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

FORM 10-Q

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

For the quarterly period ended March 31, 2018

OR

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

For the transition period from to

Commission file number 0-17999

ImmunoGen, Inc.

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

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

(781) 895-0600
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12-b2 of the Exchange Act.

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

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

Shares of common stock, par value $.01 per share: 133,036,946 shares outstanding as of April 30, 2018.

IMMUNOGEN, INC.
FORM 10-Q
FOR THE QUARTER ENDED MARCH 31, 2018
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Forward looking statements

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to analyses and other information which are based on forecasts of future results and estimates of amounts that are not yet determinable. These statements also relate to our future prospects, developments and business strategies. These forward-looking statements are identified by their use of terms and phrases, such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will" and other similar terms and phrases, including references to assumptions. These statements are contained in the "Business," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections, as well as other sections of this report.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those contemplated by our forward-looking statements. These known and unknown risks, uncertainties and other factors are described in detail in the "Risk Factors" section and in other sections of this report and our Annual Report on Form 10-K for the year ended December 31, 2017. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 1. ***Financial Statements***

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

	March 31, 2018	December 31, 2017
ASSETS		
Cash and cash equivalents	$ 218,383	$ 267,107
Accounts receivable	34	2,649
Unbilled revenue	2,838	2,580
Contract asset	4,041	—
Non-cash royalty receivable	16,090	—
Inventory	368	1,038
Prepaid and other current assets	5,680	2,967
Total current assets	247,434	276,341
Property and equipment, net of accumulated depreciation	12,850	14,538
Other assets	4,681	3,797
Total assets	$ 264,965	$ 294,676
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Accounts payable	$ 7,786	$ 8,562
Accrued compensation	5,671	11,473
Other accrued liabilities	23,756	15,767
Current portion of deferred lease incentive	784	784
Current portion of liability related to the sale of future royalties, net of deferred financing costs of $828 and $772, respectively	27,619	17,779
Current portion of deferred revenue	611	1,405
Total current liabilities	66,227	55,770
Deferred lease incentive, net of current portion	4,933	5,129
Deferred revenue, net of current portion	81,522	93,752
Convertible 4.5% senior notes, net of deferred financing costs of $47 and $50, respectively	2,053	2,050
Liability related to the sale of future royalties, net of current portion and deferred financing costs of $2,092 and $2,373, respectively	142,018	151,634
Other long-term liabilities	4,523	4,236
Total liabilities	301,276	312,571
Commitments and contingencies (Note I)		
Shareholders' deficit:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $0.01 par value; authorized 200,000 shares; issued and outstanding 133,024 and 132,526 shares as of March 31, 2018 and December 31, 2017, respectively	1,330	1,325
Additional paid-in capital	1,015,464	1,009,362
Accumulated deficit	(1,053,105)	(1,028,582)
Total shareholders' deficit	(36,311)	(17,895)
Total liabilities and shareholders' deficit	$ 264,965	$ 294,676

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

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

	Three Months Ended March 31,	
	2018	2017
Revenues:		
License and milestone fees	$ 11,540	$ 18,730
Non-cash royalty revenue related to the sale of future royalties	7,190	7,613
Research and development support	383	1,478
Clinical materials revenue	702	678
Total revenues	19,815	28,499
Operating Expenses:		
Research and development	44,831	32,888
General and administrative	9,995	8,119
Restructuring charge	1,731	386
Total operating expenses	56,557	41,393
Loss from operations	(36,742)	(12,894)
Investment income, net	662	115
Non-cash interest expense on liability related to the sale of future royalties and convertible senior notes	(3,046)	(3,575)
Interest expense on convertible senior notes	(24)	(1,125)
Other income, net	537	134
Net loss	$ (38,613)	$ (17,345)
Basic and diluted net loss per common share	$ (0.30)	$ (0.20)
Basic and diluted weighted average common shares outstanding	130,619	87,160
Total comprehensive loss	$ (38,613)	$ (17,345)

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

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

	Three Months Ended March 31,	
	2018	2017
Cash flows from operating activities:		
Net loss	$ (38,613)	$ (17,345)
Adjustments to reconcile net loss to net cash used for operating activities:		
Non-cash royalty revenue related to sale of future royalties	(7,190)	(7,613)
Non-cash interest expense on liability related to sale of future royalties and convertible senior notes	3,046	3,575
Depreciation and amortization	2,527	1,506
(Gain) loss on sale/disposal of fixed assets and impairment charges	(30)	180
Stock and deferred share unit compensation	3,847	2,665
Deferred rent	15	25
Change in operating assets and liabilities:		
Accounts receivable	2,615	(1,867)
Unbilled revenue	(258)	4,727
Inventory	670	(1,033)
Prepaid and other current assets	(2,713)	(1,008)
Other assets	(884)	(173)
Accounts payable	(757)	(2,543)
Accrued compensation	(5,802)	(2,019)
Other accrued liabilities	5,447	775
Deferred revenue	(11,875)	(12,811)
Net cash used for operating activities	(49,955)	(32,959)
Cash flows from investing activities:		
Purchases of property and equipment	(1,028)	(437)
Net cash used for investing activities	(1,028)	(437)
Cash flows from financing activities:		
Proceeds from stock options exercised	2,259	—
Net cash provided by financing activities	2,259	—
Net change in cash and cash equivalents	(48,724)	(33,396)
Cash and cash equivalents, beginning of period	267,107	159,964
Cash and cash equivalents, end of period	$ 218,383	$ 126,568

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

IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2018

A. Nature of Business and Plan of Operations

ImmunoGen, Inc. (the Company) was incorporated in Massachusetts in 1981 and is focused on the development of antibody-drug conjugates, or ADC, therapeutics. The Company has generally incurred operating losses and negative cash flows from operations since inception, incurred a net loss of approximately $38.6 million during the three months ended March 31, 2018, and has an accumulated deficit of approximately $1.05 billion as of March 31, 2018. The Company has primarily funded these losses through payments received from its collaborations and equity and convertible debt financings. To date, the Company has no product revenue and management expects operating losses to continue for the foreseeable future.

At March 31, 2018, the Company had $218.4 million of cash and cash equivalents on hand. The Company anticipates that its current capital resources and expected future collaborator payments under existing collaborations will enable it to meet its operational expenses and capital expenditures for more than twelve months after the date these financial statements are issued. The Company may raise additional funds through equity or debt financings or generate revenues from collaborators through a combination of upfront license payments, milestone payments, royalty payments, research funding, and clinical material reimbursements. There can be no assurance that the Company will be able to obtain additional debt or equity financing or generate revenues from collaborators on terms acceptable to the Company or at all. The failure of the Company to obtain sufficient funds on acceptable terms when needed could have a material adverse effect on the Company's business, results of operations and financial condition and require the Company to defer or limit some or all of its research, development and/or clinical projects.

The Company is subject to risks common to companies in the biotechnology industry including, but not limited to, the development by its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, manufacturing and marketing limitations, complexities associated with managing collaboration arrangements, third-party reimbursements and compliance with governmental regulations.

B. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, ImmunoGen Securities Corp., ImmunoGen Europe Limited, ImmunoGen (Bermuda) Ltd. and Hurricane, LLC. All intercompany transactions and balances have been eliminated. The consolidated financial statements include all of the adjustments, consisting only of normal recurring adjustments, which management considers necessary for a fair presentation of the Company's financial position in accordance with accounting principles generally accepted in the U.S. for interim financial information. The December 31, 2017 condensed consolidated balance sheet data presented for comparative purposes was derived from the Company's audited financial statements but certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. The preparation of interim financial statements requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenditures during the reported periods. The results of the interim periods are not necessarily indicative of the results for the entire year. Accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

Subsequent Events

The Company has evaluated all events or transactions that occurred after March 31, 2018 up through the date the Company issued these financial statements. In May 2018, Takeda enrolled its first patient in a Phase I clinical trial, triggering a $5 million milestone payment to the Company. On May 1, 2018, Novartis informed the Company that it was

terminating one of the six licenses that they currently have, which was for a pre-clinical stage program. The Company did not have any other material recognizable or unrecognizable subsequent events during this period.

Adoption of ASC Topic 606, Revenue from Contracts with Customers

In May 2014, the Financial Accounting Standards Board, or the FASB, issued Accounting Standards Update, or ASU, 2014-9, *Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09")*, to clarify the principles for recognizing revenue. This update provides a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which delayed the effective date of the new standard from January 1, 2017 to January 1, 2018. The FASB also agreed to allow entities to choose to adopt the standard as of the original effective date. In March 2016, the FASB issued ASU No. 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations*, which clarifies the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*, which clarifies certain aspects of identifying performance obligations and licensing implementation guidance. In May 2016, the FASB issued ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* related to disclosures of remaining performance obligations, as well as other amendments to guidance on collectability, non-cash consideration and the presentation of sales and other similar taxes collected from customers. In December, 2016, the FASB issued ASU No. 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customer* to correct unintended application of guidance. These standards have the same effective date and transition date of January 1, 2018. The new revenue standard allows for either full retrospective or modified retrospective application. The Company adopted Accounting Standards Codification, or ASC, 606 on January 1, 2018, using the modified retrospective method for all contracts not completed as of the date of adoption. The reported results for 2018 reflect the application of ASC 606 guidance while the reported results for 2017 were prepared under the guidance of ASC 605, *Revenue Recognition* (ASC 605), which is also referred to herein as "legacy GAAP" or the "previous guidance." For discussion on the Company's revenue recognition policy under ASC 605, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

Financial Statement Impact of Adopting ASC 606

The cumulative effect of applying the new guidance to all contracts with customers that were not completed as of December 31, 2017, was recorded as an adjustment to accumulated deficit as of the adoption date. As a result of applying the modified retrospective method to adopt the new revenue guidance, the following adjustments were made to accounts on the condensed consolidated balance sheet as of January 1, 2018:

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

	December 31, 2017	Adjustments Due to ASU 2014-09	Balance at January 1, 2018
ASSETS			
Cash and cash equivalents	$ 267,107	$ —	$ 267,107
Accounts receivable	2,649	—	2,649
Unbilled revenue	2,580	—	2,580
Non-cash royalty receivable	—	8,900	8,900
Inventory	1,038	—	1,038
Prepaid and other current assets	2,967	—	2,967
Total current assets	276,341	8,900	285,241
Property and equipment, net of accumulated depreciation	14,538	—	14,538
Other assets	3,797	—	3,797
Total assets	$ 294,676	$ 8,900	$ 303,576
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Accounts payable	$ 8,562	$ —	$ 8,562
Accrued compensation	11,473	—	11,473
Other accrued liabilities	15,767	—	15,767
Current portion of deferred lease incentive	784	—	784
Current portion of liability related to the sale of future royalties, net	17,779	—	17,779
Current portion of deferred revenue	1,405	41	1,446
Total current liabilities	55,770	41	55,811
Deferred lease incentive, net of current portion	5,129	—	5,129
Deferred revenue, net of current portion	93,752	(5,231)	88,521
Convertible 4.5% senior notes, net	2,050	—	2,050
Liability related to the sale of future royalties, net	151,634	—	151,634
Other long-term liabilities	4,236	—	4,236
Total liabilities	312,571	(5,190)	307,381
Shareholders' deficit:			
Preferred stock	—	—	—
Common stock	1,325	—	1,325
Additional paid-in capital	1,009,362	—	1,009,362
Accumulated deficit	(1,028,582)	14,090	(1,014,492)
Total shareholders' deficit	(17,895)	14,090	(3,805)
Total liabilities and shareholders' deficit	$ 294,676	$ 8,900	$ 303,576

Under the previous guidance, the Company deferred revenue pertaining to the transfer of certain exclusive commercialization and development licenses. Under ASC 606, the Company recognizes revenues from non-refundable, up-front fees allocated to the license when the license is transferred to the customer and the customer is able to use and benefit from the license.

Under the previous guidance, milestones that were considered substantive because the Company contributed significant effort to the achievement of such milestones were recognized as revenue upon achievement of the milestone. Under ASC 606, if the achievement of a milestone is considered a direct result of the Company's efforts to satisfy a performance obligation or transfer a distinct good or service, the associated milestone value is allocated to that distinct good or service. If a milestone is not specifically related to the Company's effort to satisfy a performance obligation or transfer a distinct good or service, the amount is allocated to all performance obligations using the relative standalone selling price method.

The Company also evaluates the milestone to determine whether the milestone is probable of being achieved and estimates the amount to be included in the transaction price. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price to be allocated, otherwise, such amounts are constrained and excluded from the transaction price. As a result of recognizing a probable milestone in the transaction price as of the date of adoption, the Company recorded a reduction to accumulated deficit of $4.6 million related to a previously delivered license. The $5 million contract asset recorded for the probable milestone is being netted against contract liabilities related to the specific contract.

Prior to the adoption of ASC 606, the Company recognized royalty revenue when it could reliably estimate such amounts and collectability was reasonably assured. As such, the Company generally recognized revenue for sales royalties in the quarter reported to the Company by its licensees, or one quarter following the quarter in which sales by the Company's licensees occurred. Under ASC 606, if the license is deemed to be the predominant item to which the royalties relate, the Company will recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). As a result of recognizing royalties for sales in the fourth quarter of fiscal year 2017, the Company recognized a reduction to accumulated deficit of $8.9 million.

The net impact of these changes resulted in a $14.1 million reduction to accumulated deficit, a $5.2 million reduction to deferred revenue and an $8.9 million increase in non-cash royalty receivable.

The adoption of ASC 606 resulted in accelerated amortization of the deferred revenue balance as of December 31, 2017, which in turn reduced the related deferred tax asset by $3.9 million. As the Company fully reserves its net deferred tax assets, the impact was offset by the valuation allowance.

Impact of ASC 606 Revenue Guidance on Financial Statement Line Items

The following tables compare the reported condensed consolidated balance sheet and statement of operations, as of and for the three months ended March 31, 2018, to the pro-forma amounts had the previous guidance been in effect:

IMMUNOGEN, INC.
PRO FORMA CONSOLIDATED BALANCE SHEET
(UNAUDITED)
In thousands, except per share amounts

	As of March 31, 2018	
	As reported	Pro forma as if the previous accounting was in effect
ASSETS		
Cash and cash equivalents	$ 218,383	$ 218,383
Accounts receivable	34	34
Unbilled revenue	2,838	2,838
Contract asset	4,041	—
Non-cash royalty receivable	16,090	8,875
Inventory	368	368
Prepaid and other current assets	5,680	5,680
Total current assets	247,434	236,178
Property and equipment, net of accumulated depreciation	12,850	12,850
Other assets	4,681	4,681
Total assets	$ 264,965	$ 253,709
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Accounts payable	$ 7,786	$ 7,786
Accrued compensation	5,671	5,671
Other accrued liabilities	23,756	23,756
Current portion of deferred lease incentive	784	784
Current portion of liability related to the sale of future royalties, net	27,619	27,619
Current portion of deferred revenue	611	569
Total current liabilities	66,227	66,185
Deferred lease incentive, net of current portion	4,933	4,933
Deferred revenue, net of current portion	81,522	84,423
Convertible 4.5% senior notes, net	2,053	2,053
Liability related to the sale of future royalties, net	142,018	142,018
Other long-term liabilities	4,523	4,523
Total liabilities	301,276	304,135
Shareholders' deficit:		
Preferred stock	—	—
Common stock	1,330	1,330
Additional paid-in capital	1,015,464	1,015,464
Accumulated deficit	(1,053,105)	(1,067,220)
Total shareholders' deficit	(36,311)	(50,426)
Total liabilities and shareholders' deficit	$ 264,965	$ 253,709

As a result of adoption of ASC 606, a contract asset of $5 million was recorded for a probable milestone that would not have been recognized under the previous guidance, which is netted against a $1 million contract liability related to rights to future technological improvements under the same contract. Additionally, a receivable was recorded for royalties earned during the first quarter rather than one quarter in arrears under the previous guidance. Deferred revenue also decreased under ASC 606 due to the transition adjustments discussed above, the reclassification of the contract liability to a net contract asset, as well as a higher amount of deferred revenue recognized related to a partner foregoing its remaining rights under a right-to-test agreement upon expiration in March 2018 due to a greater amount of the transaction price allocated to the expired material rights under ASC 606.

IMMUNOGEN, INC.
PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)
In thousands, except per share amounts

	Three months ended March 31, 2018	
	As reported	Pro forma as if the previous accounting was in effect
Revenues:		
License and milestone fees	$ 11,540	$ 9,830
Non-cash royalty revenue related to the sale of future royalties	7,190	8,875
Research and development support	383	383
Clinical materials revenue	702	702
Total revenues	19,815	19,790
Operating Expenses:		
Research and development	44,831	44,831
General and administrative	9,995	9,995
Restructuring charge	1,731	1,731
Total operating expenses	56,557	56,557
Loss from operations	(36,742)	(36,767)
Investment income, net	662	662
Non-cash interest expense on liability related to the sale of future royalties and convertible senior notes	(3,046)	(3,046)
Interest expense on convertible senior notes	(24)	(24)
Other income (expense), net	537	537
Net loss	$ (38,613)	$ (38,638)
Basic and diluted net loss per common share	$ (0.30)	$ (0.30)

Under the previous guidance, higher non-cash royalty revenue would have been recorded due to higher sales of Kadcyla® in the fourth quarter of 2017 compared to the first quarter of 2018 (because under the previous guidance, the Company recorded the royalties one quarter in arrears as previously described). Offsetting this change, less license and milestone fee revenue would have been recognized under the previous guidance related to a partner foregoing its remaining rights under a right-to-test agreement upon expiration in March 2018 due to a greater amount of the transaction price allocated to the expired material rights under ASC 606.

The adoption of ASC 606 had no aggregate impact on the Company's cash flows from operations. The aforementioned impact resulted in offsetting shifts in cash flows through net losses and working capital accounts.

Revenue Recognition

The Company enters into licensing and development agreements with collaborators for the development of ADC therapeutics. The terms of these agreements contain multiple performance obligations which may include (i) licenses, or options to obtain licenses, to the Company's ADC technology, (ii) rights to future technological improvements, (iii) research activities to be performed on behalf of the collaborative partner, (iv) delivery of cytotoxic agents and (v) the manufacture of preclinical or clinical materials for the collaborative partner. Payments to the Company under these agreements may include upfront fees, option fees, exercise fees, payments for research activities, payments for the manufacture of preclinical or clinical materials, payments based upon the achievement of certain milestones and royalties on product sales. Revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under the agreements, the Company performs the following steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the

transaction price to the performance obligations; and (v) recognition of revenue when or as the Company satisfies each performance obligation.

The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration to which it is entitled in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations, and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when or as the performance obligation is satisfied.

As part of the accounting for the arrangement, the Company must develop assumptions that require judgment to determine the stand-alone selling price for each performance obligation identified in the contract. The Company uses key assumptions to determine the stand-alone selling price, which is discussed in further detail below.

At March 31, 2018, the Company had the following material types of agreements with the parties identified below:

- Development and commercialization licenses, which provide the party with the right to use the Company's ADC technology and/or certain other intellectual property to develop and commercialize anticancer compounds to a specified antigen target:
  - Amgen (two exclusive single-target licenses – one of which has been sublicensed to Oxford BioTherapeutics Ltd.)
  - Bayer (one exclusive single-target license)
  - Biotest (one exclusive single-target license)
  - CytomX (one exclusive single-target license)
  - Fusion Pharmaceuticals (one exclusive single-target license)
  - Lilly (three exclusive single-target licenses)
  - Novartis (five exclusive single-target licenses and one license to two related targets: one target on an exclusive basis and the second target on a non-exclusive basis)
  - Roche, through its Genentech unit (five exclusive single-target licenses)
  - Sanofi (five fully-paid, exclusive single-target licenses)
  - Takeda, through its wholly owned subsidiary, Millennium Pharmaceuticals, Inc. (one exclusive single-target license)
  - Debiopharm (one exclusive single-compound license)
- Collaboration and option agreement for a defined period of time to secure development and commercialization licenses to develop and commercialize specified anticancer compounds on established terms:
  - Jazz Pharmaceuticals

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

Development and Commercialization Licenses

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

Generally, development and commercialization licenses contain non-refundable terms for payments and, depending on the terms of the agreement, provide that the Company will (i) at the collaborator's request, provide research services at negotiated prices which are generally consistent with what other third parties would charge, (ii) at the collaborator's request, manufacture and provide preclinical and clinical materials or deliver cytotoxic agents at negotiated prices which are generally consistent with what other third parties would charge, (iii) earn payments upon the achievement of certain milestones, and (iv) earn royalty payments, generally until the later of the last applicable patent expiration or 10 to 12 years after product launch. In the case of Kadcyla, however, the minimum royalty term is 10 years and the maximum royalty term is 12 years on a country-by-country basis, regardless of patent protection. Royalty rates may vary over the royalty term depending on the Company's intellectual property rights and/or the presence of comparable competing products. In the case of Sanofi, its licenses are fully-paid and no further milestones or royalties will be received. In the case of Debiopharm, no royalties will be received. The Company may provide technical assistance and share any technology improvements with its collaborators during the term of the collaboration agreements. The Company does not directly control when or whether any collaborator will request research or manufacturing services, achieve milestones or become liable for royalty payments.

In determining the performance obligations, management evaluates whether the license is distinct, and has significant standalone functionality, from the undelivered elements to the collaborative partner based on the consideration of the relevant facts and circumstances for each arrangement. Factors considered in this determination include the research capabilities of the partner and the availability of ADC technology research expertise in the general marketplace and whether technological improvements are required for the continued functionality of the license. If the license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company recognizes revenues from non-refundable, up-front fees allocated to the license when the license is transferred to the customer and the customer is able to use and benefit from the license. The Company estimates the stand-alone selling prices of the license and all other performance obligations based on market conditions, similar arrangements entered into by third parties, and entity-specific factors such as the terms of the Company's previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use the Company's ADC technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, and, if made, will be used by the Company's collaborators and the nature of the research services to be performed on behalf of its collaborators and market rates for similar services.

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

The Company may also provide cytotoxic agents to its collaborators or produce preclinical and clinical materials at negotiated prices which are generally consistent with what other third parties would charge. The Company recognizes revenue on cytotoxic agents and on preclinical and clinical materials when the materials have passed all quality testing required for collaborator acceptance and control has transferred to the collaborator. The majority of the Company's costs to produce these preclinical and clinical materials are fixed and then allocated to each batch based on the number of batches produced during the period. Therefore, the Company's costs to produce these materials are significantly affected by the number of batches produced during the period. The volume of preclinical and clinical materials the Company produces is directly related to the scale and scope of preclinical activities and the number of clinical trials the Company and its collaborators are preparing for or currently have underway, the speed of enrollment in

those trials, the dosage schedule of each clinical trial and the time period such trials last. Accordingly, the volume of preclinical and clinical materials produced, and therefore the Company's per-batch costs to manufacture these preclinical and clinical materials, may vary significantly from period to period, which impacts the margins recognized on such product sales.

The Company recognizes revenue related to the rights to future technological improvements over the estimated term of the applicable license.

The Company's development and commercialization license agreements have milestone payments which for reporting purposes are aggregated into three categories: (i) development milestones, (ii) regulatory milestones, and (iii) sales milestones. Development milestones are typically payable when a product candidate initiates or advances into different clinical trial phases. Regulatory milestones are typically payable upon submission for marketing approval with the U.S. Food and Drug Administration, or FDA, or other countries' regulatory authorities or on receipt of actual marketing approvals for the compound or for additional indications. Sales milestones are typically payable when annual sales reach certain levels.

At the inception of each arrangement that includes developmental and regulatory milestone payments, the Company evaluates whether the achievement of each milestone specifically relates to the Company's efforts to satisfy a performance obligation or transfer a distinct good or service within a performance obligation. If the achievement of a milestone is considered a direct result of the Company's efforts to satisfy a performance obligation or transfer a distinct good or service and the receipt of the payment is based upon the achievement of the milestone, the associated milestone value is allocated to that distinct good or service. If the milestone payment is not specifically related to the Company's effort to satisfy a performance obligation or transfer a distinct good or service, the amount is allocated to all performance obligations using the relative standalone selling price method. In addition, the Company evaluates the milestone to determine whether the milestone is considered probable of being reached and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price to be allocated; otherwise, such amounts are considered constrained and excluded from the transaction price. At the end of each subsequent reporting period, the Company re-evaluates the probability of achievement of such development or regulatory milestones and any related constraint, and if necessary, adjusts its estimate of the transaction price. Any such adjustments to the transaction price are allocated to the performance obligations on the same basis as at contract inception. Amounts allocated to a satisfied performance obligation shall be recognized as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

For development and commercialization license agreements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Company will recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied) in accordance with the royalty recognition constraint. Under the Company's development and commercialization license agreements, except for the Sanofi and Debiopharm licenses, the Company receives royalty payments based upon its licensees' net sales of covered products. Generally, under the development and commercialization agreements, the Company receives royalty reports and payments from its licensees approximately one quarter in arrears. The Company estimates the amount of royalty revenue to be recognized based on historical and forecasted sales and/or sales information from its licensees if available.

Collaboration and Option Agreements/Right-to-Test Agreements

The Company's right-to-test agreements provide collaborators the right to test the Company's ADC technology for a defined period of time through a research, or right-to-test, license. Under both right-to-test agreements and collaboration and option agreements, collaborators may (a) take options, for a defined period of time, to specified targets and (b) upon exercise of those options, secure or "take" licenses to develop and commercialize products for the specified targets on established terms. Under these agreements, fees may be due to the Company (i) at the inception of the arrangement (referred to as "upfront" fees or payments), (ii) upon the opt-in to acquire a development and commercialization license(s) (referred to as exercise fees or payments earned, if any, when the development and

commercialization license is “taken”), (iii) at the collaborator’s request, provide research services at negotiated prices which are generally consistent with what other third parties would charge, or (iv) some combination of all of these fees.

The accounting for collaboration and option agreements and right-to-test agreements is dependent on the nature of the options granted to the collaborative partner. Options are considered distinct performance obligations if they provide a collaborator with a material right. Factors that are considered in evaluating whether options convey a material right include the overall objective of the arrangement, the benefit the collaborator might obtain from the agreement without exercising the options, the cost to exercise the options relative to the fair value of the licenses, and the additional financial commitments or economic penalties imposed on the collaborator as a result of exercising the options. As of March 31, 2018, all right-to-test agreements have expired.

If the Company concludes that an option provides the customer a material right, and therefore is a separate performance obligation, the Company then determines the estimated selling prices of the option and all other units of accounting based on an option pricing model using the following inputs; a) estimated fair value of each program, b) the amount the partner would pay to exercise the option to obtain the license and c) probability of exercise.

Upfront payments on development and commercialization licenses may be recognized upon delivery of the license if facts and circumstances dictate that the license has stand-alone functionality and is distinct from the undelivered elements.

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

In determining whether a collaboration and option agreement is within the scope of ASC 808, *Collaborative Arrangements*, management evaluates the level of involvement of both companies in the development and commercialization of the products to determine if both parties are active participants and if both parties are exposed to risks and rewards dependent on the commercial success of the licensed products. If the agreement is determined to be within the scope of ASC 808, the Company will segregate the research and development activities and the related cost sharing arrangement. Payments made by the Company for such activities will be recorded as research and development expense and reimbursements received from its partner will be recognized as an offset to research and development expense.

Transaction Price Allocated to Future Performance Obligations

Remaining performance obligations represent the transaction price of contracts for which work has not been performed (or has been partially performed) and exclude unexercised contract options and potential orders under ordering type contracts. As of March 31, 2018, the aggregate amount of the transaction price allocated to remaining performance obligations was $82.1 million. The Company expects to recognize revenue on approximately 2%, 1% and 97% of the remaining performance obligations over the next 12 months, 13 to 60 months, and 61 to 120 months, respectively, however it does not control when or if any collaborator will exercise its options for, or terminate existing development and commercialization licenses.

Contract Balances from Contracts with Customers

The following table presents changes in the Company's contract assets and contract liabilities during the three months ended March 31, 2018 (in thousands):

	Balance at January 1, 2018 (ASC 606 adoption)	Additions	Deductions	Balance at End of Period
Three months ended March 31, 2018				
Contract asset	$ —	$ 4,041	$ —	$ 4,041
Contract liabilities:				
Deferred revenue	$ 89,967	$	$ (7,834)	$ 82,133

During the three months ended March 31, 2018, the Company recognized the following revenues as a result of changes in contract asset and contract liability balances in the respective periods (in thousands):

	Three months ended March 31, 2018
Revenue recognized in the period from:	
Amounts included in contract liabilities at the beginning of the period	$ 11,540
Performance obligations satisfied in previous periods	$ -

As a result of adoption of ASC 606, a contract asset of $5 million was recorded for a probable milestone which was netted against an approximate $1 million contract liability related to the specific contract as of March 31, 2018. During the current quarter, as a result of Takeda not executing a second license it had available, or extending or expanding its right-to-test agreement, the Company recognized $10.9 million of revenue previously deferred, with a net reduction in deferred revenue of $6.9 million due to contract asset and contract liability netting. In addition, $500,000 of the deferred revenue balance at December 31, 2017 was recognized as revenue during the quarter upon completion of the Debiopharm performance obligations, $101,000 of amortization of deferred revenue was recorded related to numerous collaborators' rights to technological improvements and $335,000 of revenue was recognized upon shipment of clinical materials to a partner.

During the three months ended March 31, 2017, $12.7 million in license revenue was recognized for completing delivery of a license to CytomX, $703,000 was recognized upon shipment of a partner batch and $80,000 of amortization of deferred revenue was recorded related to numerous collaborators' rights to technological improvements. In addition, $6.0 million of milestone revenue was recognized under ASC 605.

The timing of revenue recognition, billings and cash collections results in billed receivables, contract assets and contract liabilities on the consolidated balance sheets. When consideration is received, or such consideration is unconditionally due, from a customer prior to transferring goods or services to the customer under the terms of a contract, a contract liability is recorded. Contract liabilities are recognized as revenue after control of the products or services is transferred to the customer and all revenue recognition criteria have been met.

Financial Instruments and Concentration of Credit Risk

Cash and cash equivalents are primarily maintained with three financial institutions in the U.S. Deposits with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and, therefore, bear minimal risk. The Company's cash equivalents consist of money market funds with underlying investments primarily being U.S. Government issued securities and high quality, short term commercial paper. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents and marketable securities. The Company held no marketable securities as of March 31, 2018 and

December 31, 2017. The Company's investment policy, approved by the Board of Directors, limits the amount it may invest in any one type of investment, thereby reducing credit risk concentrations.

Cash and Cash Equivalents

All highly liquid financial instruments with maturities of three months or less when purchased are considered cash equivalents. As of March 31, 2018 and December 31, 2017, the Company held $218.4 million and $267.1 million, respectively, in cash and money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper which were classified as cash and cash equivalents.

Non-cash Investing and Financing Activities

The Company had $262,000 and $482,000 of accrued capital expenditures as of March 31, 2018 and December 31, 2017, respectively, which have been treated as a non-cash investing activity and, accordingly, are not reflected in the consolidated statement of cash flows.

Fair Value of Financial Instruments

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

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

As of March 31, 2018, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of March 31, 2018 (in thousands):

	Fair Value Measurements at March 31, 2018 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 195,063	$ 195,063	$ —	$ —

As of December 31, 2017, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of December 31, 2017 (in thousands):

	Fair Value Measurements at December 31, 2017 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 240,013	$ 240,013	$ —	$ —

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

The carrying amounts reflected in the consolidated balance sheets for accounts receivable, unbilled revenue, prepaid and other current assets, accounts payable, accrued compensation, and other accrued liabilities approximate fair value due to their short-term nature. The gross carrying amount and estimated fair value of the convertible 4.5% senior notes (the "Convertible Notes") was $2.1 million and $3.8 million, respectively, as of March 31, 2018 and December 31, 2017. The fair value of the Convertible Notes is influenced by interest rates, the Company's stock price and stock price volatility and is determined by prices for the Convertible Notes observed in a market which is a Level 2 input for fair value purposes due to the low frequency of trades.

Unbilled Revenue

The majority of the Company's unbilled revenue at March 31, 2018 represents research funding earned prior to that date based on actual resources utilized under the Company's agreements with various collaborators.

Inventory

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

Inventory at March 31, 2018 and December 31, 2017 is summarized below (in thousands):

	March 31, 2018	December 31, 2017
Raw materials	$ 40	$ 40
Work in process	328	998
Total	$ 368	$ 1,038

Raw materials inventory consists entirely of proprietary cell-killing agents the Company developed as part of its ADC technology. The Company considers more than a twelve month supply of raw materials that is not supported by firm, fixed orders and/or projections from its collaborators to be excess and establishes a reserve to reduce to zero the value of any such excess raw material inventory with a corresponding charge to research and development expense. In

accordance with this policy, the Company recorded $403,000 of expense related to excess inventory in the three months ended March 31, 2017. There were no similar charges in the three months ended March 31, 2018.

Work in process inventory consists of conjugate manufactured for sale to the Company's collaborators to be used in preclinical and clinical studies. All conjugate is made to order at the request of the collaborators and subject to the terms and conditions of respective supply agreements. Based on historical reprocessing or reimbursement required for conjugate that did not meet specification and status of current conjugate on hand or conjugate shipped to collaborators but not yet released per the terms of the respective supply agreements, no reserve for work in process inventory was determined to be required at March 31, 2018. Arrangement consideration allocated to the manufacture of preclinical and clinical materials in arrangements with multiple performance obligations is below the Company's full cost, and the Company's full cost is not expected to ever be below its contract selling prices for its existing collaborations, and therefore, costs are capitalized into inventory at the supply prices which represents net realizable value. During the three months ended March 31, 2018 and 2017, the difference between the Company's full cost to manufacture preclinical and clinical materials on behalf of its collaborators as compared to total amounts received from collaborators for the manufacture of preclinical and clinical materials was $344,000 and $727,000, respectively.

Computation of Net Loss per Common Share

Basic and diluted net loss per share is calculated based upon the weighted average number of common shares outstanding during the period. During periods of income, participating securities are allocated a proportional share of income determined by dividing total weighted average participating securities by the sum of the total weighted average common shares and participating securities (the "two-class method"). Shares of the Company's restricted stock participate in any dividends declared by the Company and are therefore considered to be participating securities. Participating securities have the effect of diluting both basic and diluted earnings per share during periods of income. During periods of loss, no loss is allocated to participating securities since they have no contractual obligation to share in the losses of the Company. Diluted (loss) income per share is computed after giving consideration to the dilutive effect of stock options, convertible notes and restricted stock that are outstanding during the period, except where such non-participating securities would be anti-dilutive.

