each may reasonably request.

(f) NO PROCEEDINGS. No action, suit, investigation or proceeding shall be pending or threatened before any court or governmental agency to restrain, prohibit, collect damages as a result of or otherwise challenge this Agreement, the Research Agreement or the License Agreement, or any transaction contemplated hereby or thereby.

(g) NO LAW PROHIBITING OR RESTRICTING SUCH SALE. There shall not be in effect any law, rule or regulation prohibiting or restricting such sale, or requiring any consent or approval of any person which shall not have been obtained to issue the ImmunoGen Warrant and the Preferred Shares (except as otherwise provided in this Agreement).

(h) OFFICER'S CERTIFICATE DELIVERED BY ATI. ATI shall have delivered to BioChem a certificate, dated the Subsequent Closing Date and signed by the Chief Executive Officer or the President of ATI, to the effect that each of the conditions to be satisfied by ATI pursuant to this Section 6.2 on or before the Subsequent Closing Date has been duly satisfied, and representing that ATI has sufficient cash and other resources (excluding the funds to be paid to ATI by BioChem on such Subsequent Closing) to allow it to continue its planned operations (other than performance of its obligations under the Research Agreement) for a period of six months from the Subsequent Closing Date.

(i) OFFICER'S CERTIFICATE DELIVERED BY COMPANY. The Company shall have delivered to BioChem a certificate, dated the Subsequent Closing Date and signed by the Chief Executive Officer or the President of the Company, to the effect that each of the conditions to be satisfied by the Company pursuant to this Section 6.2 on or before the Subsequent Closing Date has been duly satisfied.

(j) RESEARCH AGREEMENT AND LICENSE AGREEMENT. The Research Agreement and the License Agreement shall have been executed and delivered by the parties thereto and a BioChem Party shall not have terminated the Research Agreement or the License Agreement for cause; provided, however, that if a BioChem Party shall have given ATI notice of breach under the Research Agreement or the License Agreement, the Subsequent Closing Date shall be postponed during any applicable cure period (but for no additional period) in which case, (a) if the breach is cured, the Subsequent Closing shall take place at a place and time mutually agreed by the parties within five (5) calendar days after such cure is effected, or (b) if the breach is not cured within the applicable cure period, this Agreement shall be deemed terminated automatically as of the end of such cure period without the need to give notice.

(k) CERTIFICATE OF VOTE. The Certificate of Vote with respect to the Preferred Shares to be issued on the Subsequent Closing Date shall have been filed with the Secretary of State of the Commonwealth of Massachusetts.

(l) AMOUNTS OWED TO THE COMPANY CONVERTED TO ATI COMMON STOCK. The ImmunoGen Note shall have been converted into 22,207,966 shares of ATI Common Stock, and if the actual indebtedness through July 31, 1997 is subsequently determined to have been in excess of $14,435,178, the excess amount shall also have been converted into ATI Common Stock.

(m) AUTHORIZATION OF IMMUNOGEN COMMON STOCK. With respect to any Subsequent Closing which occurs after the first anniversary of the execution of this Agreement, the Company shall have authorized and reserved for issuance the aggregate number of Warrant Shares issuable upon exercise of any unexercised ImmunoGen Warrants previously issued to BioChem and the ImmunoGen Warrant to be issued in connection with such Subsequent Closing.

(n) RESERVATION OF IMMUNOGEN COMMON STOCK. Promptly upon obtaining stockholder approval of an increase in the authorized ImmunoGen Common Stock, the Company shall have reserved for issuance the Warrant Shares.

(o) REGISTRATION AGREEMENTS. ATI and BioChem, and ImmunoGen and BioChem, shall have executed and delivered Registration Agreements in the form of EXHIBIT G hereto.

(p) ASSIGNMENT AGREEMENT AND SERVICES AGREEMENT. ATI and ImmunoGen shall have entered into an Assignment Agreement in the form of EXHIBIT D and a Services Agreement in the form of EXHIBIT E, and neither agreement shall have been amended, without the prior written consent of BioChem, or breached, and the Proprietary Information and Inventions Agreements in the form of EXHIBIT F shall not have been amended.

(q) INSOLVENCY. No filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings shall have been made with respect to ATI, nor shall ATI have made an assignment of a substantial portion of its assets for the benefit of creditors, nor shall a receiver or custodian be appointed for ATI's business nor shall a substantial portion of ATI's business be subject to attachment or similar process; PROVIDED, HOWEVER, in the case of any involuntary bankruptcy proceeding, such condition shall only be deemed not to have been satisfied if ATI consents to the involuntary bankruptcy or such proceeding is not dismissed within sixty (60) days after the filing thereof.

ARTICLE VII -- CONDITIONS TO ATI'S AND THE COMPANY'S OBLIGATIONS

SECTION 7.1 CONDITIONS TO INITIAL CLOSING. The obligation the Company and ATI to issue the ImmunoGen Warrant and the Preferred Shares, respectively, to BioChem on the Initial Closing Date is subject to the following:

(a) REPRESENTATIONS AND WARRANTIES. The representations and warranties of BioChem made herein shall be true, correct and complete in all respects on and as of the Initial Closing Date with the same force and effect as if they had been made on and as of the Initial Closing Date.

(b) NO ORDER PENDING. There shall not then be in effect any order enjoining or restraining the transactions contemplated by this Agreement.

(c) NO LAW PROHIBITING OR RESTRICTING SUCH SALE. There shall not be in effect any law, rule or regulation prohibiting or restricting such sale, or requiring any consent or approval of any person which shall not have been obtained to issue the ImmunoGen Warrant and the Preferred Shares (except as otherwise provided in this Agreement).

(d) RESEARCH AGREEMENT AND LICENSE AGREEMENT. The Research Agreement and the License Agreement shall have been executed and delivered by the parties thereto and a BioChem Party shall not have breached the Research Agreement or the License Agreement.

SECTION 7.2 CONDITIONS TO SUBSEQUENT CLOSINGS. The obligation of ATI and the Company to issue the Preferred Shares and an ImmunoGen Warrant to BioChem on each Subsequent Closing Date is subject to the following:

(a) REPRESENTATIONS AND WARRANTIES. The representations and warranties of BioChem made herein shall be true, correct and complete in all material respects on and as of the Subsequent Closing Date with the same force and effect as if they had been made on and as of the Subsequent Closing Date.

(b) NO ORDER PENDING. There shall not then be in effect any order enjoining or restraining the transactions contemplated by this Agreement.

(c) NO LAW PROHIBITING OR RESTRICTING SUCH SALE. There shall not be in effect any law, rule or regulation prohibiting or restricting such sale, or requiring any consent or approval of any person which shall not have been obtained to issue the Preferred Shares (except as otherwise provided in this Agreement).

(d) RESEARCH AGREEMENT AND LICENSE AGREEMENT. The Research Agreement and the License Agreement shall have been executed and delivered by the parties thereto and a Biochem Party shall not have breached the Research Agreement or the License Agreement.

ARTICLE VIII--COVENANTS OF THE COMPANY

SECTION 8.1 INCREASE IN AUTHORIZED IMMUNOGEN COMMON STOCK. The Company covenants and agrees that it will use its reasonable best efforts to obtain stockholder approval of an amendment to the Company's Restated Articles of Organization, as amended, increasing the number of its authorized shares of ImmunoGen Common Stock such that it will have sufficient Warrant Shares at its next annual or special meeting of stockholders, whichever shall occur first, and that promptly upon obtaining such stockholder approval, it will file Articles of Amendment with the Massachusetts Secretary of State with respect to such increase in the authorized ImmunoGen Common Stock and will have reserved for issuance upon exercise of the then outstanding ImmunoGen Warrants the number of Warrant Shares issuable on exercise thereof.

SECTION 8.2 STOCKHOLDER APPROVAL. In the event that on July 31, 2000, the Exercise Price (as defined in the ImmunoGen Warrants) is below $1.237 per share, the Company covenants and agrees that it will use its reasonable best efforts to obtain Stockholder Approval (as defined in the ImmunoGen Warrants) as expeditiously as possible thereafter in order to permit the ImmunoGen Warrants to be exercised without regard to the limitation on the number of shares issuable thereunder as set forth in Section 3(f) of the ImmunoGen Warrants; PROVIDED THAT the Company shall only be required to obtain such Stockholder Approval if and for so long as the following conditions are met: (A) the ImmunoGen Common Stock is then listed for trading on the Nasdaq National Market, (B) the Exercise Price in effect is less than $1.237, (C) the Company has not previously obtained such Stockholder Approval, (D) the Company has not obtained a waiver of the Stockholder Approval requirement of Rule 4460(i) of the Nasdaq Stock Market (or any successor or replacement provision thereof) ("Rule 4460(i)"), and (E) the Company is required to obtain Stockholder Approval under Rule 4460(i) as a condition to continued listing on the Nasdaq Stock Market.

ARTICLE IX--COVENANTS OF ATI

SECTION 9.1 RESTRICTED ACTIONS. Without the prior written consent of BioChem, ATI covenants and agrees that during the Research Term (as defined in the Research Agreement) it will not:

(a) become subject to any agreement or instrument which by its terms would restrict ATI's ability to comply with the terms of this Agreement or the Research Agreement or the License Agreement;

(b) organize into any form other than a corporation;

(c) make any material change in the nature of ATI's business from that of the biology of major diseases and discovery of targets for the therapy of such diseases and other related activities that facilitate or contribute to the development of such business; and

(d) not to undergo a change in control for purposes of Section 8.5 of the Research Agreement; provided that, this restriction shall cease to be effective and shall cease to be binding upon ATI as of the date that BioChem and its Affiliates together no longer hold an aggregate of 75% or more of the total number of Preferred Shares and underlying ATI Common Shares which have been issued to BioChem under this Agreement (a "Substantial Interest") as of the date such change in control shall be contemplated to occur.

The provisions of this 9.1 shall cease to be effective and shall cease to be binding on ATI upon termination of the Research Agreement pursuant to its terms.

SECTION 9.2 RESERVATION OF ATI COMMON SHARES. ATI shall at all times reserve and keep available out of its authorized but unissued shares of ATI Common Stock, solely for the

purpose of issuance upon the conversion of the Preferred Shares, the ATI Common Shares issuable upon conversion of all outstanding Preferred Shares, which shall be not less than fifteen percent (15%) of the number of shares of ATI Common Stock outstanding at any time, reduced proportionately to take into account any Preferred Shares previously converted . All of the ATI Common Shares which are so issuable shall, when issued, be duly and validly issued, fully paid and non-assessable. ATI shall take all such actions as may be necessary to assure that the ATI Common Shares may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon shares of ATI Common Stock may be listed (except for official notice of issuance which shall be transmitted by ATI upon issuance).

SECTION 9.3 CURRENT PUBLIC INFORMATION. At all times after the ATI Common Stock is registered or ATI otherwise becomes subject to the reporting requirements pursuant to the Exchange Act, with a view to making available the benefits of certain rules and regulations of the Commission which may at any time permit the sale of the ATI Common Shares to the public without registration or a registration on SEC Form S-2 or S-3, ATI agrees to use its best efforts to:

(a) Make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act of 1933, as amended (the "Securities Act");

(b) File with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act;

(c) So long as BioChem owns any Preferred Shares or ATI Common Shares, to furnish to BioChem forthwith upon request (i) a written statement by ATI as to whether it complies with the reporting requirements of said Rule 144, the Securities Act and the Exchange Act, or whether it qualifies as a registrant whose securities may be resold pursuant to SEC Form S-2 or S-3, (ii) a copy of the most recent annual or quarterly report of ATI and such other reports and documents so filed by ATI, and (iii) such other information as may be reasonably requested in availing BioChem of any rule or regulation of the Commission which would permit the selling of the ATI Common Shares without registration.

SECTION 9.4. USE OF PROCEEDS. ATI covenants and agrees to use all proceeds of the sale of the Preferred Shares and ImmunoGen Warrant to finance the Research Program (as defined in the Research Agreement) and for no other purpose. ATI further covenants and agrees not to transfer funds to the Company except pursuant to the Services Agreement.

SECTION 9.5 RIGHTS OF INSPECTION. ATI shall permit representatives of BioChem (for so long as BioChem holds a Substantial Interest in ATI) on reasonable prior notice, to visit and inspect any of the properties of ATI and examine and make abstracts of any of its books and records at any time during normal business hours and shall make available for questioning at such times such employees, officers, directors and independent accountants of ATI as may be reasonably requested by BioChem. The presentation of an executed copy of this Agreement by

BioChem to ATI or the Company's independent accountants shall constitute ATI's and the Company's authorization to such accountants to participate in discussions with such person as to ATI (and not as to the Company).

SECTION 9.6 FINANCIAL STATEMENTS. ATI shall provide to BioChem (a) within forty-five (45) days after the end of each fiscal quarter (other than the fourth quarter of its fiscal year), unaudited financial statements of ATI, and (b) within ninety (90) days after the end of each fiscal year commencing with ATI's fiscal year ending June 30, 1998, financial statements of ATI audited by the Company's independent public accountants.

SECTION 9.7 REDEMPTION. ATI covenants and agrees that it will not redeem any of its Junior Securities (as defined in the Certificate of Vote) so long as any Preferred Shares are outstanding.

ARTICLE X--SURVIVAL AND INDEMNIFICATION

10.1 SURVIVAL. Notwithstanding any examination made by or on behalf of any party hereto, the knowledge of any party or the acceptance by any party of any certificate or opinion, each representation, warranty or covenant contained herein, and in writing delivered pursuant hereto, shall survive the Initial Closing and shall be fully effective and enforceable until such time as the Research Agreement shall have been terminated pursuant to its terms, except the covenants of the parties and Sections 3.1, 3.2, 3.3, 3.5, 4.1, 4.2, 4.3 and 4.5 shall survive beyond the termination of the Research Agreement.

10.2 INDEMNIFICATION.

(a) The Company and ATI shall jointly and severally indemnify BioChem, its shareholders, officers, directors, employees, agents and representatives against any damages, claims, losses, liabilities and expenses (including reasonable counsel fees and expenses) which may be suffered or incurred by any of them as a result of a breach of any representation, warranty or covenant made by the Company or ATI in this Agreement;

(b) BioChem agrees to indemnify the Company and ATI and their respective shareholders, officers, directors, employees, agents and representatives against any damages, claims, losses, liabilities and expenses (including reasonable counsel fees and other expenses) which may be suffered or incurred by it as a result of any breach of any representation, warranty, or covenant made by BioChem in this Agreement; and

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to this Section, such person (the "indemnification party") shall promptly notify the person against whom such indemnify may be sought (the "indemnifying party") in writing of the occurrence of the facts and circumstances giving rise to such claim. The failure of any person to deliver the notice required by this Section 10.2(c) shall not in any way affect the indemnifying party's

indemnification obligation hereunder except and only to the extent that the indemnifying party is actually prejudiced thereby. In case any such proceeding shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that is shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party and shall pay as incurred the fees and disbursement of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel or pay its own expenses. Notwithstanding the foregoing, the indemnifying party shall pay as incurred the fees and expenses of the counsel retained by the indemnified party in the event (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceedings (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment.

ARTICLE XI TERMINATION

SECTION 11.1 TERMINATION. In the event that any Subsequent Closing fails to occur because the conditions to such closing set forth in Section 6.2 or 7.2 have not been met or waived by the appropriate party, the rights and obligations of the parties, including the obligation of BioChem to purchase and pay for the Preferred Shares and the ImmunoGen Warrant and the obligation of ATI and the Company to issue the Preferred Shares and the ImmunoGen Warrant, respectively, shall terminate automatically without the need to give notice; provided that the provisions of Article X (Survival and Indemnification) and Sections 11.13 (Confidentiality) and 11.15 (Arbitration) shall survive such termination and the rights of the holders of Preferred Shares and ImmunoGen Warrants shall not be effected by such termination.

ARTICLE XII-- MISCELLANEOUS

SECTION 12.1 NOTICES. All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as a party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by telex, telecopy or facsimile transmission, (iii) sent by overnight courier, or (iv) sent by registered mail, return receipt requested, postage prepaid.

If to BioChem:

BioChem Pharma (International) Inc.
c/o BioChem Therapeutic Inc.
275 Armand-Frappier Boulevard
Laval, Quebec, Canada
Attn: President
Fax: 514/978-7767

With a copy to:
Kirkland & Ellis
Citicorp Center
153 East 53rd Street
New York, New York 10022-4675
Attn: Luc A. Despins, Esq.
Fax: (212) 446-4900

If to ATI:

Apoptosis Technology, Inc.
333 Providence Highway
Norwood, MA 02062
Attn: President
Fax: 617/769-4242

With a copy to
Mintz Levin, Cohn, Ferris,
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Attn: Jonathan L. Kravetz, Esq.
Fax: (617) 542-2241

If to the Company:

ImmunoGen, Inc.
333 Providence Highway
Norwood, MA 02062
Attn: Chief Executive Officer
Fax: 617/769-4242

With a copy to
Mintz Levin, Cohn, Ferris,
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Attn: Jonathan L. Kravetz, Esq.
Fax: (617) 542-2241

All notices, requests, consents and other communications hereunder shall be deemed to have been given either (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if made by telex, telecopy or facsimile transmission, one (1) day after the time that receipt thereof has been acknowledged by electronic confirmation or otherwise,

(iii) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (iv) if sent by registered mail, on the 5th business day following the day such mailing is made.

SECTION 12.2 ENTIRE AGREEMENT. This Agreement, including exhibits, or other documents referred to herein, embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

SECTION 12.3 AMENDMENTS. The terms and provisions of the Agreement may be modified, amended or waived, or consent for the departure therefrom granted, only by written consent of ATI, the Company and BioChem. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

SECTION 12.4 ASSIGNMENT. The rights and obligations under this Agreement may not be assigned by either party hereto without the prior written consent of the other party. Neither this Agreement nor any or all of the rights and obligations of a party hereunder shall be assigned, delegated, sold, transferred or otherwise desposed of by operation of law or otherwise, to any third person with the prior written consent of the other party, and any attempted assignment, delegation, sale, transfer, or other disposition, by operation of law or otherwise, of this Agreement or of any rights or obligations hereunder contrary to this Section 12.4 shall be void and without force or effect; provided, however that BioChem may, without the consent of ATI assign this Agreement and its rights and obligations hereunder to an Affiliate, or in connection with the transfer or sale of all or substantially all of its assets related to the division or the subject business relating hereto, or in the event of a change in control of BioChem, subject to Section 1.5 hereof. This Agreement shall be binding upon and insure to the benefit of each party, it Affiliates, and its permitted successors and assigns. Each party shall be responsible for the compliance by its Affiliates with the terms and conditions of this Agreement.

SECTION 12.5 BENEFIT. All statements, representations, warranties, covenants and agreements in this Agreement shall be binding on the parties hereto and shall inure to the benefit of the respective successors and permitted assigns of each party hereto. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

SECTION 12.6 GOVERNING LAW. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

SECTION 12.7 SEVERABILITY. In the event that any court of competent jurisdiction shall determine that any provision, or any portion thereof, contained in this Agreement shall be unreasonable or unenforceable in any respect, then such provision shall be deemed limited to the extent that such court deems it reasonable and enforceable, and as so limited shall remain in full force and effect. In the event that such court shall deem any such provision, or portion thereof, wholly unenforceable, the remaining provisions of this Agreement shall be interpreted as if such provision were so excluded and shall nevertheless remain in full force and effect.

SECTION 12.8 HEADINGS AND CAPTIONS. The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect the meaning or construction of any of the terms or provisions hereof.

SECTION 12.9 NO WAIVER OF RIGHTS, POWERS AND REMEDIES. No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand.

SECTION 12.10 EXPENSES. Except as provided in Sections 2.2 and 10.2, each of the parties shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

SECTION 12.11 BROKERS. Each of the parties hereto represents and warrants to the other that no broker, finder or financial consultant has acted on its behalf in connection with this Agreement or the transactions contemplated hereby in such a way as to create any liability on the other. Each of the parties hereto agrees to indemnify and save the other harmless from any claim or demand for commission or other compensation by any other broker, finder, financial consultant or similar agent claiming to have been employed by or on behalf of such party and to bear the cost of legal expenses incurred in defending against any such claim.

SECTION 12.12 PUBLICITY. No party shall issue any press releases or otherwise make any public statement with respect to the transactions contemplated by this Agreement without the prior written consent of the other party, except as may be required by applicable law or regulation.

SECTION 12.13 CONFIDENTIALITY. BioChem acknowledges and agrees that any information or data it has acquired from ATI or the Company, which is clearly designated in writing as confidential and is not otherwise properly in the public domain, was received in confidence. BioChem agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of ATI or the Company or for the benefit of any other person or persons, or misuse in any way, any confidential information of ATI or the Company, except as otherwise provided in the Research Agreement.

SECTION 12.14 COUNTERPARTS. This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 12.15 ARBITRATION. The parties shall mutually consult in good faith in an attempt to settle amicably in the spirit of co-operation any and all disputes arising out of or in connection with this Agreement or questions regarding the interpretation of the provisions hereof. Each dispute arising out of or in connection with this Agreement or question regarding the interpretation hereof which cannot be settled amicably within two (2) months from the date of notification of either party to the other of such dispute or question, which notice shall specify the details of such dispute or question, shall be finally settled by binding arbitration, in English, in accordance with the Commercial Arbitration Rules of the American Arbitration Association, by one (1) arbitrator appointed in accordance with such Rules. If the parties cannot agree on the arbitrator to be so appointed, each party shall be entitled to appoint one (1) arbitrator and the two (2) arbitrators so appointed shall agree upon a third. The arbitrator(s) shall have the technical expertise required to understand and arbitrate the dispute. Such arbitration shall be held in Laval, Quebec if initiated by ATI or the Company and in Cambridge, Massachusetts if initiated by BioChem. The costs of any arbitration, including administrative and arbitrators' fees, shall be allocated 50% to BioChem and 50% to ATI and the Company and each party shall bear its own costs and attorneys' and witness' fees; PROVIDED, HOWEVER, that the prevailing party, if determined by the arbitrator(s), shall be entitled to an award against the other party in the amount of the prevailing party's costs (including arbitration costs) and reasonable attorney's fees.

The arbitration carried out hereunder shall apply to the exclusion of regular legal means, provided that the rights of the parties in urgent situations in which time is of the essence to obtain proper remedies in courts of law or equity shall remain unimpaired. There shall be no appeal from the decision or findings of the arbitrator(s), which shall be final and binding upon the parties and may be entered in any court having proper jurisdiction.

SECTION 12.16 GRANT OF SECURITY INTEREST. ATI hereby assigns and transfers to BioChem, and hereby grants to BioChem, a security interest in the ATI Screens, ATI inventions, ATI Technology and ATI Patent Rights (as such terms are defined in the Research Agreement) now owned or at any time hereafter acquired by ATI or in which ATI now has or any time in the future may acquire any right, title or interest (collectively, the "Collateral"), and any proceeds and products of such Collateral as collateral security for the prompt and complete performance when

due of ATI's obligations under this Agreement, and BioChem shall have the right to satisfy any and all claims for a breach of this Agreement out of the Collateral; and BioChem shall have the rights of a secured creditor under applicable law, including the Uniform Commercial Code.

SECTION 12.17 FURTHER ASSURANCES. In case at any time after the Initial Closing any further action is necessary or desirable to carry out the proposes of this Agreement (including the execution by ATI and filing with the appropriate governmental entity of statements (and any renewals or amendments thereto) acknowledging, evidencing and/or perfecting the security interest of BioChem in the Collateral) ATI and BioChem will take such further action as the other party may request, all at the sole cost and expense of the requesting party (unless the requesting party is entitled to indemnification therefor under Article X).

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Stock Purchase Agreement this 31st day of July, 1997.

APOPTOSIS TECHNOLOGY, INC.

By: _____
Name:
Title:

IMMUNOGEN, INC.

By: _____
Name:
Title:

BIOCHEM PHARMA (INTERNATIONAL) INC.

By: _____
Name:
Title:

LIST OF SCHEDULES AND EXHIBITS

Schedule 3.2	Capitalization of ATI
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Schedule 4.2	Capitalization of the Company
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Exhibit D	Form of Assignment Agreement
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Schedule 3.2

Apoptosis Technology, Inc.

CAPITALIZATION AS OF JULY 31, 1997

COMMON STOCK	AUTHORIZED	OUTSTANDING
Common Stock (no treasury shares)	35,000,000	23,567,966
OPTIONS AND WARRANTS		
Consultants options and rights to purchase Common Stock		90,000
PREFERRED STOCK		
Class A Convertible Preferred Stock	7,000	7,000
Undesignated Preferred Stock	11,125	0

Under the terms of a Capital Contribution Agreement dated as of January 11, 1993 between the Company and ATI, the Company has agreed to furnish or obtain an additional $3 million equity investment in ATI. In the event that the Company elects to furnish this equity, Dana-Farber Cancer Institute ("DCFI") and Dr. Stuart Schlossman may elect to participate in such additional investment on a pro rata basis to maintain their respective percentage ownership. On July 16, 1997, the Company gave notice to DCFI and Dr. Schlossman of its election to furnish an additional $3.0 million equity investment in ATI itself.

DFCI, Dr. Schlossman and Imperial Cancer Research Technology Limited have entered into stockholder agreements with ATI, copies of which have been provided to BioChem.

Schedule 3.4

Apoptosis Technology, Inc.

GOVERNMENTAL CONSENTS, ETC.

ATI will file a Form D with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, following the Initial Closing and each Subsequent Closing.

Schedule 4.2

ImmunoGen, Inc.

CAPITALIZATION AS OF MARCH 31, 1997

COMMON STOCK	AUTHORIZED	OUTSTANDING
Common Stock (no treasury shares)	30,000,000	21,779,767
OPTIONS AND WARRANTS		
Employee and Director Stock Options		1,500,766
Common Stock Purchase Warrants		3,597,864
PREFERRED STOCK		
Preferred Stock	5,000,000	
Series A (October 1996)	2,500	1,100
Series B (October 1996)	3,000	0
Series C (January 1997)	3,000	7000
Series D (June 1997)	1,000	1,000

*Excludes 400,000 employee stock options granted by the Compensation Committee on June 17, 1997. These options are yet to be designated and approved by the Compensation Committee and are also subject to approval by the Company's shareholders of the proposal to increase the number of authorized common shares.

All of the ImmunoGen Common Stock has been issued or reserved for issuance.

Schedule 4.4

ImmunoGen, Inc.

GOVERNMENTAL CONSENTS, ETC.

ImmunoGen will file a Form D with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, following the Initial Closing and each Subsequent Closing.

SCHEDULE 4.6

EXCEPTION TO ACCURACY OF REPORTS AND INFORMATION AND DRAFT FINANCIAL STATEMENTS

(a) ACCOUNTING TREATMENT OF CONVERTIBLE DEBENTURES AND CONVERTIBLE PREFERRED STOCK

In March 1997, the Securities and Exchange Commission issued a Staff Interpretations related to the accounting for convertible preferred stock and convertible debt instruments issued with provisions providing for conversion into common stock at a discount from the market price of the common stock. This Staff Interpretation, together with the value of warrants to be issued to preferred shareholders, resulted in the restatement of the Company's Annual Report on Form 10-K for the year ended June 30, 1996, and its quarterly reports on Form 10-Q for the quarters ended September 30, 1996 and December 31, 1996.

(b) DRAFT FINANCIAL STATEMENTS
[*]

EXHIBIT A

FORM OF IMMUNOGEN WARRANT

Filed as Exhibit 10.37 to the Registrant's Annual Report on Form 10-K for the fiscal year ended June 30, 1997.

EXHIBIT B

DESIGNATION, POWERS, PREFERENCE AND OTHER
TERMS OF PREFERRED SHARES

CONTINUATION SHEETS

DESCRIPTION AND DESIGNATION OF SERIES B PREFERRED STOCK

SECTION 1. DESIGNATION, AMOUNT AND PAR VALUE. The series of Preferred Stock shall be designated as the Series B Convertible Preferred Stock (the "Series B Preferred Stock"), and the number of shares so designated shall be 11,125. The par value of each share of Series B Preferred Stock shall be $.01. Each share of Series B Preferred Stock shall have a stated value of $1,000 per share (the "Stated Value").

SECTION 2. DIVIDENDS. In the event the Board of Directors of the Company shall declare a dividend payable upon the then outstanding shares of Junior Securities (other than a dividend payable entirely in shares of the Common Stock of the Company), the Board of Directors shall declare at the same time a dividend upon the then outstanding shares of the Series B Preferred Stock, payable at the same time as the dividend paid on the Common Stock, in an amount equal to the amount of dividends per share of Series B Preferred Stock, as would have been payable on the largest number of shares (including fractions of shares) of Common Stock which each share of Series B Preferred Stock held by each holder thereof would have received if such Series B Preferred Stock had been converted to Common Stock pursuant to the provisions of Section 5 hereof as of the record date for the determination of holders of Common Stock entitled to receive such dividends.

SECTION 3. VOTING RIGHTS. Except as otherwise provided herein and as otherwise provided by law, the Series B Preferred Stock shall have no voting rights. However, so long as any shares of Series B Preferred Stock are outstanding, the Company shall not, without the affirmative vote of the holders of a majority of the shares of the Series B Preferred Stock then outstanding, (a) alter or change adversely the powers, preferences or rights given to the Series B Preferred Stock or (b) authorize or create any Pari Passu Securities or Senior Securities.