The Company's common stock equivalents, as calculated in accordance with the treasury-stock method for the options and unvested restricted stock and the if-converted method for the Convertible Notes, are shown in the following table (in thousands):

	Three Months Ended March 31,	
	2018	2017
Options outstanding to purchase common stock and unvested restricted stock at end of period	17,677	13,690
Common stock equivalents under treasury stock method for options and unvested restricted stock	3,436	110
Shares issuable upon conversion of Convertible Notes at end of period	501	23,878
Common stock equivalents under if-converted method for Convertible Notes	501	23,878

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

Stock-Based Compensation

As of March 31, 2018, the Company is authorized to grant future awards under one employee share-based compensation plan, which is the ImmunoGen, Inc. 2016 Employee, Director and Consultant Equity Incentive Plan, or the 2016 Plan. At the annual meeting of shareholders on December 9, 2016, the 2016 Plan was approved and provides for the issuance of stock grants, the grant of options and the grant of stock-based Awards for up to 5,500,000 shares of the Company's common stock, as well as up to 14,250,000 shares of common stock which represent awards granted under

the previous stock option plan, the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan, or the 2006 Plan, that forfeit, expire, or cancel without delivery of shares of common stock or which resulted in the forfeiture of shares of common stock back to the Company subsequent to December 9, 2016. At the annual meeting of shareholders on June 13, 2017, the 2016 Plan was amended to increase the number of shares authorized for issuance thereunder by 1,000,000. Option awards are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Options vest at various periods of up to four years and may be exercised within ten years of the date of grant.

The stock-based awards are accounted for under ASC Topic 718, "Compensation—Stock Compensation." Pursuant to Topic 718, the estimated grant date fair value of awards is charged to the statement of operations and comprehensive loss over the requisite service period, which is the vesting period. Such amounts have been reduced by an estimate of forfeitures of all unvested awards. The fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model with the weighted average assumptions noted in the following table. As the Company has not paid dividends since inception, nor does it expect to pay any dividends for the foreseeable future, the expected dividend yield assumption is zero. Expected volatility is based exclusively on historical volatility data of the Company's stock. The expected term of stock options granted is based exclusively on historical data and represents the period of time that stock options granted are expected to be outstanding. The expected term is calculated for and applied to one group of stock options as the Company does not expect substantially different exercise or post-vesting termination behavior among its option recipients. The risk-free rate of the stock options is based on the U.S. Treasury rate in effect at the time of grant for the expected term of the stock options.

	Three Months Ended March 31,	
	2018	2017
Dividend	None	None
Volatility	70.82 %	66.89 %
Risk-free interest rate	2.70 %	2.03 %
Expected life (years)	6.0	6.0

Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during the three months ended March 31, 2018 and 2017 were $10.55 and $1.52 per share, respectively.

A summary of option activity under the 2006 and 2016 Plans as of March 31, 2018, and changes during the three month period then ended is presented below (in thousands, except weighted-average data):

	Number of Stock Options	Weighted-Average Exercise Price
Outstanding at December 31, 2017	11,971	$ 9.91
Granted	4,465	10.55
Exercised	(421)	5.37
Forfeited/Canceled	(173)	12.83
Outstanding at March 31, 2018	15,842	$ 10.18

During the three months ended March 31, 2018, holders of options issued under the Company's equity plans exercised their rights to acquire an aggregate of approximately 421,000 shares of common stock at prices ranging from $2.03 to $12.21 per share. The total proceeds to the Company from these option exercises were $2.3 million.

In August 2016, February 2017 and June 2017, the Company granted 117,800, 529,830 and 239,000 shares of restricted common stock with grant date fair values of $3.15, $2.47 and $4.71, respectively, to certain officers of the Company. These restrictions will lapse in three equal installments upon the achievement of specified performance goals within the next five years. The Company determined it is not currently probable that these performance goals will be achieved, and therefore, no expense has been recorded to date.

A summary of restricted stock activity under the 2006 and 2016 Plans (inclusive of the performance awards noted above) as of March 31, 2018 and changes during the three month period ended March 31, 2018 is presented below (in thousands):

	Number of Restricted Stock Shares	Weighted-Average Grant Date Fair Value
Unvested at December 31, 2017	2,319	$ 2.82
Awarded	—	—
Vested	(484)	2.52
Forfeited	—	—
Unvested at March 31, 2018	1,835	$ 2.90

Stock compensation expense related to stock options and restricted stock awards granted under the 2016 and 2006 Plans was $3.7 million and $2.6 million during the three months ended March 31, 2018 and 2017, respectively. As of March 31, 2018, the estimated fair value of unvested employee awards was $37.1 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately three years. Also included in stock compensation expense for the three months ended March 31, 2018 and 2017 is expense recorded for directors' deferred share units, the details of which are discussed in Note G.

Segment Information

During the three months ended March 31, 2018, the Company continued to operate in one operating segment which is the business of discovery of monoclonal antibody-based anticancer therapeutics.

The percentages of revenues recognized from significant customers of the Company in the three months ended March 31, 2018 and 2017 are included in the following table:

	Three Months Ended March 31,	
Collaborative Partner:	2018	2017
CytomX	4 %	48 %
Roche	37 %	27 %
Sanofi	— %	21 %
Takeda	56 %	3 %

There were no other customers of the Company with significant revenues in the three months ended March 31, 2018 and 2017.

Recently Adopted Accounting Pronouncements

In January 2016, the FASB issued ASU 2016-1, *Recognition and Measurement of Financial Assets and Financial Liabilities (Topic 825).* The amendments in this ASU supersede the guidance to classify equity securities with readily determinable fair values into different categories (that is, trading or available-for-sale) and require equity securities (including other ownership interests, such as partnerships, unincorporated joint ventures, and limited liability companies) to be measured at fair value with changes in the fair value recognized through net income. The amendments allow equity investments that do not have readily determinable fair values to be remeasured at fair value either upon the occurrence of an observable price change or upon identification of an impairment. The amendments also require enhanced disclosures about those investments. The amendments improve financial reporting by providing relevant information about an entity's equity investments and reducing the number of items that are recognized in other comprehensive income. This guidance is effective for annual reporting beginning after December 15, 2017, including interim periods within the year of adoption, and calls for prospective application, with early application permitted. Accordingly, the standard is effective for the Company on January 1, 2018. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In May 2017, the FASB issued ASU 2017-09, *Stock Compensation – Scope of Modification Accounting (Topic 718)* regarding changes to terms and conditions of share-based payment awards. The ASU provides guidance about which changes to terms or conditions of a share-based payment award require an entity to apply modification accounting. The guidance is effective for annual periods beginning after December 15, 2017, including interim periods within that year. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

Recently issued accounting pronouncements, not yet adopted

In February 2016, the FASB issued ASU 2016-2, *Leases (Topic 842)* that primarily requires lessees to recognize most leases on their balance sheets but record expenses on their income statements in a manner similar to current accounting. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. In September 2017, the FASB issued additional amendments providing clarification and implementation guidance. In January 2018, the FASB issued an update that permits an entity to elect an optional transition practical expedient to not evaluate land easements that existed or expired before the entity's adoption of the new standard and that were not previously accounted for as leases. The guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, and calls for retrospective application, with early adoption permitted. Accordingly, the standard is effective for the Company on January 1, 2019. Although the Company has not finalized its process of evaluating the impact of adoption of the ASU on its consolidated financial statements, the Company expects there will be a material increase to assets and liabilities related to the recognition of new right-of-use assets and lease liabilities on the Company's balance sheet for leases currently classified as operating leases, which substantially consists of the Company's facility leases summarized in Note I, *Commitments and Contingencies*, to the consolidated financial statements.

C. Agreements

Significant Collaborative Agreements

Jazz Pharmaceuticals

In August 2017, the Company entered into a collaboration and option agreement with Jazz granting them exclusive, worldwide rights to opt into development and commercialization of two early-stage, hematology-related ADC programs, as well as an additional program to be designated during the term of the agreement (its "License Options"). The programs covered under the agreement include IMGN779, a CD33-targeted ADC for the treatment of acute myeloid leukemia (AML) in Phase 1 testing, and IMGN632, a CD123-targeted ADC for hematological malignancies also in Phase I testing, and an early-stage program to be determined at a later date. Under the terms of the agreement, the Company will be responsible for the development of the three ADC programs prior to any potential opt-in by Jazz. Following any opt-in, Jazz would be responsible for any further development as well as for potential regulatory submissions and commercialization.

As part of the agreement, Jazz made an upfront payment of $75 million to the Company. Additionally, Jazz will pay the Company up to $100 million in development funding over seven years to support the three ADC programs. For each program, Jazz may exercise its License Options at any time prior to a pivotal study or at any time prior to the filing of a biologics license application (BLA) upon payment of an option exercise fee of mid-double digit millions or low triple digit millions, respectively. For each program to which Jazz elects to opt-in, the Company would be eligible to receive milestone payments based on receiving regulatory approvals of the applicable product aggregating $100 million plus tiered royalties as a percentage of commercial sales by Jazz, which will vary depending upon sales levels and the stage of development at the time of opt-in. Per the applicable accounting standards, at the time of execution of this agreement, significant uncertainty is deemed to exist as to whether the milestones would be achieved. In consideration of this, as well as the Company's expected involvement in the research and manufacturing of these product candidates, these milestones were deemed substantive. After opt-in, Jazz and the Company would share costs associated with developing and obtaining regulatory approvals of the applicable product in the U.S. and EU. The Company has the right to co-commercialize in the U.S. one product (or two products, under certain limited circumstances) with U.S. profit sharing in lieu of Jazz's payment of the U.S. milestone and royalties to the Company.

Due to the involvement the Company and Jazz both have in the development and commercialization of the products, as well as both parties being part of the cost share agreement and exposed to significant risks and rewards dependent on the commercial success of the products, the arrangement has been determined to be a collaborative arrangement within the scope of ASC 808. Accordingly, the Company carved out the research and development activities and the related cost sharing arrangement with Jazz. Payments for such activities will be recorded as research and development expense and reimbursements received from Jazz will be recognized as an offset to research and development expense in the accompanying statement of operations during the development period. Included in research and development expense for the three month period ended March 31, 2018, is a $2.0 million credit related to reimbursements from Jazz.

The three License Options are considered material rights as the exercise price for each option is priced at a discount to the fair value of the underlying licenses. Therefore, the non-refundable, upfront arrangement consideration of $75 million was allocated to the three License Options based on the relative standalone selling price method. The amounts allocated to the License Options will be recognized as revenue when exercised by Jazz or upon expiration. The Company does not control when Jazz will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when it will recognize revenue related to the delivery of the licenses, and accordingly, the upfront payment of $75 million is included in long-term deferred revenue as of March 31, 2018.

Roche

In May 2000, the Company granted Genentech, now a unit of Roche, an exclusive license to use the Company's maytansinoid ADC technology. Pursuant to this agreement, Roche developed and received marketing approval for its HER2-targeting ADC compound, Kadcyla, in the U.S., Europe, Japan and numerous other countries. The Company receives royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with the Company's revenue recognition policy under ASC 606, $7.2 million of non-cash royalties on net sales of Kadcyla for the three-month period ended March 31, 2018 were recorded and included in non-cash royalty revenue for the three-month period ended March 31, 2018. Under the previous revenue recognition policy using ASC 605, $8.9 million of non-cash royalties would have been recorded in the current quarter. Under the previous guidance, $7.6 million of non-cash royalties on net sales of Kadcyla for the three-month period ended December 31, 2016 were included in non-cash royalty revenue for the three-month period ended March 31, 2017. Kadcyla sales occurring after January 1, 2015 are covered by a royalty purchase agreement whereby the associated cash is remitted to Immunity Royalty Holdings, L.P, or IRH, as discussed further in Note E.

Sanofi

On May 30, 2017, the Company and an affiliate of Sanofi amended the license agreements covering all compounds in development by Sanofi using the Company's technology. Under the terms of the amended 2003 collaboration and license agreement, the Company granted Sanofi a fully-paid, exclusive license to develop, manufacture, and commercialize four experimental compounds in development. The Company and Sanofi also amended a separate 2013 exclusive license to grant Sanofi a fully-paid, exclusive license to develop, manufacture and commercialize another experimental compound being studied for the treatment of solid tumors. As consideration for these amendments, the Company received a $30 million payment and agreed to forego a limited co-promotion option in the U.S. with respect to the compounds covered by the 2003 agreement, as well as future milestones or royalties under both license agreements. Under the previous guidance of ASC 605, the Company recognized $6 million of milestone payments related to the license agreements above, prior to the agreement executed in May 2017, which is included in license and milestone fee revenue for the three months ended March 31, 2017.

CytomX

In January 2014, The Company entered into a reciprocal right-to-test agreement with CytomX. The agreement provides CytomX with the right to test the Company's payload agents and linkers with CytomX antibodies that utilize their proprietary antibody-masking technology, termed Probodies™ for a specified number of targets and to subsequently take an exclusive, worldwide license to use the Company's technology to develop and commercialize Probody-drug conjugates directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The Company received no upfront cash payment in connection with the execution of the right-to-test

agreement. Instead, the Company received reciprocal rights to test its payload agents and linkers with ImmunoGen antibodies masked using CytomX technology to create Probody-drug conjugates directed to a specified number of targets and to subsequently take exclusive, worldwide licenses to develop and commercialize such conjugates directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require the Company and CytomX to each take its respective development and commercialization licenses by the end of the term of the research license. In addition, both the Company and CytomX are required to perform specific research activities under the right-to-test agreement on behalf of the other party for no monetary consideration.

In February 2016, CytomX took its development and commercialization license for a specified target. An amendment of the agreement executed simultaneously with that license granted CytomX the right, for a specified period of time, to substitute the specified target with another as yet unspecified target. Accordingly, under the previous guidance of ASC 605, the revenue associated with this license was deferred until the expiration of that substitution right in January 2017, whereupon the Company recognized $12.7 million of the $13 million of arrangement consideration allocated to the development and commercialization license, which is included in license and milestone fee revenue for the three months ended March 31, 2017. With respect to the development and commercialization license taken by CytomX, the Company is entitled to receive up to a total of $160 million in milestone payments plus royalties on the commercial sales of any resulting product. The total milestones are categorized as follows: development milestones—$10 million; regulatory milestones—$50 million; and sales milestones—$100 million. The next payment the Company could receive would be a $3 million development milestone payment with commencement of a Phase 2 clinical trial. CytomX is responsible for the manufacturing, product development and marketing of any product resulting from the development and commercialization license taken by CytomX under this collaboration.

Takeda

In March 2015, the Company entered into a three-year right-to-test agreement with Takeda through its wholly owned subsidiary, Millennium Pharmaceuticals, Inc. The agreement provided Takeda with the right to (a) take exclusive options, with certain restrictions, to individual targets selected by Takeda for specified option periods, (b) test the Company's ADC technology with Takeda's antibodies directed to the targets optioned under a right-to-test, or research, license, and (c) take exclusive licenses to use the Company's ADC technology to develop and commercialize products to targets optioned for up to two individual targets on terms specified in the right-to-test agreement. The two additional license options were considered material rights as the exercise price for each option was priced at a discount to the fair value of the underlying licenses. Therefore, the non-refundable, upfront arrangement consideration was allocated to the first license, technological improvements and two additional options based on the relative standalone selling price method. The first license was granted to Takeda in December 2015. In March 2018, the right-to-test agreement expired without Takeda exercising their option to a second license or extending the agreement or expanding the agreement as it had the right to do for a third license. Accordingly, the remaining $10.9 million of revenue that had been deferred for such performance obligations was recognized as revenue and is included in license and milestone fees for the three months ended March 31, 2018. The next potential milestone payment the Company will be entitled to receive will be a $5 million development milestone payment with the initiation of a Phase I clinical trial under the first development and commercialization license taken. Due to the likelihood of this milestone being attained, this milestone was allocated to the delivered license and the right to technological improvements. The amount allocated to the delivered license was recognized as a contract asset as part of the transition adjustment. In May 2018, Takeda enrolled its first patient in said Phase I clinical trial, triggering the $5 million milestone payment to the Company. Takeda is responsible for the manufacturing, product development, and marketing of any products resulting from the remaining license.

Debiopharm

On May 24, 2017, Debiopharm acquired the Company's IMGN529 program, a clinical-stage anti-CD37 ADC for the treatment of patients with B-cell malignancies. Under the terms of the Exclusive License and Asset Purchase agreement, the Company received a $25 million upfront payment for specified assets related to IMGN529 and a paid-up license to the Company's ADC technology. Upon substantial completion of the transfer of the Company's technologies related to the program (technology transfer) in the fourth quarter of 2017, the Company achieved a $5 million milestone, $4.5 million of which was received in December 2017 and the balance in January 2018. In addition, the Company is eligible for a second success-based milestone payment of $25 million upon IMGN529 entering a Phase 3 clinical trial.

The milestone payment will be significantly reduced if a Phase 3 trial using the Company's technology but not the IMGN529 antibody commences prior to IMGN529 entering a Phase 3 trial. The Company does not believe this scenario is likely to occur.

The total arrangement consideration of $30 million (which comprises the $25 million upfront payment and the transfer fee of $5 million) was allocated to the units of accounting based on the relative selling price method as follows: $29.7 million to the license/technology transfer and $300,000 to the physical materials. The Company recorded $29.5 million of revenue as outlined above when the technology transfer work was substantially completed in the fourth quarter of 2017. The $500,000 balance of the milestone was recorded as revenue in January 2018, coinciding with the delivery of the physical materials, which is included in license and milestone fees for the three months ended March 31, 2018.

For additional information related to certain of these agreements, as well as the Company's other significant collaborative agreements, please read Note C, *Agreements*, to the consolidated financial statements included within the Company's 2017 Annual Report on Form 10-K.

D. Convertible 4.5% Senior Notes

In 2016, the Company issued the Convertible Notes with an aggregate principal amount of $100 million. The Company received net proceeds of $96.6 million from the sale of the Convertible Notes, after deducting fees and expenses of $3.4 million.

During the second half of calendar 2017, the Company entered into privately negotiated exchange agreements with a number of holders of the Company's outstanding Convertible Notes, pursuant to which the Company agreed to exchange, in a private placement, $97.9 million in aggregate principal amount of Convertible Notes held by the holders for 26,160,187 newly issued shares of common stock, equivalent to the number of shares based on the original conversion terms, plus an additional number of newly issued shares of common stock determined based on the volume-weighted average trading price of the common stock over certain trading days. As a result of the agreements, 2,784,870 additional shares were issued.

The remaining $2.1 million of Convertible Notes are governed by the terms of an indenture between the Company, as issuer, and Wilmington Trust, National Association, as the trustee. The Convertible Notes are senior unsecured obligations and bear interest at a rate of 4.5% per year, payable semi-annually in arrears on January 1 and July 1 of each year, commencing on January 1, 2017. The Company recorded $24,000 and $1.1 million of interest expense in the three months ended March 31, 2018 and 2017, respectively. The Convertible Notes will mature on July 1, 2021, unless earlier repurchased or converted. Holders may convert their notes at their option at any time prior to the close of business on the business day immediately preceding the stated maturity date. Upon conversion, the Company will deliver for each $1,000 principal amount of converted notes a number of shares equal to the conversion rate, which will initially be 238.7775 shares of common stock, equivalent to an initial conversion price of approximately $4.19. The conversion rate will be subject to adjustment in some circumstances, but will not be adjusted for any accrued and unpaid interest.

E. Liability Related to Sale of Future Royalties

In April 2015, IRH purchased the right to receive 100% of the royalty payments on commercial sales of Kadcyla subsequent to December 31, 2014, arising under the Company's development and commercialization license with Genentech (a unit of Roche), until IRH has received aggregate royalties equal to $235 million or $260 million, depending on when the aggregate royalties received by IRH reach a specified milestone. Once the applicable threshold is met, if ever, the Company will thereafter receive 85% and IRH will receive 15% of the Kadcyla royalties for the remaining royalty term. At consummation of the transaction in April 2015, the Company received cash proceeds of $200 million. As part of this sale, the Company incurred $5.9 million of transaction costs, which are presented net of the liability in the accompanying consolidated balance sheet and will be amortized to interest expense over the estimated life of the royalty purchase agreement. Although the Company sold its rights to receive royalties from the sales of Kadcyla, as a result of its ongoing involvement in the cash flows related to these royalties, the Company will continue to account for these royalties as revenue and recorded the $200 million in proceeds from this transaction as a liability related to sale

of future royalties (Royalty Obligation) that will be amortized using the interest method over the estimated life of the royalty purchase agreement.

The following table shows the activity within the liability account during the three-month period ended March 31, 2018 (in thousands). The cash for the royalties was not received until after the end of the quarter, so accordingly, the change in the liability was solely due to the amortization of the transactions costs discussed above:

	Period from December 31, 2017 to March 31, 2018
Liability related to sale of future royalties, net — beginning balance	$ 169,413
Non-cash interest expense recognized	224
Liability related to sale of future royalties, net — ending balance	$ 169,637

As royalties are remitted to IRH, the balance of the Royalty Obligation will be effectively repaid over the life of the agreement. In order to determine the amortization of the Royalty Obligation, the Company is required to estimate the total amount of future royalty payments to be received and remitted to IRH as noted above over the life of the agreement. The sum of these amounts less the $200 million proceeds the Company received will be recorded as interest expense over the life of the Royalty Obligation. Since inception, the Company's estimate of this total interest expense results in an effective annual interest rate of 7.7%. The Company periodically assesses the estimated royalty payments to IRH and to the extent such payments are greater or less than its initial estimates, or the timing of such payments is materially different than its original estimates, the Company will prospectively adjust the amortization of the Royalty Obligation. There are a number of factors that could materially affect the amount and timing of royalty payments from Genentech, most of which are not within the Company's control. Such factors include, but are not limited to, changing standards of care, the introduction of competing products, manufacturing or other delays, biosimilar competition, patent protection, adverse events that result in governmental health authority imposed restrictions on the use of the drug products, significant changes in foreign exchange rates as the royalties remitted to IRH are made in U.S. dollars (USD) while significant portions of the underlying sales of Kadcyla are made in currencies other than USD, and other events or circumstances that could result in reduced royalty payments from Kadcyla, all of which would result in a reduction of non-cash royalty revenues and the non-cash interest expense over the life of the Royalty Obligation. Conversely, if sales of Kadcyla are more than expected, the non-cash royalty revenues and the non-cash interest expense recorded by the Company would be greater over the term of the Royalty Obligation.

In addition, the royalty purchase agreement grants IRH the right to receive certain reports and other information relating to the royalties and contains other representations and warranties, covenants and indemnification obligations that are customary for a transaction of this nature.

F. Income Taxes

In December 2017, the Tax Cuts and Jobs Act, or the Tax Act ("TCJA"), was signed into law. Among other things, the Tax Act permanently lowers the corporate federal income tax rate to 21% from the existing maximum rate of 35%, effective for tax years including or commencing January 1, 2018. As a result of the reduction of the corporate federal income tax rate to 21%, U.S. GAAP requires companies to revalue their deferred tax assets and deferred tax liabilities as of the date of enactment, with the resulting tax effects accounted for in the reporting period of enactment. This revaluation resulted in a provision of $97.5 million to income tax expense in continuing operations and a corresponding reduction in the valuation allowance during the year ended December 31, 2017. As a result, there was no impact to the Company's income statement as a result of the reduction in tax rates. The Company's preliminary estimate of the TCJA and the remeasurement of the Company's deferred tax assets and liabilities is subject to the finalization of management's analysis related to certain matters, such as developing interpretations of the provisions of the TCJA, changes to certain estimates and the filing of its tax returns, including potential changes related to the impact of the TCJA provisions on executive compensation. U.S. Treasury regulations, administrative interpretations or court decisions interpreting the TJCA may require further adjustments and changes in the Company's estimates. The final determination of the TCJA and the remeasurement of the Company's deferred assets and liabilities will be completed as additional information becomes available. At March 31, 2018, there has been no change in the provisional amount and the Company will continue to analyze and refine its calculations related to the measurement of these balances, which is to be completed no later than one year after the enactment of the TCJA.

G. Capital Stock

2001 Non-Employee Director Stock Plan

During the three months ended March 31, 2018 and 2017, the Company recorded $26,000 and $12,000 in expense related to stock units outstanding under the Company's 2001 Non-Employee Director Stock Plan, or the 2001 Plan. The value of the stock units are classified as a liability and adjusted to market value at each reporting period as the redemption amount of stock units for this plan will be paid in cash. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004.

Compensation Policy for Non-Employee Directors

During the three months ended March 31, 2018 and 2017, the Company recorded $102,000 and $38,000 in compensation expense, respectively, related to deferred share units issued and outstanding under the Company's Compensation Policy for Non-Employee Directors. Pursuant to the Compensation Policy for Non-Employee Directors, in February 2018 and January 2017, the Company issued retiring directors 77,012 and 53,248 shares of common stock of the Company to settle outstanding deferred share units.

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

In addition to the deferred share units, the Non-Employee Directors are also entitled to receive a fixed number of stock options on the date of the annual meeting of shareholders. These options vest quarterly over approximately one year from the date of grant. Any new directors will receive a pro-rated award, depending on their date of election to the Board. The directors received a total of 40,000 options in December 2016 and 80,000 options in June 2017, and the related compensation expense for the three months ended March 31, 2018 and 2017 is included in the amounts discussed in the "Stock-Based Compensation" section of footnote B above.

H. Restructuring Charges

In February 2018, following an in-depth review of manufacturing and quality operations, the Board of Directors authorized management to implement a new operating model that will rely on external manufacturing and quality testing for drug substance and drug product for the Company's development programs. The implementation of this new operating model will lead to the ramp-down of manufacturing and quality activities at the Norwood, Massachusetts facility by the end of 2018, with a full decommissioning of the facility expected by early 2019. Implementation of the new operating model will result in the separation of approximately 30 employees, with a net reduction of approximately 20 positions, by the end of 2018. Communication of the plan to the affected employees was substantially completed on February 8, 2018.

In connection with the implementation of the new operating model, the Company recorded a one-time charge of $1.2 million for severance in the current quarter related to a pre-existing plan. Additional expense will be recorded for retention benefits over the remaining service period of the related employees, which totaled $384,000 in the current quarter. Additionally, certain options held by the employees to be separated were modified to extend the exercise period, resulting in a stock compensation charge of $157,000 in the current quarter. Cash payments related to severance will be substantially paid out by the end of the second quarter of 2019. The retention benefits are expected to be paid out in the fourth quarter of 2018.

As a result of a workforce reduction in September 2016, the Company began seeking to sub-lease 10,281 square feet of unoccupied office space in Waltham that was leased in 2016. During the three months ended March 31, 2017, the Company recorded $386,000 of impairment charges related to this lease. No such charges have been recorded in the current period.

I. Commitments and Contingencies

Leases

The Company currently has a lease agreement with CRP/King 830 Winter L.L.C. for the rental of approximately 110,000 square feet of laboratory and office space at 830 Winter Street, Waltham, MA through March 2026. The Company uses this space for its corporate headquarters and other operations. The Company may extend the lease for two additional terms of five years. Pursuant to lease amendments executed in December 2013, April 2014, and December 2015, the Company received construction allowances of $746,000, $1.1 million, and $186,000, respectively, to build out office and lab space to the Company's specifications. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount. The Company executed a fourth amendment to this lease in April 2018, leasing an additional 10,000 square feet of office space in order to accommodate employees being retained from the future Norwood closure previously discussed. The Company is entitled to a construction allowance of $400,000 to build out this space to its specifications.

In February 2016, the Company entered into a lease agreement with PDM 930 Unit, LLC for the rental of 10,281 square feet of additional office space at 930 Winter Street, Waltham, MA through August 31, 2021. The Company received $617,000 as a construction allowance to build out the office space to the Company's specifications. The Company is required to pay certain operating expenses for the leased premises based on its pro-rata share of such expenses for the entire rentable space of the building. The Company is actively seeking to sub-lease this space.

The Company also leases manufacturing and office space at 333 Providence Highway, Norwood, MA under an agreement through June 30, 2018. The Company is currently negotiating the terms to continue the lease until it has vacated the premises pursuant to the restructuring plan described previously. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount.

Effective April 2013, the Company entered into a lease agreement with River Ridge Limited Partnership for the rental of 7,507 square feet of additional office space at 100 River Ridge Drive, Norwood, MA. The initial term of the lease is for five years and two months commencing in July 2013 with an option for the Company to extend the lease for an additional term of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount. The Company entered into a sublease in

December 2014 for this space, effective from January 2015 through July 2018. Due to past payment delinquency, the short span of time remaining on the lease and the estimated amount of time it would take to find another sub-tenant, the remainder of this lease was accrued as a charge in the amount of $169,000 in the first quarter of 2017.

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

2018 (nine months remaining)	$ 5,717
2019	7,202
2020	7,251
2021	7,074
2022	7,125
Thereafter	23,531
Total minimum lease payments	$ 57,900

There are no obligations under capital leases as of March 31, 2018, as all of the capital leases were single payment obligations which have all been made.

Collaborations

The Company is contractually obligated to make potential future success-based development, regulatory or sales milestone payments in conjunction with certain collaborative agreements. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when, if ever, the Company may be required to pay such amounts. Further, the timing of any future payment is not reasonably estimable. As of March 31, 2018, the maximum amount that may be payable in the future under the Company's current collaborative agreements is $80.0 million.

Manufacturing Commitments

As of March 31, 2018, the Company has noncancelable obligations under several agreements related to in-process and future manufacturing of antibody and cytotoxic agents required for clinical supply of the Company's product candidates totaling $2.6 million, all of which will be paid in 2018.

In February 2017, the Company executed a letter agreement with one of its antibody manufacturers to reserve capacity through calendar 2021. The total commitment over the five-year term of the agreement is €46.2 million, of which only €13.9 million euros is noncancelable as of March 31, 2018.

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

OVERVIEW

We are a clinical-stage biotechnology company focused on developing innovative antibody-drug conjugate, or ADC, therapies that meaningfully improve the lives of people with cancer. An ADC with our proprietary technology comprises an antibody that binds to a target found on tumor cells and is conjugated to one of our potent anti-cancer agents as a "payload" to kill the tumor cell once the ADC has bound to its target. ADCs are an expanding approach to the treatment of cancer, with four approved products and the number of agents in development growing significantly in recent years.

We have established a leadership position in ADCs. Our proprietary portfolio is led by mirvetuximab soravtansine, a first-in-class ADC targeting folate-receptor alpha, or FRα. In late 2016, we initiated a Phase 3 registration trial, FORWARD I, with mirvetuximab soravtansine for use as single-agent therapy to treat patients with platinum-resistant ovarian cancer whose tumors express medium or high levels of FRα and who have received up to three prior

treatment regimens. In June 2017, we reported data on 113 ovarian cancer patients treated with mirvetuximab soravtansine from three Phase 1 expansion cohorts. From this pooled analysis, in the subset of 36 patients meeting the key eligibility criteria for FORWARD I, the confirmed overall response rate, or ORR, was 47 percent (95% CI 30, 65) and median progression-free survival, or mPFS, was 6.7 months (95% CI 4.1, 8.3). The safety profile of this pooled population was consistent with data previously reported (ASCO 2016), consisting of low grade, manageable adverse events. The Phase 3 FORWARD I trial has completed enrollment with sites in the U.S., Canada and Europe, with top-line results expected in the first half of 2019.

Additionally, we are accruing patients in a companion study, FORWARD II, to evaluate mirvetuximab soravtansine in combination regimens to expand the number of patients with ovarian cancer eligible for treatment with the ADC. FORWARD II consists of cohorts assessing mirvetuximab soravtansine in combination with, in separate doublets, Avastin® (bevacizumab), pegylated liposomal doxorubicin, or PLD, carboplatin, and Keytruda® (pembrolizumab). We reported the first clinical data from FORWARD II in June 2017 demonstrating that mirvetuximab soravtansine may complement currently available therapies in a range of treatment settings, including earlier lines of therapy. At the Society of Gynecologic Oncology Annual Meeting in March 2018, we reported the initial efficacy findings from the dose escalation cohort of mirvetuximab in combination with Keytruda, demonstrating encouraging efficacy and favorable tolerability.

Based on the encouraging profile of these combinations, we have advanced expansion cohorts for the Avastin and Keytruda combinations in patients with platinum-resistant disease and have recently initiated a triplet combination evaluating mirvetuximab plus carboplatin and Avastin in patients with recurrent platinum-sensitive ovarian cancer. We will report the findings from the mirvetuximab plus Avastin expansion cohort at the American Society of Clinical Oncology (ASCO) Annual Meeting in June 2018 and expect to report the initial findings from the mirvetuximab plus Keytruda expansion cohort at a medical meeting before the end of 2018.

We have built a productive platform that continues to generate innovative and proprietary ADCs, including IMGN779, our CD33-targeting product candidate for AML. IMGN779 combines a high-affinity, humanized anti-CD33 antibody with one of our novel indolino-benzodiazepine payloads, called IGNs, which alkylate DNA without crosslinking, resulting in potent anti-leukemia activity with relative sparing of normal hematopoietic progenitor cells. We reported clinical data from this trial in December 2017 demonstrating IMGN779 is well tolerated with no dose limiting toxicities and that IMGN779 has dose-dependent biological and anti-leukemia activity. IMGN779 is progressing through dose escalation in a Phase 1 trial in AML and our goal is to establish the recommended Phase 2 dose (RP2D) in 2018. We also are advancing IMGN632, a CD123-targeting ADC that uses an even more potent IGN payload agent with a new engineered linker and novel antibody, which we are developing for hematological malignancies, including AML and blastic plasmacytoid dendritic cell neoplasm (BPDCN). In January 2018, we announced that the first patient had been dosed in the Phase 1 trial of IMGN632. We expect to report the first clinical data from dose escalation for IMGN632 in the fourth quarter of 2018, along with updated clinical data for IMGN779 in that timeframe.

In August 2017, we announced a strategic collaboration and option agreement with Jazz, to develop and co-commercialize ADCs. Jazz has exclusive worldwide rights to opt into development and commercialization of IMGN779, IMGN632, and a third program to be named later from our early-stage pipeline.

Collaborating on ADC development with other companies allows us to generate revenue, mitigate expenses, enhance our capabilities and extend the reach of our proprietary platform. The most advanced partner program is Roche’s marketed product, Kadcyla (ado-trastuzumab emtansine), the first ADC to demonstrate superiority over standard of care in a randomized pivotal trial, EMILIA, and gain FDA approval. Our ADC platform is used in candidates in clinical development with Amgen, Bayer, Biotest, CytomX, Debiopharm, Lilly, Novartis, and Sanofi. We also have a partnership with Takeda, with the first candidate integrating our IGN payload to enter clinical testing for solid tumors in May 2018. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements. For more information concerning these relationships, including their ongoing financial and accounting impact on our business, please read Note C, “Significant Collaborative Agreements,” to our consolidated financial statements included in this report.