SECTION 4. LIQUIDATION. Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary (a "Liquidation"), after payment of all amounts owing to holders of Senior Securities, the holders of shares of Series B Preferred Stock shall be entitled to receive out of the assets of the Company available for distribution to holders of the Company's capital stock, on a parity with holders of any Pari Passu Securities but before payment or distribution of any of such assets to the holders of Junior Securities, for each share of Series B Preferred Stock an amount equal to the Stated Value, plus an amount equal to all declared but unpaid dividends per share, without interest, and if the assets of the Company shall be insufficient

to pay in full such amounts, then the entire assets to be distributed shall be distributed among the holders of Series B Preferred Stock and Pari Passu Securities ratably in accordance with the respective amounts that would be payable on such shares if all amounts payable thereon were paid in full. A sale, conveyance or disposition of all or substantially all of the assets of the Company or the effectuation by the Company of a transaction or series of related transactions in which more than 50% of the voting power of the Company is disposed of shall be deemed a Liquidation; provided that, a consolidation or merger of the Company with or into any other company or companies shall not be treated as a Liquidation, but instead shall be subject to the provisions of Section 5(D). The Company shall mail written notice of any such Liquidation, not less than 30 days prior to the payment date stated therein, to each record holder of Series B Preferred Stock.

SECTION 5. CONVERSION.

A. Each share of Series B Preferred Stock shall be convertible into shares of Common Stock at the Conversion Ratio, at the option of the holder in whole or in part at any time after July 31, 2000. Any conversion under this Section 5(A) shall be of a minimum amount of the lesser of 100 shares of Series B Preferred Stock and the number of shares of Series B Preferred Stock then held by the converting holder. The holder of the Series B Preferred Stock shall effect conversions by surrendering the certificate or certificates representing the shares of Series B Preferred Stock to be converted to the Company, together with the form of conversion notice attached hereto as Exhibit A (the "Holder Conversion Notice"), in the manner set forth in Section 5(I), which Holder Conversion Notice, once given, shall be irrevocable. Each Holder Conversion Notice shall specify the number of shares of Series B Preferred Stock to be converted and the date on which such conversion is to be effected, which date may not be prior to July 31, 2000 or the date the holder of Series B Preferred Stock delivers such Notice by facsimile (the "Holder Conversion Date"). If a holder of Series B Preferred Stock is converting less than all of the shares of Series B Preferred Stock represented by the certificate(s) tendered by such holder with the Holder Conversion Notice, the Company shall promptly deliver to such holder a certificate for such number of shares as have not been converted.

B. Each share of the Series B Preferred Stock shall be convertible into shares of Common Stock at the Conversion Ratio at the option of the Company in whole or in part at any time on or after July 31, 2002; PROVIDED, HOWEVER, that the Company is not permitted to deliver a Company Conversion Notice (as defined below) unless on the Company Conversion Date (as hereinafter defined) the Common Stock is Publicly Traded; and PROVIDED, FURTHER, that the Company shall not be permitted to deliver a Company Conversion Notice within ten (10) days of issuing any press release or other public statement relating to such conversion. The Company shall effect such conversion by delivering to the holders of such shares of Series B Preferred Stock to be converted a written notice in the form attached hereto as EXHIBIT B (the "Company Conversion Notice"), which Company Conversion Notice, once given, shall be irrevocable. Each Company Conversion Notice shall specify the number of shares of Series B Preferred Stock to be converted and the date on which such conversion is to be effected, which date may not be prior to

July 31, 2001 or the date the Company delivers such Notice by facsimile to the holder (the "Company Conversion Date"). The Company shall give such Company Conversion Notice in accordance with Section 5(I) below. Any such conversion shall be effected on a pro rata basis among the holders of Series B Preferred Stock. Upon the conversion of shares of Series B Preferred Stock pursuant to a Company Conversion Notice, the holders of the Series B Preferred Stock shall surrender the certificates representing such shares at the office of the Company or of any transfer agent for the Series B Preferred Stock or Common Stock not later than three (3) Trading Days after the Company Conversion Date. Each of a Holder Conversion Notice and a Company Conversion Notice is sometimes referred to herein as a "Conversion Notice," and each of a "Holder Conversion Date" and a "Company Conversion Date" is sometimes referred to herein as a "Conversion Date."

C. Not later than three (3) Trading Days after the Conversion Date, the Company will deliver to the holder of Series B Preferred Stock (i) a certificate or certificates which shall be free of restrictive legends and trading restrictions (other than those then required by law), representing the number of shares of Common Stock being acquired upon the conversion of shares of Series B Preferred Stock, and (ii) one or more certificates representing the number of shares of Series B Preferred Stock not converted; PROVIDED, HOWEVER, that the Company shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon conversion of any shares of Series B Preferred Stock until certificates evidencing such shares of Series B Preferred Stock are either delivered for conversion to the Company or any transfer agent for the Series B Preferred Stock or Common Stock, or the holder of Series B Preferred Stock notifies the Company that such certificates have been lost, stolen or destroyed and provides a bond or other adequate security reasonably acceptable to the Company to indemnify the Company from any loss incurred by it in connection therewith.

D. 1. The conversion price for each share of Series B Preferred Stock (the "Conversion Price") in effect on any Conversion Date shall be the lower of (a) the average Per Share Market Value for the five (5) Trading Days immediately preceding the Conversion Date and (b) the price per share which would, if all shares of Series B Preferred Stock outstanding on such Conversion Date were converted into Common Stock, cause the number of shares of Common Stock so converted by the holder, when added to any shares of Common Stock previously issued on conversion of Series B Preferred Stock, to equal fifteen percent (15%) of the total number of shares of Common Stock outstanding on a fully diluted basis on such Conversion Date.

2. In case of any reclassification of the Common Stock, any consolidation or merger of the Company with or into another person, the sale or transfer of all or substantially all of the assets of the Company or any compulsory share exchange pursuant to which the Common Stock is converted into other securities, cash or property, the holders of Series B Preferred Stock then outstanding shall have the right thereafter to convert such shares only into the shares of stock and other securities and property receivable upon or deemed to be

held by holders of Common Stock following such reclassification, consolidation, merger, sale, transfer or share exchange, and the holders of Series B Preferred Stock shall be entitled upon such event to receive such amount of securities or property as the shares of the Common Stock into which such shares of Series B Preferred Stock could have been converted immediately prior to such reclassification, consolidation, merger, sale, transfer or share exchange would have been entitled. The terms of any such consolidation, merger, sale, transfer or share exchange shall include such terms so as to continue to give to the holder of Series B Preferred Stock the right to receive the securities or property set forth in this Section 5(D)(2) upon any conversion following such consolidation, merger, sale, transfer or share exchange. This provision shall similarly apply to successive reclassifications, consolidations, mergers, sales, transfers or share exchanges.

3. If the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock of the Company (other than a subdivision or combination of the outstanding shares of Common Stock), any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding-up of the affairs of the Company, then the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of Series B Preferred Stock, and shall cause to be mailed to the holders of Series B Preferred Stock at their last respective addresses as they shall appear upon the stock books of the Company, at least 30 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating the date on which such reclassification, consolidation, merger, sale, transfer, share exchange, dissolution, liquidation or winding-up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, share exchange, dissolution, liquidation or winding-up; PROVIDED, HOWEVER, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice.

E. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued Common Stock solely for the purpose of issuance upon conversion of Series B Preferred Stock as herein provided, free from preemptive rights or any other actual contingent purchase rights of persons other than the holders of Series B Preferred Stock, such number of shares of Common Stock as shall be issuable upon the conversion of the aggregate principal amount of all outstanding shares of Series B Preferred Stock. The Company covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly and validly authorized and issued and fully paid and nonassessable.

F. Upon a conversion hereunder the Company shall not be required to issue stock certificates representing fractions of shares of Common Stock, but may if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the Per Share

Market Value at such time. If the Company elects not to, or is unable to, make such a cash payment, the holder of Series B Preferred Stock shall be entitled to receive, in lieu of the final fraction of a share, one whole share of Common Stock.

G. The issuance of certificates for shares of Common Stock on conversion of Series B Preferred Stock shall be made without charge to the holders thereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificate, provided that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the holder of such shares of Series B Preferred Stock so converted and the Company shall not be required to issue or deliver such certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

H. Shares of Series B Preferred Stock converted into Common Stock shall be canceled and shall have the status of authorized but unissued shares of preferred stock.

I. Each Holder Conversion Notice shall be given by facsimile and by mail, postage prepaid, addressed to the attention of the Chief Financial Officer of the Company at the facsimile telephone number and address of the principal place of business of the Company. Each Company Conversion Notice shall be given by facsimile and by mail, postage prepaid, addressed to each holder of Series B Preferred Stock at the facsimile telephone number and address of such holder appearing on the books of the Company or provided to the Company by such holder for the purpose of such Company Conversion Notice, or if no such facsimile telephone number or address appears or is so provided, at the principal place of business of the holder. Any such notice shall be deemed given and effective upon the earliest to occur of (i)(a) if such Conversion Notice is delivered via facsimile at the facsimile telephone number specified in this Section 5(I) prior to 4:30 p.m. (Eastern Standard Time) on any date, such date or such later date as is specified in the Conversion Notice, and (b) if such Conversion Notice is delivered via facsimile at the facsimile telephone number specified in this Section 5(I) at or after 4:30 p.m. (Eastern Standard Time) on any date, the next date or such later date as is specified in the Conversion Notice, (ii) five days after deposit in the United States mails or (iii) upon actual receipt by the party to whom such notice is required to be given.

SECTION 6. DEFINITIONS. For the purposes hereof, the following terms shall have the following meanings:

"Appraiser" means a nationally recognized or major regional investment banking firm or firm of independent certified public accountants of recognized standing (which may be the firm that regularly examines the financial statements of the Company).

"Business Day" means any day of the year on which commercial banks are not required or authorized to be closed in New York City.

"Class A Preferred Stock" means the 7,000 authorized shares of the Class A Preferred Stock, $.01 par value, of the Company and stock of any other class into which such shares may hereafter have been reclassified or changed.

"Common Stock" means shares now or hereafter authorized of the class of Common Stock, $.00002 par value, of the Company and stock of any other class into which such shares may hereafter have been reclassified or changed.

"Conversion Ratio" means, at any time, a fraction, of which the numerator is the Stated Value plus all declared but unpaid dividends, and of which the denominator is the Conversion Price at such time.

"Junior Securities" means the Common Stock, the Class A Preferred Stock and all other classes of equity securities of the Company hereafter created (unless, with the consent of the holders of the Series B Preferred Stock obtained in accordance with Section 3 hereof, such class or series of capital stock by its terms ranks senior to the Series B Preferred Stock).

"Pari Passu Securities" means any class or series of capital stock of the Company hereafter created with the consent of the holders of Series B Preferred Stock obtained in accordance with Section 3 hereof ranked as to dividends or distribution of assets upon a Liquidation on a parity with the Series B Preferred Stock.

"Per Share Market Value" means on any particular date (a) the closing sale price per share of the Common Stock on such date on The Nasdaq National Market or Nasdaq SmallCap Market or other stock exchange on which the Common Stock has been listed or if there is no such price on such date, then the closing sale price on such exchange on the date nearest preceding such date, or (b) if the Common Stock is not listed on The Nasdaq National Market or Nasdaq SmallCap Market or any stock exchange, the closing sale price for a share of Common Stock in the over-the-counter market, as reported by the Nasdaq Stock Market at the close of business on such date, or (c) if the Common Stock is not quoted on the Nasdaq Stock Market, the closing sale price for a share of Common Stock in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), or (d) if the Common Stock is not reported by the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), then the average of the "Pink Sheet" quotes for the relevant conversion period, or (e) if the Common Stock is not publicly traded, the fair market value of a share of Common Stock as determined by an Appraiser selected in good faith by the holders of a majority in interest of the shares of the Series B Preferred Stock who shall conduct a good faith appraisal; PROVIDED, HOWEVER, that the Company, after receipt of the determination by such Appraiser, shall have the

right to select an additional Appraiser, who shall conduct a good faith appraisal, in which case, the fair market value shall be equal to the average of the determinations by each such Appraiser.

"Person" means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

"Publicly Traded" means with respect to the Common Stock that (a) such Common Stock is traded on The Nasdaq National Market or Nasdaq SmallCap Market or principal stock exchange on which the Common Stock has been listed, or (b) if Common Stock is not listed on The Nasdaq National Market or Nasdaq SmallCap Market or any stock exchange, such Common Stock is traded in the over-the-counter market, as reported by the Nasdaq Stock Market, or (c) if such Common Stock is not quoted on the Nasdaq Market, such Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding its functions of reporting prices).

"Senior Securities" means any class or series of capital stock of the Company hereafter created with the consent of the holders of Series B Preferred Stock obtained in accordance with Section 3 hereof ranking as to dividends or distribution of assets upon a Liquidation senior to the Series B Preferred Stock..

"Trading Day" means (a) a day on which the Common Stock is traded on The Nasdaq National Market or Nasdaq SmallCap Market or principal stock exchange on which the Common Stock has been listed, or (b) if the Common Stock is not listed on The Nasdaq National Market or Nasdaq SmallCap Market or any stock exchange, a day on which the Common Stock is traded in the over-the-counter market, as reported by the Nasdaq Stock Market, or (c) if the Common Stock is not quoted on the Nasdaq Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding its functions of reporting prices).

EXHIBIT A

NOTICE OF CONVERSION
AT THE ELECTION OF HOLDER

(To be Executed by the Registered Holder to Convert shares of Series B Preferred Stock)

The undersigned hereby irrevocably elects to convert the number of shares of Series B Convertible Preferred Stock indicated below into shares of Common Stock, par value $.01 per share (the "Common Stock"), of Apoptosis Technology, Inc. (the "Company") according to the conditions hereof, as of the date written below. If shares are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Company in accordance therewith. No fee will be charged to the Holder for any conversion, except for such transfer taxes, if any.

Conversion calculations:

Date to Effect Conversion

Number of Shares of Series B Preferred Stock to be Converted

Applicable Conversion Price

Number of Shares of Common Stock to Issue

Signature

Name:

Address:

EXHIBIT B

APOPTOSIS TECHNOLOGY, INC.

NOTICE OF CONVERSION AT
THE ELECTION OF THE COMPANY

The undersigned in the name and on behalf of Apoptosis Technology, Inc. (the "Company") hereby notifies the addressee hereof that the Company hereby elects to exercise its right to convert [ ] shares of its Series B Convertible Preferred Stock held by the Holder into shares of Common Stock, par value $.01 per share (the "Common Stock"), of the Company according to the terms hereof, as of the date written below. No fee will be charged to the Holder for any conversion hereunder, except for such transfer taxes, if any which may be incurred by the Company if shares are to be issued in the name of a person other than the person to whom this notice is addressed.

Conversion calculations:

Date to Effect Conversion

Number of Shares of Series B Preferred Stock to be Converted

Applicable Conversion Price

Number of Shares of Common Stock to Issue

Signature

Name:

Address:

EXHIBIT C

FORM OF OPINION OF MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.

July 31, 1997

BioChem Pharma (International) Inc.
275 Armand-Frappier Boulevard
Laval, Quebec, Canada

Re: IMMUNOGEN, INC. AND APOPTOSIS TECHNOLOGY, INC.

Gentlemen:

We have acted as counsel to ImmunoGen, Inc., a Massachusetts corporation (the "Company"), and Apoptosis Technology, Inc., a Massachusetts corporation ("ATI"), in connection with the execution and delivery of the Stock Purchase Agreement, dated of even date herewith (the "Purchase Agreement"), by and among the Company, ATI and you (the "Purchaser"), pursuant to which, among other things, ATI is issuing to the Purchaser shares of its Series B Convertible Preferred Stock, par value $.01 per share (the "Preferred Shares"), and the Company is issuing to the Purchaser certain warrants to purchase the Company's common stock, par value $.01 per share (the "ImmunoGen Warrants"). Capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Purchase Agreement. This opinion is delivered to you pursuant to Section 6.1(c) of the Purchase Agreement.

In connection with this opinion, we have examined:

(a) An executed copy of the Purchase Agreement;

(b) The Certificate of Vote of Directors Establishing a Series of a Class of Stock designating the Series B Convertible Preferred Stock of ATI, as filed with the Secretary of State of the Commonwealth of Massachusetts on July 31, 1997 (the "Certificate of Vote");

(c) The Restated Articles of Organization and By-laws of the Company, each as amended to the date hereof;

(d) The Restated Articles of Organization and By-laws of ATI, each as amended to the date hereof;

(e) An executed copy of the Registration Agreement between ATI and the Purchaser (the "ATI Registration Agreement"), an executed copy of the Registration Agreement between the Company and the Purchaser (the "ImmunoGen Registration Agreement"), an

executed copy of the Assignment Agreement between ATI and the Company (the "Assignment Agreement"), and an executed copy of the Services Agreement between ATI and the Company (the "Services Agreement");

(f) Records of proceedings and actions of the Board of Directors of the Company and the Board of Directors and stockholders of ATI relating to the transactions contemplated by the Purchase Agreement and the Registration Agreements, and such other records of corporate proceedings of the Company and ATI as we deem material;

(g) An Officers' Certificate for the Company, dated of even date herewith (the "Officers' Certificate");

(h) A Warrant Certificate dated of even date herewith, by the Company in favor of the Purchaser (the "Initial Warrant"); and

(i) Certificates of Good Standing issued by the Secretary of State of the Commonwealth of Massachusetts on July 30, 1997.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us a certified, conformed, facsimile or photostatic copies, and the authenticity of certificates of public officials. We have also assumed, without verification, the legal capacity of each individual who has executed documents or instruments in connection with the transaction contemplated hereby. With respect to certain factual matters, we have relied, without independent investigation, on the facts stated in the representations and warranties contained in the Purchase Agreement and the Schedules thereto, the SEC Documents, the Registration Agreements and the Officers' Certificate.

We have also assumed, without verification (i) that the parties to the Purchase Agreement, the Registration Agreements and the other agreements, instruments and documents executed in connection therewith, other than the Company and ATI, have the power (including, without limitation, corporate power where applicable) and authority to enter into and perform the Purchase Agreement, the Registration Agreements and such other agreements, instruments and documents, (ii) the due authorization, execution and delivery by such other parties of the Purchase Agreement, the Registration Agreements and such other agreements, instruments and documents and (iii) that the Purchase Agreement, the Registration Agreements and such other agreements, instruments and documents constitute legal, valid and binding obligations of each such other party, enforceable against such other party in accordance with their respective terms.

As used herein, any reference to "our knowledge" or words of similar import, except as otherwise specifically described, means the actual awareness of the existence or absence of any facts or other information by any lawyer who has participated directly in the specific transactions which are the subject of this opinion or who is primarily responsible for a particular subject matter to which this opinion relates.

We have also investigated such questions of law, including, without limitation, Regulation D ("Regulation D") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and examined such additional corporate records of the Company and ATI and such other documents and public records as we have deemed necessary or appropriate to render the opinions contained herein.

Based upon and subject to the foregoing, we are of the opinion that:

1. ATI is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts. ATI has full corporate power and authority to enter into, deliver, and perform its obligations and undertakings under the Purchase Agreement, the ATI Registration Agreement, the Assignment Agreement and the Services Agreement ATI has no subsidiaries. ATI is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required, except where the lack of such qualification would not have a material adverse effect on the business of ATI. ATI has full corporate power and authority to carry on its business as described in the Company's Annual Report on Form 10-K for its fiscal year ended June 30, 1996 (the "Form 10-K").

2. ATI's entire authorized capital stock consists of: 35,000,000 shares of ATI Common Stock, and 18,125 shares of ATI Preferred Stock, of which 7,000 shares have been designated Class A Stock and of which 11,125 shares have been designated Series B Convertible Preferred Stock pursuant to the Certificate of Vote. To our knowledge, all of ATI's outstanding shares of ATI Common Stock and ATI Preferred Stock are listed on SCHEDULE 3.2 to the Purchase Agreement. None of the Preferred Shares are outstanding. The ATI Common Stock, the Class A Stock and the Preferred Shares have the preferences, voting powers, qualifications, and special or relative rights or privileges set forth in ATI's Restated Articles of Organization and the Certificate of Vote. To our knowledge, other than as indicated on SCHEDULE 3.2 , ATI does not have outstanding any option, warrant, purchase right, subscription right, stock appreciation right, phantom stock right, profit participation right, agreement or other commitment to issue or to acquire any shares of its capital stock, or any securities or obligations convertible into or exchangeable for its capital stock, and ATI has not given any person any right to acquire from ATI or sell to ATI any shares of its capital stock. To our knowledge, except as set forth on SCHEDULE 3.2, there are no voting trust, proxies, or other agreements or understandings with respect to the voting of the capital stock of ATI.

3. The execution and delivery by ATI of the Purchase Agreement, the ATI Registration Agreement, the Assignment Agreement and the Services Agreement, and the performance by ATI of its obligations thereunder, and the issue and sale of the Preferred Shares and ATI Common Shares, have been duly authorized and approved by all necessary corporate action on the part of ATI. The Purchase Agreement, the ATI Registration Agreement, the Assignment Agreement and the Services Agreement have been duly executed and delivered by ATI and constitute the valid and binding obligations of ATI, enforceable in accordance with their respective terms; except as such enforceability may be limited by applicable bankruptcy,

insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of creditors' rights and remedies or by other equitable principles of general application, and subject to the limitation that the indemnification and contribution provisions of the ATI Registration Agreement may be unenforceable as a matter of public policy. The execution and delivery by ATI of the Purchase Agreement, the ATI Registration Agreement, the Assignment Agreement and the Services Agreement, the performance by ATI of its obligations thereunder, and the issuance and sale of the Preferred Shares and the ATI Common Shares, will not (i) conflict with, or result in any breach of any of the terms of, or constitute a default under, the Restated Articles of Organization or By-Laws of ATI, or (ii) to our knowledge, conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any agreement, contract, license, lease, instrument, covenant or other restriction or arrangement to which ATI is a party or by which it or any of its properties or assets is bound of which we are aware.

4. Except for filings, consents, permits, approvals and authorizations which will be obtained by ATI prior to the Initial Closing or the Subsequent Closing, as applicable, and which are set forth in SCHEDULE 3.4 to the Purchase Agreement, no consent, approval, authorization or other order of, action by, filing with, or notification to any governmental authority is required under existing law or regulation in connection with the execution, delivery and performance of the Purchase Agreement, the ATI Registration Agreement, the Assignment Agreement and the Services Agreement, or the offer, issue, sale or delivery of the Preferred Shares or ATI Common Shares pursuant to the Purchase Agreement or the consummation of any other transactions contemplated thereby.

5. When issued and delivered against payment therefor in accordance with the terms and conditions of the Purchase Agreement and the Certificate of Vote, the Preferred Shares and ATI Common Shares shall be (i) duly authorized and validly issued, fully paid and non-assessable and (ii) not subject to any preemptive rights, liens, claims or encumbrances, or other restrictions on transfer or other agreements or understandings with respect to the voting of the ATI Common Shares, except as set forth in the Purchase Agreement.

6. The Company is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts. The Company has full corporate power and authority to enter into, deliver, and perform its obligations and undertakings under the Purchase Agreement, the ImmunoGen Registration Agreement, the Assignment Agreement and the Services Agreement. The Company is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required, except where the lack of such qualification would not have a material adverse effect on the business, financial condition, operations, results of operations, or future prospects of the Company.

7. The Company's entire authorized capital stock consists of: 30,000,000 shares of ImmunoGen Common Stock, and 5,000,000 shares of ImmunoGen Preferred Stock. All of the

Company's outstanding shares of ImmunoGen Common Stock and ImmunoGen Preferred Stock are listed on SCHEDULE 4.2, and are validly issued, fully paid, and non-assessable. The ImmunoGen Common Stock and the ImmunoGen Preferred Stock have the preferences, voting powers, qualifications, and special or relative rights or privileges set forth in the Company's Restated Articles of Organization, as amended. To our knowledge, other than as indicated on SCHEDULE 4.2 to the Purchase Agreement or in the SEC Reports, the Company does not have outstanding any option, warrant, purchase right, subscription right, stock appreciation right, phantom stock right, profit participation right, agreement or other commitment to issue or to acquire any shares of its capital stock, or any securities or obligations convertible into or exchangeable for its capital stock, and the Company has not given any person any right to acquire from the Company or sell to the Company any shares of its capital stock. To our knowledge, there are no voting trusts, proxies, or other agreements or understandings with respect to the voting of the capital stock of the Company.

8. The execution and delivery by the Company of the Purchase Agreement, the ImmunoGen Registration Agreement, the Assignment Agreement and the Services Agreement, and the performance by the Company of its obligations thereunder, and the issue, sale and delivery of the ImmunoGen Warrants and the Warrant Shares have been duly authorized and approved by all necessary corporate action on the part of the Company, except for stockholder approval of an increase in the authorized number of shares of ImmunoGen Common Stock as contemplated by Section 8.1 of the Purchase Agreement. The Purchase Agreement, the ImmunoGen Registration Agreement, the Assignment Agreement and the Services Agreement, have been duly executed and delivered by the Company and constitute valid and binding obligations of the Company, enforceable in accordance with their respective terms; except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of creditors' rights and remedies or by other equitable principles of general application, and subject to the limitation that the indemnification and contribution provisions of the ImmunoGen Registration Agreement may be unenforceable as a matter of public policy. The execution and delivery by the Company of the Purchase Agreement, the ImmunoGen Registration Agreement, the Assignment Agreement and the Services Agreement, and the performance by the Company of its obligations thereunder, and the issuance, sale and delivery of the ImmunoGen Warrants and the Warrant Shares, will not (i) conflict with, or result in any breach of any of the terms of, or constitute a default under, the Restated Articles of Organization or By-laws of the Company except that the Company does not have sufficient authorized ImmunoGen Common Stock to reserve for issuance or to issue the Warrant Shares, and (ii) to our knowledge, conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any agreement, instrument, covenant or other restriction or arrangement to which the Company is a party or by which it or any of its properties or assets is bound of which we are aware.

9. Except for filings, consents, permits, approvals and authorizations which will be obtained by the Company prior to the Initial Closing or the Subsequent Closing, as applicable, and which are set forth in SCHEDULE 4.4 and approval by the Company's stockholders of an increase in

the Company's authorized Common Stock, no consent, approval, authorization or other order of, action by, filing with, or notification to any governmental authority is required under existing law or regulation in connection with the execution, delivery and performance of the Purchase Agreement and the ImmunoGen Registration Agreement or the offer, issue, sale or delivery of the ImmunoGen Warrants and the Warrant Shares pursuant to the Purchase Agreement or the consummation of any other transactions contemplated thereby.

10. When issued and delivered against payment therefor in accordance with the terms and conditions of the Purchase Agreement and the form of warrant certificate appended as EXHIBIT A thereto, the ImmunoGen Warrants and the Warrant Shares shall be (i) duly authorized and validly issued, fully paid and non-assessable, except that, as of the date of the Initial Closing, the Company does not have sufficient authorized ImmunoGen Common Stock to reserve for issuance or to issue the Warrant Shares and except as otherwise described on SCHEDULE 4.2 to the Purchase Agreement, and (ii) not subject to any preemptive rights, liens, claims or encumbrances, or other restrictions on transfer or other agreements or understandings with respect to the voting of the Warrant Shares, except as set forth in the Purchase Agreement or EXHIBIT A thereto.

11. Based upon and assuming the accuracy of the representations and warranties of the Purchaser set forth in Section 5.2 of the Purchase Agreement, the offer, issuance and sale of the Preferred Shares and the ImmunoGen Warrants and the offer of the ATI Common Shares issuable upon conversion of the Preferred Shares and the Warrant Shares issuable upon exercise of the ImmunoGen Warrant pursuant to the Purchase Agreement, the Certificate of Vote and the ImmunoGen Warrants are exempt from the registration requirements of the Securities Act by reason of Regulation D promulgated thereunder.

Our examination of law relevant to the matters covered by this opinion is limited to the laws of the Commonwealth of Massachusetts and federal law of the United States and we express no opinion as to the effect on the matters covered by this opinion of the laws of any other jurisdiction. To the extent that the governing law with respect to any matters covered by this opinion is the law of a jurisdiction other than the Commonwealth of Massachusetts or federal law, we have assumed that the law of such other jurisdiction is identical to Massachusetts law. In furnishing the opinion regarding the valid existence and good standing of the Company and ATI, we have relied solely upon good standing certificates issued by the Secretary of State of Massachusetts on July 30, 1997.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances which may hereafter come to our

Very truly yours,

MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY and POPEO, P.C.

EXHIBIT D

FORM OF ASSIGNMENT AGREEMENT

ASSIGNMENT AGREEMENT

This Agreement made as of this 31st day of July, 1997 between Apoptosis Technology, Inc., a Massachusetts corporation with its principal place of business at 148 Sidney Street, Cambridge, MA 02139 ("ATI") and ImmunoGen, Inc., a Massachusetts corporation with its principal place of business at 333 Providence Highway, Norwood, Massachusetts 02062 ("ImmunoGen");

WHEREAS, ImmunoGen has entered into Proprietary Information and Invention Agreements with its employees assigning to ImmunoGen all right, title and interest to all Proprietary Information, any inventions or other intellectual property created by employees of ImmunoGen during the course of their employment; and

WHEREAS, some of the research and work conducted by ImmunoGen employees has included work on ATI Screens and may have contributed to ATI Patent Rights and ATI Technology (as those terms are defined in the License Agreement between ATI and BioChem Therapeutic, Inc. and Research Collaboration Agreement between ATI and BioChem Pharma Inc, Tanaud Holdings (Barbados) Ltd. and Tanaud L.L.C., both effective July 31, 1997) (hereinafter collectively referred to as "ATI Intellectual Property Rights"); and

WHEREAS, ImmunoGen wishes to transfer and assign all of these ATI Intellectual Property Rights to ATI;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, ATI and ImmunoGen hereby agree as follows:

ImmunoGen hereby assigns and transfers to ATI all of ImmunoGen's right, title and interest to the ATI Intellectual Property Rights including the employee's obligation to assist ImmunoGen in obtaining and enforcing patents for such Rights

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly-authorized representatives as of the date first set above.