To date, we have not generated revenues from commercial sales of internal products and we expect to incur significant operating losses for the foreseeable future. As of March 31, 2018, we had $218.4 million in cash and cash equivalents compared to $267.1 million as of December 31, 2017.

Critical Accounting Policies

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

We adopted ASC 606 on January 1, 2018, using the modified retrospective method for all contracts not completed as of the date of adoption. The reported results for 2018 reflect the application of ASC 606 guidance while the reported results for 2017 were prepared under the guidance of ASC 605, "*Revenue Recognition*", which is also referred to herein as "legacy GAAP" or the "previous guidance". The adoption of ASC 606 represents a change in accounting principle that will more closely align revenue recognition with the delivery of our services and will provide financial statement readers with enhanced disclosures. Refer to Note B to the consolidated financial statements for further discussion on this change. There were no other significant changes to our critical accounting policies from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2017.

RESULTS OF OPERATIONS

Comparison of Three Months ended March 31, 2018 and 2017

Revenues

Our total revenues for the three months ended March 31, 2018 and 2017 were $19.8 million and $28.5 million, respectively. The $8.7 million decrease in revenues in the three months ended March 31, 2018 from the same period in the prior year is attributable to decreases in license and milestone fees, non-cash royalty revenue and research development support revenue, partially offset by a marginal increase in clinical materials revenue, all of which are discussed below.

License and milestone fees

The amount of license and milestone fees we earn is directly related to the number of our collaborators, the collaborators' advancement of the product candidates, and the overall success in the clinical trials of the product candidates. As such, the amount of license and milestone fees may vary significantly from quarter to quarter and year to year. License and milestone fee revenue was $11.5 million and $18.7 million for the three months ended March 31, 2018 and 2017, respectively. Under previous guidance, license and milestone fees would have been $9.8 million. Included in license and milestone fees for the current period is $10.9 million of previously deferred license revenue earned upon the expiration of the right to execute a license or extend the research term specified under the right-to-test agreement with Takeda and a $500,000 payment received in January 2018 related to the completed technology transfer of asset IMGN529 to Debiopharm. Included in license and milestone fees for the prior year period is $12.7 million of non-cash license revenue earned upon the expiration of the right to replace target specified under the development and commercialization license with CytomX and $6 million of development milestones achieved under license agreements with Sanofi.

Deferred revenue of $82.1 million as of March 31, 2018 includes a $75 million upfront payment related to the license options granted to Jazz in August 2017, with the remainder of the balance primarily representing consideration received from our collaborators pursuant to our license agreements, which we have yet to earn pursuant to our revenue recognition policy.

Royalty revenue

Kadcyla is an ADC marketed product resulting from one of our development and commercialization licenses with Roche, through its Genentech unit. We receive royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with current revenue guidance, ASC 606, $7.2 million of non-cash royalties on net sales of Kadcyla for the three-month period ended March 31, 2018 were recorded and included in non-cash royalty revenue for the three-month period ended March 31, 2018. Under the previous revenue guidance, ASC 605, $8.9 million of non-cash royalties would have been recorded in the current quarter. Under ASC 605, $7.6 million of non-cash royalties on net sales of Kadcyla for the three-month period ended December 31, 2016 were included in non-cash royalty revenue for the three-month period ended March 31, 2017. In April 2015, we consummated a royalty purchase transaction relating to the royalty payments on commercial sales of Kadcyla — see Liquidity and Capital Resources below for further details.

Research and development support revenue

The amount of research and development support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of development fees may vary widely from quarter to quarter and year to year. Research and development support revenue was $383,000 for the three months ended March 31, 2018 compared with $1.5 million for the three months ended March 31, 2017.

Clinical materials revenue

The amount of clinical materials revenue we earn, and the related cost of clinical materials charged to research and development expense, is directly related to the number of clinical trials our collaborators who use us to manufacture clinical materials are preparing or have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive the clinical materials, and the demand our collaborators have for clinical-grade material for process development and analytical purposes. As such, the amount of clinical materials revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year. Clinical materials revenue was $702,000 for the three months ended March 31, 2018 compared to $678,000 for the three months ended March 31, 2017. During the periods presented, we shipped clinical materials in support of certain collaborators' clinical trials. We are compensated at negotiated prices which are generally consistent with what other third-parties would charge.

Research and Development Expenses

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

Research and development expense for the three months ended March 31, 2018 increased $11.9 million to $44.8 million from $32.9 million for the three months ended March 31, 2017 primarily due to increased clinical trial and drug supply cost driven by the accelerated timing of completing patient enrollment in FORWARD I. We do not track our research and development costs by project. Since we use our research and development resources across multiple

research and development projects, we manage our research and development expenses within each of the categories listed in the following table and described in more detail below (in thousands):

	Three Months Ended March 31,	
Research and Development Expense	**2018**	**2017**
Research	$ 6,063	$ 5,634
Preclinical and Clinical Testing	24,800	16,850
Process and Product Development	2,759	2,943
Manufacturing Operations	11,209	7,461
Total Research and Development Expense	$ 44,831	$ 32,888

Research

Research includes expenses primarily associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, contract services, research licensing fees, facilities and lab supplies. Research expenses for the three months ended March 31, 2018 increased $429,000 compared to the three months ended March 31, 2017. This increase is principally due to marginal increases in salaries and related expenses, lab supply costs and contract services.

Preclinical and Clinical Testing

Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the three months ended March 31, 2018 increased $7.9 million to $24.8 million compared to $16.9 million for the three months ended March 31, 2017. This increase is primarily the result of an increase in clinical trial costs principally driven by advancement of the FORWARD I study and an increase in salaries and related expenses driven substantially by an increase in personnel and greater stock compensation expense. Partially offsetting these increases, a credit was recorded against IMGN779 and IMGN632 development costs in the current period resulting from cost-sharing with Jazz pursuant to the collaboration agreement executed in August 2017.

Process and Product Development

Process and product development expenses include costs for development of clinical and commercial manufacturing processes for our own and collaborator compounds. Such expenses include the costs of personnel, contract services and facility expenses. For the three months ended March 31, 2018, total development expenses decreased $184,000 compared to the three months ended March 31, 2017. This decrease is principally due to a credit recorded against IMGN779 and IMGN632 development costs in the current period resulting from cost-sharing with Jazz.

Manufacturing Operations

Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the three months ended March 31, 2018, manufacturing operations expense increased $3.7 million to $11.2 million compared to $7.5 million in the same period last year. This increase is principally the result of: (i) an increase in cytotoxic costs to support validation and supply of mirvetuximab soravtansine; (ii) a decrease in costs capitalized into inventory due to a fewer number of manufactured batches of conjugated materials on behalf of our collaborators in the current period; and, (iii) increased depreciation related to accelerated amortization of Norwood leasehold improvements. Partially offsetting the net increase, a credit was recorded against IMGN779 and IMGN632 development costs in the current period resulting from cost-sharing with Jazz.

General and Administrative Expenses

General and administrative expenses for the three months ended March 31, 2018 increased $1.9 million compared to the same period last year. This increase is primarily due to an increase in third-party service fees in the current period.

Restructuring Charge

In February 2018, following an in-depth review of manufacturing and quality operations, the Board of Directors authorized management to implement a new operating model that will rely on external manufacturing and quality testing for drug substance and drug product for our development programs. The implementation of this new operating model will lead to the ramp-down of manufacturing and quality activities at the Norwood, Massachusetts facility by the end of 2018, with a full decommissioning of the facility expected by early 2019. Implementation of the new operating model will result in the separation of approximately 30 employees, with a net reduction of 20 positions, by the end of 2018. Communication of the plan to the affected employees was substantially completed on February 8, 2018.

In connection with the implementation of the new operating model, we recorded a one-time charge of $1.2 million for severance related to a pre-existing plan in the current quarter. Additional retention expense will be recorded over the remaining service period of the related employees, which totaled $384,000 in the current quarter. Additionally, certain options held by the employees to be separated were modified to extend the exercise period, resulting in a stock compensation charge of $157,000 in the current quarter. Cash payments related to severance will be substantially paid out by the end of the second quarter of 2019. The retention benefits are expected to be paid out in the fourth quarter of 2018.

As a result of a workforce reduction in September 2016, we began seeking to sub-lease 10,281 square feet of unoccupied office space in Waltham that was leased in 2016. During the three months ended March 31, 2017, we recorded $386,000 of impairment charges related to this lease. No such charges have been recorded in the current period.

Investment Income, net

Investment income for the three months ended March 31, 2018 and 2017 was $662,000 and $115,000, respectively. The increase in the current period is due to a greater average cash balance driven largely by $101.7 million of net proceeds generated from a public offering of common stock in October 2017.

Non-Cash Interest Expense on Liability Related to Sale of Future Royalty

In April 2015, Immunity Royalty Holdings, L.P. (IRH) purchased our right to receive 100% of the royalty payments on commercial sales of Kadcyla subsequent to March 31, 2014, arising under our development and commercialization license with Genentech, until IRH has received aggregate royalties equal to $235 million or $260 million, depending on when the aggregate royalties received by IRH reach a specified milestone. As described in Note E to our Consolidated Financial Statements, this royalty sale transaction has been recorded as a liability that amortizes over the estimated royalty payment period as Kadcyla royalties are remitted directly to the purchaser. During the three months ended March 31, 2018 and 2017, we recorded $3.0 million and $3.4 million, respectively, of non-cash interest expense which includes amortization of deferred financing costs. We impute interest on the transaction and record interest expense at the effective interest rate, which we currently estimate to be 6.5%. There are a number of factors that could materially affect the estimated interest rate, in particular, the amount and timing of royalty payments from future net sales of Kadcyla, and we will assess this estimate on a periodic basis. As a result, future interest rates could differ significantly and any such change in interest rate will be adjusted prospectively.

Interest Expense on Convertible Senior Notes

In June 2016, we issued Convertible 4.5% Senior Notes with an aggregate principal amount of $100 million. The Convertible Notes are senior unsecured obligations and bear interest at a rate of 4.5% per year, payable semi-annually in arrears on January 1 and July 1 of each year, commencing on January 1, 2017. We recorded $24,000 and

$1.1 million of interest expense in the three months ended March 31, 2018 and 2017, respectively. The decrease in interest expense is a result of $97.9 million of the notes converting to shares of common stock during the second half of last year.

Other Income, net

Other income, net for the three months ended March 31, 2018 and 2017 was $537,000 and $134,000, respectively. These amounts were foreign currency exchange gains related to obligations with non-U.S. dollar-based suppliers and Euro cash balances maintained to fulfill them during the three months ended March 31, 2018 and 2017, respectively.

LIQUIDITY AND CAPITAL RESOURCES

	March 31, 2018	December 31, 2017
Cash and cash equivalents	$ 218,383	$ 267,107
Working capital	181,207	220,571
Shareholders' deficit	(36,311)	(17,895)

	Three Months Ended March 31,	
	2018	2017
	(In thousands)	
Cash used for operating activities	$ (49,955)	$ (32,959)
Cash used for investing activities	(1,028)	(437)
Cash provided by financing activities	2,259	—

Cash Flows

We require cash to fund our operating expenses, including the advancement of our own clinical programs, and to make capital expenditures. Historically, we have funded our cash requirements primarily through equity financings in public markets, payments from our collaborators, including license fees, milestones, research funding, and royalties, and more recently, convertible debt. We have also sold our rights to receive royalties on Kadcyla for up-front consideration. As of March 31, 2018, we had $218.4 million in cash and cash equivalents. Net cash used for operations was $50.0 million and $33.0 million for the three months ended March 31, 2018 and 2017, respectively. The principal use of cash for operating activities for both periods presented was to fund our net loss.

Net cash used for investing activities was $1.0 million and $437,000 for the three months ended March 31, 2018 and 2017, respectively, and represents cash outflows for capital expenditures, primarily for the purchase of new equipment.

Net cash provided by financing activities was $2.3 million for the three months ended March 31, 2018 which includes proceeds from the exercise of approximately 421,000 stock options in the current period. There were no such proceeds in the three months ended March 31, 2017.

We anticipate that our current capital resources and expected future collaborator payments will enable us to meet our operational expenses and capital expenditures into the fourth quarter of 2019. However, we cannot provide assurance that such collaborative agreement funding will, in fact, be received. Should we or our partners not meet some or all of the terms and conditions of our various collaboration agreements or if we are not successful in securing future collaboration agreements, we may be required to secure alternative financing arrangements, and/or defer or limit some or all of our research, development and/or clinical projects.

Contractual Obligations

There have been no material changes to our contractual obligations during the current period from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2017.

Recent Accounting Pronouncements

The information set forth under Note B to the consolidated financial statements under the caption “Summary of Significant Accounting Policies” is incorporated herein by reference.

OFF-BALANCE SHEET ARRANGEMENTS

None.

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

Our market risks, and the ways we manage them, are summarized in Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" of our Annual Report on Form 10-K for the year ended December 31, 2017. Since then there have been no material changes to our market risks or to our management of such risks.

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

(a) *Disclosure Controls and Procedures*

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

(b) *Changes in Internal Controls*

During the three months ended March 31, 2018, we implemented certain internal controls in connection with the adoption of Accounting Standards Codification Topic 606, Revenue from Contracts with Customers. There were no other changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act) that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. *Risk Factors*

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Item 1A. (Risk Factors) in our Annual Report on Form 10-K for the year ended December 31, 2017. There have been no material changes from the factors disclosed in our 2017 Annual Report on Form 10-K, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission (the "Commission").

ITEM 5. *Other Information*

None

ITEM 6. *Exhibits*

Exhibit No.		Description
10.1		Compensation Policy for Non-Employee Directors, as amended through March 28, 2018
10.2		Fourth Amendment to Lease Agreement dated as of April 6, 2018 by and between CRP/King 830 Winter L.L.C., landlord, and the Registrant
10.3	*	Development and License Agreement, dated as of October 20, 2008, by and between the Company and Bayer HealthCare AG
10.4	*	Multi-Target Agreement, dated as of December 19, 2011, by and between the Company and Eli Lilly
10.5		Change in Control Severance Agreement dated April 23, 2018 between the Registrant and Blaine H. McKee
31.1		Certification of Principal Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002
31.2		Certification of Principal Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002
32	†	Certifications of Principal Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002
101.INS		XBRL Instance Document
101.SCH		XBRL Taxonomy Extension Schema
101.CAL		XBRL Taxonomy Extension Calculation Linkbase
101.DEF		XBRL Taxonomy Extension Definition Linkbase
101.LAB		XBRL Taxonomy Extension Label Linkbase
101.PRE		XBRL Taxonomy Extension Presentation Linkbase

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

† *Furnished, not filed.*

SIGNATURES

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

ImmunoGen, Inc.

Date: May 9, 2018

By: /s/Mark J. Enyedy
Mark J. Enyedy
President, Chief Executive Officer (Principal Executive Officer)

Date: May 9, 2018

By: /s/ David B. Johnston
David B. Johnston
Executive Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 10.1

ImmunoGen, Inc.

Compensation Policy for Non-Employee Directors

Objective

It is the objective of ImmunoGen to compensate non-employee Directors in a manner which will enable recruitment and retention of highly qualified Directors and fairly compensate them for their services as a Director.

Cash Compensation (effective November 13, 2013)

Annual meeting fee for non-employee Directors:	$40,000 per annum, paid quarterly
Additional annual fees:	
(a) Lead Director / Chairman of the Board:[1]	$30,000 per annum, paid quarterly
(b) Chairman of the Audit Committee:	$20,000 per annum, paid quarterly
(c) Chairman of the Compensation Committee:	$14,000 per annum, paid quarterly
(d) Chairman of the G&N Committee:	$14,000 per annum, paid quarterly
(e) Other members of the Audit Committee	$10,000 per annum, paid quarterly
(f) Other members of the Compensation Committee	$7,000 per annum, paid quarterly
(g) Other members of the G&N Committee	$7,000 per annum, paid quarterly

Directors are entitled to be reimbursed for their reasonable expenses incurred in connection with attendance at Board and committee meetings during their tenure as a Director. Any reimbursement in one calendar year shall not affect the amount that may be reimbursed in any other calendar year and a reimbursement (or right thereto) may not be exchanged or liquidated for another benefit or payment. Any business expense reimbursements subject to Section 409A of the Internal Revenue Code of 1986 shall be made no later than the end of the calendar year following the calendar year in which such business expense is incurred by the Director.

Quarterly payments shall be paid in arrears within 30 days following the end of each calendar quarter. [2] A non-employee Director may elect to receive any or all of his or her cash compensation in the form of deferred stock units ("DSUs") having an aggregate Fair Market Value equal to the amount deferred, measured on the date of grant which shall be the last day of the calendar quarter for which the retainer is being paid. All elections as to form of payment shall be made annually by December 31st of the year prior to service which election shall be effective for all payments to be made in the following calendar year. New non-employee Directors shall make their elections within 30 days of their initial appointment or election to the

[1] Payable to non-employee Chairman of the Board only.

[2] Quarterly payments will be appropriately pro-rated for Directors who retire, resign or are otherwise removed from the Board prior to the end of a calendar quarter.

Board of Directors for all payments to be made in that calendar year. Any such election shall be prospective only for compensation attributable to services performed after the effective date of such election and any amounts covered by such election shall be prorated as necessary. Each non-employee Director shall be deemed to have elected to receive payments in cash for payments in periods prior to any such election or if no timely election shall have been made. Notwithstanding the foregoing, a previous election made by a non-employee Director pursuant to the 2004 Non-Employee Director Compensation Deferred Share Unit Plan or under this policy shall remain in effect for subsequent calendar years until it is changed by the completion, signature and delivery to the Company of a new election form, in accordance with the terms of this policy.

Upon making such election, DSUs shall be granted as described above without any further action by the Compensation Committee. These awards are fully vested as to all of the issued DSUs on the date of grant. [NOTE: Consider eliminating DSUs in lieu of cash if equity alternative 2 is adopted.]

Equity Compensation (effective March 28, 2018)

1. Deferred Stock Units.

(a) Initial DSU Awards. New non-employee Directors will automatically be awarded, without any further action by the Compensation Committee, 8,000 DSUs (each DSU relating to one (1) share of Common Stock) on the date of their initial election or appointment to the Board (the "date of grant"). This award will vest pro rata, on a quarterly basis over a three-year period, as to eight and one-third percent (8-1/3%) of the issued DSUs (rounded down to the nearest whole share) per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant, beginning with the first such date to occur following the date of grant.

(b) Annual DSU Awards. Non-employee Directors will automatically be awarded, on an annual basis and without further action by the Compensation Committee, 4,000 DSUs on the earlier of the date of ImmunoGen's annual meeting of shareholders or June 30 of the applicable year (the "date of grant"). These awards will vest pro rata, on a quarterly basis over a one-year period, as to twenty-five percent (25%) of the issued DSUs (rounded down to the nearest whole share) per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant. If a non-employee Director is first elected to the Board other than at an annual meeting of shareholders, the number of DSUs subject to such non-employee Director's first annual DSU award shall be pro-rated, based on the number of days between his or her date of election and the date of grant of his or her first annual DSU award. If a non-Employee Directors is first elected to the Board at an annual meeting of shareholders, he or she is ineligible to receive his or her first annual DSU award until the following year.[3]

[3] Any Director who transitions from an employee director to a non-employee Director without a break in service shall not be eligible to receive an award of DSUs under paragraphs 1(a), but shall be eligible to receive awards under paragraph 1(b), beginning with the first annual meeting of shareholders on or after the date on which such Director ceases to be an employee of the Company.

(c) Terms of Grant. All DSU awards to non-employee Directors under this policy are granted under the 2016 Employee, Director and Consultant Equity Incentive Plan (the "2016 Plan"), and are subject to the terms and conditions set forth in the 2016 Plan and the form of Deferred Stock Unit Agreement approved by the Board of Directors on December 9, 2016; provided, however, that if the 2018 Employee, Director and Consultant Equity Incentive Plan (the "2018 Plan") is approved by shareholders, all DSU awards to non-Employee Directors granted under this policy after June 20, 2018 will be granted under the 2018 Plan and will be subject to the terms and conditions set forth in the 2018 Plan and the form of Deferred Stock Unit Agreement approved by the Compensation Committee for such awards. All capitalized terms that are not defined herein shall have the meanings set forth in the 2016 Plan (or the 2018 Plan, as applicable).

2. Stock Options.

(a) Initial Stock Option Awards. New non-employee Directors will automatically be granted, without any further action by the Compensation Committee, a stock option award covering 18,000 shares of Common Stock on the date of their initial election or appointment to the Board (the "date of grant"). This award (i) will be granted with an exercise price equal to the Fair Market Value of the Common Stock on the date of grant, and (ii) will vest pro rata, on a quarterly basis over a three-year period, as to eight and one-third percent (8-1/3%) of the number of shares covered by such award (rounded to the nearest whole share) per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant, beginning with the first such date to occur following the date of grant.

(b) Annual Stock Option Grants. Non-employee Directors will automatically be granted, on an annual basis and without further action by the Compensation Committee, stock option awards covering 18,000 shares of Common Stock on the earlier of the date of ImmunoGen's annual meeting of shareholders or June 30 of the applicable year. These awards (i) will be granted with an exercise price equal to the Fair Market Value of the Common Stock on the date of grant, (ii) will vest pro rata, on a quarterly basis over a one-year period, as to twenty-five percent (25%) of the number of shares covered by such awards (rounded to the nearest whole share) per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant, and (iii) will expire on the tenth (10^{th}) anniversary of the date of grant. If a non-employee Director is first elected to the Board other than at an annual meeting of shareholders, the number of shares covered by such non-employee Director's first annual stock option award shall be pro-rated, based on the number of days between his or her date of election and the date of grant of his or her first annual stock option award. If a non-Employee Directors is first elected to the Board at an annual meeting of shareholders, he or she is ineligible to receive his or her first annual stock option award until the following year.[4]

(c) Terms of Grant. All stock option awards to non-employee Directors under this policy are granted under the 2016 Plan, and are subject to the terms and conditions set forth in the 2016 Plan and the form of Director Option Agreement approved by the Compensation Committee on December 9, 2016; provided, however, that if the 2018 Plan is approved by

[4] Any Director who transitions from an employee to a non-employee Director without a break in service shall not be eligible to receive a stock option award under paragraph 2(a), but shall be eligible to receive awards under paragraph 2(b), beginning with the first annual meeting of shareholders on or after the date on which such Director ceases to be an employee of the Company.

shareholders, all stock option awards to non-Employee Directors granted under this policy after June 20, 2018 will be granted under the 2018 Plan and will be subject to the terms and conditions set forth in the 2018 Plan and the form of Director Option Agreement approved by the Compensation Committee for such awards. All capitalized terms that are not defined herein shall have the meanings set forth in the 2016 Plan.

Approved by the Board of Directors: March 28, 2018

830 Winter Street
Waltham, Massachusetts 02451
(the "**Building**")

FOURTH AMENDMENT

EXECUTION DATE:	April 6, 2018
LANDLORD:	CRP/King 830 Winter, L.L.C., a Delaware limited liability company, successor-in-interest to Intercontinental Fund III 830 Winter Street, LLC
TENANT:	ImmunoGen, Inc. a Massachusetts corporation
EXISTING PREMISES:	Approximately 110,035 rentable square feet of space in the Building, comprising 1,610 rentable square feet in the basement, 54,937 rentable square feet on the first (1st) floor, 38,511 rentable square feet on the second (2nd) floor, 14,126 rentable square feet on the third (3rd) floor, and 851 rentable square feet on the penthouse roof
DATE OF LEASE:	July 27, 2007
LEASE EXPIRATION DATE:	March 31, 2026
PREVIOUS LEASE AMENDMENTS:	First Amendment to Lease Agreement dated December 9, 2013 (the "**First Amendment**") Second Amendment to Lease Agreement dated April 28, 2014 (the "**Second Amendment**") Third Amendment dated December 14, 2015 ("**Third Amendment**")

FOURTH AMENDMENT EXPANSION PREMISES:	Two areas comprised of: An area on the first (1st) floor of the Building, containing approximately 550 rentable square feet, substantially as shown on Exhibit A, Fourth Amendment, Sheet 1, a copy of which is attached hereto; and An area on the second (2nd) floor of the Building, containing approximately 9,450 rentable square feet, substantially as shown on Exhibit A, Fourth Amendment, Sheet 2, a copy of which is attached hereto

WHEREAS, Tenant desires to lease additional premises in the Building from Landlord, to wit, the Fourth Amendment Expansion Premises (as defined above), upon the terms and conditions hereinafter set forth; and

WHEREAS, Landlord is willing to lease the Fourth Amendment Expansion Premises to Tenant upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, the above-described lease, as previously amended (the "**Existing Lease**"), is hereby further amended as follows (the Existing Lease, as amended hereby, shall hereafter be referred to as the "**Lease**"). Any capitalized terms used herein shall have the same definition as set forth in the Lease, except to the extent otherwise set forth in this Fourth Amendment.

1. DEMISE OF THE FOURTH AMENDMENT EXPANSION PREMISES

Landlord hereby demises and leases to Tenant, and Tenant hereby leases from Landlord, the Fourth Amendment Expansion Premises for a term (the "**Fourth Amendment Expansion Term**") commencing on the Fourth Amendment Expansion Date (as hereinafter defined), and expiring on March 31, 2026 (the "**Current Expiration Date**"). Effective as of the Fourth Amendment Expansion Date, the Fourth Amendment Expansion Premises and the Existing Premises shall collectively be referred to as the "**Premises**." Said demise of the Fourth Amendment Expansion Premises shall be upon all of the terms and conditions of the Lease applicable to the Existing Premises, except to the extent inconsistent with the terms of this Fourth Amendment.

A. Fourth Amendment Expansion Date.

i. The commencement date with respect to the Fourth Amendment Expansion Premises (the "**Fourth Amendment Expansion Date**") shall be the earlier of: (x) the date that Tenant first commences to use the Fourth Amendment Expansion Premises, or any portion thereof, for any Permitted Use, or (y) the Substantial Completion Date, as hereinafter defined, with respect to Landlord's Fourth Amendment Work, as defined on Exhibit B, Fourth Amendment. The parties

estimate that the Fourth Amendment Expansion Date will occur on or about October 1, 2018 (the "**Estimated Fourth Amendment Expansion Date**"). Subject to delays due to Force Majeure and Tenant Delay, as both terms are hereinafter defined, Landlord shall use all commercially reasonable efforts to achieve the Substantial Completion Date with respect to Landlord's Fourth Amendment Work on or before the Estimated Fourth Amendment Expansion Date; however, except as set forth in Section 1(A)(ii) below, the failure of Landlord to do so shall in no way affect the validity of the Lease, this Fourth Amendment, or the obligations of Tenant hereunder, and Tenant shall not have any claim against Landlord by reason thereof.

ii. Notwithstanding the foregoing, if the Fourth Amendment Expansion Date has not occurred on or before the Outside Completion Date (defined below), then, and as Tenant's sole remedy, both in law and in equity, in the event of any delay in the Fourth Amendment Expansion Date, Tenant shall be entitled to a credit against Tenant's obligation to pay Fixed Rent with respect to the Fourth Amendment Expansion Premises equal to one (1) day for each day between the Outside Completion Date and the Fourth Amendment Expansion Date. The "**Outside Completion Date**" shall mean the date that is thirty (30) days after the Estimated Fourth Amendment Expansion Date, provided, however, that the Outside Completion Date shall be extended by the length of any delays in Landlord's Fourth Amendment Work arising from delay by Force Majeure (as hereinafter defined).

B. *Definitions*: For purposes of this Fourth Amendment:

i. "**Force Majeure**" shall be defined as any strike or other labor trouble, fire, flood or other casualty, breakage, accident, repairs, unusually severe weather, governmental preemption of priorities or other controls in connection with a national or other public emergency, governmental moratoria, or inaction of governmental authority (or shortages of fuel, supplies or labor resulting there from), war, civil commotion, labor or transportation difficulties, inability to obtain supplies, or any other cause, whether similar or dissimilar, beyond Landlord's reasonable control.

ii. A "**Tenant Delay**" shall be defined as any delay in the performance of Landlord's Fourth Amendment Work caused by: (i) any default, act or omission by Tenant or any employee, agent, representative, consultant, contractor or subcontractor of Tenant, or (ii) any Change in Landlord's Fourth Amendment Work requested by Tenant in accordance with Exhibit B, Fourth Amendment that has a material impact to the construction schedule. Notwithstanding the foregoing, in no event shall it be deemed to be a Tenant Delay until and unless Landlord has given Tenant written notice (the "**Tenant Delay Notice**") advising Tenant (i) that a Tenant Delay is occurring, (ii) of the basis on which Landlord has determined that a Tenant

Delay is occurring, and (iii) the actions which Landlord believes that Tenant must take to eliminate such Tenant Delay. No period of time prior to the expiration of the cure period shall be included in the period of time charged to Tenant pursuant to such Tenant Delay Notice.

iii The "**Substantial Completion Date**" with respect to Landlord's Fourth Amendment Work shall be defined as (x) the date that all of Landlord's Fourth Amendment Work is complete, except for minor items which do not materially adversely affect Tenant's use of the Fourth Amendment Expansion Premises, and (y) the date that Tenant may lawfully use the Fourth Amendment Expansion Premises for the Permitted Use, pursuant to either a temporary or permanent certificate of occupancy issued by the City of Waltham; provided however, that in the event that Landlord's Fourth Amendment Work is delayed by any Tenant Delays, then the Substantial Completion Date shall be deemed to have occurred on the date that the Substantial Completion Date would have occurred, but for such Tenant Delays. Landlord's certificate of Substantial Completion shall be conclusive and binding upon Tenant unless, within five (5) Business Days of Tenant's receipt of such certificate, Tenant gives written notice to Landlord objecting to such certificate, such notice of objection to set forth with specificity the basis of Tenant's objections to such certificate.

C. Rent. Tenant shall pay Fixed Rent and Additional Rent with respect to the Fourth Amendment Expansion Premises as set forth below:

(i) Fixed Rent: Commencing as of the Fourth Amendment Expansion Date and continuing through the Current Expiration Date, as the same may be extended, Tenant shall pay Fixed Rent to Landlord with respect to the Fourth Amendment Expansion Premises as set forth below:

Fourth Amendment Lease Year*	Annual Fixed Rent	Monthly Payment	Fixed Rent Per Rentable Square Foot
1	$480,000.00**	$40,000.00**	$48.00**
2	$490,000.00	$40,833.33	$49.00
3	$504,700.00	$42,058.33	$50.47
4	$519,800.00	$43,316.67	$51.98
5	$535,400.00	$44,616.67	$53.54
6	$551,500.00	$45,958.33	$55.15
7	$568,000.00	$47,333.33	$56.80
Lease Year 8-3/31/26:	$585,000.00	$48,750.00	$58.50
See Sections 36 and 37 of the Lease for the Rent payable by Tenant with respect to the Fourth Amendment Expansion Premises, if Tenant exercises either of its Extension Options pursuant to Section 36 of the Lease.			

*For the purposes hereof, the first "**Fourth Amendment Lease Year**" shall be defined as the period commencing as of the Fourth Amendment Expansion Date and ending on the last day of the month in which the first (1st) anniversary of the Fourth Amendment Expansion Date occurs; provided, however, that if the Fourth Amendment Expansion Date occurs on the first day of a calendar month, then the first Fourth Amendment Lease Year shall expire on the day immediately preceding the first (1st) anniversary of the Fourth Amendment Expansion Date. Thereafter, "**Fourth Amendment Lease Year**" shall be defined as any subsequent twelve (12) month period during the Lease Term. The "**Fourth Amendment Expansion Premises Rent Commencement Date**" shall be the Fourth Amendment Expansion Date.

Notwithstanding the foregoing, on the condition that no Event of Default by Tenant with respect to any monetary obligation or material non-monetary obligation occurs on or before the date that the following described rent credits ("Rent Credits**") are available to Tenant, Tenant shall be entitled to the following Rent Credits against Tenant's obligation to pay the monthly installments of Annual Fixed Rent during Fourth Amendment Lease Year 1:

Months 1-6:	$18,000.00 per month
Months 7-9:	$12,000.00 per month
Months 10-12:	$6,000.00 per month

For the purposes of determining the timing of the foregoing Rent Credits, each "**Month**" shall commence on the same day of the month as the day of the month on which the the Fourth Amendment Expansion Date occurs, and end on the day immediately preceding the first day of the next following Month; provided, however, that, in any event, the last day of Month 12 shall be the last day of Fourth Amendment Lease Year 1.

(ii) Additional Rent. Commencing as of the Fourth Amendment Expansion Premises Rent Commencement Date and continuing through the Current Expiration Date, as the same may be extended, Tenant's Proportionate Share shall be increased to equal 65%. Tenant shall pay Taxes and Operating Expenses in accordance with Sections 4 and 5 of the Lease, respectively.

D. Utilities. Commencing as of the Fourth Amendment Expansion Date, and continuing through the Current Expiration Date, as the same may be extended, Tenant shall pay for all utilities provided to the Fourth Amendment Expansion Premises in accordance with Section 6 of the Lease. Landlord shall, as part of the Tenant Improvement Work (as defined in on Exhibit B, Fourth Amendment), connect the electrical system serving the Fourth Amendment Expansion Premises to a check meter measuring the electrical consumption in the Expansion Premises.

E. Condition of Fourth Amendment Expansion Premises.

i. Subject to Landlord's obligations to perform Landlord's Fourth Amendment Work and to provide Landlord's Fourth Amendment Contribution, each as defined in Exhibit B, Fourth Amendment, and to Landlord's representation set forth in Section 1(E)(ii) below, Tenant acknowledges and agrees that Tenant is leasing the Fourth Amendment Expansion Premises in its "**AS IS**," "**WHERE IS**" condition and with all faults on the Execution Date of this Fourth Amendment, without representations or warranties, express or implied, in fact or by law, of any kind, and without recourse to Landlord. Tenant shall, at Tenant's sole cost and expense, install telephone and data wiring in the Fourth Amendment Expansion Premises. Tenant acknowledges that it has received from Landlord the decommissioning report which Landlord received from the prior tenant of the Fourth Amendment Expansion Premises, entitled:

"GlaxoSmithKline Laboratory Surrender Plan; 830 Winter Street, Waltham, Massachusetts, prepared for King Street Properties, Cambridge, Massachusetts, prepared by GlaxoSmithKline, dated December 15, 2017 (the "**GSK Report**")."

ii. Landlord represents that, as of the Execution Date of this Fourth Amendment, the Fourth Amendment Expansion Premises are, to the Best of Landlord's Knowledge, as hereinafter defined, free of all Hazardous Materials (as defined in Section 8.3(a) of the Lease) other than as set forth in the GSK Report. For the purposes of this Section 1(E), to the "**Best of Landlord's Knowledge**" shall mean the actual knowledge of Tyson Reynoso, the asset manager for the Property, without any duty on the part of Tyson Reynoso to perform any due diligence.