IMMUNOGEN, INC.

By:_____
Name:
Title:

APOPTOSIS TECHNOLOGY, INC.

By:_____
Name:
Title:

EXHIBIT E

FORM OF SERVICES AGREEMENT

SERVICES & MANAGEMENT AGREEMENT

This Agreement made as of this 31st day of July, 1997 between Apoptosis Technology, Inc., a Massachusetts corporation with its principal place of business at 148 Sidney Street, Cambridge, MA 02139 ("ATI") and ImmunoGen, Inc., a Massachusetts corporation with its principal place of business at 333 Providence Highway, Norwood, Massachusetts 02062 ("ImmunoGen");

WHEREAS, ATI has entered into a Research Collaboration Agreement with BioChem Therapeutic Inc. and License Agreement with BioChem Pharma, Inc., Tanaud Holdings (Barbados) Ltd. and Tanaud L.L.C. ("hereinafter BioChem Agreements") as of this 31st of July, 1997 whereby BioChem will be utilizing screens developed by ATI to screen compounds and to discover, develop, manufacture and sell therapeutic products for the diagnosis, treatment or prevention of cancer in humans;

WHEREAS, some of the work and research to be performed by ATI employees will require the use of equipment and facilities either owned solely by ImmunoGen or jointly owned by ATI and ImmunoGen; and

WHEREAS, ImmunoGen is the controlling shareholder of ATI and will derive benefits from the successful completion of the work and research described in the BioChem Agreements;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, ATI and ImmunoGen hereby agree as follows:

1. In order to enable ATI to perform the research and work described in the BioChem Agreements, ImmunoGen hereby assigns and transfers to ATI all rights, titles and interest to the equipment and property listed on the attached Schedule 1.

2. ImmunoGen hereby agrees to provide services to ATI and its employees to enable them to perform the research and work described in the BioChem Agreements and to permit ATI to utilize equipment, supplies and facilities either owned solely by ImmunoGen or owned jointly by ImmunoGen and ATI to enable ATI employees to conduct the research and work described in the BioChem Agreements. ATI hereby agrees to reimburse ImmunoGen at cost for costs incurred by ATI for ATI projects which are paid by ImmunoGen.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly-authorized representatives as of the date first set above.

IMMUNOGEN, INC.

By:_____
Name:
Title:

APOPTOSIS TECHNOLOGY, INC.

By:_____
Name:
Title:

EXHIBIT F

FORM OF PROPRIETY INFORMATION AND INVENTIONS AGREEMENT

EXHIBIT G

FORM OF REGISTRATION AGREEMENTS

Filed as Exhibits 10.35 and 10.36 to the Registrant's Annual Report on Form 10-K for its fiscal year ended June 30, 1997.

EXHIBIT 10.35

IMMUNOGEN, INC.

REGISTRATION AGREEMENT

THIS AGREEMENT is made as of July 31, 1997 between ImmunoGen, Inc., a Massachusetts corporation (the "Company"), and BioChem Pharma (International) Inc., a Canadian corporation ("BioChem").

The parties to this Agreement are parties to a Stock Purchase Agreement of even date herewith (the "Purchase Agreement"). In order to induce BioChem to enter into the Purchase Agreement, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the Initial Closing under the Purchase Agreement. Unless otherwise provided in this Agreement, capitalized terms used herein shall have the meanings set forth in paragraph 8 hereof.

The parties hereto agree as follows:

1. DEMAND REGISTRATIONS.

a. REQUESTS FOR REGISTRATION. At any time after the third anniversary of the Initial Closing under the Purchase Agreement, BioChem or any of its affiliates holding Registrable Securities may request registration under the Securities Act of all or any portion of their Registrable Securities on Form S-1 or any similar long-form registration; provided that the Company may, at its election, register all or any portion of such Registrable Securities on Form S-2 or S-3 or any similar short-form registration if available. All registrations requested pursuant to this paragraph 1(a) are referred to herein as "Demand Registrations". Each request for a Demand Registration shall specify the approximate number of Registrable Securities requested to be registered and the anticipated per share price range for such offering. Within ten days after receipt of any such request, the Company shall give written notice of such requested registration to all other holders of Registrable Securities and shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice.

b. LONG-FORM REGISTRATIONS. The holders of Registrable Securities shall be entitled to request (i) two (2) Demand Registrations in which the Company shall pay all Registration Expenses ("Company-paid Demand Registrations") and (ii) two (2) Demand Registrations in which the holders of Registrable Securities shall pay their share of the Registration Expenses as set forth in paragraph 5 hereof.

c. PRIORITY ON DEMAND REGISTRATIONS. If a Demand Registration is an underwritten offering and the managing underwriters advise the Company in writing that in their opinion the

number of Registrable Securities and other securities requested to be included in such offering exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range acceptable to the holders of a majority of the Registrable Securities initially requesting registration, the Company shall include in such registration prior to the inclusion of any securities which are not Registrable Securities the number of Registrable Securities requested to be included which in the opinion of such underwriters can be sold in an orderly manner within the price range of such offering, pro rata among the respective holders thereof on the basis of the amount of Registrable Securities owned by each such holder.

d. RESTRICTIONS ON DEMAND REGISTRATIONS. The Company shall not be obligated to effect any Demand Registration within 180 days after the effective date of a previous registration in which the holders of Registrable Securities were given piggyback rights pursuant to paragraph 2 and in which there was no reduction in the number of Registrable Securities requested to be included. The Company may postpone for up to 180 days the filing or the effectiveness of a registration statement for a Demand Registration if the Company and the holders of at least 50% of the Registrable Securities agree or if the Company's board of directors determines in its reasonable good faith judgment that such Demand Registration would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any of its Subsidiaries to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer, reorganization or similar transaction; provided that in such event, the holders of Registrable Securities initially requesting such Demand Registration shall be entitled to withdraw such request and, if such request is withdrawn, the Company shall pay all Registration Expenses in connection with such registration. The Company may delay a Demand Registration hereunder only once in any twelve-month period.

e. SELECTION OF UNDERWRITERS. The holders of a majority of the Registrable Securities initially requesting a Demand Registration hereunder shall have the right to select the investment banker(s) and manager(s) to administer the offering, subject to the Company's approval which shall not be unreasonably withheld. It shall be the responsibility of such holders to select such investment banker(s) and manager(s) for each Demand Registration hereunder other than Company-paid Demand Registrations.

2. PIGGYBACK REGISTRATIONS.

a. RIGHT TO PIGGYBACK. Whenever the Company proposes to register any of its securities under the Securities Act (other than pursuant to a Demand Registration) and the registration form to be used may be used for the resale registration of Registrable Securities (a "Piggyback Registration"), the Company shall give prompt written notice to all holders of Registrable Securities of its intention to effect such a registration and shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 20 days after the receipt of the Company's notice, subject to Sections 2(c) and (d) hereof.

b. PIGGYBACK EXPENSES. If the Company proposes to sell any of its securities in a Piggyback Registration, the Registration Expenses of the holders of Registrable Securities in connection with such Piggyback Registration shall be paid by the Company. In all other Piggyback Registrations, the holders of Registrable Securities shall pay their share of the Registration Expenses of such registration as provided in paragraph 5 hereof.

c. PRIORITY ON PRIMARY REGISTRATIONS. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability of the offering, the Company shall include in such registration (i) first, the securities the Company proposes to sell, and (ii) second, the Registrable Securities requested to be included in such registration and other securities the Company is obligated to include in such registration, pro rata among the holders of such Registrable Securities on the basis of the number of shares owned by each such holder.

d. PRIORITY ON SECONDARY REGISTRATIONS. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's securities, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability of the offering, the Company shall include in such registration (i) first, the securities requested to be included therein by the holders requesting such registration and, (ii) second, the Registrable Securities requested to be included in such registration, pro rata among the holders of such securities on the basis of the number of securities owned by each such holder.

e. OTHER REGISTRATIONS. If the Company has previously filed a registration statement with respect to Registrable Securities pursuant to paragraph 1 or pursuant to this paragraph 2, and if such previous registration has not been withdrawn or abandoned, the Company shall not file or cause to be effected any other registration of any of its equity securities or securities convertible or exchangeable into or exercisable for its equity securities under the Securities Act (except on Form S-8 or any successor form), whether on its own behalf or at the request of any holder or holders of such securities, until a period of at least 90 days has elapsed from the effective date of such previous registration.

3. HOLDBACK AGREEMENTS.

a. Each holder of Registrable Securities shall not effect any public sale or distribution (including sales pursuant to Rule 144) of equity securities of the Company, or any securities convertible into or exchangeable or exercisable for such securities, during the seven days prior to and the 90-day period beginning on the effective date of any underwritten Demand Registration or any underwritten Piggyback Registration in which Registrable Securities are included (except as part of such underwritten registration), unless the underwriters managing the registered public offering otherwise agree.

b. The Company shall not effect any public sale or distribution of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities, during the seven days prior to and during the 90-day period beginning on the effective date of any underwritten Demand Registration or any underwritten Piggyback Registration (except as part of such underwritten registration or pursuant to registrations on Form S-8 or any successor form), unless the underwriters managing the registered public offering otherwise agree.

4. REGISTRATION PROCEDURES. Whenever the holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use its best efforts to effect the registration for resale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

a. prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective (provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the counsel selected by the holders of a majority of the Registrable Securities covered by such registration statement copies of all such documents proposed to be filed, which documents shall be subject to the review and comment of such counsel);

b. notify each holder of Registrable Securities of the effectiveness of each registration statement filed hereunder and prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than 90 days (or for such shorter period of time as the underwriters need to complete the distribution of a registered offering or until the securities are actually sold) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

c. furnish to each seller of Registrable Securities such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

d. use its best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company shall not be required to (i) qualify generally to do business in

any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

e. notify each seller of such Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, at the request of any such seller, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading;

f. use its reasonable best efforts to (i) cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed and, if not so listed, to be listed on the Nasdaq Stock Market's National Market or, failing that, to secure Nasdaq authorization for such Registrable Securities and (ii) without limiting the generality of the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD;

g. provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

h. enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the holders of a majority of the Registrable Securities being sold or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including effecting a stock split or a combination of shares);

i. make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

j. otherwise use its best efforts to comply with all applicable rules and regulations of the Securities and Exchange Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

k. permit any holder of Registrable Securities which holder, in its sole and exclusive judgment, might be deemed to be an underwriter or a controlling person of the Company, to participate in the preparation of such registration or comparable statement and to require the insertion therein of material, furnished to the Company in writing, which in the reasonable judgment of such holder and its counsel should be included;

l. in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any common stock included in such registration statement for sale in any jurisdiction, the Company shall use its best efforts promptly to obtain the withdrawal of such order;

m. use its best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies or authorities in the United States as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities; and

n. obtain a cold comfort letter from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as the holders of a majority of the Registrable Securities being sold reasonably request (provided that such Registrable Securities constitute at least 10% of the securities covered by such registration statement).

5. REGISTRATION EXPENSES.

a. All expenses incident to the Company's performance of or compliance with this Agreement, including without limitation all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, fees and disbursements of custodians, the expense of any audit of quarterly or interim financial data required to be included in the registration statement, and fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters (excluding discounts and commissions) and other persons retained by the Company (all such expenses being herein called "Registration Expenses"), shall be borne as provided in this Agreement, except that the Company shall, in any event, pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which similar securities issued by the Company are then listed or on the NASD automated quotation system; PROVIDED, HOWEVER, that the Company shall have no obligation to pay or otherwise bear any portion of the underwriters' commissions or discounts or transfer taxes attributable to the Registrable Securities being offered and sold by the holder of such Registrable Securities, or the fees and expenses of counsel for the holder of Registrable Securities in connection with the

registration of Registrable Securities.

b. To the extent Registration Expenses are not required to be paid by the Company, each holder of securities included in any registration hereunder shall pay those Registration Expenses allocable to the registration of such holder's securities so included, and any Registration Expenses not so allocable shall be borne pro rata by all sellers of securities included in such registration in proportion to the aggregate selling price of the securities to be so registered.

6. INDEMNIFICATION.

a. The Company agrees to indemnify, to the extent permitted by law, each holder of Registrable Securities, its officers and directors and each person who controls such holder (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses caused by any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as the same are caused by or contained in any information furnished in writing to the Company by such holder expressly for use therein or by such holder's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such holder with copies of the same. In connection with an underwritten offering, the Company shall indemnify such underwriters, their officers and directors and each person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the holders of Registrable Securities.

b. In connection with any registration statement in which a holder of Registrable Securities is participating, each such holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, shall indemnify the Company, its directors and officers and each person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses resulting from any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such holder; provided that the obligation to indemnify shall be individual, not joint and several, for each holder and shall be limited to the amount of proceeds received by such holder from the sale of Registrable Securities pursuant to such registration statement.

c. Any person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any person's right to indemnification hereunder to the extent such failure has not prejudiced the indemnifying party)

and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim.

d. The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling person of such indemnified party and shall survive the transfer of securities. The Company also agrees to make such provisions, as are reasonably requested by any indemnified party, for contribution to such party in the event the Company's indemnification is unavailable for any reason.

7. PARTICIPATION IN UNDERWRITTEN REGISTRATIONS. No person may participate in any registration hereunder which is underwritten unless such person (i) agrees to sell such person's securities on the basis provided in any underwriting arrangements approved by the person or persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements; provided that no holder of Registrable Securities included in any underwritten registration shall be required to make any representations or warranties to the Company or the underwriters (other than representations and warranties regarding such holder and such holder's intended method of distribution) or to undertake any indemnification obligations to the Company or the underwriters with respect thereto, except as otherwise provided in paragraph 6 hereof.

8. DEFINITIONS.

a. "REGISTRABLE SECURITIES" means (i) any common stock, par value $.01 per share (AImmunoGen Common Stock") of the Company issued upon the exercise of the ImmunoGen Warrant issued pursuant to the Purchase Agreement, (ii) any ImmunoGen Common Stock issued or issuable with respect to the securities referred to in clause (i) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when they have been distributed to the public pursuant to a offering registered under the Securities Act or sold to the public through a broker, dealer or market maker in compliance with Rule 144 under the Securities Act (or any similar rule then in force) or repurchased by the Company or any Subsidiary or may be sold in compliance with Rule 144(k) under the Securities Act. For purposes of this Agreement, a person shall be deemed to be a holder of Registrable Securities, and the Registrable Securities shall be deemed to be in existence,

whenever such person has the right to acquire directly or indirectly such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such person shall be entitled to exercise the rights of a holder of Registrable Securities hereunder.

b. Unless otherwise stated, other capitalized terms contained herein have the meanings set forth in the Purchase Agreement.

9. MISCELLANEOUS.

a. NO INCONSISTENT AGREEMENTS. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

b. ADJUSTMENTS AFFECTING REGISTRABLE SECURITIES. The Company shall not take any action, or permit any change to occur, with respect to its securities which would adversely affect the ability of the holders of Registrable Securities to include such Registrable Securities in a registration undertaken pursuant to this Agreement.

c. REMEDIES. Any person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

d. AMENDMENTS AND WAIVERS. Except as otherwise provided herein, the provisions of this Agreement may be amended or waived only upon the prior written consent of the Company and holders of at least 50% of the Registrable Securities.

e. SUCCESSORS AND ASSIGNS. All covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent holder of Registrable Securities who is an affiliate of BioChem.

f. INCORPORATION OF PURCHASE AGREEMENT PROVISIONS. The paragraphs entitled "Severability," "Counterparts," "Headings and Captions," "Notices" and "Governing Law" of the Purchase Agreement are hereby incorporated in this Agreement by reference and made a part

hereof, except that the provisions of such paragraphs shall refer to this Agreement rather than the Purchase Agreement and shall continue to apply hereto regardless of whether the Purchase Agreement is no longer in effect.

g. NON-TRANSFERABILITY. BioChem's rights and obligations under this Agreement shall not be transferable to an other party under any circumstances, whether by operation of law or otherwise (other than to an entity into which BioChem has been merged or which has acquired substantially all of the assets of BioChem); provided that BioChem shall have the right to transfer its rights and obligations hereunder to its affiliates in connection with a permitted transfer of Registrable Securities to such affiliates so long as such affiliates agree in writing to be bound by the terms of this Agreement.

* * * * *

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

IMMUNOGEN , INC.

By _____

Its _____

BIOCHEM PHARMA (INTERNATIONAL) INC.

By _____

Its _____

EXHIBIT 10.36

APOPTOSIS TECHNOLOGY, INC.

REGISTRATION AGREEMENT

THIS AGREEMENT is made as of July 31, 1997 between Apoptosis Technology, Inc., a Massachusetts corporation (the "Company"), and BioChem Pharma (International) Inc., a Canadian corporation ("BioChem").

The parties to this Agreement are parties to a Stock Purchase Agreement of even date herewith (the "Purchase Agreement"). In order to induce BioChem to enter into the Purchase Agreement, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the Initial Closing under the Purchase Agreement. Unless otherwise provided in this Agreement, capitalized terms used herein shall have the meanings set forth in paragraph 8 hereof.

The parties hereto agree as follows:

1. DEMAND REGISTRATIONS.

a. REQUESTS FOR REGISTRATION. At any time after the third anniversary of the Initial Closing under the Purchase Agreement, BioChem or any of its affiliates holding Registrable Securities may request registration under the Securities Act of all or any portion of their Registrable Securities on Form S-1 or any similar long-form registration; provided that the Company may, at its election, register all or any portion of such Registrable Securities on Form S-2 or S-3 or any similar short-form registration if available. All registrations requested pursuant to this paragraph 1(a) are referred to herein as "Demand Registrations". Each request for a Demand Registration shall specify the approximate number of Registrable Securities requested to be registered and the anticipated per share price range for such offering. Within ten days after receipt of any such request, the Company shall give written notice of such requested registration to all other holders of Registrable Securities and shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice.

b. LONG-FORM REGISTRATIONS. The holders of Registrable Securities shall be entitled to request up to two (2) Demand Registrations in which the holders of Registrable Securities shall pay their share of the Registration Expenses as set forth in paragraph 5 hereof. In addition the holders of Registrable Securities shall be entitled to request up to two (2) Company-paid Demand Registrations (as defined below). If any securities other than Registrable Securities are included in such Demand Registration then the Company shall pay all Registration Expenses ("Company-paid Demand Registrations"), whether or not such registration has become effective and whether or not any securities other than Registrable Securities are sold pursuant to such

Company-paid Demand Registration.

c. PRIORITY ON DEMAND REGISTRATIONS. If a Demand Registration is an underwritten offering and the managing underwriters advise the Company in writing that in their opinion the number of Registrable Securities and other securities requested to be included in such offering exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range acceptable to the holders of a majority of the Registrable Securities initially requesting registration, the Company shall include in such registration prior to the inclusion of any securities which are not Registrable Securities the number of Registrable Securities requested to be included which in the opinion of such underwriters can be sold in an orderly manner within the price range of such offering, pro rata among the respective holders thereof on the basis of the amount of Registrable Securities owned by each such holder.

d. RESTRICTIONS ON DEMAND REGISTRATIONS. The Company shall not be obligated to effect any Demand Registration within 180 days after the effective date of a previous registration in which the holders of Registrable Securities were given piggyback rights pursuant to paragraph 2 and in which there was no reduction in the number of Registrable Securities requested to be included. The Company may postpone for up to 180 days the filing or the effectiveness of a registration statement for a Demand Registration if the Company and the holders of at least 50% of the Registrable Securities agree or if the Company's board of directors determines in its reasonable good faith judgment that such Demand Registration would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any of its Subsidiaries to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer, reorganization or similar transaction; provided that in such event, the holders of Registrable Securities initially requesting such Demand Registration shall be entitled to withdraw such request and, if such request is withdrawn, the Company shall pay all Registration Expenses in connection with such registration. The Company may delay a Demand Registration hereunder only once in any twelve-month period.

e. SELECTION OF UNDERWRITERS. The holders of a majority of the Registrable Securities initially requesting a Demand Registration hereunder shall have the right to select the investment banker(s) and manager(s) to administer the offering, subject to the Company's approval which shall not be unreasonably withheld. It shall be the responsibility of such holders to select such investment banker(s) and manager(s) for each Demand Registration hereunder other than Company-paid Demand Registrations.

2. PIGGYBACK REGISTRATIONS.

a. RIGHT TO PIGGYBACK. Whenever the Company proposes to register any of its securities under the Securities Act (other than pursuant to a Demand Registration) and the registration form to be used may be used for the resale registration of Registrable Securities (a "Piggyback Registration"), the Company shall give prompt written notice to all holders of Registrable Securities of its intention to effect such a registration and shall include in such registration all Registrable Securities with respect to which the Company has received written

requests for inclusion therein within 20 days after the receipt of the Company's notice, subject to Sections 2(c) and (d) hereof.

b. PIGGYBACK EXPENSES. If the Company proposes to sell any of its securities in a Piggyback Registration, the Registration Expenses of the holders of Registrable Securities in connection with such Piggyback Registration shall be paid by the Company. In all other Piggyback Registrations, the holders of Registrable Securities shall pay their share of the Registration Expenses of such registration as provided in paragraph 5 hereof.

c. PRIORITY ON PRIMARY REGISTRATIONS. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability of the offering, the Company shall include in such registration (i) first, the securities the Company proposes to sell, (ii) second, the Registrable Securities requested to be included in such registration, pro rata among the holders of such Registrable Securities on the basis of the number of shares owned by each such holder, and (iii) third, other securities requested to be included in such registration.

d. PRIORITY ON SECONDARY REGISTRATIONS. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's securities, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability of the offering, the Company shall include in such registration (i) first, the securities requested to be included therein by the holders requesting such registration and the Registrable Securities requested to be included in such registration, pro rata among the holders of such securities on the basis of the number of securities owned by each such holder, and (ii) second, other securities requested to be included in such registration.

e. OTHER REGISTRATIONS. If the Company has previously filed a registration statement with respect to Registrable Securities pursuant to paragraph 1 or pursuant to this paragraph 2, and if such previous registration has not been withdrawn or abandoned, the Company shall not file or cause to be effected any other registration of any of its equity securities or securities convertible or exchangeable into or exercisable for its equity securities under the Securities Act (except on Form S-8 or any successor form), whether on its own behalf or at the request of any holder or holders of such securities, until a period of at least 90 days has elapsed from the effective date of such previous registration.

3. HOLDBACK AGREEMENTS.

a. Each holder of Registrable Securities shall not effect any public sale or distribution (including sales pursuant to Rule 144) of equity securities of the Company, or any securities

convertible into or exchangeable or exercisable for such securities, during the seven days prior to and the 90-day period beginning on the effective date of any underwritten Demand Registration or any underwritten Piggyback Registration in which Registrable Securities are included (except as part of such underwritten registration), unless the underwriters managing the registered public offering otherwise agree.

b. The Company shall not effect any public sale or distribution of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities, during the seven days prior to and during the 90-day period beginning on the effective date of any underwritten Demand Registration or any underwritten Piggyback Registration (except as part of such underwritten registration or pursuant to registrations on Form S-8 or any successor form), unless the underwriters managing the registered public offering otherwise agree.

4. REGISTRATION PROCEDURES. Whenever the holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use its best efforts to effect the registration for resale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

a. prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective (provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the counsel selected by the holders of a majority of the Registrable Securities covered by such registration statement copies of all such documents proposed to be filed, which documents shall be subject to the review and comment of such counsel);

b. notify each holder of Registrable Securities of the effectiveness of each registration statement filed hereunder and prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than 90 days (or for such shorter period of time as the underwriters need to complete the distribution of a registered offering or until the securities are actually sold) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

c. furnish to each seller of Registrable Securities such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

d. use its best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company shall not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

e. notify each seller of such Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, at the request of any such seller, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading;

f. use its reasonable best efforts to (i) cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed and, if not so listed, to be listed on the Nasdaq Stock Market's National Market or, failing that, to secure Nasdaq authorization for such Registrable Securities and (ii) without limiting the generality of the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD;

g. provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

h. enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the holders of a majority of the Registrable Securities being sold or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including effecting a stock split or a combination of shares);

i. make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

j. otherwise use its best efforts to comply with all applicable rules and regulations of

the Securities and Exchange Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

k. permit any holder of Registrable Securities which holder, in its sole and exclusive judgment, might be deemed to be an underwriter or a controlling person of the Company, to participate in the preparation of such registration or comparable statement and to require the insertion therein of material, furnished to the Company in writing, which in the reasonable judgment of such holder and its counsel should be included; l. in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any common stock included in such registration statement for sale in any jurisdiction, the Company shall use its best efforts promptly to obtain the withdrawal of such order;

m. use its best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies or authorities in the United States as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities; and

n. obtain a cold comfort letter from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as the holders of a majority of the Registrable Securities being sold reasonably request (provided that such Registrable Securities constitute at least 10% of the securities covered by such registration statement).

5. REGISTRATION EXPENSES.

a. All expenses incident to the Company's performance of or compliance with this Agreement, including without limitation all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, fees and disbursements of custodians, the expense of any audit of quarterly or interim financial data required to be included in the registration statement, and fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters (excluding discounts and commissions) and other persons retained by the Company (all such expenses being herein called "Registration Expenses"), shall be borne as provided in this Agreement, except that the Company shall, in any event, pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which similar securities issued by the Company are then listed or on the NASD automated quotation

system; PROVIDED, HOWEVER, that the Company shall have no obligation to pay or otherwise bear any portion of the underwriters' commissions or discounts or transfer taxes attributable to the Registrable Securities being offered and sold by the holder of such Registrable Securities, or the fees and expenses of counsel for the holder of Registrable Securities in connection with the registration of Registrable Securities.

b. To the extent Registration Expenses are not required to be paid by the Company, each holder of securities included in any registration hereunder shall pay those Registration Expenses allocable to the registration of such holder's securities so included, and any Registration Expenses not so allocable shall be borne pro rata by all sellers of securities included in such registration in proportion to the aggregate selling price of the securities to be so registered.

6. INDEMNIFICATION.

a. The Company agrees to indemnify, to the extent permitted by law, each holder of Registrable Securities, its officers and directors and each person who controls such holder (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses caused by any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as the same are caused by or contained in any information furnished in writing to the Company by such holder expressly for use therein or by such holder's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such holder with copies of the same. In connection with an underwritten offering, the Company shall indemnify such underwriters, their officers and directors and each person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the holders of Registrable Securities.

b. In connection with any registration statement in which a holder of Registrable Securities is participating, each such holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, shall indemnify the Company, its directors and officers and each person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses resulting from any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such holder; provided that the obligation to indemnify shall be individual, not joint and several, for each holder and shall be limited to the amount of proceeds received by such holder from the sale of Registrable Securities pursuant to such registration statement.

c. Any person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any person's right to indemnification hereunder to the extent such failure has not prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim.

d. The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling person of such indemnified party and shall survive the transfer of securities. The Company also agrees to make such provisions, as are reasonably requested by any indemnified party, for contribution to such party in the event the Company's indemnification is unavailable for any reason.

7. PARTICIPATION IN UNDERWRITTEN REGISTRATIONS. No person may participate in any registration hereunder which is underwritten unless such person (i) agrees to sell such person's securities on the basis provided in any underwriting arrangements approved by the person or persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements; provided that no holder of Registrable Securities included in any underwritten registration shall be required to make any representations or warranties to the Company or the underwriters (other than representations and warranties regarding such holder and such holder's intended method of distribution) or to undertake any indemnification obligations to the Company or the underwriters with respect thereto, except as otherwise provided in paragraph 6 hereof.

8. DEFINITIONS.

a. "REGISTRABLE SECURITIES" means (i) any ATI Common Stock issued upon the conversion of any Preferred Shares issued pursuant to the Purchase Agreement and (ii) any ATI Common Stock issued or issuable with respect to the securities referred to in clause (i) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when they have been distributed to the public pursuant to an offering registered under the Securities Act or sold to the public through a broker, dealer or market maker in compliance with Rule 144 under the Securities Act

(or any similar rule then in force) or repurchased by the Company or any Subsidiary or may be sold in compliance with Rule 144(k) under the Securities Act. For purposes of this Agreement, a person shall be deemed to be a holder of Registrable Securities, and the Registrable Securities shall be deemed to be in existence, whenever such person has the right to acquire directly or indirectly such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such person shall be entitled to exercise the rights of a holder of Registrable Securities hereunder.

b. Unless otherwise stated, other capitalized terms contained herein have the meanings set forth in the Purchase Agreement.