2. YIELD UP

Reference is made to Section 11.3 of the Lease, pursuant to which Landlord has the right, at the time that it approves any Alterations, to give Tenant notice requiring Tenant to remove such Alterations at the end of the Lease Term. Landlord agrees that: (i) Tenant shall not be required to remove any portion of Landlord's Fourth Amendment Work which is described on Exhibit B-1, Fourth Amendment or on Exhibit B-2, Fourth Amendment, and (ii) Tenant shall not be required to remove any other Alterations to the Fourth Amendment Premises (whether such Alterations arise from Changes to Landlord's Fourth Amendment Work or future Alterations made by Tenant), unless, in Landlord's reasonable judgment, such Alterations: (x) adversely affect the general utility of the Building for use by prospective and future tenants, and (y) require additional expense to readapt the Fourth Amendment Expansion Premises to normal use as a biotechnology office and research and development facility.

3. PERMITTED USE; CONTROL AREAS; PERMITTED HAZARDOUS MATERIALS

A. The Permitted Use of the first (1st) floor portion of the Fourth Amendment Expansion Premises shall be general, administrative and executive offices and laboratory uses and other customary uses accessory to the foregoing, and for no other purpose. The Permitted Use of the second (2nd) floor portion of the Fourth Amendment Expansion Premises shall be general, administrative and executive offices and other customary uses accessory to the foregoing, and for no other purpose.

B. The parties hereby acknowledge and agree that Tenant is not be entitled to any additional Basement Control Area, First Floor Control Area, Second Floor Control Area, or Third Floor Control Area in addition to the Control Areas provided to Tenant pursuant to Section 8.3(d) of the Lease.

C. Tenant covenants and agrees that Tenant shall not generate, store, or use any Hazardous Materials, as defined in Section 8.3(a) of the Lease in the second (2nd) floor portion of the Fourth Amendment Expansion Premises. Tenant further covenants and agrees that Tenant shall not generate, store or use any Hazardous Materials in the first (1st) floor portion of the Fourth Amendment Expansion Premises unless the same are approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord hereby acknowledges that it has approved the generation, storage and use by Tenant in the first (1st) floor portion of the Fourth Amendment Expansion Premises of the Hazardous Materials listed on Exhibit C, Fourth Amendment, attached hereto.

4. PARKING

Reference is made to the fact that Landlord has constructed an additional garage ("**New Garage**") serving the Building and the adjacent building, known as 828 Winter Street ("**Adjacent Building**"), so that the parking serving the Building and the Adjacent Building now consists of surface parking spaces and parking spaces in the New Garage and in the existing garage ("**Existing Garage**"). Therefore, and in order to reflect the additional parking to which Tenant will be granted based upon its demise of the Fourth Amendment Expansion Premises, the first (1st) sentence of Section 10 of the First Amendment (which deleted and restated Section 33 of the Lease) is hereby deleted and restated as follows:

> "33. PARKING. Pursuant to all covenants, conditions and agreements to this Lease, Landlord hereby authorizes for use by Tenant, at no additional charge to Tenant (other than Tenant's obligation to its share of Operating Expenses and Taxes related to the parking facilities), the following parking spaces:
>
> 282 parking spaces in the New Garage and surface parking;
> and
> 48 parking spaces in the Existing Garage.

5. SECURITY DEPOSIT

Reference is made to the fact that Landlord is currently holding a Security Deposit in the form of a letter of credit in the amount of $800,000.00 in accordance with the provisions of

Section 7.2 of the Lease, as amended by Section 9 of the First Amendment and Section 11 of the Second Amendment. Landlord shall continue to hold said Security Deposit in the amount of $800,000.00 during the Lease Term, in accordance with the provisions of said Section 7.2 of the Lease, as amended as aforesaid, as security for Tenant's obligations under the Lease. Notwithstanding anything to the contrary set forth in Sections 7.2, as amended, in no event shall the Security Deposit in the amount of $800,000.00 be subject to any further reduction during the Lease Term.

6. RIGHT OF FIRST OFFER

A. Reference is made to Tenant's Right of First Offer, as set forth in Section 35 of the Lease. Further reference is made to the fact that:

(i) Landlord's lease ("**Histogenics Lease**") with Histogenics Corporation ("**Histogenics**") of premises ("**Histogenics Premises**") located on the third floor of the Building expires on December 31, 2024, and Histogenics has the right ("**Histogenics Extension Option**") to extend the term of the Histogenics Lease for one (1) additional five (5) year term; and

(ii) Landlord's lease with GlaxoSmithKline LLC ("**GSK**") of premises ("**GSK Premises**") has terminated, and the Fourth Amendment Expansion Premises are a portion of the GSK Premises.

For the purposes of this Section 6, the portions of the GSK Premises which have not been leased to Tenant, are referred to herein as the "**Available GSK Premises**".

B. The parties expressly agree that:

(i) Tenant's Right of First Offer with respect to the Histogenics Premises is expressly subject to Histogenics Extension Option and the Histogenics Premises shall not be deemed to be available for lease to Tenant pursuant to Tenant's Right of First Offer until the expiration or earlier termination of the Histogenics Lease, and

(ii) Tenant's Right of First Offer with respect to any portion of the Available GSK Premises shall not be deemed to be available to lease to Tenant pursuant to Tenant's Right of First Offer until after the expiration or earlier termination of Landlord's lease ("**Next Tenant Lease**") with the next tenant to occupy such portion of the Available GSK Premises, as such Next Tenant Lease may be extended pursuant to any extension or renewal option(s) contained in such Next Tenant Lease, and Tenant's Right of First Offer with respect to any portion of the Available GSK Premises is expressly subject to any extension or renewal option(s) contained in the Next Tenant Lease of such portion of the Available GSK Premises.

7. EXTENSION OPTIONS

The parties confirm and agree that Tenant shall continue to have its right, as set forth in Section 36 of the Lease, to extend the Lease Term with respect to the entirety of the Premises

then demised to Tenant for two (2) additional Extension Terms, the first Extension Term commencing as of April 1, 2026 and expiring as of March 31, 2031, and the second Extension Term commencing as of April 1, 2031 and expiring as of March 31, 2036.

8. BROKER

Tenant and Landlord each warrants and represents that it has dealt with no broker in connection with the consummation of this Fourth Amendment, other than CBRE (the "**Broker**"). Tenant and Landlord each agrees to defend, indemnify and save the other harmless from and against any claims arising in breach of the representation and warranty set forth in the immediately preceding sentence. Landlord shall pay any commission due to the Broker pursuant to a separate agreement between Landlord and the Broker.

9. INAPPLICABLE LEASE PROVISIONS

Section 10.1 (Construction) of the Lease; Section 8 and Exhibit C (Additional Construction Allowance) and Exhibit D (Decommission Work) of the First Amendment, Section 10 and Exhibit A (Third Construction Allowance) of the Second Amendment, and Section 1 of the Third Amendment (Demise of the Expansion Premises) shall have no applicability with respect to this Fourth Amendment.

10. CONFLICT

In the event that any of the provisions of the Lease are inconsistent with this Fourth Amendment or the state of facts contemplated hereby, the provisions of this Fourth Amendment shall control.

[REMAINDER OF PAGE BLANK;
SIGNATURE PAGE AND EXHIBITS TO FOLLOW]

EXECUTED under seal as of the date first above written.

LANDLORD:

CRP/KING 830 WINTER, L.L.C.,
a Delaware limited liability company

By: CRP/King 830 Winter Venture, L.L.C.,
a Delaware limited liability company,
its sole Member

By: King Munson LLC,
a Delaware limited liability company
a Member

By: King Street Properties Investments LLC,
a Massachusetts limited liability company,
its Manager

By: /s/ Thomas Ragno
Name: Thomas Ragno
Title: Manager

TENANT:

IMMUNOGEN, INC.,
a Massachusetts corporation

By: /s/ David B. Johnston
Name: David B. Johnston
Title: CFO & Treasurer

CONSENT OF MORTGAGE

Pursuant to Subordination, Non-Disturbance and Attornment Agreement dated February 22, 2017, among the parties, the undersigned hereby consents to the Tenant's and the Landlord's entry into the foregoing Fourth Amendment.

PARLEX 5 FINCO, LLC, a Delaware limited liability company, successor-in-interest to HUSKY FINCO, LLC

By: /s/ Thomas C. Ruffing
Name: Thomas C. Ruffing
Title: Managing Director

On the 6th day of April, 2018, before me, the undersigned, a notary public in and for said state, personally appeared Thomas C. Ruffing, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

/s/ Rebecca Nyahay
My commission expires: September 28, 2019

EXHIBIT B, FOURTH AMENDMENT

WORK LETTER

This Exhibit is attached to and made a part of the Fourth Amendment, by and between **CRP King 830 Winter, L.L.C.**, a Delaware limited liability company ("**Landlord**"), and **ImmunoGen, Inc.**, a Massachusetts corporation ("**Tenant**"), for space located at 830 Winter Street, Lexington, Massachusetts. Capitalized terms used but not defined herein shall have the meanings given in the Lease.

1. Definitions. This Work Letter shall set forth the obligations of Landlord and Tenant with respect to the improvements to be performed in the Premises for Tenant's use. For the purposes of this Lease, "**Landlord's Fourth Amendment Work**" consists of the Base Building Work and the Tenant Improvement Work, each as hereinafter defined. The "**Base Building Work**" is identified on the Landlord/Tenant Responsibility Matrix attached hereto as Exhibit B-1, Fourth Amendment. The "**Tenant Improvement Work**" is: (i) identified on the Landlord/Tenant Responsibility Matrix attached hereto as Exhibit B-1, Fourth Amendment, (ii) shown on the Space Plans attached hereto as Exhibit B-2, Fourth Amendment, Sheet 1, and (iii) shown on the Tenant Equipment List for the First Floor attached hereto as Exhibit B-2, Fourth Amendment, Sheet 2. The Base Building Work shall be performed at Landlord's sole cost and expense. The Tenant Improvement Work shall be performed at Tenant's cost and expense, subject to Landlord's Fourth Amendment Contribution, as hereinafter set forth.

2. Permit Plans.

(a) Landlord shall engage Olson Lewis Architects ("**Landlord's Architect**") as its subconsultant to act as the architect to prepare the permit set of plans and specifications ("**Permit Set of Plans and Specifications**") for Tenant Improvement Work. Landlord shall submit to Tenant, together with the Permit Set of Plans and Specifications, an estimate ("**Permit Set Estimate**") of the Cost of the Tenant Improvement Work based upon the Permit Set.

(b) The Permit Set shall be subject to Tenant's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed, and, in any event Tenant shall, within five (5) Business Days of Tenant's receipt of such Permit Set, respond in writing by either approving such Permit Set or disapproving such Permit Set and advising Landlord of the reasons why Tenant is disapproving such Permit Set.

(c) If Tenant reasonably determines that the Permit Set Estimate is higher than is acceptable to Tenant, then Tenant shall have the right to give request Changes to Tenant Improvement Work, provided, however, that if Tenant requests Changes to the Permit Set of Plans and Specifications which have a material impact on the Construction Schedule more than one (1) time, then any such subsequent changes shall, in accordance with the last sentence of this Section 2(c), be a Tenant Delay. In order to exercise such right to request Changes to Tenant Improvement Work in order to reduce the Permit Set Estimate, Tenant shall, on or before the date five (5) Business Days after Tenant receives Landlord's notice to Tenant of the Permit Set Estimate, give written notice to Landlord specifying the changes in Tenant Improvement Work requested by Tenant. Such changes shall be subject to Landlord's prior written approval (which approval shall not be unreasonably withheld, conditioned, or delayed). Based upon the Construction Documents for Tenant Improvement Work, which are based upon the changes

requested by Tenant, as approved by Landlord, as aforesaid, the Contractor shall establish the GMP for the construction of Tenant Improvement Work in accordance with this Section 2. Tenant shall have the right to review the revised GMP within three (3) Business Days after receipt thereof but any subsequent Changes to the Tenant Improvement Work that have material impact to the construction schedule shall constitute a Tenant Delay.

3. Landlord's Fourth Amendment Contribution. Landlord and Tenant acknowledge that the Construction Documents have not yet been prepared and, therefore, it is impossible to determine the exact cost of the Tenant Improvement Work at this time. Accordingly, Landlord and Tenant agree that Landlord's obligation to pay for the Cost of Tenant Improvement Work (as hereinafter defined) shall be limited to an amount ("**Landlord's Fourth Amendment Contribution**") which shall not exceed $400,000.00 (i.e., $40.00 per rentable square foot of the Fourth Amendment Expansion Premises) (the "**Maximum Amount**") and that Tenant shall be responsible for the Cost of Tenant Improvement Work to the extent that it exceeds the Maximum Amount. The "**Cost of Tenant Improvement Work**" shall be defined as: (i) all hard costs ("**Hard Costs**") and soft costs (including, without limitation, space planning and design, permit fees, signage and cabling) the cost of obtaining permits and any applicable state sales and use taxes) ("**Soft Costs**") incurred by Landlord relating to the performance of the Tenant Improvement Work, provided however, that no more than $40,000.00 of Landlord's Fourth Amendment Contribution may be used for Soft Costs. The use of freight elevators, security, access to loading docks, parking, utilities and temporary HVAC during the performance of the Tenant Improvement Work shall not be included in the Cost of Tenant Improvement Work and Tenant shall not be required to pay for such services, except to the extent that such activities occur after normal Building business hours.

4. Contractor; GMP. Landlord shall enter into a contract ("**Contract**") for the Tenant Improvement Work with The Richmond Group ("**Contractor**"). The Contract shall be on the basis of a guaranteed maximum price ("**GMP**"). The GMP shall be determined based upon the sum of the following:

Contractor's Fee: 5% of the sum ("**Cost of the Work**") of: (i) Direct Cost of the Tenant Improvement Work, (ii) Supervision Costs, and (iii) General Conditions Costs.

Supervision Costs: $190,000.00

General Conditions Costs: $58,000.00

Direct Cost of the Tenant Improvement Work: Determined by bids obtained from subcontractors
in accordance with Section 7 below.

Construction Contingency: 3% of the Cost of the Work

5. Preparation of Construction Documents. Landlord shall engage Landlord's Architect to prepare the Construction Documents for Tenant's approval, which approval shall not be unreasonably withheld, conditioned, or delayed.

6. Tenant Responses. Tenant shall respond, in writing, to any requests from Landlord or the Contractor for information, consents, or authorizations to proceed in connection with Landlord's Fourth Amendment Work, within three (3) Business Days of Tenant's receipt of such request. Any failure by Tenant to respond within such time period may be the basis of a Tenant Delay. Tenant shall have the right to hire a mutually approved Tenant Construction Representative to oversee all required construction relative to the Tenant Premises.

7. Bid Process. Tenant hereby acknowledges that:

- the Contractor will receive a single bid for each of the following portions of Landlord's Fourth Amendment Work from the designated subcontractors ("**Designated Subcontractors**") listed below who will perform such portions of Landlord's Fourth Amendment Work:

  Mechanical: Environmental Systems, Incorporated
  Plumbing: North Shore Mechanical Contractors
  Fire Protection: Noremac Sprinkler Corporation
  Electrical: Nappa Electric

- Landlord will cause the Contractor to use reasonable efforts to obtain at least three (3) bidders for other portions of Landlord's Fourth Amendment Work; however, given the current market, it may not be possible to obtain more than one or two bidders with respect to portions of Landlord's Fourth Amendment Work. Landlord shall make available to Tenant copies of all subcontractor bids and executed subcontracts for Tenant's information and review.

8. Tenant's Share. For the purposes of this Exhibit B, Fourth Amendment: (i) if the Cost of Tenant Improvement Work is equal to, or less than, the Maximum Amount, then "**Tenant's Share**" shall be 0%, and (ii) if the Cost of Tenant Improvement Work is greater than the Maximum Amount, then Tenant's Share shall be a fraction, the numerator of which is the amount by which the total Cost of Tenant Improvement Work exceeds the Maximum Amount, and the denominator of which is the total Cost of the Tenant Improvement Work based upon the approved GMP and Landlord's estimated budget for the other costs included in the Costs of the Tenant Improvement Work.

9. Tenant's Obligation to Pay. If the Cost of Tenant Improvement Work exceeds the Maximum Amount ("**Excess Costs**"), Tenant shall pay to Landlord such Excess Costs as follows: (i) Tenant shall pay Tenant's Share of Tenant Improvement Costs within thirty (30) days of Billing (as hereinafter defined), (ii) with respect to any Changes to Tenant Improvement Work, Tenant shall pay for the cost of such changes in accordance with Section 10 below, and (iii) with respect to any increases in the Cost of Tenant Improvement Work arising from Claims by the Contractor, Tenant shall pay for the cost of such Claims as set forth in Section 11 below. "**Billing**" shall be defined as any invoice from Landlord setting forth, reasonable detail, the amount due from Tenant, and shall include invoices from vendors and service providers, and applications for payment from the Contractor for work completed through the date of Billing, as certified by the Contractor. Billing may not be submitted to Tenant more than one time per

calendar month. The amounts payable by Tenant hereunder constitute Rent payable pursuant to the Lease, and the failure to timely pay same constitutes an event of default under the Lease.

10. Changes. If Tenant shall request any change, addition or alteration in any of the Plans after approval by Landlord ("**Changes**"), Landlord shall have such revisions to the drawings prepared. Promptly upon completion of the revisions, Landlord shall notify Tenant in writing of the increased cost, if any, which will be chargeable to Tenant by reason of such change, addition or deletion. Tenant, within three (3) Business Days, shall notify Landlord in writing whether it desires to proceed with such Change. In the absence of such written authorization, Landlord shall have the option to continue work on the Fourth Amendment Expansion Premises disregarding the requested Change. To the extent that the cost of performing such revisions cause the cost of Tenant Improvement Work to exceed the Maximum Amount, Tenant shall reimburse Landlord for the Cost of Tenant Improvement Work associated with such Changes within thirty (30) days of upon Billing, as such Change work is being performed.

11. Claims. To the extent that any claims ("**Claims**") by the Contractor cause the Cost of Tenant Improvement Work to exceed the Maximum Amount, Tenant shall pay for such excess within thirty (30) days of Billing. Claims shall include any amounts properly due to the Contractor under the Contract based upon the claims of the Contractor under the Contract, provided however, that the Claims shall not include any amounts arising from the default or negligence of Landlord, or Landlord's agents or employees, under the Contract.

12. Performance of Landlord's Fourth Amendment Work; Tenant's Work.

(a) Following approval of the Construction Documents and Tenant's written authorization to proceed with Tenant Improvement Work, Landlord shall cause the Tenant Improvement Work to be constructed in all material respects in accordance with the approved Construction Documents.

(b) *Tenant's Work*. "**Tenant's Work**" shall be defined as Tenant's Required Work and Tenant's Elective Work, each as hereinafter defined.

1. Tenant's Required Work. The parties acknowledge that in order to achieve Substantial Completion of Landlord's Fourth Amendment Work, it will be necessary for Tenant to purchase and install a modular wall system in the Fourth Amendment Expansion Premises ("**Modular Wall System**"). Therefore, Tenant shall, at Tenant's sole expense, perform the following work ("**Tenant's Required Work**"): (i) submit to Landlord for Landlord's approval (which approval shall not be unreasonably withheld, conditioned, or delayed) plans and specifications for the Modular Wall System, (ii) engage a contractor approved by Landlord (which approval shall not be unreasonably withheld, conditioned, or delayed) to install the Modular Wall System in the Fourth Amendment Expansion Premises, and (ii) design, purchase and install a Modular Wall System in the Fourth Amendment Expansion Premises in accordance with the design, purchase and installation schedule ("**Tenant's Work Schedule**") attached hereto as

Exhibit B-3, Fourth Amendment. Any failure by Tenant to satisfy perform its obligations under this paragraph shall be deemed to be a Tenant Delay.

2. Tenant's Elective Work. In addition to Tenant's Required Work, Tenant shall have, at Tenant's sole cost and expense, the right to install Tenant's cabling and wiring in the Fourth Amendment Expansion Premises prior to the Fourth Amendment Expansion Date ("**Tenant's Elective Work**") in accordance with Tenant's Work Schedule. Tenant shall submit to Landlord for Landlord's approval (which approval shall not be unreasonably withheld, conditioned, or delayed) plans and specifications for Tenant's Elective Work.

3. Tenant's Right of Access to the Fourth Amendment Expansion Premises to Perform Tenant's Work. Tenant shall have the right to access the Fourth Amendment Expansion Premises, at Tenant's sole risk at the times indicated in the Tenant's Work Schedule in order to perform each portion of Tenant's Work, provided such access does not materially interfere with the preparation for or performance of Landlord's Fourth Amendment Work. Tenant shall, prior first entering the Fourth Amendment Expansion Premises pursuant to this Section 12, provide Landlord with certificates of insurance evidencing that the insurance required in Section 18.1 of the Lease is in full force and effect and covering any person or entity entering the Building. Tenant shall defend, indemnify and hold Landlord and the other Landlord Parties (as defined in Section 9 of the Lease) harmless from and against any and all claims, damages, losses, penalties, costs, expenses and fees (including, without limitation, reasonable legal fees) for injury to persons or property resulting from or relating to Tenant's access to and use of the Fourth Amendment Expansion Premises prior to the Fourth Amendment Expansion Date as provided under this Section 12. Tenant shall coordinate its access to the Fourth Amendment Expansion Premises prior to the Fourth Amendment Expansion Date with Landlord's property manager.

(c) Impact of the Performance of Landlord's Fourth Amendment Work on Tenant's Operations. Tenant acknowledges certain portions of Landlord's Fourth Amendment Work shall be performed within portions ("**Areas to Be Renovated**") of the Existing Premises located on the first (1st) and second (2nd) floors. Tenant agrees that it shall cooperate with Landlord, in such manner as Landlord may reasonably request (including, without limitation, by vacating the Area to Be Renovated in accordance with the schedule determined by Landlord) in order to enable Landlord to perform Landlord's Fourth Amendment Work in a timely and cost effective manner. Landlord shall consult with Tenant in order to coordinate Landlord's Fourth Amendment Work with Tenant's schedule, whenever possible, to minimize disruption to Tenant's business operations in Areas to Be Renovated as well as in other portions of the Existing Premises in the vicinity of the performance of Landlord's Fourth Amendment Work. However, there shall be no diminution or abatement of Fixed Rent or Additional Rent or other compensation due from Landlord to Tenant hereunder, nor shall the Lease or this Fourth Amendment be affected or any of Tenant's obligations hereunder or thereunder be reduced, and Landlord shall have no responsibility or liability for any inconvenience or disruption to Tenant's business operations as the result of Landlord's Fourth Amendment Work.

(d) Punchlist Items. Landlord shall, promptly after Substantial Completion of Landlord's Fourth Amendment Work, provide Tenant with a list (the "**Punchlist**") of outstanding items (the "**Punchlist Items**") which need to be performed to complete Landlord's Fourth Amendment Work. Subject to Force Majeure and Tenant Delays, Landlord shall, unless otherwise specified on the Punchlist, complete all Punchlist Items within sixty (60) days of the date of the Punchlist.

13. Landlord's Warranty.

(a) *Landlord's Warranty*. Landlord hereby warrants and represents to Tenant that Landlord's Fourth Amendment Work shall be performed: (i) in a good and workmanlike manner; (ii) in all material respects, in accordance with the Construction Documents, and (iii) in accordance with all applicable law ("**Landlord's Warranty**"). For avoidance of doubt, Tenant expressly agrees that Landlord's Warranty does not apply to portions of the Building (including, without limitation, common Building systems and facilities) which exist as of the Execution Date of this Fourth Amendment and which are not part of Landlord's Fourth Amendment Work.

(b) Tenant's Remedies in the Event of Breach of Landlord's Warranty. If, on or before the Warranty Expiration Date (as hereinafter defined), Tenant gives Landlord written notice of any breach of Landlord's Warranty promptly after Tenant becomes aware of such breach, Landlord shall, at no cost to Tenant, correct or repair such breach as soon as conditions reasonably permit and as to which, in either case, Tenant shall have given notice to Landlord, as aforesaid. The "Warranty Expiration Date" shall be defined as the date eleven (11) months and two (2) weeks after the Fourth Amendment Expansion Date. Except to the extent to which Tenant shall have given Landlord notice of respects in which Landlord has breached Landlord's Warranty or Landlord has otherwise failed to perform Landlord's construction obligations under this Exhibit B, Fourth Amendment, Tenant shall be deemed conclusively to have: (i) approved the Landlord Work, (ii) waived any claim that Landlord has breached Landlord's Warranty, and (iii) have agreed that Tenant has no claim that Landlord has failed to perform any of Landlord's obligations under this Work Letter. The provisions of this Section 11(b) sets forth the Tenant's sole remedies for any breach of the Landlord's Warranty; however nothing in this Section 11(b) shall be deemed to relieve the Landlord of its responsibilities to perform maintenance and repairs as required pursuant to Section 11.1 of the Lease or affect or limit the provisions of Section 13 of the Lease. With respect to any latent defects in Landlord's Fourth Amendment Work discovered by Tenant after the Warranty Expiration Date, Landlord shall, upon request of Tenant, assign to Tenant its rights against any contractor, subcontractor, and/or designer engaged by Landlord in connection with Landlord Work to the extent necessary to enable Tenant to assert claims against such contractor, subcontractor and/or designer in connection with such latent defect.

14. Miscellaneous

(a) **Tenant's Authorized Representative**. Tenant designates Brian Kendrew (email: [redacted]), telephone: [redacted]; "**Tenant's Representative**") as the only person authorized to act for Tenant pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any request, approval, inquiry or other communication ("**Communication**") from or on behalf of Tenant in connection with this Work Letter unless such Communication is in writing from Tenant's Representative. Tenant may change either Tenant's Representative at any time upon not less than five (5) Business Days advance written notice to Landlord.

(b) **Landlord's Authorized Representative**. Landlord designates Tyson Reynoso (email: [redacted], telephone [redacted]; "**Landlord's Representative**") as the only person authorized to act for Landlord pursuant to this Work Letter. Tenant shall not be obligated to respond to or act upon any request, approval, inquiry or other Communication from or on behalf of Landlord in connection with this Work Letter unless such Communication is in writing from Landlord's Representative. Landlord may change Landlord's Representative at any time upon not less than five (5) Business Days advance written notice to Tenant.

(c) Tenant shall have the right, during the performance of Landlord's Fourth Amendment Work, to have Tenant's Representative participate in weekly construction meetings with Landlord and the Contractor as to the status of the performance of Tenant Improvement Work.

Tenant shall have access to the Fourth Amendment Expansion Premises prior to the Fourth Amendment Expansion Date in accordance with the provisions of Section 12(b)(3) of this Exhibit B, Fourth Amendment.

15. Disputes.

Any disputes relating to provisions or obligations in this Fourth Amendment in connection with Landlord's Fourth Amendment Work or this Exhibit B, Fourth Amendment shall be submitted to arbitration in accordance with the provisions of applicable state law, as from time to time amended. Arbitration proceedings, including the selection of an arbitrator, shall be conducted pursuant to the rules, regulations and procedures from time to time in effect as promulgated by the American Arbitration Association. Notwithstanding the foregoing, the parties hereby agree that the arbitrator for any disputes relating to Landlord's Fourth Amendment Work shall be a construction consultant experienced in the construction of office/laboratory buildings in the City of Waltham, as mutually agreed upon by the parties, or, if not then designated by the parties, within ten (10) days after either party makes a request for arbitration hereunder, or (if the parties do not mutually agree upon such arbitrator) as designated by the Boston office of the American Arbitration Association upon request by either party. Prior written notice of application by either party for arbitration shall be given to the other at least ten (10) days before submission of the application to the said Association's office in Boston, Massachusetts. The arbitrator shall hear the parties and their evidence. The decision of the arbitrator shall be binding and conclusive, and judgment upon the award or decision of the arbitrator may be entered in the appropriate court of law; and the parties consent to the jurisdiction of such court and further agree that any process or notice of motion or other application to the Court or a Judge thereof may be served outside the Commonwealth of Massachusetts by registered mail or by personal service, provided a reasonable time for appearance is allowed. The costs and expenses of each arbitration hereunder and their apportionment between the parties shall be determined by the arbitrator in his award or decision. Except where a specified period is referenced in the Lease, no arbitrable dispute shall be deemed to have arisen under the Lease prior to the expiration of the period of twenty (20) days after the date of the giving of written notice by the party asserting the existence of the dispute together with a description thereof sufficient for an understanding thereof. In connection with the foregoing, it is expressly understood and agreed that the parties shall continue to perform their respective obligations under the Lease during the pendency of any such arbitration proceeding hereunder (with any adjustments or reallocations to be made on account of such continued performance as determined by the arbitrator in his or her award).

CONFIDENTIAL TREATMENT REQUESTED

DEVELOPMENT AND LICENSE AGREEMENT

This Development and License Agreement (this "Agreement") is made effective as of the date of the last signature below (the "Effective Date") by and between Bayer HealthCare AG, a German corporation ("Bayer"), with its principal place of business at D-51369 Leverkusen, Germany, and ImmunoGen, Inc., a Massachusetts corporation ("ImmunoGen"), with its principal place of business at 830 Winter Street, Waltham, Massachusetts 02451, USA. Bayer and ImmunoGen are sometimes each hereinafter referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, Bayer is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to certain Anti-Mesothelin Cell Binding Agents; and

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

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

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

1. DEFINITIONS

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

1.1. "Adverse Event" means any untoward medical occurrence in a human clinical trial subject or in a patient who is administered a Licensed Product, whether or not having a causal relationship with such Licensed Product, including, without limitation, any unfavorable and unintended sign (including, without limitation, abnormal laboratory findings of clinical concern), symptom or disease temporally associated with the use of such Licensed Product.

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1.2. **"Affiliate"** means, with respect to any Person, any other Person that, directly or indirectly through one or more Affiliates, controls or is controlled by or is under common control with such Person. For purposes of this Section 1.2, "control" means (a) ownership of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interests in the case of any other type of legal entity, (b) status as a general partner in the case of any partnership, or (c) any other arrangement whereby a Person controls or has the right to control the board of directors or equivalent governing body or management of another Person.

1.3. **"Anti-Mesothelin Cell Binding Agent"** means any Antibody or other amino acid-based or nucleotide-based molecule that selectively and specifically binds to Mesothelin.

1.4. **"Antibody"** means a polyclonal or monoclonal antibody, whether multiple or single chain, recombinant or naturally occurring, whole or fragment, and any variants, derivatives or constructs thereof, including but not limited to, antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb and CDR fragments, single chain antibodies (scFv), chimeric antibodies, diabodies and polypeptides (including humanized versions thereof) that contain at least a portion of an immunoglobulin that is sufficient to confer specific antigen binding to the polypeptide.

1.5. **"Applicable Laws"** means all federal, state, local, national and supra-national laws, statutes, rules and regulations, including any rules, regulations, guidelines or requirements of Regulatory Authorities, national securities exchanges or securities listing organizations that may be in effect from time to time during the Term and applicable to a particular activity hereunder.

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

1.7. **"Bayer Improvements"** means Improvements conceived or first reduced to practice solely by one or more employees of or others obligated to assign inventions to Bayer or

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any Affiliate of Bayer in connection with the Development or Commercialization of any Licensed Product.

1.8. "Bayer Program Technology" means any Program Technology conceived or first reduced to practice solely by employees of, or others obligated to assign inventions to, Bayer or any Affiliate of Bayer.

1.9. "Clinical Materials" means any MAY Compound, Licensed Product or other materials (e.g., linker) supplied by ImmunoGen to Bayer pursuant to Section 4.3 or the terms of a Supply Agreement for use in human clinical testing.

1.10. "Commercialization" or **"Commercialize"** means, with respect to any Licensed Product, any and all activities with respect to such Licensed Product relating to commercialization in the Field in the Territory, including pre-launch and launch activities, marketing, manufacturing for commercial sale, promoting, detailing, distributing, offering for sale and selling such Licensed Product, importing such Licensed Product for sale, conducting additional human clinical trials, reporting of Adverse Events and interacting with Regulatory Authorities regarding the foregoing. When used as a verb, "Commercialize" means to engage in Commercialization and "Commercialized" has a corresponding meaning.

1.11. "Competing Product" means a product (a) that consists of [***] *and* (b) the Development or Commercialization of which same product [***].

1.12. "Confidential Information" means (a) with respect to ImmunoGen, all tangible embodiments of the Licensed Patent Rights and Licensed Technology; (b) with respect to Bayer, all information and Technology related to the Anti-Mesothelin Cell Binding Agents Controlled by Bayer and otherwise included in any Regulatory Filings made, and Regulatory Approvals received, by Bayer with respect to Licensed Products; and (c) with respect to each Party, all information and Technology which is disclosed by or on behalf of such Party (in such capacity, the "Disclosing Party") to the other Party (in such capacity, the "Receiving Party") hereunder or to any of the Receiving Party's employees, consultants, Affiliates or sublicensees, except to the extent that the Receiving Party can demonstrate by written record or other suitable physical evidence that such information, (i) as of the date of disclosure is demonstrably known to the Receiving Party or its Affiliates other than by virtue of a prior confidential disclosure to such Party or its Affiliates; (ii) as of the date of disclosure is in, or subsequently enters, the public

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domain through no fault or omission of the Receiving Party; (iii) is obtained by the Receiving Party from a Third Party having a lawful right to make such disclosure free from any obligation of confidentiality to the Disclosing Party; or (iv) is independently developed by or for the Receiving Party without reference to or reliance upon any Confidential Information of the Disclosing Party.

1.13. "Confidentiality Agreements" means, collectively, (a) that certain Reciprocal Confidentiality Agreement effective January 19, 2006 by and between ImmunoGen and Berlex Biosciences, a division of Berlex, Inc. (predecessor-in-interest to Bayer), and (b) that certain Mutual Confidentiality Agreement effective July 7, 2008 by and between ImmunoGen and Bayer.

1.14. [***] means the [***] published from time to time by [***]. As of the Effective Date, the [***] can be found at [***].

1.15. "Control" or **"Controlled"** means, with respect to any Patent Rights, Technology or Proprietary Materials, the possession by a Party of the ability to grant a license or sublicense of such Patent Rights or Technology and the rights thereto or to supply such Proprietary Materials as provided for in this Agreement without violating the terms of any arrangement or agreement between such Party or its Affiliates and any Third Party.

1.16. "Cost" means, with respect to any Preclinical Materials or Clinical Materials manufactured by ImmunoGen, ImmunoGen's fully-burdened costs (including the costs associated with product testing and release activities) of producing and packaging such Preclinical Materials or Clinical Materials, including the sum of the following components: (a) direct costs, including (i) materials directly used in producing and packaging such Preclinical Materials or Clinical Materials and (ii) with respect to any Preclinical Materials or Clinical Materials obtained by ImmunoGen from a Third Party and supplied to Bayer without modification, the amount paid by ImmunoGen to such Third Party for the same; (b) manufacturing overhead costs attributable to the cost of goods under the foregoing clause (a)(i), including manufacturing and quality labor and manufacturing and quality supervisory services, operating and administrative costs of the manufacturing and quality departments and occupancy costs which are allocable to company departments based on space occupied or headcount, or another activity-based method; (c) any other reasonable and customary

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out-of-pocket costs borne by ImmunoGen for the testing, transport, customs clearance, duty, insurance and/or storage of such Preclinical Materials or Clinical Materials; and (d) ImmunoGen's general and administrative costs, including purchasing, human resources, payroll, information system and accounting, which are directly attributable or reasonably allocable to company departments based on space occupied or headcount or another activity-based method. Manufacturing overhead costs under the foregoing clause (b) and general and administrative costs under the foregoing clause (d) are allocable to each batch of Preclinical Material and/or Clinical Material produced based upon [***], as the use may be, at ImmunoGen's facilities. Notwithstanding the foregoing, Cost shall not include the cost of purchasing any Dedicated Equipment pursuant to Section 4.4 of this Agreement.

1.17. "Dedicated Equipment" means any equipment, instrument or machinery used by ImmunoGen exclusively in the manufacturing of Preclinical Materials or Clinical Materials.

1.18. "Derived" means obtained, developed, created, synthesized, designed, derived or resulting from or generated from, based upon, or otherwise containing (whether directly or indirectly, or in whole or in part).

1.19. "Development" and **"Develop"** means, with respect to any Licensed Product, all activities with respect to such Licensed Product relating to research and development in connection with seeking, obtaining or maintaining any Regulatory Approval for such Licensed Product in the Field in the Territory, including without limitation, all pre-clinical research and development activities, test method development and stability testing, regulatory toxicology studies, formulation, process development, manufacturing scale-up, development-stage manufacturing, quality assurance/quality control development, statistical analysis and report writing, clinical trial design and operations, preparing and filing Drug Approval Applications, reporting of Adverse Events, and all regulatory affairs related to the foregoing. When used as a verb, "Developing" means to engage in Development and "Developed" has a corresponding meaning.

1.20. "Drug Approval Application" means, with respect to a Licensed Product in a particular country or region, an application for Regulatory Approval for Commercialization of such Licensed Product in such country or region including, without limitation: (a) an NDA or

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sNDA; (b) a counterpart of an NDA or sNDA, including any MAA, in any country or region in the Territory; and (c) all supplements and amendments to any of the foregoing.

1.21. "FDA" means the United States Food and Drug Administration and any successor agency or authority thereto.

1.22. "FDCA" means the United States Food, Drug and Cosmetic Act, as amended.

1.23. "Field" means all human therapeutic, prophylactic and diagnostic uses.

1.24. "First Commercial Sale" means the date of the first commercial transfer or disposition for value to a Third Party of a Licensed Product by or on behalf of Bayer or any Affiliate or Sublicensee of Bayer.

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

1.26. "FTE Cost" means, for any period during the Term of this Agreement, the FTE Rate multiplied by the number of FTEs expended over such period.

1.27. "FTE Rate" means, for the [***], $[***]; and, for [***], the result obtained by [***] by the sum of [***] where [***] is a [***], the [***] of which is the [***] the [***] as of the [***] of the [***] and the [***] as of the [***] and the [***] of which is the [***] as of the [***].

1.28. "GLP" means the then current Good Laboratory Practice standards promulgated or endorsed by the FDA or, in the case of foreign jurisdictions, comparable regulatory standards promulgated or endorsed by the applicable Regulatory Authority, including those procedures expressed or implied in the Regulatory Filings.

1.29. "GMP" means all good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.30. "ImmunoGen Program Technology" means any Program Technology conceived or first reduced to practice solely by employees of, or others obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen.

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1.31. "ImmunoGen Improvement" means Improvements conceived or first reduced to practice solely by one or more employees of, or others obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen.

1.32. "Improvement" means any enhancement, improvement or modification to the Licensed Technology or the Licensed Patent Rights. Improvements include, without limitation, enhancements, improvements or modifications of [***].

1.33. "IND" means (a) an Investigational New Drug Application (as defined in the FDCA and regulations promulgated thereunder) or any successor application or procedure required to initiate clinical testing of a Licensed Product in the United States; (b) a counterpart to an Investigational New Drug Application that is required in any other country or region in the Territory before beginning clinical testing of a Licensed Product in humans in such country or region; and (c) all supplements and amendments to any of the foregoing.

1.34. "Initiation" means, with respect to any clinical study, the first date that a human subject is dosed in such clinical study.

1.35. "Joint Improvements" means Improvements conceived or first reduced to practice jointly by (a) one or more employees of, or others obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen, *and* (b) one or more employees of, or others obligated to assign inventions to, Bayer or any Affiliate of Bayer.

1.36. "Joint Program Technology" means any Program Technology (other than Joint Improvements) conceived or first reduced to practice jointly by (a) one or more employees of, or other persons obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen, *and* (b) one or more employees of, or other persons obligated to assign inventions to, Bayer or any Affiliate of Bayer.

1.37. "Licensed Patent Rights" means any Patent Rights which are Controlled by ImmunoGen as of the Effective Date or become Controlled by ImmunoGen during the Term (including ImmunoGen's interest in any Patent Rights covering Joint Program Technology and Joint Improvements) that include one or more claims that cover Licensed Technology. Certain Licensed Patent Rights as of the Effective Date are set forth in Schedule A attached hereto and incorporated herein by reference.

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1.38. "Licensed Product" means any product that incorporates, is comprised of, or is otherwise Derived from, a conjugate of an Anti-Mesothelin Cell Binding Agent Controlled by Bayer with a MAY Compound.

1.39. "Licensed Technology" means any Technology which is Controlled by ImmunoGen as of the Effective Date or becomes Controlled by ImmunoGen during the Term (including ImmunoGen's interest in any Joint Program Technology and Joint Improvements), which is necessary or useful for Bayer to exercise the licenses granted to it pursuant to Section 2.1.

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

1.41. "MAY Compound" means any and all maytansinoid compounds (including, without limitation, maytansinol, ansamitocins, DM1 and DM4), whether produced by a botanical source, natural fermentation, chemical synthesis or otherwise, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case Controlled by ImmunoGen.

1.42. "Mesothelin" means the protein sequence defined in Schedule B attached hereto and incorporated herein by reference.

1.43. "MTA" means that certain Material Transfer and Evaluation Agreement between Berlex Biosciences, a division of Berlex, Inc. (predecessor-in-interest to Bayer), and ImmunoGen dated June 19, 2006, as amended on August 7, 2006, March 19, 2007, December 13, 2007 and August 25, 2008.

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

1.45. "Net Sales" means, as to each calendar quarter during the Term, the gross invoiced sales prices charged for all Licensed Products sold by Bayer or its Affiliates or Sublicensees to Third Parties throughout the Territory during such calendar quarter, less the following amounts incurred or paid by Bayer or its Affiliates or Sublicensees during such

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calendar quarter with respect to sales of Licensed Products regardless of the calendar quarter in which such sales were made:

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

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

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

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

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

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

In the event a Licensed Product is sold as a component of a combination or bundled product that consists of a Licensed Product together with another therapeutically active product for the same indication (a "Combination Product"), the Net Sales from the Combination Product, for the purposes of determining royalty payments hereunder, shall be determined by multiplying the Net Sales of the Combination Product (as defined in the standard Net Sales definition above) during the applicable royalty reporting period by the fraction A/A+B, where A is the [***] of the Licensed Product when sold separately in finished form in the country in which the Combination Product is sold in similar volumes and of the [***] and [***], and B is the [***] of the other product(s) included in the Combination Product when sold separately in finished form in the country in which the Combination Product is sold in similar volumes and of the [***] and [***], in each case during the applicable royalty reporting period or, if sales of the Licensed Product alone did not occur in such period, then in the [***] in which [***] of such Licensed Product occurred. In the event that such [***] cannot be determined for the Licensed Product, on the one

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hand, and all other product(s) included in the Combination Product, on the other, Net Sales for the purposes of determining royalty payments shall be [***].

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

1.47. "Person" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, incorporated association, joint venture or similar entity or organization, including a government or political subdivision, department or agency of a government.

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

1.49. "Pivotal Clinical Study" means, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety and efficacy of such Licensed Product for such indication, which is prospectively designed to demonstrate statistically whether such Licensed Product is safe and effective for use in such indication in a manner sufficient to file a Drug Approval Application to obtain Regulatory Approval to market and sell that Licensed Product in any country in the Territory for the indication under investigation in such study.

1.50. "Pivotal Equivalent Decision" means the date on which Bayer or its Sublicensee decides, based on notification and input from the applicable Regulatory Authority, that the data

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and results generated from the Phase II Clinical Studies of a Licensed Product for a particular indication are sufficient, without any Pivotal Clinical Study of such Licensed Product for such indication, to support the filing of a Drug Approval Application to obtain Regulatory Approval to market and sell that Licensed Product in the applicable country or region for the indication under investigation.

1.51. "Preclinical Materials" means any MAY Compound, Licensed Product or other materials (e.g., linker) supplied by ImmunoGen to Bayer in accordance with Section 4.2 for the purpose of conducting research activities or preclinical testing with respect to a Licensed Product.

1.52. "Program Technology" means any Technology conceived or reduced to practice in the conduct of the Research Program or in connection with the Development of any Licensed Product.

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

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

1.55. "Regulatory Authority" means the FDA or any counterpart to the FDA outside the United States, or other national, supra-national, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity with authority over the distribution, importation, exportation, manufacture, production, use, storage, transport, clinical testing or sale of a Licensed Product.

1.56. "Regulatory Filings" means, collectively: (a) all INDs, NDAs, establishment license applications, drug master files, applications for designation as an "Orphan Product" under the Orphan Drug Act, for "Fast Track" status under Section 506 of the FDCA (21 U.S.C. § 356) or for a Special Protocol Assessment under Section 505(b)(4)(B) and (C) of the FDCA

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(21 U.S.C. § 355(b)(4)(B)) or all other similar filings (including MAAs and counterparts to any of the foregoing in any country or region in the Territory) as may be required by any Regulatory Authority for the Development or Commercialization of a Licensed Product in the Territory; (b) all supplements and amendments to any of the foregoing; and (c) all data and other information contained in, and correspondence relating to, any of the foregoing.

1.57. "Research Budget" means the budget for the Research Plan as agreed to by the Parties.

1.58. "Research Plan" means the written plan describing the research activities to be carried out by each Party pursuant to this Agreement under the Research Program.

1.59. "Research Program" means the research activities in the Field commencing on the Effective Date to be conducted by the Parties pursuant to Section 3.1 of this Agreement and reflected in the Research Plan.

1.60. "Serious Adverse Event" means an Adverse Event occurring at any dose of a drug that (a) results in death or poses a threat to life; (b) requires or prolongs hospitalization; (c) results in persistent or significant disability or incapacity; (d) is medically significant; or (e) results in a congenital anomaly or birth defect.

1.61. "Sublicensee" means any Affiliate or Third Party to which Bayer grants a sublicense of the rights granted to Bayer pursuant to this Agreement.

1.62. "Technology" means, collectively, all inventions, discoveries, improvements, trade secrets and proprietary methods or materials, whether or not patentable, including, without limitation, macromolecular sequences, data, formulations, processes, techniques, know-how and results (including negative results).

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

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

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

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unenforceable through disclaimer or otherwise, and (d) is not lost through an interference proceeding.

Additional Definitions. In addition, each of the following definitions shall have the respective meanings set forth in the section of the Agreement indicated below:

Definition	Section
Agreement	Recitals
Bayer Indemnitees	10.1(b)
Combination Product	1.45
Disclosing Party	1.12
Dispute	11.12
Effective Date	Recitals
ImmunoGen Indemnitees	10.1(a)
Indemnified Party	10.2
Indemnifying Party	10.2
Infringement	7.4(a)(i)
Infringement Notice	7.4(a)(i)
JDC	3.4(a)
Losses	10.1(a)
Receiving Party	1.12
Supply Agreement	4.3
Party/Parties	Recitals
Term	8.1
Third Party Claims	10.1(a)
Third Party Payments	5.3(b)
Upfront Fee	5.1(a)

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2. GRANT OF RIGHTS

2.1 License Grants.

(a) Development and Commercialization License.

(i) License to Bayer. Subject to the terms and conditions of this Agreement, ImmunoGen hereby grants to Bayer an exclusive, royalty-bearing license, including the right to grant sublicenses as described in Section 2.1(a)(ii) below, under the Licensed Patent Rights and Licensed Technology to Develop, have Developed, Commercialize and have Commercialized Licensed Products in the Field in the Territory.

(ii) Right to Sublicense. Bayer shall have the right to grant sublicenses under the license rights granted to it under Section 2.1(a)(i) hereof with respect to any Licensed Product to any of its Affiliates and to any Third Party, provided, that: (A) it shall be a condition of any such sublicense that the Sublicensee agrees to be bound by all terms of this Agreement applicable to the Development and Commercialization of Licensed Products in the Field in the Territory (including, without limitation, Sections 3.2(b) and 3.3); (B) Bayer shall provide written notice to ImmunoGen of any such proposed sublicense at least [***] days prior to such execution and provide redacted copies to ImmunoGen of each such sublicense within [***] days [***]; (C) Bayer shall be deemed to have [***] that each such Sublicensee will [***] applicable to the subject matter of such sublicense; and (D) Bayer shall [***], including, without limitation, the [***], as a result of any such sublicense.

(b) Research Licenses.

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

(ii) Research License to ImmunoGen. Subject to the terms and conditions of this Agreement, during the Term of this Agreement, Bayer hereby grants to ImmunoGen a fully paid-up, non-exclusive, royalty-free, worldwide license, without the right to grant sublicenses, under the Bayer Background Technology and Bayer's interest in any

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Improvements and Program Technology, for the sole purpose of conducting the activities it is required to perform as part of the Research Program.

2.2 Retained Rights and Covenants.

(a) Retained Rights. Subject to the other terms of this Agreement (including, without limitation, Section 2.2(b)), ImmunoGen retains the right to use the Licensed Technology and practice the Licensed Patent Rights (a) to perform its obligations under this Agreement (including without limitation its obligation to manufacture Preclinical Materials and Clinical Materials in accordance with Section 4 of this Agreement); (b) to develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported [***]; and (c) for any and all uses [***].

(b) Covenants. Notwithstanding anything to the contrary contained in Section 2.2(a) or 2.3 of this Agreement, ImmunoGen hereby agrees during the Term of this Agreement, that it shall not [***].

2.3 Improvement License to ImmunoGen. Bayer hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free license [***] under Bayer's interest in Improvements Controlled by Bayer (a) to manufacture Clinical Materials or Preclinical Materials pursuant to the terms of this Agreement, or each applicable Supply Agreement; [***]; and (c) to otherwise exploit such Improvements for all uses [***].

2.4 Use of Licensed Technology. In connection with any Licensed Technology transferred to Bayer pursuant to this Agreement, Bayer hereby agrees that (a) it shall not use such Licensed Technology for any purpose other than exercising its rights or performing its obligations hereunder; (b) it shall use such Licensed Technology only in compliance with all Applicable Laws; (c) it shall not transfer any such Licensed Technology to any Third Party without the prior written consent of ImmunoGen, except as expressly permitted hereby; (d) except for the rights expressly set forth herein, Bayer shall not have any other rights, title or interest in or to such Licensed Technology as a result of such transfer by ImmunoGen; and (e) any activities by ImmunoGen to facilitate Bayer's use of the Licensed Technology shall be conducted as part of the Research Program.

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3. RESEARCH PROGRAM; DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS

3.1 Research Program.

(a) Implementation of Research Program. As soon as practicable after the Effective Date, the Parties shall prepare a mutually agreed upon Research Plan which shall set forth with reasonable specificity the research objectives and tasks to be conducted by the Parties under the Research Program. The Research Program shall be designed to facilitate the selection of the appropriate Anti-Mesothelin Cell Binding Agents, MAY Compounds and linkers to be used in preparing Licensed Products and the conduct of initial research with respect to the Licensed Products. At Bayer's request, the Research Program shall also be designed to facilitate Bayer's use of the Licensed Technology (including, without limitation, ImmunoGen's conjugation Technology), subject to Section 2.4. The Research Program shall be conducted pursuant to a Research Budget agreed to by the Parties. The Parties expect that the Research Program, and related Research Budget, will be amended and updated from time to time during the Term of this Agreement, which amendments and updates shall be submitted to the JDC and shall be subject to its approval. Each Party undertakes that the activities assigned to it in a Research Plan shall be conducted diligently and in good scientific manner in accordance with accepted laboratory practices and in compliance with any and all laws, regulations and bioethical conventions applicable to the jurisdiction in which those activities take place.

(b) Collaborative Efforts and Reports. The Parties agree that the successful execution of the Research Program will require the collaborative use of both Parties' areas of expertise. The Parties shall keep the JDC and each other fully informed about the status of the Research Program. Scientists at ImmunoGen and Bayer shall cooperate in the performance of the Research Program and, subject to any confidentiality obligations to Third Parties, shall exchange information and materials in a mutually acceptable secure manner as necessary to carry out the Research Program, subject to the provisions of Section 6 hereof.

(c) Supply of Proprietary Materials. From time to time during the Research Program Term, either Party (in such capacity, the "Transferring Party") may supply the other Party (in such capacity, the "Recipient Party") with its Proprietary Materials for use in the

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Research Program. In connection therewith, the Recipient Party hereby agrees that (i) it shall not use Proprietary Materials for any purpose other than exercising any rights granted to it or reserved by it hereunder; (ii) it shall use the Proprietary Materials only in compliance with all Applicable Laws; (iii) it shall not transfer any Proprietary Materials to any Third Party without the prior written consent of the Transferring Party, except as expressly permitted hereby; (iv) the Transferring Party shall retain full ownership of all such Proprietary Materials; and (v) upon the expiration or termination of this Agreement, the Recipient Party shall at the instruction of the Transferring Party either destroy or return any Proprietary Materials which are not the subject of the grant of a continuing license hereunder.

3.2 Development and Commercialization.

(a) Responsibility. Subject to Section 3.3 of this Agreement, on and after the Effective Date, Bayer shall have sole responsibility for the Development and Commercialization of Licensed Products in the Field in the Territory, including, without limitation: (i) the conduct of all research and pre-clinical Development activities (including the assessment of alternative designs for the Licensed Products, the selection of the final Anti-Mesothelin Cell Binding Agents, MAY Compounds and linkers to be used in the Licensed Products and the selection of the Licensed Products to be Developed, all preclinical and IND-enabling studies, including toxicology testing, any pharmaceutical development work on formulations or process development relating to any such Licensed Products); (ii) all activities related to human clinical trials; (iii) all activities relating to the manufacture and supply of Anti-Mesothelin Cell Binding Agents, MAY Compounds and Licensed Products, to the extent such activities relate to the Development and Commercialization of Licensed Products (including all required process development and scale up work with respect thereto); and (iv) all Commercialization activities relating to any Licensed Product. Without limiting the generality of the foregoing, Bayer shall have sole responsibility for (A) making all Regulatory Filings for Licensed Products and filing all Drug Approval Applications and otherwise seeking all Regulatory Approvals regarding such matters and (B) reporting of all Adverse Events to Regulatory Authorities if and to the extent required by Applicable Laws. All activities relating to Development and Commercialization of Licensed Products under this Agreement shall be undertaken at Bayer's sole cost and expense, except as otherwise expressly provided in this Agreement.

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(b) Due Diligence. Bayer will use [***] to Develop Licensed Products and to undertake investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products, in the Field and in the Territory and, if approved, to Commercialize Licensed Products, [***]. In determining whether Bayer is using the efforts described in this Section 3.2(b) to [***] a Licensed Product, the Parties shall consider, among other things, whether such Licensed Product is [***]. [***] shall mean that at any given time Bayer shall be [***] engaging in one or more of the following [***] activities for a given Licensed Product: [***].

(c) Compliance. Bayer shall perform its obligations to Develop Licensed Products in good scientific manner and in compliance in all material respects with all Applicable Laws, provided that, with respect to each activity so performed that will or would reasonably be expected to be submitted to a Regulatory Authority in support of an Regulatory Filing, Bayer shall comply in all material respects with the regulations and guidance of the FDA that constitute GLP or GMP (or, if and as appropriate under the circumstances, other comparable regulation and guidance of any applicable Regulatory Authority in any country or region in the Territory).

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

(a) Updates and Reports. Bayer shall provide ImmunoGen with brief written reports no less frequently than on each anniversary of the Effective Date during the Term of this Agreement (commencing with the first anniversary of the Effective Date) which shall summarize Bayer's efforts to Develop and Commercialize such Licensed Products in the Field in the Territory, identify the Drug Approval Applications that Bayer and its Sublicensees have filed, sought or obtained in the prior [***] month period, and any they reasonably expect to make, seek or attempt to obtain in the following [***] month period. The Parties agree that the minutes of the JDC meetings may serve as reports hereunder, to the extent such minutes adequately address the above issues.

(b) Notification of Milestone Achievement. Bayer shall provide ImmunoGen with prompt written notice of the occurrence of any event giving rise to an obligation to make a milestone payment to ImmunoGen under Section 5.1(b), which shall in any event be no later than [***] days after the occurrence of such event, and shall provide ImmunoGen with prompt

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written notice of the occurrence of the First Commercial Sale of any Licensed Product in any country. In the event that, notwithstanding the fact that Bayer has not given any such notice, ImmunoGen believes any such milestone event has occurred, it shall so notify Bayer in writing, and shall provide to Bayer the data and information demonstrating that the conditions for payment have been achieved. Within [***] days of its receipt of such notice, the Parties shall meet to review the data and information and shall agree in good faith whether or not the conditions for payment have been achieved.

(c) Adverse Event Reports. In addition to the updates described in Section 3.3(a), Bayer shall provide ImmunoGen with all Adverse Event information and product complaint information relating to Licensed Products as such information is compiled or prepared by Bayer in the ordinary course of business in connection with the Development or Commercialization of any Licensed Product, in accordance with procedures to be agreed upon by the Parties and, in any event, within the time frames consistent with reporting obligations under Applicable Laws. To the extent that it may apply to a Licensed Product, ImmunoGen agrees to provide Bayer with Serious Adverse Event and product complaint information relating to any product containing a conjugate of an Antibody with a MAY Compound that is compiled and prepared by ImmunoGen or any Third Party collaborator in the ordinary course of business in connection with the development, commercialization or sale of any such product, in accordance with procedures to be agreed upon by the Parties; provided, however, that the foregoing shall not require ImmunoGen to violate any agreements with or confidentiality obligations owed to any Third Party.

(d) Correspondence for Licensed Products. To the extent reasonably practicable and subject to any Third Party confidentiality obligations, Bayer shall provide ImmunoGen with copies of any material documents or correspondence pertaining to ImmunoGen's manufacture of Preclinical Materials, Clinical Materials or any Licensed Product and prepared for submission to any Regulatory Authority and any material documents or other correspondence received from any Regulatory Authority pertaining to ImmunoGen's manufacture of Preclinical Materials, Clinical Materials or any Licensed Product. ImmunoGen shall complete its review within [***] days after receipt of the proposed submission. When requested in writing, ImmunoGen shall provide reasonable assistance to Bayer in obtaining

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Regulatory Approvals for Licensed Product. Notwithstanding the foregoing, Bayer shall have the sole responsibility for, and ImmunoGen agrees that Bayer shall be the sole owner of, any Regulatory Approval for the Licensed Product.

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

3.4 Joint Development Committee.

(a) Mandate and Establishment of Committee. Promptly after the Effective Date, the Parties shall form a joint development committee (the "JDC") to serve as a forum for coordination and communication between the Parties with respect to the Research Program and the Development of Licensed Products, and to assist Bayer in its exercise of its rights to make or have made Licensed Products under this Agreement. Within [***] days after the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2) each) for membership on the JDC. Each Party may change its representative(s) as it deems appropriate by notice to the other Party.

(b) Chair of Committee; Meetings. The chair of the JDC shall be one of the Bayer representatives on the JDC, as designated by Bayer. The JDC shall meet on a quarterly basis or other schedule agreed upon by the Parties, unless the Parties mutually agree in advance of any scheduled meeting that there is no need for such meeting. In such instance, the next JDC meeting shall also be scheduled as agreed upon by the Parties. The location of meetings of the JDC shall alternate between ImmunoGen's offices and Bayer's offices, unless otherwise agreed by the Parties. As agreed upon by the Parties, JDC meetings may be face-to-face or may be conducted through teleconferences or videoconferences. In addition to its JDC representatives, each Party shall be entitled to have other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear its own costs and expenses, including travel and lodging expense, that may be incurred by JDC representatives or other attendees at JDC meetings, as a result of such meetings hereunder. Minutes of each JDC meeting will be transcribed and issued to members of the JDC by the chair (or his or her

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designee) within thirty (30) days after each meeting, and such minutes shall be reviewed and modified as mutually required to obtain approval of such minutes promptly thereafter.

3.5 ImmunoGen's [***]. At [***] for each Licensed Product, the Parties will discuss [***] to enter into a [***] after the completion of the [***] with respect to such Licensed Product. A binding commitment with respect to any such arrangement will result only from the negotiation, approval, execution and delivery of a definitive agreement by all necessary parties, and shall be subject to the conditions expressed therein.

4. SUPPLY AND MANUFACTURING OBLIGATIONS

4.1 Supply of Materials. Bayer shall be responsible, at its sole cost, for manufacturing or having manufactured through Third Party contract manufacturers, all materials (including without limitation, all Anti-Mesothelin Cell Binding Agents, MAY Compounds and Licensed Products) to enable it to Develop and Commercialize Licensed Products (including as required for any pre-clinical, clinical and commercial use of Licensed Products, including process development and scale-up).

4.2 Supply of Preclinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1, during the Term of this Agreement, Bayer may request ImmunoGen to supply Bayer with such quantities of Preclinical Materials as may be reasonably required by Bayer in order to conduct all pre-clinical Development activities [***] relating to Licensed Products. Bayer shall order all amounts of Preclinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with advance ordering timeframes and delivery timeframes and specifications to be agreed upon by the Parties. To the extent Bayer requests ImmunoGen to manufacture any Licensed Product, Bayer shall supply ImmunoGen with quantities of Anti-Mesothelin Cell Binding Agents sufficient to enable ImmunoGen to produce such Licensed Product. ImmunoGen shall use commercially reasonable efforts to deliver to Bayer such amounts of Preclinical Materials as are ordered by Bayer in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, to the extent such Preclinical Materials are Licensed Products, ImmunoGen's obligations shall be contingent on ImmunoGen's receipt of the required quantities of Anti-Mesothelin Cell Binding Agents from Bayer. In connection with any ordering of Preclinical Materials by Bayer,

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ImmunoGen shall provide Bayer promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Preclinical Materials. ImmunoGen's price to supply Preclinical Materials to Bayer shall equal [***] for such Preclinical Materials. In connection with such supply, Bayer hereby agrees that (a) it shall not use the Preclinical Materials in any human subject; (b) it shall use the Preclinical Materials in compliance with all Applicable Laws; and (c) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the use, storage and disposal of any Preclinical Materials. Bayer shall be entitled to transfer Preclinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Preclinical Materials except in compliance with the foregoing clauses (a) and (b) of the preceding sentence.

4.3 Supply of Clinical Materials by ImmunoGen. If, during the Term of this Agreement, Bayer requests in writing that ImmunoGen supply Bayer with such quantities of Clinical Materials as may be reasonably required by Bayer in order to conduct human clinical studies of such Clinical Materials through the completion of non-pivotal Phase II Clinical Studies for such Clinical Materials, ImmunoGen will use commercially reasonable efforts to supply Bayer with such Clinical Materials pursuant to the terms of a supply agreement (the "Supply Agreement") to be negotiated in good faith by the Parties. The Supply Agreement shall provide, among other things, that (a) ImmunoGen shall deliver all ordered amounts of Clinical Materials in accordance with forecasting parameters, advance ordering timeframes and delivery timeframes to be agreed upon by the Parties in the Supply Agreement; (b) in connection with any ordering of Clinical Materials by Bayer, ImmunoGen shall provide Bayer with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Clinical Materials; (c) ImmunoGen's price to supply Clinical Materials to Bayer shall equal [***] for such Clinical Materials; and (d) Bayer shall use such Clinical Materials solely for human clinical testing up to and including conduct of non-pivotal Phase II Clinical Studies. The Supply Agreement may take the form of a master supply agreement, together with work orders specifically related to the supply of Clinical Materials. Further, the Parties shall enter into such additional agreements related to GMP, quality and technical terms as are necessary for regulatory purposes. Bayer hereby agrees that (i) it shall use the Clinical Materials in compliance with all Applicable Laws and (ii) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may

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arise from the use, storage and disposal of such Clinical Materials. Bayer shall be entitled to transfer Clinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Clinical Materials except in compliance with all Applicable Laws.

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

4.5 Process Development Activities. To the extent that Bayer requests that ImmunoGen manufacture Preclinical Materials or Clinical Materials as described in this Section 4, ImmunoGen shall conduct such process development activities as the Parties agree are necessary to produce the quantities of Preclinical Materials or Clinical Materials so ordered. From time to time after the Effective Date, the Parties shall agree in writing upon the number of FTEs required of ImmunoGen for the performance of such process development activities and Bayer shall pay the FTE Cost for such FTEs reflected in such written agreement. Any Preclinical Materials or Clinical Materials used by ImmunoGen in connection with such process

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development activities shall be included within the calculation of Cost to be paid by Bayer pursuant to Sections 4.2 or 4.3 of this Agreement or the Supply Agreement.

5. PAYMENTS AND ROYALTIES

5.1 Milestone Payments for Licensed Products.

(a) Upfront Fee. In consideration of the grant of the license described in Section 2.1 hereof, Bayer hereby agrees to pay ImmunoGen an upfront fee (the "Upfront Fee") in the amount of $4,000,000 payable in immediately available funds within [***] days of the Effective Date, which Upfront Fee shall be non-refundable and non-creditable.

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

Milestone	Milestone Payment
Bayer Decision Point 3 (D3) or equivalent decision: Start Preclinical Development	$1.0 Million
IND filing for a Licensed Product	$2.0 Million
Initiation of first non-pivotal Phase II Clinical Study for a Licensed Product	$4.0 Million
Earlier of Initiation of first Pivotal Clinical Study or Pivotal Equivalent Decision for the first indication of a Licensed Product	$6.0 Million
Earlier of Initiation of first Pivotal Clinical Study or Pivotal Equivalent Decision for the second indication of a Licensed Product	$2.0 Million
[***]	[***]
First Drug Approval Application filing for the first indication of a Licensed Product	$6.0 Million

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

If Initiation of first Pivotal Clinical Study or Pivotal Equivalent Decision for the first indication of a Licensed Product occurs before the Initiation of first non-pivotal Phase II Clinical Study of a Licensed Product, the milestone payment payable upon the earlier of Initiation of the first Pivotal Clinical Trial or Pivotal Equivalent Decision for the first indication of a Licensed Product shall be increased from $6.0 Million to $10.0 Million. It is hereby acknowledged and agreed that any milestone payment shall be made [***]. All milestone payments shall be nonrefundable and noncreditable. Bayer shall notify ImmunoGen of the achievement of each milestone hereunder for each Licensed Product as provided in Section 3.3(b) above.

5.2 Research Funding. In consideration of the performance by ImmunoGen of the Research Program, Bayer will pay ImmunoGen for all FTEs used by ImmunoGen in such Research Program and pursuant to the Research Budget, as described in the Research Plan or agreed to by the Parties, at a rate per FTE equal to the FTE Rate. From time to time after the Effective Date, the Parties shall agree in writing upon the number of FTEs required of ImmunoGen for agreed-upon portions of the Research Program and Bayer shall pay the FTE Cost for the FTEs reflected in such written agreement. If, at any time during the Term of this Agreement, ImmunoGen determines that the actual number of FTEs for a particular period

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agreed to by the Parties is expected to exceed the FTE number set forth in such written agreement for such period by more than [***], ImmunoGen shall give Bayer prompt written notice of same and the Parties shall discuss in good faith whether to approve the use of such additional FTEs or to decrease the activities to be performed, such that such increased FTEs are not necessary. ImmunoGen will maintain complete and accurate records which are relevant to its expenditure of Research Program funding provided to it by Bayer pursuant to this Section 5.2 as well as the purchase of any Dedicated Equipment pursuant to Section 4.4 hereof.

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

(a) Royalty Payments. For each Licensed Product, commencing on the first date of First Commercial Sale of such Licensed Product in any country or jurisdiction in the Territory, Bayer shall pay to ImmunoGen the following royalties based on Net Sales of such Licensed Product sold by Bayer, its Affiliates and its Sublicensees, on an incremental basis in each calendar year during the royalty term specified in Section 5.5, at the following rates:

For Annual Worldwide Net Sales of Licensed Products	Royalty Rate (% of Annual Net Sales)
[***]	4%
[***]	[***]
[***]	[***]
[***]	7%

The Parties acknowledge and agree that royalties may be payable hereunder with respect to sales of Licensed Products in a country in which [***] in such country and under such circumstances, such royalties shall be in consideration of the commercial advantage, know-how and background information gained from the Licensed Technology.

(b) Third Party Royalty Offset. If, [***], Bayer [***] to one or more Third Parties in consideration for a [***], in the absence of which Bayer [***] (collectively, "Third Party Payments"), then Bayer shall have the right to reduce the royalties otherwise due to ImmunoGen pursuant to Section 5.3(a) with respect to sales [***] of such Licensed Products [***] by an amount equal to [***] the amount of such Third Party Payments. Notwithstanding the following, any such reductions under this Section 5.3(b) shall in no event reduce the royalty for such Licensed Product payable under Section 5.3(a) to [***] of Net Sales in [***].