9. MISCELLANEOUS.

a. NO INCONSISTENT AGREEMENTS. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

b. ADJUSTMENTS AFFECTING REGISTRABLE SECURITIES. The Company shall not take any action, or permit any change to occur, with respect to its securities which would adversely affect the ability of the holders of Registrable Securities to include such Registrable Securities in a registration undertaken pursuant to this Agreement.

c. REMEDIES. Any person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

d. AMENDMENTS AND WAIVERS. Except as otherwise provided herein, the provisions of this Agreement may be amended or waived only upon the prior written consent of the Company and holders of at least 50% of the Registrable Securities.

e. SUCCESSORS AND ASSIGNS. All covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent holder of Registrable Securities who is an affiliate of BioChem.

f. INCORPORATION OF PURCHASE AGREEMENT PROVISIONS. The paragraphs entitled "Severability," "Counterparts," "Headings and Captions," "Notices" and "Governing Law" of the Purchase Agreement are hereby incorporated in this Agreement by reference and made a part hereof, except that the provisions of such paragraphs shall refer to this Agreement rather than the Purchase Agreement and shall continue to apply hereto regardless of whether the Purchase Agreement is no longer in effect.

g. NON-TRANSFERABILITY. BioChem's rights and obligations under this Agreement shall not be transferable to an other party under any circumstances, whether by operation of law or otherwise (other than to an entity into which BioChem has been merged or which has acquired substantially all of the assets of BioChem); provided that BioChem shall have the right to transfer its rights and obligations hereunder to its affiliates in connection with a permitted transfer of Registrable Securities to such affiliates so long as such affiliates agree in writing to be bound by the terms of this Agreement.

* * * * *

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

APOPTOSIS TECHNOLOGY, INC.

By _____

Its _____

BIOCHEM PHARMA (INTERNATIONAL) INC.

By _____

Its _____

EXHIBIT 10.37

THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THESE SECURITIES MAY NOT BE SOLD OR OTHERWISE TRANSFERRED BY ANY PERSON UNLESS (1) EITHER (A) A REGISTRATION STATEMENT WITH RESPECT TO SUCH SECURITIES SHALL BE EFFECTIVE UNDER THE SECURITIES ACT OF 1933, OR (B) THE COMPANY SHALL HAVE RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO IT THAT AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT IS THEN AVAILABLE, AND (2) THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE SECURITIES LAWS.

WARRANT CERTIFICATE

DATED [ISSUANCE DATE]

WARRANT TO PURCHASE SHARES OF COMMON STOCK

OF IMMUNOGEN, INC.

No. W-97-___ For the Purchase of Shares of Common Stock

IMMUNOGEN, INC., a Massachusetts corporation (the "Company"), hereby certifies that, for value received, BioChem Pharma (International) Inc., a corporation organized and existing under the laws of Quebec ("Holder"), or its registered assigns, is the registered owner of a warrant (the "Warrant") to purchase from the Company a number of shares of the Common Stock, $.01 par value per share, of the Company (the "Common Stock," each such share being a "Warrant Share" and all such shares being the "Warrant Shares") determined by dividing [insert $1,852,000 for Warrant issued on Initial Closing Date and $843,000 for each warrant issued on a Subsequent Closing Date] by the average of the Per Share Market Value (as defined in Section 10) for the five (5) consecutive trading days preceding the Exercise Date (the "Exercise Price"), as adjusted from time to time as provided in Section 7 and except as provided in Section 3(f). This Warrant may be exercised at any time or from time to time on or after July 31, 2000 (the "Initial Exercise Date") until and including July 31, 2002 (the "Expiration Date"), all subject to the following terms and conditions:

1. REGISTRATION OF WARRANTS. The Company shall register each Warrant, upon records to be maintained by the Company for that purpose, in the name of the record Holder of such Warrant from time to time. The Company may deem and treat the registered Holder of each Warrant as the absolute owner thereof for the purpose of any exercise thereof or any distribution to the Holder thereof, and for all other purposes, and the Company shall not be affected by the notice to the contrary.

2. REGISTRATION OF TRANSFERS AND EXCHANGES.

a. Subject to Section 2(c) below, the Company shall register the transfer of any Warrants upon records to be maintained by the Company for that purpose, upon surrender of this Warrant Certificate, with the Form of Assignment attached hereto duly completed and signed, to the Company at the office specified in or pursuant to Section 3(c). Upon any such registration of transfer, a new Warrant Certificate, in substantially the form of this Warrant Certificate, evidencing the Warrants so transferred shall be issued to the transferee and a new Warrant Certificate, in similar form, evidencing the remaining Warrants not so transferred, if any, shall be issued to the then registered Holder thereof.

b. This Warrant Certificate is exchangeable, upon the surrender hereof by the Holder hereof at the office of the Company specified in or pursuant to Section 3(c), for new Warrant Certificates, in substantially the form of this Warrant Certificate, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrant Certificates to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by said Holder hereof at the time of such surrender.

c. Each Holder of this Warrant acknowledges that this Warrant is subject to restrictions on transfer set forth in a Stock Purchase Agreement dated as of July 31, 1997 among BioChem Pharma (International) Inc., the Company and ATI (the "Stock Purchase Agreement"), and agrees to be bound by the restrictions on the sale, pledge, assignment and transfer of the Warrant contained therein. Each Holder of this Warrant acknowledges that this Warrant and the Warrant Shares have not been registered under the Securities Act of 1933, as now in force or hereafter amended, or any successor legislation (the "Act"), and agrees not to sell, pledge, distribute, offer for sale, transfer or otherwise dispose of this Warrant or any Warrant Shares issued upon its exercise in the absence of (a) an effective registration statement under the Act as to this Warrant or such Warrant Shares and registration or qualification of this Warrant or such Warrant Shares under any applicable Blue Sky or state securities law then in effect, or (b) an opinion of counsel, satisfactory to the Company, that such registration and qualification are not required.

Without limiting the generality of the foregoing, the Company shall be under no obligation to issue the shares covered by such exercise unless and until the Holder shall have executed an investment letter in form and substance satisfactory to the Company, including a warranty at the time of such exercise that it is acquiring such shares for its own account, for investment and not with a view to, or for sale in connection with, the distribution of any such shares, in which event the Holder shall be bound by the provisions of the following legend or a legend in substantially similar form which shall be endorsed upon the certificate(s) evidencing the Warrant Shares issued pursuant to such exercise:

"THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THESE SECURITIES MAY NOT BE SOLD OR OTHERWISE TRANSFERRED BY ANY PERSON UNLESS (1) EITHER

(A) A REGISTRATION STATEMENT WITH RESPECT TO SUCH SECURITIES SHALL BE EFFECTIVE UNDER THE SECURITIES ACT OF 1933, OR (B) THE COMPANY SHALL HAVE RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO IT THAT AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT IS THEN AVAILABLE, AND (2) THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE SECURITIES LAWS."

In addition, without limiting the generality of the foregoing, the Company may delay issuance of the Warrant Shares until completion of any action or obtaining of any consent, which the Company deems necessary under any applicable law (including without limitation state securities or "blue sky" laws).

3. DURATION AND EXERCISE OF WARRANTS.

a. Warrants shall be exercisable by the registered Holder thereof on any business day before 5:00 P.M., New York time, at any time and from time to time on or after the Initial Exercise Date to and including the Expiration Date. At 5:00 P.M., New York time, on the Expiration Date, each Warrant not exercised prior thereto shall be and become void and of no value.

b. Subject to the limitations set forth in Sections 3(c) and 3(f) and to the other provisions of this Warrant Certificate, including adjustments to the number of Warrant Shares issuable on the exercise of each Warrant and to the Exercise Price pursuant to Section 7, the Holder of each Warrant shall have the right to purchase from the Company (and the Company shall be obligated to issue and sell to such Holder of a Warrant) at the Exercise Price one fully paid Warrant Share which is non-assessable.

c. Subject to Sections 2(b), 2(c), 4 and 8, upon surrender of this Warrant Certificate, with the Form of Election to Purchase attached hereto duly completed and signed, to the Company at its office at 333 Providence Highway, Norwood, Massachusetts, 02062 Attention: Treasurer, or at such other address as the Company may specify in writing to the then registered Holder of the Warrants, and upon payment of the Exercise Price multiplied by the number of Warrant Shares then issuable upon exercise of the Warrants being exercised (i) in lawful money of the United States of America or (b) as provided in Section 3(e) below, all as specified by the Holder of this Warrant Certificate in the Form of Election to Purchase, the Company shall promptly issue and cause to be delivered to or upon the written order of the registered Holder of such Warrants, and in such name or names as such registered Holder may designate, a certificate for the Warrant Shares issued upon such exercise of such Warrants. Any person so designated to be named therein shall be deemed to have become Holder of record of such Warrant Shares as of the Date of Exercise of such Warrants.

The "Date of Exercise" of any Warrant means the date on which the Company shall have received (i) this Warrant Certificate, with the Form of Election to Purchase attached hereto appropriately completed and duly signed, and (ii) payment of the Exercise Price for such Warrant.

d. The Warrants evidenced by this Warrant Certificate shall be exercisable, either as an entirety or, from time to time, for part of the number of Warrants evidenced by this Warrant Certificate. If less than all of the Warrants evidenced by this Warrant Certificate are exercised at any time, the Company shall issue, at its expense, a new Warrant Certificate, in substantially the form of this Warrant Certificate, for the remaining number of Warrants evidenced by this Warrant Certificate.

e. In lieu of the delivery of the full Exercise Price in lawful money of the United States of America as described in subsection 3(c) above, all or part of the payment due upon exercise of this Warrant may be made, at the option of the Holder, by surrendering to the Company shares of Series B Convertible Preferred Stock of Apoptosis Technology, Inc. ("ATI Preferred Stock"), such that for each $1,000 otherwise payable in cash, the Holder shall surrender to the Company one share ATI Preferred Stock.

f. If on the Exercise Date applicable to any exercise of this Warrant, (A) the Common Stock is then listed for trading on the Nasdaq National Market, (B) the Exercise Price then in effect is less than $1.237 [the average closing sale price on Nasdaq for the five consecutive trading days prior to the Initial Closing Date], (C) the Company has not previously obtained Stockholder Approval (as defined below), (D) the Company has not obtained a waiver of the Stockholder Approval requirement of Rule 4460(i) of the Nasdaq Stock Market (or any successor or replacement provision thereof) ("Rule 4460(i)"), and (E) the Company is required to obtain Stockholder Approval under Rule 4460(i) as a condition to continued listing on the Nasdaq Stock Market, then the Company shall issue to the Holder a number of Common Shares which, together with all Common Shares previously issued upon exercise of this Warrant or the other warrants issued to the Holder pursuant to the Stock Purchase Agreement (the "Related Warrants"), will not exceed 4,355,950 [20% of the total number of shares of Company Common Stock outstanding on the Initial Closing Date] (the "Issuable Maximum"). If the Holder is not able to exercise this Warrant in full because the number of shares otherwise issuable upon exercise of this Warrant exceeds the Issuable Maximum, the Holder shall be entitled to exercise this Warrant for shares of the Company's preferred stock having the powers, preferences and other terms described in Schedule 1 hereto in lieu of Warrant Shares, such that for each $1,000 in value that the holder is not able to convert into Common Shares, the holder shall be entitled to exercise this Warrant to purchase one share of Preferred Stock. "Stockholder Approval" means the approval by the majority of the total votes cast on the proposal, in person or by proxy, at a meeting of the stockholders of the Company held in accordance with the Company's articles of organization and by-laws as then in effect, of the issuance by the Company of shares of Common Stock exceeding the Issuable Maximum as a consequence of the exercise of this Warrant and the Related Warrants, as and to the extent required pursuant to Rule 4460(i).

4. PAYMENT OF TAXES. The Company will pay all documentary stamp taxes attributable to the issuance of Warrant Shares upon the exercise of the Warrants represented by this Certificate; provided, however, that the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares in a name other than that of the Holder, and the Company shall not be required to

issue or deliver the certificates for Warrant Shares unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring the Warrants represented by this Certificate or receiving the Warrant Shares under this Warrant Certificate.

5. REPLACEMENT OF WARRANT. If this Warrant is mutilated, lost, stolen or destroyed, the Company may in its discretion issue in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a new Warrant of like tenor, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and indemnity, if requested, satisfactory to it. Applicants for a substitute Warrant certificate also shall comply with such other reasonable regulations and pay such other reasonable charges as the Company may prescribe.

6. RESERVATION OF WARRANT SHARES. From and after the date that the stockholders of the Company approve an amendment to the Company's Restated Articles of Organization, as amended, to increase the Company's authorized shares of Common Stock to 50,000,000 shares, the Company will at all times reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued Common Stock or its authorized and issued Common Stock held in its treasury, for the purpose of enabling it to satisfy any obligation to issue Warrant Shares upon exercise of the Warrants, the maximum number of Warrant Shares (as adjusted from time to time pursuant to Section 7 hereof) which may then be deliverable upon the exercise of this Warrant.