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

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

5.6 Payment Terms.

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

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(b) Accounting. All payments hereunder shall be made in U.S. dollars. Royalties shall be calculated based on Net Sales in the currency of each country in which Net Sales have occurred, and shall be converted (as applicable) to U.S. Dollars as follows. With respect to each calendar quarter, whenever conversion of payments from any foreign currency shall be required, such conversion shall be made using the arithmetic average of the spot rates on (a) the first Business Day (as defined below) of the calendar quarter to which such payments relate and (b) the last Business Day of each month of such calendar quarter to which such payments relate. The "closing mid-point rates" found in the "Exchange Rates" table published by *The Wall Street Journal*, or any other publication as agreed to by the Parties, shall be used as the source of spot rates to calculate the average as defined in the preceding sentence. For purposes of the foregoing, "Business Day" means a day on which banking institutions in New York, New York are open for business.

(c) Tax Withholding. All payments made by Bayer to ImmunoGen hereunder shall be free and clear of any taxes, duties, levies, fees or charges, except for withholding taxes, if any. Bayer shall make any applicable withholding payments due on behalf of ImmunoGen and shall provide ImmunoGen with reasonable proof of payment of such withholding taxes, together with an accounting of the calculations of such taxes, within [***] days after such payment is remitted to the proper authority. Any withheld tax remitted by Bayer to the proper authority shall be treated as having been paid by Bayer to ImmunoGen for all purposes of this Agreement. The Parties will cooperate reasonably in completing and filing documents required under the provisions of any applicable laws in connection with the making of any required withholding tax payment, or in connection with any claim to a refund of or credit for any such payment.

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

5.7 Overdue Payments. Subject to the other terms of this Agreement, royalties or milestones not paid within the time period set forth in this Section 5 shall bear interest from the due date until paid in full, at a rate equal to the lesser of (a) [***] or (b) the maximum interest rate permitted by applicable law in regard to such payments. Such royalty or milestone payment when

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made shall be accompanied by all interest so accrued. Such interest and the payment and acceptance thereof shall not negate or waive the right of ImmunoGen to any other remedy, legal or equitable, to which it may be entitled because of the delinquency of the payment.

5.8 Records Retention; Audit.

(a) Records Retention. Commencing as of the date of First Commercial Sale of the first Licensed Product, Bayer and its Affiliates and Sublicensees shall keep for at least [***] years from [***] complete and accurate records of sales by Bayer or its Affiliates or Sublicensees, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the royalties to be confirmed. For purposes of facilitating ImmunoGen's audit rights under Section 5.8(b), one complete and accurate set of such records shall be maintained at all times in the United States.

(b) Audit. Subject to the other terms of this Section 5.8(b), at the request of ImmunoGen, upon at least [***] days' prior written notice, but no more often than [***], and at its sole expense (except as otherwise provided herein), Bayer shall permit an independent certified public accountant reasonably selected by ImmunoGen and reasonably acceptable to Bayer to inspect (during regular business hours) the relevant records required to be maintained by Bayer under Section 5.8(a) in the United States. At ImmunoGen's request, the accountant shall be entitled to audit the [***] years of Bayer's records for purposes of verifying Bayer's royalty calculations. To the extent requested by Bayer, the accountant shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 5.8. Results of any such audit shall be made available to both Parties and shall be binding on both Parties. ImmunoGen agrees to treat the results of any such accountant's review of Bayer's records under this Section 5.8(b) as Confidential Information of Bayer subject to the terms of Section 6. If any such audit reveals a deficiency in the calculation of royalties resulting from any underpayment by Bayer, Bayer shall [***] pay ImmunoGen the amount remaining to be paid [***], and if such underpayment is by [***], Bayer shall pay the costs and expenses of the audit.

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6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidentiality.

(a) Confidentiality Obligations. ImmunoGen and Bayer each recognizes that the other Party's Confidential Information constitutes highly valuable assets of such other Party. ImmunoGen and Bayer each agrees that, subject to Section 6.1(b), during the Term and for an additional [***] years thereafter, (i) it will not disclose, and will cause its Affiliates and sublicensees not to disclose, any Confidential Information of the other Party and (ii) it will not use, and will cause its Affiliates not to use, any Confidential Information of the other Party, in either case, except as expressly permitted hereunder. Without limiting the generality of the foregoing, each Party shall take such action, and shall cause its Affiliates and sublicensees to take such action, to preserve the confidentiality of the other Party's Confidential Information as such Party would customarily take to preserve the confidentiality of its own Confidential Information and shall, in any event, use at least reasonable care to preserve the confidentiality of the other Party's Confidential Information.

(b) Limited Disclosure. Each Receiving Party shall be entitled to disclose the Disclosing Party's Confidential Information to employees, consultants and Affiliates of the Receiving Party to enable the Receiving Party to exercise its rights or to carry out its responsibilities under this Agreement, provided that such disclosure shall only be made to persons who are bound by written obligations as described in Section 6.1(c). In addition, the Disclosing Party's Confidential Information may be disclosed by the Receiving Party (i) on a need-to-know basis to the Receiving Party's legal and financial advisors and (ii) as reasonably necessary in connection with any actual or potential (A) permitted sublicense of the Receiving Party's rights hereunder, (B) debt or equity financing of the Receiving Party or (C) purchase by any Third Party of all the outstanding capital stock or all or substantially all of the assets of the Receiving Party or any merger or consolidation involving the Receiving Party; provided that in each case the Person receiving the Disclosing Party's Confidential Information agrees in writing to maintain the confidentiality of such Confidential Information with terms at least as protective as those contained in Section 6.1(a). In addition, the Receiving Party may disclose the Disclosing Party's Confidential Information to the extent such disclosure (1) is reasonably

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necessary to file, prosecute or maintain patents or patent applications, or to file, prosecute or defend litigation related to patents or patent applications, in accordance with this Agreement, or (2) as required by Applicable Laws, provided that in the case of any disclosure under this clause (2), the Receiving Party shall (x) if practicable, provide the Disclosing Party with reasonable advance notice of and an opportunity to comment on any such required disclosure, (y) if requested by the Disclosing Party, cooperate in all reasonable respects with the Disclosing Party's efforts to obtain confidential treatment or a protective order with respect to any such disclosure, at the Disclosing Party's expense, and (z) use good faith efforts to incorporate the comments of the Disclosing Party in any such disclosure or request for confidential treatment or a protective order.

(c) Employees and Consultants. ImmunoGen and Bayer each hereby represents and warrants that all of its employees and consultants, and all of the employees and consultants of its Affiliates, who participate in the activities contemplated by this Agreement or who otherwise have access to Confidential Information of the other Party are or will, prior to their participation or access, be bound by written obligations to maintain such Confidential Information in confidence and not to use such information except as expressly permitted hereunder. Each Party agrees to use, and to cause its Affiliates to use, reasonable efforts to enforce such obligations.

6.2 Publicity. The Parties acknowledge that the terms of this Agreement constitute the Confidential Information of each Party and may not be disclosed except as permitted by Section 6.1(b). Anything contained in this Agreement to the contrary notwithstanding, the Parties, upon the execution of this Agreement, shall mutually agree to a press release with respect to this Agreement and, once such press release is approved for disclosure by both Parties, either Party may make subsequent and repeated public disclosure of the contents thereof without further approval of the other Party. After issuance of such press release, neither Party shall publish, present or otherwise disclose publicly any material related to the Research Program or the Development or Commercialization of a Licensed Product without the prior written consent of the other Party; provided that notwithstanding the foregoing, (a) neither Party will be prevented from complying with any duty of disclosure it may have pursuant to Applicable Laws; (b) either Party shall be permitted to publish such material in

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scientific journals or present such material at scientific conferences in accordance with Section 6.3; and (c) both Parties (i) hereby acknowledge that the respective other Party's ability to attract and raise capital is substantially dependent on its ability to publish, present or otherwise announce publicly developments in its research and development programs or in its product development pipeline and (ii) agree that they shall not unreasonably withhold, condition or delay their respective consent to any request by the respective other Party to publish, present or otherwise announce publicly developments in the Research Program or the Development or Commercialization of Licensed Products, including, without limitation, any announcement of the occurrence of any milestone event under Section 5.1(b).

6.3 Publications and Presentations. The Parties acknowledge that scientific publications and presentations must be strictly monitored to prevent any adverse effect from premature publication or dissemination of results of the activities hereunder. Each Party agrees that, except as required by Applicable Laws, it shall not publish or present, or permit to be published or presented, the results of the Research Program or the Development or Commercialization of a Licensed Product to the extent such results refer to or otherwise relate to the Licensed Technology or Licensed Patent Rights (the "Covered Results") without the prior review by and approval of the other Party. Each Party shall provide to the other Party the opportunity to review each of the submitting Party's proposed abstracts, manuscripts or presentations (including, without limitation, information to be presented verbally) that relate to the Covered Results at least [***] days prior to its intended presentation or submission for publication, and such submitting Party agrees, upon written request from the other Party given within such [***], not to submit such abstract or manuscript for publication or to make such presentation until the other Party is given up to [***] days from the date of such written request to seek appropriate patent protection for any Covered Rights in such publication or presentation that it reasonably believes may be patentable. Once such abstracts, manuscripts or presentations have been reviewed and approved by each Party, the same abstracts, manuscripts or presentations do not have to be provided again to the other Party for review for a later submission for publication. Each Party also shall have the right to require that any of its Confidential Information that is disclosed in any such proposed publication or presentation be deleted prior to such publication or presentation. In any permitted publication or presentation by a Party, the

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other Party's contribution shall be duly recognized, and co-authorship shall be determined in accordance with customary industry standards.

6.4 Remedies. Each Party, as the Receiving Party, acknowledges that money damages would not be a sufficient remedy for any breach of the confidentiality obligations set forth in this Section 6, and the Disclosing Party shall be entitled to specific performance and injunctive relief as remedies for any such breach. Anything contained in this Agreement to the contrary notwithstanding, such remedies will not be deemed to be the exclusive remedies for breach of the confidentiality obligations set forth in this Section 6 but will be in addition to all other remedies available at law or equity to the Disclosing Party.

6.5 Integration. As to the subject matter of this Agreement, this Section 6 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the Confidentiality Agreements and the confidentiality provisions of the MTA. Any confidential information of a Party under any such agreement shall be treated as Confidential Information of such Party hereunder, subject to the terms of this Section 6.

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

7.1 Ownership of Intellectual Property.

(a) Solely-Owned Technology. As between the Parties, ImmunoGen shall be the sole owner of (i) the Licensed Patent Rights and the Licensed Technology, (ii) all ImmunoGen Program Technology, and (iii) all ImmunoGen Improvements. As between the Parties, and subject to Section 7.3(b), Bayer shall be the sole owner of (A) all Bayer Background Technology, (B) all Bayer Program Technology and (C) all Bayer Improvements. The Party solely owning any Technology or Improvements hereunder shall be the sole owner of all Patent Rights with respect thereto. All determinations of inventive contribution shall be as determined by United States laws of inventorship. The Party solely owning an invention hereunder will be solely responsible, at its own cost and expense and in its sole discretion, for the filing, prosecution and maintenance of any Patent Rights with respect thereto.

(b) Joint Technology. All Joint Program Technology and Joint Improvements shall be jointly owned by ImmunoGen and Bayer. All determinations of inventive contribution

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shall be as determined by United States laws of inventorship. The Parties shall also jointly own any Patent Rights covering any such Joint Program Technology and Joint Improvements.

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

7.2 Patent Filing, Prosecution and Maintenance.

(a) Licensed Patent Rights. ImmunoGen, acting through patent counsel or agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Licensed Patent Rights (other than Licensed Patent Rights covering Joint Program Technology or Joint Improvements).

(b) Bayer Improvements. Bayer, acting through patent counsel or agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights covering Bayer Improvements. Bayer will keep ImmunoGen reasonably informed of the status of the filing, prosecution and maintenance of any such Patent Rights, including, without limitation, by using commercially reasonable efforts to provide ImmunoGen a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that ImmunoGen has a reasonable opportunity to review and comment.

(c) Joint Program Technology and Joint Improvements.

(i) Bayer, acting through patent counsel and agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights covering Joint Program Technology.

(ii) ImmunoGen, acting through patent counsel and agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the

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preparation, filing, prosecution and maintenance of all Patent Rights covering Joint Improvements.

(iii) The Party undertaking responsibility for the filing, prosecution and maintenance of any Patent Rights covering Joint Program Technology or Joint Improvements will keep the other Party reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, by using commercially reasonable efforts to provide the other Party a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that the other Party has a reasonable opportunity to review and comment.

(d) Cooperation. Each Party agrees to cooperate reasonably with the other Party in the preparation, filing, prosecution and maintenance of any Patent Rights pursuant to this Section 7.2. Such cooperation includes, but is not limited to, executing all papers and instruments, or requiring employees or others to execute such papers or instruments, so as to effectuate the ownership of such Patent Rights and to enable the filing and prosecution thereof in any country or region.

7.3 Abandonment.

(a) Licensed Patent Rights; Joint Improvements. If ImmunoGen decides to abandon or to allow to lapse, or otherwise determines not to prosecute, any of the Licensed Patent Rights or Patent Rights covering Joint Improvements for which it is the filing party under Sections 7.2(a) and 7.2(c)(ii) in any country or region in the Territory, ImmunoGen shall inform Bayer of such decision promptly and, in any event, so as to provide Bayer a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. Bayer shall have the right to assume responsibility for continuing the prosecution of such Patent Rights in such country or region and paying any required fees to maintain such Patent Rights in such country or region or defending such Patent Rights, in each case at Bayer's sole expense and through patent counsel or agents of its choice. Bayer shall not become an assignee of such Licensed Patent Rights or of ImmunoGen's interest in such Patent

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Rights covering Joint Improvements as a result of its assumption of such responsibility. Upon transfer of ImmunoGen's responsibility for prosecuting, maintaining and defending any of the Licensed Patent Rights or Patent Rights covering Joint Improvements under this Section 7.3(a), ImmunoGen shall promptly deliver to Bayer copies of all necessary files related to such Patent Rights with respect to which responsibility has been transferred and shall take all actions and execute all documents reasonably necessary for Bayer to assume such prosecution, maintenance and defense.

(b) Bayer Improvements; Joint Program Technology. If Bayer decides to abandon or allow to lapse, or otherwise determines not prosecute, any of the Patent Rights covering Bayer Improvements or Patent Rights covering Joint Program Technology for which it is the filing party under Sections 7.2(b) and 7.2(c)(i) in any country or region in the Territory, Bayer shall inform ImmunoGen of such decision promptly and, in any event, so as to provide ImmunoGen a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. ImmunoGen shall have the right to assume responsibility for continuing the prosecution of such Patent Rights in such country or region and paying any required fees to maintain such Patent Rights in such country or region or defending such Patent Rights, in each case at ImmunoGen's sole expense and through patent counsel or agents of its choice. ImmunoGen shall not become an assignee of Bayer's interest in such Patent Rights covering Joint Program Technology as a result of its assumption of such responsibility. Upon transfer of Bayer's responsibility for prosecuting, maintaining and defending any of the Patent Rights covering Bayer Improvements under this Section 7.3(b), Bayer shall [***]. Upon transfer of Bayer's responsibility for prosecuting, maintaining and defending any of the Patent Rights covering Bayer Improvements or Joint Program Technology, Bayer shall promptly deliver to ImmunoGen copies of all necessary files related to such Patent Rights with respect to which responsibility has been transferred and shall take all actions and execute all documents reasonably necessary for ImmunoGen to assume such prosecution, maintenance and defense and, in the case of Patent Rights covering Bayer Improvements, to [***].

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7.4 Third Party Infringement.

(a) If either Party becomes aware of any possible infringement of, or submission by any Third Party of an abbreviated new drug application under the Hatch-Waxman Act that is covered by, any Licensed Patent Rights that cover a Licensed Product or any Bayer Improvement (an "Infringement"), that Party shall promptly notify the other Party and provide it with all details of such Infringement of which it is aware (each, an "Infringement Notice").

(b) ImmunoGen shall have the first right and option, but not the obligation, to eliminate such Infringement with respect to Licensed Patent Rights (other than Patent Rights covering Joint Program Technology) that cover Licensed Products by reasonable steps, which may include the institution of legal proceedings or other action. All costs, including, without limitation, attorneys' fees, relating to such legal proceedings or other action shall be borne by ImmunoGen. If ImmunoGen does not take commercially reasonable steps to eliminate the Infringement within [***] days from any Infringement Notice (or [***] days in the case of an Infringement under the Hatch-Waxman Act), then Bayer shall have the right and option to do so at its expense, provided that if ImmunoGen has commenced negotiations with an alleged infringer for elimination of such Infringement within such [***] (or, if applicable, [***]) period, then ImmunoGen shall have an additional [***] days (or in the case of an infringement under the Hatch-Waxman Act, [***] days) to conclude its negotiations before Bayer may take steps to eliminate such Infringement.

(c) Bayer shall have the first right and option, but not the obligation, to eliminate such Infringement with respect to Patent Rights covering Bayer Improvements or Joint Program Technology by reasonable steps, which may include the institution of legal proceedings or other action. All costs, including, without limitation, attorneys' fees, relating to such legal proceedings or other action shall be borne by Bayer. If Bayer does not take commercially reasonable steps to eliminate the Infringement within [***] days from any Infringement Notice (or [***] days in the case of an Infringement under the Hatch-Waxman Act), then ImmunoGen shall have the right and option to do so at its expense, provided that if Bayer has commenced negotiations with an alleged infringer for elimination of such Infringement within such [***] day (or, if applicable, such [***] day) period, then Bayer shall have an additional [***] days (or in

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the case of an infringement under the Hatch-Waxman Act, [***] days) to conclude its negotiations before ImmunoGen may take steps to eliminate such Infringement.

(d) Neither Party shall settle any Infringement claim or proceeding under this Section 7.4 without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed.

(e) Each Party shall have the right to participate, and be represented by counsel that it selects, in any legal proceedings or other action instituted under this Section 7.4 by the other Party. If a Party with the right to initiate legal proceedings under this Section 7.4 to eliminate Infringement lacks standing to do so and the other Party has standing to initiate such legal proceedings, such Party with standing shall initiate such legal proceedings at the request and expense of the other Party.

(f) In any action, suit or proceeding instituted under this Section 7.4, the Parties shall cooperate with and assist each other in all reasonable respects. Upon the reasonable request of the Party initiating such action, suit or proceeding, the other Party shall join such action, suit or proceeding and shall be represented using counsel of its own choice, at the requesting Party's expense.

(g) Any amounts recovered by either Party pursuant to Section 7.4(b), whether by settlement or judgment, shall be allocated in the following order: (i) first, to [***], then the [***]; (ii) to [***] in reimbursement for [***] associated with Licensed Products and to [***] in reimbursement for [***]; and (iii) any amounts remaining shall be allocated as follows: (A) if ImmunoGen is the Party bringing such suit or proceeding or taking such other legal action, [***] to [***]; (B) if Bayer is the Party bringing such suit or proceeding or taking such other legal action, [***]; and (C) if the suit is brought jointly, [***]. Notwithstanding the foregoing, any such remaining amounts recovered by either Party pursuant to Section 7.4(c), whether by settlement or judgment, shall be allocated in their entirety to [***], provided that if the suit is brought jointly, any such amounts shall be allocated [***].

7.5 Defense of Claims. If any action, suit or proceeding is brought or threatened against either Party or a Sublicensee alleging infringement of the Technology or Patent Rights of a Third Party by reason of use by Bayer or a Sublicensee of the Licensed Technology or Licensed Patent Rights in the conduct of the Research Program or the Development or Commercialization

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of any Licensed Product, the Party first receiving notice of such actual or threatened action, suit or proceeding shall notify the other Party promptly, and the Parties shall as soon as practicable thereafter discuss in good faith regarding the best response.

7.6 Trademarks. All Licensed Products shall be sold under one or more trademarks and trade names selected and owned by Bayer in the Territory. Bayer shall control the preparation, prosecution and maintenance of applications related to all such trademarks and trade names in the Territory, at its sole cost and expense and at its sole discretion. ImmunoGen shall notify Bayer promptly upon learning of any actual, alleged or threatened infringement of a trademark or trade name applicable to a Licensed Product in the Territory, or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses in the Territory. All of the costs, expenses and legal fees in bringing, maintaining and prosecuting any action to maintain, protect or defend any trademark owned by Bayer hereunder, and any damages or other recovery, shall be Bayer's sole responsibility, and taken in its sole discretion.

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

8. TERM AND TERMINATION

8.1 Term; Expiration. The term of this Agreement shall commence on the Effective Date and shall expire on a country-by-country basis upon the expiration of the final royalty payment obligation with respect to the final Licensed Product under Section 5.3(a) above, subject to earlier termination in accordance with Section 8.2 (the "Term").

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

(a) Voluntary Termination by Bayer. Bayer shall have the right to terminate this Agreement at any time upon not less than [***] days' prior written notice to ImmunoGen.

(b) Termination for Breach. Either Party may terminate this Agreement, effective immediately upon written notice to the other Party, for a breach by the other Party of any material term of this Agreement that remains uncured [***] days ([***] days if the breach is a failure of Bayer to make any payment required hereunder) after the non-breaching Party first gives written notice of such breach to the other Party; provided, however, that if the asserted

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breach is cured or shown to be non-existent within the applicable cure period, the notice of breach shall be deemed automatically withdrawn.

(c) Termination for Insolvency. If either Party files for protection under bankruptcy laws, makes an assignment for the benefit of creditors, appoints or suffers the appointment of a receiver or trustee over its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not discharged within [***] days of the filing thereof, then the other Party may terminate this Agreement effective immediately upon written notice to such Party. In connection therewith, all rights and licenses granted under this Agreement are, and shall be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the United States Bankruptcy Code. If either Party undergoes a voluntary dissolution or winding-up of its affairs, then the other Party may terminate this Agreement effective immediately upon written notice to such Party.

(d) Competing Product. ImmunoGen shall have the right to terminate this Agreement, effective upon [***] days' prior written notice to Bayer, in the event that Bayer or one of its Affiliates or Sublicensees (i) [***] an [***] in respect of a Competing Product with a [***] in any country or region in the Territory prior to [***] an [***] in respect of a Licensed Product in such country or region or (ii) [***] a [***] in respect of a Competing Product with a [***] in any country or region in the Territory prior to [***] a [***] in respect of a Licensed Product in such country or region.

8.3 Consequences of Termination. Upon any termination of this Agreement by either Party under Section 8.2, as of the effective date of such termination, (a) all of the licenses granted by ImmunoGen to Bayer pursuant to Section 2.1 shall immediately terminate; (b) Bayer shall immediately cease, and shall cause its Affiliates and Sublicensees (subject to the next sentence) immediately to cease, any and all sales of Licensed Products in the Territory; and (c) each Party shall promptly return or destroy all Confidential Information of the other Party, provided that each Party may retain one copy of the Confidential Information of the other Party in its archives solely for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder. Notwithstanding the foregoing, and unless ImmunoGen specifies otherwise in writing, no such termination of this Agreement shall be construed as a termination

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of any valid sublicense of any Third Party Sublicensee hereunder, and thereafter each such Sublicensee shall be considered a direct licensee of ImmunoGen, provided that (i) such Sublicensee is then in full compliance with all terms and conditions of its sublicense, (ii) all accrued payments obligations to ImmunoGen have been paid, and (iii) such Sublicensee agrees at least [***] days prior to the effective date of such termination to assume all obligations of Bayer under this Agreement.

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

8.5 Surviving Provisions. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 2.3, 2.4, 3.1(c), 3.3(e), 5.6, 5.7, 5.8, 6, 7.1, 7.2(b), 7.2(c), 7.2(d), 7.3, 7.4(b), 7.4(c), 8.3, 8.4, 8.5, 9.3, 10 and 11 as well as any rights or obligations otherwise accrued hereunder (including any accrued payment obligations), shall survive the expiration or termination of the Term of this Agreement. Without limiting the generality of the foregoing, Bayer shall have no obligation to make any milestone or royalty payment to ImmunoGen that has not accrued prior to the effective date of any termination of this Agreement, but shall remain liable for all such payment obligations accruing prior to the effective date of such termination. For the avoidance of doubt, ImmunoGen shall have no right to develop or commercialize any Licensed Products following termination of this Agreement.

9. REPRESENTATIONS AND WARRANTIES

9.1 ImmunoGen Representations. ImmunoGen represents and warrants to Bayer that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate ImmunoGen corporate action; (b) this Agreement is a legal and valid obligation binding upon ImmunoGen and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which ImmunoGen is a party or by which it is bound; (c) to ImmunoGen's knowledge, as of the Effective Date none of the patents within the Licensed Patent Rights is invalid or unenforceable; and (d) as of the

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Effective Date, ImmunoGen has received no notice from a Third Party claiming that the exercise of the license granted hereunder to Bayer will infringe the issued patents of any such Third Party.

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

9.3 Warranty Disclaimers.

(a) Nothing in this Agreement is or shall be construed as a warranty or representation by ImmunoGen as to the validity or scope of any patent application or patent within the Licensed Patent Rights.

(b) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY WITH RESPECT TO ANY TECHNOLOGY, GOODS, SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT, AND EACH PARTY HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Bayer Indemnity. Bayer shall indemnify, defend and hold harmless ImmunoGen, its Affiliates, their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the "ImmunoGen Indemnitees"), against all liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses of litigation) (collectively, "Losses") incurred by or imposed upon the ImmunoGen Indemnitees, or any of them, as a direct result of claims, suits, actions, demands or judgments of Third Parties, including, without limitation, personal injury and product liability matters

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(collectively, "Third Party Claims"), arising out of (i) the material breach of this Agreement by Bayer; (ii) the conduct of the Research Program by Bayer; or (iii) the Development or Commercialization (including, without limitation, the production, manufacture, promotion, import, sale or use by any Person) of any Licensed Product by Bayer or any of its Affiliates, Sublicensees, distributors or agents; except in each case to the extent any such Claim or Losses result from a material breach of this Agreement by, or the gross negligence or willful misconduct of, ImmunoGen; provided that with respect to any such Claim for which ImmunoGen also has an obligation to any Bayer Indemnitee pursuant to Section 10.1(b), Bayer shall indemnify each ImmunoGen Indemnitee for its Losses to the extent of Bayer's responsibility, relative to ImmunoGen (or to Persons for whom the ImmunoGen is legally responsible), for the facts underlying the Claim.

(b) ImmunoGen Indemnity. ImmunoGen shall indemnify, defend and hold harmless Bayer, its Affiliates, their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the "Bayer Indemnitees"), from and against any Losses incurred by or imposed upon the Bayer Indemnitees, or any of them, as a direct result of any Third Party Claims arising out of (i) the material breach of this Agreement by ImmunoGen; or (ii) the conduct of the Research Program by ImmunoGen; except in each case to the extent any such Claim or Losses result from a material breach of this Agreement by, or the gross negligence or willful misconduct of, Bayer; provided that with respect to any such Claim for which Bayer also has an obligation to any ImmunoGen Indemnitee pursuant to Section 10.1(a), ImmunoGen shall indemnify each Bayer Indemnitee for its Losses to the extent of ImmunoGen's responsibility, relative to Bayer (or to Persons for whom Bayer is legally responsible), for the facts underlying the Claim.

10.2 Conditions to Indemnification. A Person seeking indemnification under Section 10.1 (the "Indemnified Party") in respect of a Third Party Claim shall give prompt notice of such Claim to the Party from which recovery is sought (the "Indemnifying Party") and shall permit the Indemnifying Party to assume direction and control of the defense of the Third Party Claim, provided that the Indemnifying Party shall (a) act reasonably and in good faith with respect to all matters relating to the defense or settlement of such Third Party Claim as the defense or settlement relates to the Indemnified Party, and (b) shall not settle or otherwise resolve

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such Third Party Claim without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed); provided that the Indemnifying Party may, without the Indemnified Party's prior written consent, agree or consent to any settlement or other resolution of such Third Party Claim which requires solely money damages paid by the Indemnifying Party, and which includes as an unconditional term thereof the giving by such claimant or plaintiff to the Indemnified Party of a release from all liability in respect of such Third Party Claim.

10.3 Limited Liability. NEITHER PARTY WILL BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM LOSS OF PROFITS OR LOSS OF BUSINESS), EVEN IF EITHER PARTY IS INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF THE REMEDIES PROVIDED FOR IN THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE.

10.4 Insurance Proceeds. Any indemnification hereunder shall be made net of any insurance proceeds which the Indemnified Party is entitled to recover; provided, however, that if, following the payment to the Indemnified Party of any amount under this Article 10, such Indemnified Party becomes entitled to recover any insurance proceeds in respect of the claim for which such indemnification payment was made, the Indemnified Party shall promptly pay an amount equal to the amount of such proceeds (but not exceeding the amount of such indemnification payment) to the Indemnifying Party.

11. MISCELLANEOUS

11.1 Notices. All notices and communications shall be in writing and delivered personally or by courier or mailed via certified mail, return receipt requested, postage prepaid, addressed as follows:

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If to ImmunoGen: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451, USA
Attn: Vice President, Business Development

If to Bayer: Bayer HealthCare AG
D-51368 Leverkusen
Germany
Attn: Legal Department

Except as otherwise expressly provided in this Agreement or mutually agreed in writing, any notice, communication of document (excluding payment) required to be given or made shall be deemed given or made and effective upon actual receipt or, if earlier, (a) three (3) business days after deposit with an internationally recognized overnight express courier with charges prepaid, or (b) five (5) business days after mailed by certified mail, postage prepaid, in each case addressed to the receiving Party at its address stated above or to such other address as such Party may designate by written notice given in accordance with this Section 11.1.

11.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to such state's conflicts of laws principles.

11.3 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreements or understandings, written or oral (including, without limitation, the MTA and the Confidentiality Agreements) concerning the subject matter hereof.

11.4 Amendment and Waiver. This Agreement may be amended, modified or changed only by a written instrument executed by the Party to be bound. No term of this Agreement will be deemed to have been waived and no breach excused, unless such waiver or consent shall be in writing and signed by the Party claiming to have waived or consented. Any consent by any Party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, or waiver of, or excuse for, any other different or subsequent breach.

11.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Except as set forth in

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Section 10, no Third Party (including, without limitation, employees of either Party) shall have or acquire any rights by reason of this Agreement.

11.6 Purpose and Scope. The Parties hereto understand and agree that this Agreement is limited to the activities, rights and obligations as expressly set forth herein. Nothing in this Agreement shall be construed to establish any agency, employment, partnership, joint venture, franchise or similar or special relationship between the Parties. Neither Party shall have the right or authority to assume or create any obligations or to make any representations, warranties or commitments on behalf of the other Party, whether express or implied, or to bind the other Party in any respect whatsoever. Except as expressly set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

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

11.8 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed, except that such consent shall not be required in connection with any assignment to an Affiliate of the assigning Party, or to a Third Party in connection with a sale or transfer of the business to which this Agreement relates, or to any successor Person resulting from any merger or consolidation of such Party with or into such Person, provided that the assignee shall have agreed in writing to assume all of the assignor's obligations hereunder, and provided, further, that any such assignment shall be subject to prior notification to the other Party. Any such assignment shall not relieve the assigning Party of any liabilities or obligations owed to the other Party hereunder, including, without limitation, in the case of Bayer, the payment of any milestones and royalties described in Section 5 hereof.

11.9 Force Majeure. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party, provided that financial inability in and of itself shall not be considered to be a force majeure event. In event of such force majeure, the Party affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

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11.10 Interpretation. The Parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to each Party hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement. In addition, unless the context otherwise requires, wherever used, the singular shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders and the word "or" is used in the inclusive sense (and/or).

11.11 Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction, or declared under any law, rule or regulation of any government having jurisdiction over the Parties hereto, to be illegal, invalid or unenforceable, then such provision will, to the extent permitted by the court or government, not be voided, but will instead be construed to give effect to the intentions of the Parties to the maximum extent permissible under applicable law, and the remainder of this Agreement will remain in full force and effect in accordance with its terms.

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

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For Bayer: Chief Scientific Officer; and

For ImmunoGen: Chief Executive Officer.

In the event the designated senior officials are not able to resolve such Dispute, the Parties may seek to mediate their Dispute, on terms and with a mediator mutually agreeable to the Parties, or may seek to arbitrate their Dispute, on mutually agreed upon terms and conditions, but neither Party shall be required or obligated to mediate or arbitrate and the dispute resolution provisions of this Section 11.12 are in addition to any other relief or remedies available to either Party at law or equity.

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

11.14 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Party, it being understood that both parties need not sign the same counterpart. If any signature is delivered by facsimile transmission or by e-mail delivery of a "pdf" format data file, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or "pdf" signature page were an original thereof.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

IMMUNOGEN, INC.

By: /s/ Daniel M. Junius
Name: Daniel M. Junius
Title: President and CEO
Date: October 20, 2008

BAYER HEALTHCARE AG

By: /s/ D. Linkenheil
Name: Dr. D. Linkenheil
Title: Law and Patents
Date: 2008-10-20

By: /s/ H. Wild
Name: Professor Dr. H. Wild
Title: Head, BSP GDD LGO
Date: 2008-10-20

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CONFIDENTIAL TREATMENT REQUESTED

MULTI-TARGET AGREEMENT

This Multi-Target Agreement (this **"Agreement"**) is made effective as of the date of the last signature below (the **"Effective Date"**) by and between **ImmunoGen, Inc.**, a Massachusetts corporation (**"ImmunoGen"**), with its principal place of business at 830 Winter Street, Waltham, Massachusetts 02451, and **Eli Lilly and Company**, an Indiana corporation (**"Lilly"**), with its principal place of business at Lilly Corporate Center, Indianapolis, Indiana 46285. ImmunoGen and Lilly are sometimes each hereinafter referred to individually as a **"Party"** and collectively as the **"Parties."**

WHEREAS, Lilly is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to certain Antibodies; and

WHEREAS, ImmunoGen is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to or otherwise useful in the conjugation of MAY Compounds to Antibodies; and

WHEREAS, pursuant to the terms and conditions set forth herein, Lilly desires to have access to ImmunoGen's proprietary technology and know-how for research, discovery and development of Ab-MAY Products, and ImmunoGen desires to give Lilly such access;

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

1. DEFINITIONS

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

1.1 "Ab-MAY Product" means any compound that incorporates, is comprised of, or is otherwise derived from, a conjugate of an Antibody with a MAY Compound.