7. ADJUSTMENT TO THE NUMBER OF WARRANT SHARES ISSUABLE. The number of Warrant Shares issuable upon the exercise of this Warrant is subject to adjustment from time to time as set forth in this Section 7. Upon each such adjustment of the Exercise Price pursuant to this Section 7, the Holder shall thereafter prior to the Expiration Date be entitled to purchase, at the Exercise Price resulting from such adjustment, the number of Warrant Shares obtained by multiplying the Exercise Price in effect immediately prior to such adjustment by the number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment and dividing the product thereof by the Exercise Price resulting from such adjustment. In the event the Company and the Holders of Warrants disagree as to any adjustment to the Exercise Price hereunder, an Appraiser selected by the Holders of a majority in interest of the Warrants shall give its opinion as to the adjustment, if any (not inconsistent with the standards established in this Section 7), of the Exercise Price; provided, however, that the Company, after receipt of the determination by such Appraiser, shall have the right to promptly select an additional Appraiser, in which case the adjustment shall be equal to the average of the adjustments recommended by each such Appraiser. The Board of Directors shall make the adjustment recommended forthwith upon the receipt of such opinion or opinions; provided, however, that no such adjustment of the Exercise Price shall be made which in the opinion of the Appraiser(s) giving the aforesaid opinion or opinions would result in an increase of the Exercise Price to more than the Exercise Price then in effect.

a. If the Company, at any time while this Warrant is outstanding, (i) shall pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock payable in shares of its Common Stock, (ii) subdivide outstanding shares of Common Stock into a larger number of shares, (iii) combine outstanding shares of Common Stock into a smaller number of shares, or (iv) issue by reclassification of shares of Common Stock any shares of capital stock of the Company, the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock outstanding before such event and of which the denominator shall be the number of shares of Common Stock outstanding after such event. Any adjustment made pursuant to this Section 7(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification.

b. If the Company, at any time while this Warrant is outstanding, shall distribute to all Holders of Common Stock (and not to the Holder) evidences of its indebtedness or assets or rights or warrants to subscribe for or purchase any security (excluding those referred to in Section 7(d) hereof), then in each such case the Exercise Price for which the Warrant Shares shall be purchased shall be determined by multiplying the Exercise Price in effect immediately prior to the record date fixed for determination of stockholders entitled to receive such distribution by a fraction of which the denominator shall be the Exercise Price determined as of the record date mentioned above, and of which the numerator shall be the Exercise Price on such record date less the then fair market value at such record date of the portion of such assets or evidence of indebtedness so distributed applicable to one outstanding share of Common Stock as determined by the Board of Directors of the Company (the "Board of Directors") in good faith; provided, however, that in the event of a distribution exceeding 10% of the net assets of the Company, such fair market value shall be determined by a nationally recognized or major regional investment banking firm or firm of independent certified public accountants of recognized standing (which may be the firm that regularly examines the financial statements of the Company) (an "Appraiser") selected in good faith by the Holders of a majority of the Warrants that are then outstanding; and further provided, however, that the Company, after receipt of the determination by such Appraiser shall have the right to select an additional Appraiser, in which case the fair market value shall be equal to the average of the determinations by each such Appraiser. In either case the adjustments shall be described in a statement provided to the Holder and all other Holders of Warrants of the portion of assets or evidences of indebtedness so distributed or such subscription rights applicable to one share of Common Stock. Such adjustment shall be made whenever any such distribution is made and shall become effective immediately after the record date mentioned above.

c. In case of any reclassification of the Common Stock, any consolidation or merger of the Company with or into another person, the sale or transfer of all or substantially all of the assets of the Company or any compulsory share exchange pursuant to which the Common Stock is converted into other securities, cash or property, then the Holder shall have the right thereafter to exercise this Warrant only into the shares of stock and other securities and property receivable upon or deemed to be held by Holders of Common Stock following such reclassification, consolidation, merger, sale, transfer or share exchange, and the Holder shall be entitled upon such event to receive such amount of securities or property as the shares of the Common Stock into

which this Warrant could have been converted immediately prior to such reclassification, consolidation, merger, sale, transfer or share exchange would have been entitled. The terms of any such consolidation, merger, sale, transfer or share exchange shall include such terms so as to continue to give to the Holder the right to receive the securities or property set forth in this Section 7(c) upon any exercise following such consolidation, merger, sale, transfer or share exchange. This provision shall similarly apply to successive reclassifications, consolidations, mergers, sales, transfers or share exchanges.

d. If:

i. the Company shall declare a dividend (or any other distribution) on its Common Stock; or

ii. the Company shall declare a special nonrecurring cash dividend on or a redemption of its Common Stock; or

iii. the Company shall authorize the granting to all Holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights; or

iv. the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock of the Company (other than a subdivision or combination of the outstanding shares of Common Stock), any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property; or

v. the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding-up of the affairs of the Company;

then the Company shall cause to be filed at each office or agency maintained for the purpose of exercise of this Warrant, and shall cause to be mailed to the Holder in accordance with Section 10 hereof, at least thirty (30) days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the Holders of Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, share exchange, dissolution, liquidation or winding-up is expected to become effective, and the date as of which it is expected that Holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, share exchange, dissolution, liquidation or winding-up; provided, however, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice.

e. In any case in which this Section 7 shall require that an adjustment be made effective as of the record date for a specified event, the Company may elect to defer until occurrence of such event (A) issuing to the Holder, if this Warrant is exercised after such record date, the Warrant Shares and other capital stock of the Company, if any, issuable upon such exercise over and above the Warrant Shares and other capital stock of the Company, if any, issuable upon such exercise on the basis of the Exercise Price prior to adjustment and (B) paying to the Holder any amount in cash in lieu of a fractional share pursuant to Section 8 hereof; provided, however, that the Company shall deliver to the Holder a due bill or other appropriate instrument evidencing the Holder's right to receive such additional Warrant Shares, other capital stock and/or cash upon the occurrence of the event requiring such adjustment.

f. Any determination that the Company or the Board of Directors must make pursuant to this Section 7 shall be conclusive if made in good faith.

8. FRACTIONAL SHARES. The Company shall not be required to issue fractional Warrant Shares on the exercise of this Warrant. The number of full Warrant Shares which shall be issuable upon the exercise of this Warrant shall be computed on the basis of the aggregate number of Warrant Shares purchasable on exercise of this Warrant so presented. If any fraction of a Warrant Share would, except for the provisions of this Section 6, be issuable on the exercise of this Warrant, the Company shall pay an amount in cash equal to the Exercise Price multiplied by such fraction.

9. WARRANT AGENT.

a. The Company shall serve as warrant agent under this Warrant. Upon thirty (30) days' notice to the Holder, the Company and the Holder may appoint a new warrant agent. After acceptance in writing of such appointment by the new warrant agent, it shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as the warrant agent, without any further assurance, conveyance, act or deed, but if for any reason it shall be necessary or expedient to execute and deliver any further assurance, conveyance, act or deed, the same shall be done at the expense of the Company and shall be legally and validly executed and delivered by the Company.

b. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or shareholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the register maintained the warrant agent pursuant to this Warrant.

10. NOTICES. All notices or other communications hereunder shall be given, and shall be deemed duly given and received if given, by facsimile and by mail, postage prepaid: (1) if to the

Company, addressed as follows: IMMUNOGEN, INC., 333 Providence Highway, Norwood, Massachusetts 02062, Attention: Treasurer, or to facsimile no. (617) 769-4242; or (ii) if to the Holder, addressed to the Holder at the facsimile telephone number and address of the Holder appearing on the Warrant Register or such other address or facsimile number as the Holder may provide to the Company in accordance with this Section 10. Any such notice shall be deemed given and effective upon the earliest to occur of (i) receipt of such facsimile at the facsimile telephone number specified in this Section 10, (ii) five (5) Business Days after deposit in the United States mails or (iii) upon actual receipt by the party to whom such notice is required to be given.

10. PER SHARE MARKET VALUE

As used in this Warrant, "Per Share Market Value" means on any particular date (a) the closing sale price per share of the Common Stock on such date on The Nasdaq National Market or Nasdaq SmallCap Market or other stock exchange on which the Common Stock has been listed or if there is no such price on such date, then the closing sale price on such exchange on the date nearest preceding such date, or (b) if the Common Stock is not listed on The Nasdaq National Market or Nasdaq SmallCap Market or any stock exchange, the closing sale price for a share of Common Stock in the over-the-counter market, as reported by the Nasdaq Stock Market at the close of business on such date, or (c) if the Common Stock is not quoted on the Nasdaq Stock Market, the closing sale price for a share of Common Stock in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), or (d) if the Common Stock is not reported by the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), then the average of the "Pink Sheet" quotes for the relevant conversion period, or (e) if the Common Stock is not publicly traded, the fair market value of a share of Common Stock as determined by an Appraiser (which shall conduct a good faith appraisal) by the Holders of a majority in interest of the shares of the Series B Preferred Stock; PROVIDED, HOWEVER, that the Company, after receipt of the determination by such Appraiser, shall have the right to select an additional Appraiser (which shall conduct a good faith appraisal), in which case, the fair market value shall be equal to the average of the determinations by each such Appraiser.

11. MISCELLANEOUS.

a. This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

b. Nothing in this Warrant shall be construed to give to any person or corporation other than the Company, the Holder and any registered Holder of Warrant Shares any legal or equitable right, remedy or cause under this Warrant; this Warrant shall be for the sole and exclusive benefit of the Company, the Holder and any other registered Holder of Warrant Shares.

c. This Warrant shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to the principles of conflicts of law thereof.

d. The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

e. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

IMMUNOGEN, INC.,
in its corporate capacity and in its capacity as the Warrant Agent hereunder

By: _____
Name:
Title:

FORM OF ELECTION TO PURCHASE

(To Be Executed by the Holder if the Holder Desires to Exercise Warrants Evidenced by the Foregoing Warrant Certificate)

To ImmunoGen, Inc.:

The undersigned hereby irrevocably elects to exercise _____ Warrants evidenced by the foregoing Warrant Certificate for No. W-97-___, and to purchase thereunder, _____ full shares of Common Stock issuable upon exercise of said Warrants and: __(i) makes payment of $ _____, representing the full purchase price for such shares at the Exercise Price per share provided for in such Warrant, OR (ii) elects to purchase the Warrant Shares by means of a "cashless exercise" as described in Section 3(e) of the Warrant Certificate by surrendering _____ shares of ATI Preferred Stock, OR (iii) makes payment of $_____ in cash and elects to pay the balance of the Exercise Price for the Warrant Shares by means of a "cashless exercise" as described in Section 3(e) of the Warrant Certificate by surrendering _____ shares of ATI Preferred Stock, and makes payment in cash of any applicable taxes payable by the undersigned pursuant to such Warrant Certificate.

The undersigned requests that certificates for such shares be issued

in the name of _____

PLEASE INSERT SOCIAL SECURITY
OR TAX IDENTIFICATION NUMBER: _____

(PLEASE PRINT NAME AND ADDRESS)

_____

_____

_____

If said number of Warrants shall not be all the Warrants evidenced by the foregoing Warrant Certificate, the undersigned requests that a new Warrant Certificate evidencing the Warrants not so exercise be issued in the name of and delivered to:

(PLEASE PRINT NAME AND ADDRESS)

_____

_____

_____

Name of Holder:

Dated:

(Print)_____

(By:)_____

(Title:)_____

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns, and transfers to each assignee set forth below all of the rights of the undersigned in and to the number of Warrants (as defined in and evidenced by the foregoing Warrant Certificate) set opposite the name of such assignee below and in and to the foregoing Warrant Certificate with respect to said Warrants and the shares of Common Stock issuable upon exercise of said Warrants:

NAME OF ASSIGNEE	ADDRESS	NUMBER OF WARRANTS

If the total of said Warrants shall not be all the Warrants evidenced by the foregoing Warrant Certificate, the undersigned requests that a new Warrant Certificate evidencing the Warrants not so assigned be issued in the name of and delivered to the undersigned.

(Please print name and address):

Name of Holder:

Dated:

(Print)_____

(By:)_____

(Title:)_____

SCHEDULE 1

PREFERRED STOCK TERMS

SECTION 1. DESIGNATION, AMOUNT AND PAR VALUE. The series of Preferred Stock shall be designated as the [Designation] Preferred Stock (the "Preferred Stock"), and the number of shares so designated shall be _____. The par value of each share of Preferred Stock shall be $.01. Each share of Preferred Stock shall have a stated value of $1,000 per share (the "Stated Value").

SECTION 2. DIVIDENDS. At all times prior to July 31, 2002, in the event the Board of Directors of the Company shall declare a dividend payable upon the then outstanding shares of common stock, $.01 par value, of the Company (or stock of any other class into which such shares may hereafter have been reclassified or changed) ("Common Stock"), the Board of Directors shall declare at the same time a dividend upon the then outstanding shares of the Preferred Stock, payable at the same time as the dividend paid on the Common Stock, in an amount equal to the amount of dividends per share of Preferred Stock, as would have been payable on [the Warrant Shares in lieu of which the shares of Preferred Stock were issued]. From and after July 31, 2002, the holders of Preferred Stock shall be entitled to receive a cumulative dividend payable in arrears in cash quarterly on the last day of each January, April, July and October, commencing on October 31, 2002 (each, a "Dividend Payment Date"), at a rate per annum multiplied by the Stated Value equal to the prime rate as announced by the Wall Street Journal from time to time, such rate to be adjusted automatically on the effective date of any change in such rate, plus 1%, in preference to dividends on any Common Stock or any class ranking, as to dividend rights, junior to the Preferred Stock, and such dividends shall accrue (whether or not declared and whether or not there shall be funds legally available for the payment of dividends) without interest, and shall be payable on the Dividend Payment Date.

SECTION 3. VOTING RIGHTS. Except as otherwise provided herein and as otherwise provided by law, the Preferred Stock shall have no voting rights. However, so long as any shares of Preferred Stock are outstanding, the Company shall not, without the affirmative vote of the holders of a majority of the shares of the Preferred Stock then outstanding, alter or change adversely the powers, preferences or rights given to the Preferred Stock.

SECTION 4. LIQUIDATION. Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary (a "Liquidation"), the holders of shares of Preferred Stock shall be entitled to receive out of the assets of the Company available for distribution to holders of the Company's capital stock, before payment or distribution of any of such assets to the holders of Common Stock, for each share of Preferred Stock an amount equal to the Stated Value, plus an amount equal to all declared but unpaid dividends per share, without interest, and if the assets of the Company shall be insufficient to pay in full such amounts, then the entire assets to be distributed shall be distributed among the holders of Preferred Stock ratably in accordance with the respective amounts that would be payable on such shares if all amounts payable thereon were paid in full. A sale, conveyance or disposition of all or substantially all of the assets of the Company or the effectuation by the Company of a transaction or series of related transactions in

which more than 50% of the voting power of the Company is disposed of shall be deemed a Liquidation. The Company shall mail written notice of any such Liquidation, not less than 30 days prior to the payment date stated therein, to each record holder of Preferred Stock.

SECTION 5. CONVERSION. Each share of Preferred Stock shall be convertible into the number of Warrant Shares in lieu of which the shares of Preferred Stock were originally issued at any time on or after July 31, 2000 and before July 31, 2007; PROVIDED THAT, on the conversion date, either (A) the Common Stock is not then listed for trading on the Nasdaq National Market, (B) the Exercise Price (as defined in the Warrant Certificate) then in effect is greater than $1.237 [the average closing sale price on Nasdaq for the five consecutive trading days prior to the Initial Closing Date], (C) the Company has previously obtained Stockholder Approval (as defined in the Warrant Certificate), (D) the Company has obtained a waiver of the Stockholder Approval requirement of Rule 4460(i) of the Nasdaq Stock Market (or any successor or replacement provision thereof) ("Rule 4460(i)"), or (E) the Company is no longer required to obtain Stockholder Approval under Rule 4460(i) as a condition to continued listing on the Nasdaq Stock Market.

EXHIBIT 21

IMMUNOGEN, INC.

SUBSIDIARIES OF THE REGISTRANT

ImmunoGen Securities Corp
Apoptosis Technology, Inc.

EXHIBIT 23

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statements of ImmunoGen, Inc. on Form S-3 (File Nos. 333-2441, 333-15819, 333-22153, 333-31795 and 333-07661) and on Form S-8 (File Nos. 33-41534 and 33-73544) of our report, which includes an explanatory paragraph concerning uncertainties surrounding the Company's ability to continue as a going concern, dated July 30, 1997, on our audit of the consolidated financial statements of ImmunoGen, Inc. as of June 30, 1997 and 1996, and for each of the three years in the period ended June 30, 1997, and to the inclusion of the report in this Annual Report on Form 10-K.

COOPERS & LYBRAND L.L.P.

Boston, Massachusetts
September 26, 1997

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JUN-30-1997	
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2,247,547	
14,738,186	
11,808,453	
6,349,890	
1,828,497	
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5,493,016	
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6,349,890	
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630,038	
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0	
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(12,594,906)	
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