1.2 "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more Affiliates, controls or is controlled by or is under common control with such Person. For purposes of this Section 1.2, "control" means (a) ownership of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interests in the case of any

other type of legal entity, (b) status as a general partner in the case of any partnership, or (c) any other arrangement whereby a Person controls or has the right to control the board of directors or equivalent governing body or management of another Person. A Person shall be deemed an Affiliate only so long as it satisfies the foregoing definition.

1.3 "Antibody" means an antibody, whether polyclonal or monoclonal, multiple or single chain, recombinant or naturally occurring, whole or fragment, and any variants, derivatives or constructs thereof, including but not limited to, antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb and CDR fragments, single chain antibodies (scFv), chimeric antibodies, diabodies and polypeptides (including humanized versions thereof) that contain at least a portion of an immunoglobulin that is sufficient to confer specific antigen binding to the polypeptide.

1.4 "Applicable Laws" means all federal, state, local, national and supra-national laws, statutes, rules and regulations, including any rules, regulations, guidelines or requirements of Regulatory Authorities, securities regulatory authorities, national securities exchanges or securities listing organizations that may be in effect from time to time during the Term and applicable to a particular activity hereunder.

1.5 "Business Day" means any day other than a Saturday, Sunday or other day on which banking institutions in Boston, Massachusetts or Indianapolis, Indiana are required to be closed or are actually closed with legal authorization.

1.6 "Calendar Quarter" means, with respect to the first such Calendar Quarter during the Term, the period beginning on the Effective Date and ending on the last day of the calendar quarter within which the Effective Date falls, and thereafter each successive period of three (3) consecutive months during the Term ending on March 31, June 30, September 30 and December 31; except that the last Calendar Quarter during the Term shall end upon the expiration of the Term in accordance with Section 8 hereof.

1.7 "Calendar Year" means, with respect to the first such Calendar Year during the Term, the period beginning on the Effective Date and ending on December 31 of the calendar year within which the Effective Date falls, and thereafter each successive period of twelve (12) consecutive months during the Term commencing on January 1 and ending on December 31;

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except that the last Calendar Year during the Term shall end upon the expiration of the Term in accordance with Section 8 hereof.

1.8 "Change in Control" means any of the following events: (a) any Third Party becomes the beneficial owner, directly or indirectly, of more than fifty percent (50%) of the Total Voting Power of all Voting Securities of ImmunoGen then outstanding, as a result of a single transaction or a series of related transactions; (b) ImmunoGen consolidates with or merges into a Third Party, or any such Third Party consolidates with or merges into ImmunoGen, in either event pursuant to a transaction in which more than fifty percent (50%) of the Total Voting Power of all Voting Securities of the surviving entity then outstanding is not held by the parties holding at least fifty percent (50%) of the Total Voting Power of all Voting Securities of ImmunoGen outstanding immediately prior to such consolidation or merger; or (c) ImmunoGen conveys, transfers or leases all or substantially all of its assets to a Third Party.

1.9 "Challenge" means any challenge to the [***] or [***] of any of the Licensed Patent Rights, including without limitation: (a) filing a declaratory judgment action in which any of the Licensed Patent Rights is alleged to be invalid or unenforceable; (b) citing prior art pursuant to 35 U.S.C. §122 or §301, filing a request for re-examination of any of the Licensed Patent Rights pursuant to 35 U.S.C. §302 or §311, filing a [***] of the Licensed Patent Rights pursuant to [***], or filing a [***] of the Licensed Patent Rights pursuant to [***]; or (c) filing or commencing any re-examination, opposition, cancellation, nullity or similar proceeding against any of the Licensed Patent Rights in any country.

1.10 "Confidential Information" means (a) with respect to ImmunoGen, the identification by ImmunoGen of any Proposed Target as an Excluded Target; (b) with respect to Lilly, the identification by Lilly of a Proposed Target and the grant by ImmunoGen of any Holding Option or Reserve Option hereunder; and (c) with respect to each Party, all information and Technology which is disclosed by or on behalf of such Party (in such capacity, the **"Disclosing Party"**) to the other Party (in such capacity, the **"Receiving Party"**) hereunder or to any of the Receiving Party's or its Affiliates; employees, consultants or subcontractors (collectively, **"Representatives"**), except to the extent that the Receiving Party can demonstrate by written record or other suitable evidence that such information, (i) as of the date of disclosure is known to the Receiving Party or its Affiliates other than by virtue of a prior confidential

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disclosure by or on behalf of the Disclosing Party to the Receiving Party or its Affiliates; (ii) as of the date of disclosure is in, or subsequently enters, the public domain through no fault or omission of the Receiving Party or its Affiliates or their respective employees, consultants or subcontractors; (iii) is obtained by the Receiving Party or its Affiliates from a Third Party without breach of any duty and without restriction on disclosure to or from the Disclosing Party; or (iv) is independently developed by or for the Receiving Party without reference to or reliance upon any Confidential Information of the Disclosing Party.

1.11 "Confidentiality Agreement" means that certain Mutual Confidential Disclosure Agreement effective April 26, 2011 by and between ImmunoGen and Lilly.

1.12 "Control" or **"Controlled"** means, with respect to any Patent Rights, Technology or Proprietary Materials, the possession by a Party of the ability to grant a license or sublicense of such Patent Rights or Technology and the rights thereto or to supply such Proprietary Materials as contemplated in this Agreement without violating the terms of any arrangement or agreement between such Party or its Affiliates and any Third Party.

1.13 "Disclosure Letter" has the meaning ascribed to such term, with respect to each Exclusive License, as set forth in the applicable License Agreement.

1.14 "Employment Cost Index" means [***] published from time to time by [***].

1.15 "Excluded Target" means any Target as to which (a) ImmunoGen or an Affiliate of ImmunoGen is [***], (b) ImmunoGen has [***], or is [***], an [***] to a [***] under any [***] that are necessary or useful for the development, manufacture, use or sale of any compound or product that is [***] (a [***]), (c) ImmunoGen has [***] with a [***] that is in effect as of [***], that [***] ImmunoGen from [***] on the terms and conditions of this Agreement, or (d) [***] has retained any [***] under the terms of the [***]. For purposes of clarity, an Excluded Target as defined in clause (b) above shall include any [***], even if the scope of such [***] is [***]. A Target shall be deemed an Excluded Target [***].

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

1.17 "FDCA" means the United States Food, Drug and Cosmetic Act (21 U.S.C. § 301 *et seq.*), as amended.

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1.18 **"Field"** means all uses including, without limitation, pharmaceutical, therapeutic, prophylactic and diagnostic uses for humans and animals.

1.19 **"FTE"** means a full time equivalent person year (consisting of a total of [***] hours per year) of scientific, technical or managerial work on or directly related to the provision of the ImmunoGen Activities.

1.20 **"FTE Cost"** means, for any period during the Term, the FTE Rate multiplied by the number of FTEs expended over such period.

1.21 **"FTE Rate"** means, for the [***]; and for [***], the result obtained by [***] by the sum of [***] where [***] is a [***], the [***] of which is the [***] the [***] for the [***] of the [***] and the [***] for the [***], and the [***] of which is the [***] for the [***]; provided, however, that in no event shall the FTE Rate for any [***] be [***]. For the avoidance of doubt, such rate includes all travel expenses. The reported actual time spent shall be substantiated by a time tracking system consistently applied.

1.22 **"GLP"** means all good laboratory practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.23 **"Holding Option Grant Date"** means, with respect to a Proposed Target that is not an Excluded Target, the date of receipt by ImmunoGen of the Holding Option Request with respect to the Target that becomes the subject of a Holding Option granted by ImmunoGen pursuant to Section 3.1(a) hereof.

1.24 **"Holding Option Target"** means any Proposed Target that becomes the subject of a Holding Option granted by ImmunoGen pursuant to Section 3.1(a) hereof. A Target ceases to be a Holding Option Target once (a) it has been designated as a Reserve Option Target in accordance with Section 3.1(b) hereof, or (b) the applicable Holding Option Period has expired without the Holding Option Target having been designated as a Reserve Option Target.

1.25 **"ImmunoGen Activities"** means those activities associated with the Research Program as described in the Research Plan that are to be undertaken by ImmunoGen or its Affiliates.

1.26 **"ImmunoGen Internal Product Candidate"** means a cell-binding agent (which may or may not be an Antibody), which may be unconjugated or conjugated to a cell-killing or cell-modulating agent (which may or may not be a MAY Compound).

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1.27 "ImmunoGen Internal Program" means a *bona fide* internal research, development or commercialization program undertaken by ImmunoGen with respect to a Target, with respect to which, as of the date of ImmunoGen's receipt of a [***] for such Target (the **"Receipt Date"**), an ImmunoGen Internal Product Candidate directed to such Target has been generated, and ImmunoGen owns or has otherwise acquired rights to use such ImmunoGen Internal Product Candidate in the research or development of [***] or [***] for use in the Field and further provided that (a) [***] or [***] the Receipt Date, ImmunoGen or an Affiliate of ImmunoGen had commenced process development activities in connection with a [***] of such ImmunoGen Internal Product Candidate or (b) as of the [***], ImmunoGen is conducting [***] and [***] or [***] in any [***] of such [***] in a [***] manner [***] with ImmunoGen's [***] at [***] of [***] and [***]. Notwithstanding the foregoing, (i) if ImmunoGen or an Affiliate of ImmunoGen has in-licensed Patent Rights from a Third Party covering the [***] use or [***] of a [***], then ImmunoGen shall be deemed to be pursuing an ImmunoGen Internal Program with respect to the Target to which such [***] is directed for the [***] month period immediately following the effective date of such Third Party license, without any additional activities required on the part of ImmunoGen or an Affiliate of ImmunoGen, or (ii) if ImmunoGen has identified a Target prior to the Effective Date as a [***] in ImmunoGen's [***] (provided that no more than [***] Targets may be so identified), then ImmunoGen shall be deemed to be pursuing an ImmunoGen Internal Program with respect to such Target for the [***] year period immediately following the Effective Date, without any additional activities required on the part of ImmunoGen.

1.28 "ImmunoGen Proprietary Antibody Rights" means all Technology (and associated Patent Rights) owned or Controlled by ImmunoGen during the Term constituting or claiming (a) the [***] or [***] of, or [***], an Antibody that was generated or in-licensed by ImmunoGen, whether or not patentable (an **"ImmunoGen Proprietary Antibody"**), or (b) the [***] or [***] of, or [***] an [***] where the Antibody is an ImmunoGen Proprietary Antibody, but only, in the case of clauses (a) and (b) above, to the extent such Technology (and associated Patent Rights) covers the ImmunoGen Proprietary Antibody, and not to the extent such Technology (and associated Patent Rights) covers Lilly Antibodies. For purposes of clarity, "ImmunoGen Proprietary Antibody Rights" does not include any Program Technology that

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relates to Antibodies specifically binding to Program Targets or any Patent Rights claiming such Program Technology.

1.29 "Improvements" means (subject to the specific provisions set forth in the [***] definition that specifies that certain Program Technology pertaining to [***] or an [***] comprising of a [***] to [***] shall be [***] and, thus, are [***]) any enhancement, improvement or modification to the Licensed Intellectual Property that is (a) an improvement to any [***], (b) an improvement to methods of [***], (c) an improvement to a [***] for [***] (including, for example, [***] or [***] that create improvements in the [***] of such [***]), (d) an improvements to [***] used for [***] and [***], (e) an improvements to [***] or [***] useful for [***] a [***] to an [***], or (f) an improvements to the [***] of [***].

1.30 "IND" means (a) an Investigational New Drug Application (as defined in the FDCA and regulations promulgated thereunder) or any successor application or procedure required to initiate clinical testing of an Ab-MAY Product in humans in the United States; (b) a counterpart to an Investigational New Drug Application that is required in any other country or region in the Territory before beginning clinical testing of an Ab-MAY Product in humans in such country or region; and (c) all supplements and amendments to any of the foregoing.

1.31 "Joint Improvements" means Improvements the inventors of which are jointly (a) employees of, or others obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen, *and* (b) employees of, or others obligated to assign inventions to, Lilly or any Affiliate of Lilly.

1.32 "Joint Program Technology" means any Program Technology (other than Joint Improvements) the inventors of which are jointly (a) employees of, or other persons obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen, *and* (b) employees of, or other persons obligated to assign inventions to, Lilly or any Affiliate of Lilly. Anything contained in this Agreement to the contrary notwithstanding, Joint Program Technology shall also include any Program Technology (excluding Improvements) constituting [***] or [***] of, or [***] (i) an [***] comprising a [***] to a [***] regardless of [***], as [***] is determined in accordance with [***], or (ii) a [***] where employees of [***], or others obligated to assign inventions to, [***] or any Affiliate of [***] are [***], as inventorship is determined in accordance with United States patent law.

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1.33 "License Agreement" means a written license agreement executed by the Parties pursuant to Section 3.2(a) hereof in the form set forth in **Schedule A** attached hereto.

1.34 "Licensed Intellectual Property" means the Licensed Patent Rights and the Licensed Technology.

1.35 "Licensed Patent Rights" means any Patent Rights that are owned or Controlled by ImmunoGen as of the Effective Date or become owned or Controlled by ImmunoGen during the Term (including, without limitation, ImmunoGen's interest in any Patent Rights claiming Improvements, Joint Program Technology or Joint Improvements) that include one or more claims that cover Licensed Technology (including, without limitation, any Licensed Technology covering MAY Compounds, Ab-MAY Product or Licensed Product); provided, however, that Licensed Patent Rights shall expressly exclude [***].

1.36 "Licensed Product" has the meaning ascribed to it in the License Agreement with respect to any particular Licensed Target.

1.37 "Licensed Target" means a Target that has become the subject of an Exclusive License.

1.38 "Licensed Technology" means any and all Technology that is owned or Controlled by ImmunoGen as of the Effective Date or becomes owned or Controlled by ImmunoGen during the Term (including, without limitation, ImmunoGen's interest in any Program Technology, Joint Program Technology, Improvements and Joint Improvements) that is necessary or useful for Lilly to exercise the license granted to it pursuant to Section 2.1 hereof; provided, however, that Licensed Technology shall expressly exclude any ImmunoGen Proprietary Antibody Rights.

1.39 "Lilly Activities" means those activities associated with the Research Program as described in the Research Plan that are to be undertaken by Lilly or its Affiliates or by Permitted Third Party Service Providers.

1.40 "Lilly Antibody" means any Antibody owned or Controlled by Lilly or its Affiliates.

1.41 "Lilly Improvements" means Improvements (other than Joint Improvements) the inventors of which (alone or with others) are employees of or others obligated to assign inventions to Lilly or any of its Affiliates or Permitted Third Party Service Providers in the

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conduct of Lilly Activities or otherwise based on, or resulting from, such employees' or others' [***] to or [***] of [***] or [***].

1.42 "MAY Compound" means any and all maytansinoid compounds (including, without limitation, maytansinol, ansamitocins, DM1 and DM4), whether produced by a botanical source, natural fermentation, chemical synthesis or otherwise, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case owned or Controlled by ImmunoGen.

1.43 "Patent Rights" means the rights and interests in and to any and all Patents. For purposes of this Agreement the term "Patents" shall mean: (a) all national, regional and international patent applications (including provisional applications and applications for certificates of invention); (b) any patents issuing from such patent applications (including certificates of invention); (c) all patent applications claiming priority from of any of the foregoing ((a) or (b)), including divisionals, continuations, continuations-in-part, converted provisionals and continued prosecution applications; (d) any and all patents that have issued or in the future issue from the foregoing patent applications; (e) any and all extensions or restorations by existing or future extension or restoration mechanisms, including any reissues, revalidations, re-examinations, extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications ((a), (b), (c) and (d)); and (f) any similar rights, including so-called pipeline protection or any importation, revalidation, confirmation or introduction patent or registration patent or patent of additions to any of such foregoing patent applications and patents.

1.44 "Person" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, incorporated association, joint venture or similar entity or organization, including a government or political subdivision, department or agency of a government.

1.45 "Program Targets" means, collectively, Holding Option Targets, Reserve Option Targets and Licensed Targets.

1.46 "Program Technology" means any Technology conceived or first actually reduced to practice in the conduct of the Research Program.

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1.47 "Proposed Target" means each single Target specified in any Holding Option Request.

1.48 "Proprietary Antigen Identification Information" has the meaning ascribed to such term in the Third Party Expert Services Agreement.

1.49 "Proprietary Materials" means any tangible chemical, biological or physical research materials that are furnished by or on behalf of one Party to the other Party in connection with this Agreement, regardless of whether such materials are specifically designated as proprietary by the transferring Party. Any mutant, derivative, progeny or improvement of a Party's Proprietary Materials shall be considered to be that Party's Proprietary Materials. Without limiting the generality of the foregoing, any [***] furnished by ImmunoGen to Lilly or any of its Affiliates or Permitted Third Party Service Providers, including, without limitation any samples, cultures or cell banks derived directly or indirectly from any mutant, derivative, progeny or improvement thereof (collectively, the [***]), shall be deemed to be ImmunoGen's Proprietary Materials. Without prejudice to any of ImmunoGen's intellectual property rights in and to MAY Compounds, any tangible MAY Compounds manufactured by or for Lilly or any of its Affiliates or Permitted Third Party Service Providers using [***] as a [***] in connection with the Research Program are not included within the meaning of the defined term "Proprietary Materials" for purposes of this Agreement.

1.50 "Regulatory Authority" means the FDA or any counterpart to the FDA outside the United States, or other national, supra-national, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity with authority over the distribution, importation, exportation, manufacture, production, use, storage, transport, clinical testing or sale of an Ab-MAY Product.

1.51 "Research Materials" means any MAY Compound, linker, Ab-MAY Product or other Proprietary Materials supplied by ImmunoGen to Lilly for the purpose of conducting research activities under the Research Program.

1.52 "Research Plan" means the written plan describing the research activities to be carried out by each Party during each Calendar Year during the Term in conducting the Research Program pursuant to this Agreement, as such written plan may be amended, modified or updated. Such Research Plan, and any modification, amendment or update thereto, shall set forth, *inter*

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alia, (a) the specific objectives, projected achievement milestones, resource allocation requirements and activities to be performed over such period; (b) the Party responsible for such activities; (c) a timeline for such activities; and (d) the estimated FTE Cost for the ImmunoGen Activities to be performed over such period.

1.53 "Research Program" means, subject to the limitations set forth in Section 2.1 hereof, any and all research and preclinical studies *in vitro* and *in vivo* in any non-human species of any Ab-MAY Product directed to Holding Option Targets and/or Reserve Option Targets and the manufacture of Ab-MAY Product solely for use in such research and preclinical studies. Notwithstanding the foregoing, the Research Program shall not include [***], which require an Exclusive License as to the particular Ab-MAY Product contemplated hereunder.

1.54 "Reserve Option" means an exclusive option granted by ImmunoGen to obtain an Exclusive License in the Territory under the Licensed Intellectual Property with respect to the applicable Reserve Option Target in accordance with Section 3.2 hereof.

1.55 "Reserve Option Target" means a Target that becomes the subject of a Reserve Option in accordance with Section 3.1(b) hereof. A Target ceases to be a Reserve Option Target once (a) it has become the subject of an Exclusive License in accordance with Section 3.2(a) hereof, or (b) the applicable Reserve Option has been terminated in accordance with Section 3.2(c) hereof.

1.56 "Sanofi Collaboration Agreement" means that certain Collaboration and License Agreement dated as of July 30, 2003 by and between ImmunoGen and sanofi-aventis U.S. LLC (**"Sanofi"**), as successor-in-interest to Aventis Pharmaceuticals, Inc., as the same may have been amended prior to the Effective Date.

1.57 "Target" means a protein described by [***] that is bound by an Antibody used to create an Ab-MAY Product.

1.58 "Technical Transfer Materials" means ImmunoGen information (including, without limitation, technical transfer reports) as consistently provided by ImmunoGen to its licensees of Technology and Patent Rights for the purpose of [***] and [***] with respect to Ab-MAY Products, MAY Compounds and linkers, as applicable, including: (a) [***] and general properties; (b) an example of an Ab-MAY Product [***], including [***] and [***]; (c) an [***] for [***] and [***] and [***] of [***]; (d) information on [***] and [***]; (e) an [***] of [***];

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(f) technical reports based on [***] for Ab-MAY Products against Program Targets developed by ImmunoGen in connection with the ImmunoGen Activities under the Research Program; and (g) a list of [***] and [***]) and [***] for [***].

1.59 **"Technology"** means, collectively, all inventions, discoveries, improvements, trade secrets and proprietary methods or materials, whether or not patentable, including, without limitation, macromolecular sequences, data, formulations, processes, techniques, know-how and results (including negative results).

1.60 **"Territory"** means all countries and jurisdictions of the world.

1.61 **"Third Party"** means any Person other than ImmunoGen, Lilly and their respective Affiliates.

1.62 **"Third Party Expert Services Agreement"** means that certain Services Agreement effective as of September 8, 2011 by and among ImmunoGen, Lilly and Hoxie & Associates LLC, as the same may be amended from time to time.

1.63 **"Total Voting Power"** means, at any time, the total combined voting power in the general election of directors of ImmunoGen of all the Voting Securities then outstanding.

1.64 **"Voting Securities"** means, at any time, shares of any class of capital stock of ImmunoGen which are then entitled to vote generally in the election of directors of ImmunoGen.

Additional Definitions. In addition, each of the following definitions shall have the respective meanings set forth in the section of the Agreement indicated below:

Definition	Section
Agreement	Recitals
Alliance Managers	4.1(a)
[***]	[***]
[***]	[***]
Covered Results	6.3
Disclosing Party	1.10
Dispute	11.12
Effective Date	Recitals
Exclusive License	3.2(a)

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Exclusive License Effective Date	3.2(a)
Expired Holding Option	3.1(d)
Good Research Practices	4.3(c)(i)
Government or Public Official	11.18(d)
Holding Option	3.1(a)
Holding Option Exercise Notice	3.1(b)
Holding Option Period	3.1(b)
Holding Option Request	3.1(a)
Holding Option Response	3.1(a)
HSR Act	11.19
ImmunoGen	Recitals
ImmunoGen Indemnitees	10.1(a)
ImmunoGen Proprietary Antibody	1.28
Indemnified Party	10.2
Indemnifying Party	10.2
JRC	4.2(a)
Lilly	Recitals
Lilly Indemnitees	10.1(b)
Losses	10.1(a)
Material Breach	8.2(b)
Notified Party	11.18(b)
Notifying Party	11.18(b)
Party/Parties	Recitals
Patent Committee	7.2(c)(i)
Permitted Third Party Service Providers	2.1
Receipt Date	1.27
Receiving Party	1.10
Representatives	1.10
Reserve Option Grant Date	3.1(b)
Reserve Option Period	3.2(a)

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Rolling Forecast	4.3(b)
Sanofi	1.56
[***]	[***]
Term	8.1
Terminated Reserve Option	3.2(c)
Third Party Claims	10.1(a)
[***]	[***]
Upfront Fee	5.1

2. GRANT OF RIGHTS

2.1 Non-Exclusive Research License. Subject to the terms and conditions of this Agreement, during the Term, ImmunoGen hereby grants to Lilly a fully paid-up, non-exclusive, non-transferable (except as expressly permitted in this Agreement), royalty-free, worldwide license, without the right to grant sublicenses (except to Affiliates and Permitted Third Party Service Providers), under the Licensed Intellectual Property for the sole purpose of conducting the Research Program. Lilly shall have the right, without ImmunoGen's permission or consent but subject to the conditions set forth herein, to engage one or more Affiliates or Third Parties (the latter being referred to herein as **"Permitted Third Party Service Providers"**) as subcontractors to perform designated functions in connection with the Research Program (including transferring Licensed Technology as may be necessary for such Affiliate or Permitted Third Party Service Provider to perform such designated functions); provided that (a) Lilly shall [***] and (b) Lilly shall [***]. Anything contained in this Agreement to the contrary notwithstanding, Lilly shall have no right under this Agreement to [***], either directly or through a Permitted Third Party Service Provider, [***] for which Lilly [***].

2.2 Use of Licensed Technology. In connection with any Licensed Technology transferred to Lilly pursuant to this Agreement and except as provided in any outstanding Exclusive License, Lilly hereby agrees that (a) it shall not use such Licensed Technology for any purpose other than the Research Program; (b) it shall use such Licensed Technology only in compliance with all Applicable Laws; (c) it shall not transfer any such Licensed Technology to any Third Party without the prior written consent of ImmunoGen, except as expressly permitted

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hereby; and (d) except for the rights expressly set forth herein, Lilly shall not acquire any other rights, title or interest in or to such Licensed Technology as a result of such transfer by ImmunoGen.

2.3 Improvement License to ImmunoGen. Lilly hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free, worldwide license [***] under Lilly's interest in any Lilly Improvements and Joint Improvements, including, without limitation, any Patent Rights claiming such Improvements: (a) to manufacture Ab-MAY Products and MAY Compounds solely in connection with the conduct of the ImmunoGen Activities; (b) to research, develop, make, have made, use, have used, sell, have sold, offer for sale, import, export or otherwise commercialize any [***] that [***] (i) either a Holding Option Target or a Reserve Option Target while the applicable Holding Option or Reserve Option is outstanding and/or (ii) a Licensed Target while the exclusive license granted under the applicable License Agreement remains in effect; and (c) to otherwise exploit such Improvement for any and all uses [***]. [***] shall be effective in any given case only if [***]. For purposes of clarity, the license granted under this Section 2.3 excludes any right to research, develop, make, have made, use, have used, sell, have sold, offer for sale, import, export or otherwise commercialize any Licensed Product for any use in the field of human therapeutic, prophylactic and diagnostic uses while the exclusive license granted under the applicable License Agreement remains in effect.

3. HOLDING OPTIONS; RESERVE OPTIONS; EXCLUSIVE LICENSES

3.1 Holding Options.

(a) Holding Option Request and Grant. Subject to the limitations set forth in Section 3.1(c) hereof, Lilly may from time to time during the Term provide written notice to ImmunoGen requesting the grant by ImmunoGen of an exclusive option (each such option, a **"Holding Option"**) to obtain a Reserve Option, with respect to a single Target specified in such written notice (the **"Holding Option Request"**), which Target shall be identified by its common designation(s) and unique UniProtKB/Swiss Prot accession number. ImmunoGen shall provide a written response (the **"Holding Option Response"**) to Lilly within [***] Business Days of ImmunoGen's receipt of the Holding Option Request indicating whether or not, as of the date of ImmunoGen's receipt of the Holding Option Request, the Proposed Target specified in the

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Holding Option Request is an Excluded Target. If ImmunoGen timely provides a Holding Option Response to Lilly indicating that the Proposed Target specified in the Holding Option Request is not an Excluded Target, or if ImmunoGen fails to timely provide a Holding Option Response, then: (i) such Holding Option shall be deemed to have been automatically granted to Lilly; (ii) the Proposed Target shall be deemed to be a Holding Option Target for purposes of this Agreement; and (iii) for the duration of the Holding Option Period, ImmunoGen shall not [***]. If any Excluded Target with respect to which Lilly has delivered a Holding Option Request ceases to be an Excluded Target during the Term, then ImmunoGen will promptly notify Lilly thereof and subject to notice, availability and the limitations pursuant to this Section 3.1, Lilly shall have the right to submit a Holding Option Request with respect to such Target.

(b) Exercise of Holding Options; Grant of Reserve Options. Subject to the limitations set forth in Section 3.2(b) hereof, Lilly shall have the right to exercise a Holding Option at any time during the period commencing on the Holding Option Grant Date and continuing for a period of [***] months thereafter (the **"Holding Option Period"**); provided, however that no Holding Option Period shall extend beyond the expiration of the Term. Lilly shall exercise a Holding Option by delivering written notice of exercise thereof (the **"Holding Option Exercise Notice"**), which notice shall specify the Holding Option Target. Upon ImmunoGen's receipt of a Holding Option Exercise Notice (the **"Reserve Option Grant Date"**), (i) a Reserve Option shall be deemed to have been automatically granted, (ii) the applicable Holding Option Target shall be deemed to be a Reserve Option Target for purposes of this Agreement and (iii) for the duration of the Reserve Option Period, ImmunoGen shall not [***].

(c) Number of Holding Options. Lilly may take up to a total of [***] Holding Options during the Term. If a Holding Option expires without being exercised for any reason, such Expired Holding Option shall nevertheless continue to count against the aggregate number of Holding Options available to Lilly under this Section 3.1.

(d) Expiration of Holding Options. If Lilly fails to exercise any Holding Option prior to the expiration of the applicable Holding Option Period (each, an **"Expired Holding Option"**), then ImmunoGen shall have the right to [***] with respect to a [***]; provided, however, that Lilly may submit another Holding Option Request with respect to the

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Target covered by such Expired Holding Option subject to notice, availability and the limitations pursuant to this Section 3.1 hereof.

3.2 Reserve Options; Grant of Exclusive Licenses.

(a) Exercise of Reserve Options. Subject to the limitations set forth in Section 3.3 hereof, Lilly shall have the right to exercise a Reserve Option at any time during the period commencing on the Reserve Option Grant Date and continuing until [***], subject to earlier termination in accordance with Section 3.2(c) hereof (the **"Reserve Option Period"**). Lilly shall exercise a Reserve Option by delivering written notice of exercise thereof to ImmunoGen, which notice shall specify the Reserve Option Target. Upon delivery of the written notice of exercise of a Reserve Option as provided in this Section 3.2(a), (i) the Licensed Intellectual Property (as defined in the License Agreement) shall be exclusively licensed with respect to such single Reserve Option Target specified in such notice to Lilly on the terms and subject to the conditions set forth in the relevant License Agreement (each an **"Exclusive License"**), and (ii) such Exclusive License shall be effective as of the date of ImmunoGen's receipt of Lilly's notice of exercise of the Reserve Option with respect to the Reserve Option Target that is the subject of the Exclusive License (the **"Exclusive License Effective Date"**). ImmunoGen shall deliver to Lilly, within [***] Business Days following ImmunoGen's receipt of Lilly's notice of exercise of a Reserve Option, a License Agreement executed on behalf of ImmunoGen in which ImmunoGen has (A) inserted the name and unique UniProtKB/Swiss Prot accession number of the applicable Licensed Target in Schedule A of the License Agreement; and (B) inserted the Exclusive License Effective Date into the License Agreement as the effective date of the Exclusive License. Subject to Section 3.4 hereof, Lilly's failure to return a copy of such License Agreement that has been executed on behalf of Lilly, within [***] Business Days after the receipt of the executed License Agreement from ImmunoGen shall be deemed to be a Material Breach by Lilly. In the event of any failure by ImmunoGen to deliver a copy of the License Agreement as described above, ImmunoGen shall be deemed to have granted to Lilly the rights with respect to the Exclusive License consistent with the License Agreement.

(b) Number of Reserve Options. Lilly shall have the right to [***] outstanding, unexercised Reserve Options [***] during the Term; provided, that Lilly may not

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exercise a Holding Option if, at the time of such intended exercise, the number of then outstanding, unexercised Reserve Options equals or exceeds [***].

(c) Termination of Reserve Options. Lilly may terminate any outstanding Reserve Option at any time during the Reserve Option Period, effective immediately upon Lilly's providing written notice of termination to ImmunoGen, which notice shall identify the Reserve Option Target to be terminated (each, a **"Terminated Reserve Option"**). Upon termination of a Reserve Option as provided in this Section 3.2(c), the Parties shall have the same rights set forth in Section 3.1(d) hereof with respect to the Target subject to such Terminated Reserve Option as if the Terminated Reserve Option were an Expired Holding Option.

3.3 Number of Exclusive Licenses; Upfront Fees. Anything contained in this Agreement to the contrary notwithstanding, Lilly may take Exclusive Licenses to up to a total of **three (3)** Reserve Option Targets during the Term. Except as set forth below, each Exclusive License shall provide for an upfront fee, payable by Lilly to ImmunoGen within [***] days following the effective date of such Exclusive License. No upfront fee is due for the first Exclusive License taken hereunder; however, with respect to subsequent Exclusive Licenses, if any, the upfront fee for each of the remaining Exclusive Licenses shall be Two Million United States Dollars ($2,000,000). Subject to Section 3.4 hereof, if an Exclusive License is terminated at any time for any reason, such terminated Exclusive License shall nevertheless continue to be counted against the aggregate number of Exclusive Licenses available to Lilly under this Section 3.3.

3.4 Rescission of Exercise of Reserve Option. Anything contained this Agreement to the contrary notwithstanding, if, in connection with Lilly's exercise of any Reserve Option, ImmunoGen delivers a Disclosure Letter in connection with the execution and delivery of the applicable License Agreement [***] Business Days of ImmunoGen's receipt of the applicable Reserve Option exercise notice, then Lilly shall be entitled to rescind the exercise of such Reserve Option by delivering written notice of such rescission within [***] Business Days of Lilly's receipt of the Disclosure Letter. Any failure by ImmunoGen to deliver a Disclosure Letter to Lilly within the applicable [***] Business Day period described above shall be deemed a waiver of ImmunoGen's right to qualify its representations and warranties in the applicable

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License Agreement by any information that ImmunoGen may have intended to include in such Disclosure Letter. If ImmunoGen delivers a Disclosure Letter on a timely basis, then any failure by Lilly to deliver a rescission notice to ImmunoGen within the applicable [***] Business Day period described above shall be deemed a waiver of Lilly's right to rescind the exercise of such Reserve Option pursuant to this Section 3.4, and ImmunoGen's representations and warranties in the applicable License Agreement shall be qualified by any information contained in such Disclosure Letter. If a Reserve Option is rescinded pursuant to this Section 3.4, (a) the Exclusive License relating to such Reserve Option shall not be counted against the aggregate number of Exclusive Licenses available to Lilly under Section 3.3 hereof, and (b) the Reserve Option shall remain outstanding in accordance with its original terms; provided, however, that if the Reserve Option Period would have expired at any time within the period beginning on the date that Lilly exercises the Reserve Option and ending on the [***] Business Day after Lilly's delivery of the rescission notice to ImmunoGen, Lilly shall have the right to exercise a Reserve Option for the same or a different Reserve Option Target within [***] Business Days (or such longer period as may be mutually agreed to in writing by the Parties) after Lilly's delivery of the rescission notice to ImmunoGen.

3.5 Excluded Target Verification. Subject to the other terms of this Section 3.5, at the request of Lilly (which request may not be given more than [***] Business Days after a Proposed Target has been identified by ImmunoGen as an Excluded Target in a Holding Option Response), at any time during normal business hours within [***] Business Days of ImmunoGen's delivery to Lilly of written acknowledgement of ImmunoGen's receipt of such request, ImmunoGen shall permit an independent law firm [***] to inspect (during regular business hours) the relevant records upon which ImmunoGen based its determination that such Proposed Target was an Excluded Target at the time of ImmunoGen's receipt of the Holding Option Request. Before permitting such law firm to have access to such records, ImmunoGen may require such law firm to enter into a confidentiality agreement (in form and substance reasonably acceptable to both Parties) as to any confidential information that is to be provided to such law firm while conducting the verification contemplated hereby. The law firm shall be instructed to provide both Parties with a written report stating its conclusion as to whether ImmunoGen's determination that a Proposed Target was an Excluded Target was correct within

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[***] days after the completion of its inspection. Such law firm may not reveal to Lilly any other information learned in the course of such examination, including, without limitation, the basis for ImmunoGen's determination. Lilly agrees to treat all information disclosed to it in accordance with this Section 3.5 as ImmunoGen's Confidential Information, except to the extent necessary for Lilly to enforce its rights under this Agreement. If the law firm's report concludes that ImmunoGen's determination was correct, Lilly shall be responsible for paying all fees and expenses invoiced by the law firm. If the law firm's report concludes that ImmunoGen's determination was incorrect, (a) Lilly shall automatically be deemed to have delivered another Holding Option Request for such Proposed Target as of the date of such determination and (b) ImmunoGen shall be responsible for paying all reasonable fees and expenses invoiced by the law firm.

4. RESEARCH PROGRAM

4.1 Alliance Management.

(a) Appointment of Alliance Managers. Promptly after the Effective Date, the Parties shall each appoint an individual who shall oversee contact between the Parties for all matters related to this Agreement and the Parties' respective activities hereunder (the **"Alliance Managers"**). The Alliance Managers may, but are not required to be, members of the JRC, but in all events the Alliance Managers shall have the right to attend all meetings of the JRC and may bring to the attention of the JRC any matters or issues either of them reasonably believes should be discussed by such committee. Each Party may replace its Alliance Manager at any time by written notice to the other Party.

(b) Responsibilities. The Alliance Managers shall have the responsibility of creating and maintaining a constructive work environment between the Parties for all matters related to this Agreement and the Parties' respective activities hereunder. Without limiting the generality of the foregoing, the Alliance Managers shall:

(i) identify and bring to the attention of their respective managements any disputes arising between the Parties related to this Agreement or the Parties' respective activities hereunder in a timely manner, including, without limitation, any asserted occurrence of

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a Material Breach by a Party, and function as the point of first referral in the resolution of each dispute;

(ii) provide a single point of communication between the Parties with respect to this Agreement and the Parties' respective activities hereunder;

(iii) plan and coordinate efforts and external communications by or between the Parties with respect to this Agreement and the Parties' respective activities hereunder;

(iv) take such steps as may be required to ensure that meetings of the JRC occur as set forth in this Agreement, that procedures are followed with respect to such meetings (including, without limitation, the giving of proper notice and the preparation and approval of minutes) and that relevant action items resulting from such meetings are appropriately carried out or otherwise addressed; and

(v) undertake such other responsibilities as the Parties may mutually agree in writing.

4.2 Joint Research Committee.

(a) Mandate and Establishment of Committee. Promptly after the Effective Date, the Parties shall form a joint research committee (the **"JRC"**) to serve as a forum for coordination and communication between the Parties with respect to the Research Program. Within [***] days after the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2) or more than five (5) each) for membership on the JRC. Each Party may change its representative(s) as it deems appropriate by written notice to the other Party. From time to time the JRC may establish one or more sub-teams comprised of an equal number of representatives of both Parties to undertake specific responsibilities of the JRC, which sub-teams shall be governed in the same manner and subject to the relevant requirements set forth herein for the JRC.

(b) Chair of Committee; Meetings. The chair of the JRC shall be one of the Lilly representatives (or at Lilly's sole discretion, co-chaired by two Lilly representatives) on the JRC, as designated by Lilly. The JRC shall meet on a quarterly basis or other schedule agreed upon by the Parties, unless the Parties mutually agree in advance of any scheduled meeting that there is no need for such meeting. In such instance, the next JRC meeting shall also be

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scheduled as agreed upon by the Parties. The location of meetings of the JRC shall alternate between ImmunoGen's offices and Lilly's offices, unless otherwise agreed by the Parties. As agreed upon by the Parties, JRC meetings may be face-to-face or may be conducted through teleconferences or videoconferences, provided that at least two (2) JRC meetings during any Calendar Year shall be conducted face-to-face, unless otherwise agreed to by the Parties. In addition to its JRC representatives, each Party shall be entitled to have other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear its own costs and expenses, including travel and lodging expense, that may be incurred by JRC representatives or other attendees at JRC meetings, as a result of such meetings hereunder. Minutes of each JRC meeting will be transcribed and issued to members of the JRC by the Alliance Manager (or his or her designee) of one of the Parties on an alternating basis within [***] days after each meeting, and such minutes shall be reviewed and modified as mutually required to obtain approval of such minutes promptly thereafter.

(c) Decision Making. Each Party shall have one (1) vote on the JRC. Both Parties must vote in the affirmative for the JRC to take any action that requires the vote of the JRC. If the JRC is unable to reach unanimous agreement on any matter within thirty (30) days following the date such matter was first put to a vote, then the Parties shall make a good faith effort to resolve such Dispute in accordance with Section 11.12 hereof. If the Parties are unable to resolve the Dispute in accordance with Section 11.12 hereof, then Lilly shall have the right to cast the deciding vote, but shall only exercise such right in good faith after full consideration of [***]; provided, however, that following the decision-making procedures described above, the JRC may [***] or [***] or any [***] under circumstances where such [***] is [***] with [***] of [***].

(d) Responsibilities. The JRC shall be responsible for the following:

(i) overseeing the Research Program;

(ii) providing a forum for consensual decision making with respect to the Research Program;

(iii) preparing and approving the Research Plan for each Program Target by Calendar Quarter for each Calendar Year including annual budget broken down by Calendar Quarter;

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(iv) monitoring the Parties' compliance with their respective obligations under the Research Plan, including the accomplishment of key objectives, reviewing actual Calendar Quarter spending versus plan, or creating specific technical teams to monitor and report the same to the JRC;

(v) reviewing and circulating to the Parties data, reports or other information submitted by either Party with respect to work conducted under the Research Program;

(vi) reviewing and approving any amendments to the Research Plan and evaluating any substantive departures by either Party from the Research Plan; and

(vii) making such other decisions as may be delegated to the JRC pursuant to this Agreement or by mutual written agreement of the Parties after the Effective Date.

4.3 Research Program.

(a) Objectives of the Research Program. The objectives of the Research Program shall be the identification of Ab-MAY Products directed to one or more Holding Option Targets and Reserve Option Targets that (i) consist of one or more Lilly Antibodies conjugated to one or more MAY Compounds and (ii) are suitable for further development and commercialization as Licensed Products under an Exclusive License.

(b) Research Plan. The JRC shall create a Research Plan describing activities for each Holding Option Target and Research Option Target that is reasonably designed to achieve the objectives of the Research Program and is consistent with the terms of this Agreement. An initial Research Plan template is attached hereto as **Schedule B**, which summary template serves as baseline guidance on a per Program Target basis. Deviations from the Research Plan summary attached hereto as **Schedule B** shall be made on a Program Target-by-Program Target basis as determined by the JRC in accordance with Section 4.2(c) hereof. Each amendment, modification and update of the Research Plan shall be set forth in a written document prepared by, or at the direction of, the JRC and approved by the JRC, and shall specifically state that it is an amendment, modification or update to the Research Plan and shall be attached to the minutes of the meeting of the JRC at which such amendment, modification or update was approved by the JRC. Without limiting the nature or frequency of any other

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amendments, modifications or updates of the Research Plan that may be approved by the JRC, the Research Plan shall be updated at least once prior to the end of each Calendar Quarter to describe the research activities to be carried out by each Party during the next two (2) Calendar Quarters during the Term in conducting the Research Program. Anything contained in this Agreement to the contrary notwithstanding, the Research Plan, as the same may be amended, modified or updated, shall not require ImmunoGen to devote [***] FTEs (on an annualized basis) at any given time during the Term to the conduct of the ImmunoGen Activities, without ImmunoGen's prior written consent, which consent ImmunoGen may withhold in its sole discretion. Prior to the end of each Calendar Quarter during the Term, the JRC shall determine the number of FTEs to be devoted to the conduct of the ImmunoGen Activities in each of the next two (2) following Calendar Quarters (each a **"Rolling Forecast"**). ImmunoGen shall not be required to devote more than [***] FTE (on an annualized basis) during the second Calendar Quarter of each Rolling Forecast over the maximum number of FTEs set forth for the second Calendar Quarter of the immediately preceding Rolling Forecast (or, [***], the [***] of FTEs (on an annualized basis) [***] during the [***] the [***] in question) without ImmunoGen's prior written consent, which consent ImmunoGen may withhold in its sole discretion. Notwithstanding the foregoing, ImmunoGen shall not be required to devote more than (x) [***] FTEs (on an annualized basis) during each of the [***] during the Term (appropriately pro-rated for the first Calendar Quarter during the Term), and (y) [***] FTEs (on an annualized basis) during the [***] during the Term, in each case without ImmunoGen's prior written consent, which consent ImmunoGen may withhold in its sole discretion.

(c) Conduct of the Research Program. In consultation with the JRC and in accordance with the objectives of the Research Program, each Party shall be primarily responsible for those tasks and obligations in connection with the Research Program that are assigned to it pursuant to this Section 4.3 and the Research Plan. Without limiting the foregoing, the Parties agree as follows:

(i) Lilly Activities Under the Research Program. Subject to ImmunoGen's conduct of the ImmunoGen Activities, Lilly shall have the sole right and responsibility for all aspects related to the research and early stage development of Ab-MAY Products directed to Holding Option Targets and Reserve Option Targets under the Research

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Program, including, without limitation, (A) making all strategic and tactical decisions with respect thereto, (B) assessing alternative product designs, (C) the final selection of the Lilly Antibodies, MAY Compounds and linkers to be used in such Ab-MAY Products and the selection of Ab-MAY Products to be further developed as Licensed Products under an Exclusive License and (D) the conduct of, at its sole cost and expense, all preclinical studies (including dose range finding and safety studies in animals, [***] with respect to the Ab-MAY Products so selected.

(ii) ImmunoGen Activities Under the Research Program. Subject to payment by Lilly of the consideration set forth in Section 5.2 hereof, ImmunoGen will use commercially reasonable efforts to perform the ImmunoGen Activities as set forth in the Research Plan; provided, however, that the ImmunoGen Activities shall [***]. If, at any time during the performance of the ImmunoGen Activities, ImmunoGen determines that the actual FTE Cost for all ImmunoGen Activities to be performed during a particular Calendar Quarter is expected to exceed the number set forth in the Research Plan for such Calendar Quarter by [***], ImmunoGen shall notify Lilly. The Parties shall promptly thereafter discuss in good faith whether to incur such additional FTE Cost or whether to decrease the activities to be performed, such that such increased FTE Cost is not incurred. The JRC shall be the forum for discussions about an extension of ImmunoGen Activities not covered by the budget as laid down in the Research Plan, provided that the JRC may not propose the use of [***] FTEs [***] during a Calendar Quarter as set forth in Section 4.3(b) hereof without the prior written consent of ImmunoGen. To the extent that the Research Plan calls for ImmunoGen to create Ab-MAY Products, Lilly shall supply ImmunoGen with quantities of Lilly Antibodies directed to the applicable Holding Option Target or Reserve Option Target, as the case may be, in sufficient quantity to enable ImmunoGen to produce such Ab-MAY Products. Furthermore, ImmunoGen agrees that it will carry out and/or perform all the ImmunoGen Activities [***] and such activities shall be [***].

(d) Diligence. During the Term, each Party shall use [***] to perform its respective obligations under the Research Program in accordance with the Research Plan and shall commit such resources as are specified in the Research Plan as may be [***] to conduct its activities as set forth therein [***]. Without limiting the foregoing, the Parties shall commit such

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scientific resources, including, but not limited to, consultants, facilities, equipment and Proprietary Materials, as are [***] to achieve the objectives of the Research Program. [***].

(e) Compliance. Each Party shall perform its obligations under the Research Plan in good scientific manner and in compliance in all material respects with all Applicable Laws. With respect to all Research Materials that ImmunoGen supplies to Lilly in connection with the Research Program, Lilly hereby agrees that (i) it shall not use such materials in any human subject, (ii) it shall use such materials in compliance with all Applicable Laws and (iii) it shall use such materials solely in connection with the Research Program or an Exclusive License. Furthermore, each Party, to the extent applicable, will comply with Lilly's animal use policy as set forth in **Schedule C** attached hereto in carrying out any animal research, if any, under the Research Program.

(f) Cooperation. The Parties shall cooperate in the performance of the Research Program and, subject to the terms of this Agreement and any confidentiality obligations to Third Parties, shall exchange such data, information and materials as are reasonably required for the other Party to perform its obligations under the Research Program. For purposes of clarity, once Lilly has taken an Exclusive License, all subsequent preclinical and clinical development activities with respect to the applicable Licensed Products shall be conducted in accordance with the terms of such Exclusive License, and not pursuant to the Research Program.

4.4 Supply of Materials. Except as set forth below, Lilly shall be responsible, at its sole cost, for manufacturing or having manufactured through Affiliates and/or Permitted Third Party Service Providers, all materials (including, without limitation, all Antibodies, MAY Compounds and Ab-MAY Products) to enable it to conduct the Research Program. Unless otherwise agreed to by the Parties, ImmunoGen's cost of making Ab-MAY Product (excluding the cost of the Antibody of any such Ab-MAY Product) in batches consisting of [***] in connection with the conduct of the ImmunoGen Activities is [***] being charged for such ImmunoGen Activities. ImmunoGen will also provide relevant free MAY Compound and anti-maytansine Antibody to Lilly for biological and analytical research directly related to the development of Ab-MAY Products directed to Program Targets; provided that ImmunoGen will provide [***] and [***] at [***] with respect to the overall Research Program, with additional amounts of the foregoing to be provided at ImmunoGen's established standard pricing as

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consistently applied by ImmunoGen, as reasonably determined to be necessary by the JRC for Lilly to complete such biological research and analytical research directly related to the development of Ab-MAY Products directed to Program Targets. If, during the Term, Lilly requests that ImmunoGen conduct (a) process development, (b) analytical method development, or (c) manufacturing and/or supply of Ab-MAY Product in bulk drug substance form for any GLP toxicology studies, clinical studies, or commercial scale-up, but excluding pivotal studies and commercial supply, then the Parties shall negotiate in good faith the terms of separate written agreements with respect to such activities [***]. In the event Lilly elects to manufacture or have manufactured by a Permitted Third Party Service Provider Ab-MAY Products, or linkers or MAY Compounds therefor, then ImmunoGen shall (i) provide the Technical Transfer Materials to Lilly for the purpose of enabling Lilly to exercise its rights under this Agreement with respect to a specific Ab-MAY Product [***].

5. FINANCIAL TERMS

5.1 Upfront Fee. In consideration of the rights granted to Lilly under this Agreement, Lilly hereby agrees to pay ImmunoGen an upfront fee (the **"Upfront Fee"**) in the amount of Twenty Million United States Dollars ($20,000,000) payable in accordance with Section 5.3 hereof within [***] days after the Effective Date, which Upfront Fee shall be non-refundable and non-creditable.

5.2 Research Program Funding. During the period commencing on the Effective Date and continuing until the expiration of the Term, Lilly shall pay ImmunoGen the FTE Cost for the conduct of ImmunoGen Activities on a quarterly basis in arrears. Within [***] days following the last day of each Calendar Quarter during the Term, ImmunoGen shall provide a report and invoice setting forth the aggregate number of hours devoted by ImmunoGen employees in performing ImmunoGen Activities during such Calendar Quarter [***]. Within [***] days from the date of its receipt of each such invoice, Lilly will pay to ImmunoGen the invoice amount due as reimbursement for the ImmunoGen Activities in accordance with Section 5.3 hereof. If Lilly disputes any charge contained in an invoice, it will pay any undisputed amount in accordance with the preceding sentence, and the disputed amount will be addressed under the dispute resolution provisions of Section 11.12 hereof.

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5.3 Payment Terms.

(a) No-Set-Off; Tax Withholding. All payments made by Lilly to ImmunoGen hereunder shall be made without set-off or counterclaim and free and clear of any taxes, duties, levies, fees or charges, except for withholding taxes, if any. Lilly shall make any applicable withholding payments due on behalf of ImmunoGen and shall provide ImmunoGen with reasonable proof of payment of such withholding taxes, together with an accounting of the calculations of such taxes, within [***] days after such payment is remitted to the proper authority. Any withheld tax remitted by Lilly to the proper authority shall be treated as having been paid by Lilly to ImmunoGen for all purposes of this Agreement. The Parties will cooperate reasonably in completing and filing documents required under the provisions of any Applicable Laws in connection with the making of any required withholding tax payment, or in connection with any claim to a refund of or credit for any such payment.

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

5.4 Overdue Payments. Subject to the other terms of this Agreement, any payments hereunder not paid within the applicable time period set forth herein shall bear interest from the due date until paid in full, at a rate per annum equal to the lesser of (a) [***], or (b) the maximum interest rate permitted by Applicable Law in regard to such payments, calculated in each case from the date such payment was due through to the date on which payment is actually made; provided, that with respect to any disputed payments, no interest payment shall be due until such dispute is resolved and the interest that shall be payable thereon shall be based on the finally-resolved amount of such payment, calculated from the original date on which the disputed payment was due through the date on which payment is actually made. Such payment when made shall be accompanied by all interest so accrued. Such interest and the payment and acceptance thereof shall not negate or waive the right of ImmunoGen to any other remedy, legal or equitable, to which it may be entitled because of the delinquency of the payment.

5.5 Records Retention; Audit.

(a) Records Retention. ImmunoGen shall keep for at least [***] years from [***] complete and accurate records of the FTE Cost for ImmunoGen Activities performed

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hereunder in sufficient detail to allow the accuracy of the amounts charged to Lilly to be confirmed.

(b) Audit. Subject to the other terms of this Section 5.5(b), at the request of Lilly, upon at least [***] Business Days' prior written notice, but no more often than [***] and not [***] with respect to records covering any specific period of time, and at its sole expense (except as otherwise provided herein), ImmunoGen shall permit an internationally recognized independent accounting firm reasonably selected by Lilly and reasonably acceptable to ImmunoGen to inspect (during regular business hours) at such place or places where such records are customarily kept the relevant records required to be maintained by ImmunoGen under Section 5.5(a) hereof. At Lilly's request, the independent accounting firm shall be entitled to audit the [***] years of ImmunoGen's records solely for purposes of verifying ImmunoGen's calculation of FTE Cost for ImmunoGen Activities performed during the period subject to review. Before beginning the audit the independent accounting firm shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 hereof limiting the disclosure and use of such information by such independent accounting firm to authorized representatives of the Parties and the purposes germane to this Section 5.5. The independent accounting firm shall provide its audit report and basis for any determination to ImmunoGen at the time such report is provided to Lilly. ImmunoGen and Lilly shall each have the right to request a further determination by such independent accounting firm as to matters which such Party disputes within [***] days following receipt of such report. The Party initiating a dispute will provide the other Party and the independent accounting firm with a reasonably detailed statement of the grounds upon which it disputes any findings in the audit report and the independent accounting firm shall undertake to complete such further determination within [***] days after the dispute notice is provided, which determination shall be limited to the disputed matters and provided to both Parties. The Parties shall use reasonable efforts, through the participation of finance representatives of both Parties, to resolve any dispute arising in relation to the audit by good faith discussion. The results of any such audit, reflecting the independent accounting firm's determination of any disputed matters, shall be binding on both Parties. Lilly agrees to treat the results of any such independent accounting firm's review of ImmunoGen's records under this Section 5.5(b) as Confidential Information of ImmunoGen

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subject to the terms of Section 6 hereof. If any such audit reveals an inaccuracy in the calculation of FTE Cost for the ImmunoGen Activities performed during the period covered by the review resulting in any overpayment by Lilly, ImmunoGen shall refund the amount of any such overpayment, and if such overpayment is by [***] of the amount due and also is [***], ImmunoGen shall pay the reasonable costs and expenses of the audit. If any audit reveals an inaccuracy in the calculation of FTE Cost for the ImmunoGen Activities performed during the period covered by the review resulting in an underpayment by Lilly, ImmunoGen may invoice Lilly for such underpayment, and Lilly will pay such invoice within [***] days from the date of its receipt of such invoice, in accordance with Section 5.3 hereof.

6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidentiality.

(a) Confidentiality Obligations. ImmunoGen and Lilly each recognizes that the other Party's Confidential Information constitutes highly valuable assets of such other Party. ImmunoGen and Lilly each agrees that, subject to Section 6.1(b) hereof, during the Term and for an additional [***] years thereafter, (i) it will not disclose, and will cause its Affiliates (and, in the case of Lilly, its Permitted Third Party Service Providers) not to disclose, any Confidential Information of the other Party and (ii) it will not use, and will cause its Affiliates (and, in the case of Lilly, its Permitted Third Party Service Providers) not to use, any Confidential Information of the other Party, in either case, except as expressly permitted hereunder. Without limiting the generality of the foregoing, each Party shall take such action, and shall cause its Affiliates (and, in the case of Lilly, its Permitted Third Party Service Providers) to take such action, to preserve the confidentiality of the other Party's Confidential Information as such Party would customarily take to preserve the confidentiality of its own Confidential Information and shall, in any event, use at least reasonable care to preserve the confidentiality of the other Party's Confidential Information.

(b) Limited Disclosure. Each Receiving Party shall be entitled to disclose the Disclosing Party's Confidential Information to employees, consultants, subcontractors and Affiliates of the Receiving Party to enable the Receiving Party to exercise its rights or to carry out its responsibilities under this Agreement, provided that such disclosure shall only be made to

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persons who are bound by written obligations as described in Section 6.1(c) hereof. In addition, the Receiving Party may disclose the Disclosing Party's Confidential Information to the extent such disclosure (i) is reasonably necessary to file, prosecute or maintain patents or patent applications, or to file, prosecute or defend litigation related to patents or patent applications [***] and in accordance with this Agreement, or (ii) as required by Applicable Laws, provided that in the case of any disclosure under this clause (ii), the Receiving Party shall (A) if practicable, provide the Disclosing Party with reasonable advance notice of and an opportunity to comment on any such required disclosure, (B) if requested by the Disclosing Party, cooperate in all reasonable respects with the Disclosing Party's efforts to obtain confidential treatment or a protective order with respect to any such disclosure, at the Disclosing Party's expense, and (C) use good faith efforts to incorporate the comments of the Disclosing Party in any such disclosure or request for confidential treatment or a protective order.

(c) Employees, Consultants and Subcontractors. ImmunoGen and Lilly each hereby represents and warrants that all of its and its Affiliates' Representatives who participate in the activities contemplated by this Agreement or who otherwise have access to Confidential Information of the other Party are or will, prior to their participation or access, be bound by written obligations to maintain such Confidential Information in confidence and not to use such information except as expressly permitted hereunder. Each Party agrees to use, and to cause its Affiliates (and, in the case of Lilly, its Permitted Third Party Service Providers) to use, reasonable efforts to enforce such obligations.

6.2 Publicity. The Parties acknowledge that the terms of this Agreement constitute the Confidential Information of each Party and may not be disclosed except as permitted by Section 6.1(b) hereof. In addition, either Party may disclose the terms of this Agreement (a) on a need-to-know basis to such Party's legal, accounting and financial advisors and (b) as reasonably necessary in connection with any actual or potential (i) debt or equity financing of such Party or (ii) purchase by any Third Party of all the outstanding capital stock or all or substantially all of the assets of such Party or any merger or consolidation involving such Party; provided that ImmunoGen shall not disclose the identity of any Program Targets, the form of Research Plan, and any specific Research Plans under this clause (b); and provided further that in each case the Person to whom the terms of this Agreement is to be disclosed agrees in writing to maintain the

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confidentiality of such information with terms at least as protective as those contained in Section 6.1(a) hereof. Anything contained in this Agreement to the contrary notwithstanding, upon the execution of this Agreement ImmunoGen may issue a press release with respect to this Agreement (the final form of which shall have been reviewed and approved by Lilly prior to the Effective Date, which approval shall not be unreasonably withheld, conditioned or delayed) and either Party may make subsequent and repeated public disclosure of the contents thereof without further approval of the other Party. After issuance of such press release, neither Party shall publish, present or otherwise disclose publicly any material related to events arising under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; provided that notwithstanding the foregoing, (A) neither Party will be prevented from complying with any duty of disclosure it may have pursuant to Applicable Laws; and (B) either Party shall be permitted to publish such material in scientific journals or present such material at scientific conferences in accordance with Section 6.3 hereof. Either Party may make subsequent and repeated public disclosure of the contents of any disclosures permitted by the preceding sentence without the prior written consent of the other Party.

6.3 Publications and Presentations. The Parties acknowledge that scientific publications and presentations must be strictly monitored to prevent any adverse effect from premature publication or dissemination of results of the activities hereunder. Each Party agrees that, except as required by Applicable Laws, it shall not publish or present, or permit to be published or presented, the results of the Research Program to the extent such results refer to, derive from or otherwise relate to the Licensed Intellectual Property (the **"Covered Results"**) without the prior review by and approval of the other Party; provided, that it shall not be deemed unreasonable for Lilly to withhold its consent to any request by ImmunoGen to publish or present any Covered Results prior to the planned publication or dissemination of such Covered Results by Lilly. Each Party shall provide to the other Party the opportunity to review each of the submitting Party's proposed abstracts, manuscripts or presentations (including, without limitation, information to be presented verbally) that relate to the Covered Results at least [***] days prior to its intended presentation or submission for publication, and such submitting Party agrees, upon written request from the other Party given within such [***] day period, not to

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submit such abstract or manuscript for publication or to make such presentation until the other Party is given up to [***] days [***] from the date of such written request to seek appropriate patent protection for any Covered Rights in such publication or presentation that it reasonably believes may be patentable. Once such abstracts, manuscripts or presentations have been reviewed and approved by each Party, the same abstracts, manuscripts or presentations do not have to be provided again to the other Party for review for a later submission for publication. Each Party also shall have the right to require that any of its Confidential Information that is disclosed in any such proposed publication or presentation be deleted prior to such publication or presentation. In any permitted publication or presentation by a Party, the other Party's contribution shall be duly recognized, and co-authorship shall be determined in accordance with customary industry standards.

6.4 Integration. As to the subject matter of this Agreement, this Section 6 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the Confidentiality Agreement. Any confidential information of a Party under any such agreement relating to the subject matter of this Agreement shall be treated as Confidential Information of such Party hereunder, subject to the terms of this Section 6.

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

7.1 Ownership of Intellectual Property; Disclosure. Except as otherwise expressly provided herein, all inventions and discoveries governed by this Agreement shall be owned based on inventorship, as inventorship is determined in accordance with United States patent law.

(a) Solely-Owned Technology. Anything contained in this Agreement to the contrary notwithstanding, as between the Parties (i) ImmunoGen shall be the sole owner of the Licensed Intellectual Property (other than the Joint Program Technology and Joint Improvements included therein), and (ii) subject to Section 7.3(b) hereof, Lilly shall be the sole owner of Lilly Improvements and any Patent Rights claiming Lilly Improvements and/or Lilly Antibodies.

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(b) Jointly-Owned Technology. All Joint Program Technology and Joint Improvements shall be jointly owned by ImmunoGen and Lilly. The Parties shall also jointly own any Patent Rights claiming such Joint Program Technology and Joint Improvements.

(c) Disclosure. Each Party shall provide to the other Party any invention disclosure related to any Joint Program Technology or Joint Improvements within [***] days after such Party receives such disclosure from its employees or others obligated to assign or license inventions to such Party or any Affiliate of such Party.

7.2 Patent Filing, Prosecution and Maintenance.

(a) Licensed Patent Rights. ImmunoGen, acting through patent counsel or agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Licensed Patent Rights (other than Licensed Patent Rights claiming Joint Program Technology or Joint Improvements).

(b) Lilly Improvements. Lilly, acting through patent counsel or agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights claiming Lilly Improvements. Lilly will keep ImmunoGen reasonably informed of the status of the filing, prosecution and maintenance of any such Patent Rights, including, without limitation, by using commercially reasonable efforts to provide ImmunoGen a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantial narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that ImmunoGen has a reasonable opportunity to review and comment.

(c) Joint Program Technology and Joint Improvements.

(i) Prior to either Party filing any patent application disclosing Joint Program Technology or Joint Improvements, the Parties shall establish a committee (the **"Patent Committee"**) comprised of at least one (1) representative of each Party for the purpose of facilitating the preparation, filing, prosecution, maintenance and defense of Patent Rights claiming Joint Program Technology and/or Joint Improvements. As agreed upon by the Parties, meetings of the Patent Committee may be face-to-face or may be conducted by teleconferences

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or videoconferences, from time to time as needed. The Patent Committee will be the forum through which the Parties coordinate their respective obligations to each other described in this Section 7.

(ii) Subject to the terms contained herein, Lilly shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights claiming Joint Program Technology, using patent counsel and agents selected by Lilly and approved by ImmunoGen, which approval shall not be unreasonably withheld, conditioned or delayed.

(iii) Subject to the terms contained herein, ImmunoGen shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights claiming Joint Improvements, using patent counsel and agents selected by ImmunoGen and approved by Lilly, which approval shall not be unreasonably withheld, conditioned or delayed.

(iv) The Party undertaking the responsibility for the filing, prosecution and maintenance of any Patent Rights claiming Joint Program Technology or Joint Improvements (A) will provide the other Party with a copy of any proposed patent application claiming Joint Program Technology or Joint Improvements for review and comment reasonably in advance (but at least [***] days in advance) of filing, and (B) will otherwise keep the other Party reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, by using commercially reasonable efforts to provide the other Party a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantial narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that the other Party has a reasonable opportunity to review and comment.

(d) Cooperation. Each Party agrees to cooperate reasonably with the other Party in the preparation, filing, prosecution and maintenance of any Patent Rights pursuant to this Section 7.2. Such cooperation includes, but is not limited to, executing all papers and instruments, or requiring employees or others to execute such papers or instruments, so as to

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effectuate the ownership of such Patent Rights and to enable the filing, prosecution, maintenance and extension thereof in any country or region. In addition, the Parties shall reasonably cooperate with each other in obtaining patent term restoration or supplemental protection certificates or their equivalents in any country in the Territory where applicable to the Licensed Patent Rights.

(e) Improper Patent Filings. [***].

7.3 Abandonment.

(a) Licensed Patent Rights; Joint Improvements. If ImmunoGen decides to abandon or allow to lapse, or otherwise determines to not prosecute or defend, any of the Licensed Patent Rights or Patent Rights claiming Joint Improvements for which it is the filing party under Sections 7.2(a) and 7.2(c)(iii) hereof in any country or region in the Territory, ImmunoGen shall inform Lilly of such decision promptly and, in any event, so as to provide Lilly a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. Lilly shall have the right to assume responsibility for continuing the prosecution, maintenance or defense of such Patent Rights in such country or region and paying any required fees to maintain such Patent Rights in such country or region or defending such Patent Rights, in each case at Lilly's sole expense and through patent counsel or agents of its choice. Lilly shall not become an assignee of such Licensed Patent Rights or of ImmunoGen's interest in such Patent Rights claiming Joint Improvements as a result of its assumption of such responsibility. Upon transfer of ImmunoGen's responsibility for prosecuting, maintaining and defending any of the Licensed Patent Rights or Patent Rights claiming Joint Improvements under this Section 7.3(a) hereof, ImmunoGen shall promptly deliver to Lilly copies of all necessary files related to such Patent Rights with respect to which responsibility has been transferred and shall take all actions and execute all documents reasonably necessary for Lilly to assume such prosecution, maintenance and defense.

(b) Lilly Improvements; Joint Program Technology. If Lilly decides to abandon or allow to lapse, or otherwise determines to not prosecute or defend, any of the Patent Rights claiming Lilly Improvements or Patent Rights claiming Joint Program Technology for which Lilly is the filing party under Sections 7.2(b) and 7.2(c)(ii) hereof in any country or region in the Territory, Lilly shall inform ImmunoGen of such decision promptly and, in any event, so

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as to provide ImmunoGen a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. ImmunoGen shall have the right to assume responsibility for continuing the prosecution, maintenance or defense of such Patent Rights in such country or region and paying any required fees to maintain such Patent Rights in such country or region or defending such Patent Rights, in each case at ImmunoGen's sole expense and through patent counsel or agents of its choice. ImmunoGen shall not become an assignee of Lilly's interest in such Patent Rights claiming Lilly Improvements or Joint Program Technology as a result of its assumption of such responsibility. Upon transfer of Lilly's responsibility for prosecuting, maintaining and defending any of the Patent Rights claiming Lilly Improvements or Joint Program Technology under this Section 7.3(b), Lilly shall promptly deliver to ImmunoGen copies of all necessary files related to such Patent Rights with respect to which responsibility has been transferred and shall take all actions and execute all documents reasonably necessary for ImmunoGen to assume such prosecution, maintenance and defense and to assign ownership of such Lilly Improvements to ImmunoGen.

7.4 Third Party Infringement.

(a) Licensed Patent Rights. ImmunoGen shall have all rights, at its own expense, to bring suit (or other appropriate legal action) against any and all actual or suspected infringement of the Licensed Patent Rights (other than Patent Rights claiming Joint Program Technology).

(b) Lilly Improvements; Joint Program Technology. Lilly shall have all rights, at its own expense, to bring suit (or other appropriate legal action) against any and all actual or suspected infringement of Patent Rights claiming Lilly Improvements or Joint Program Technology.

7.5 Cooperation. Each Party shall give notice to the other Party of any actual or suspected infringement by a Third Party of any Licensed Patent Rights and shall execute all papers and perform such other acts (other than monetary) as may be reasonably required to maintain any infringement suit brought in accordance with Section 7.4 hereof (including giving legal consent for bringing such suit, and agreeing to be named as a plaintiff in such suit or otherwise joining such suit), and at its option and expense, may be represented in such suit by counsel of its choice.

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7.6 No Obligation. Neither Party shall have any obligation to the other Party under this Agreement to pay any fees or costs: (a) for the other Party's bringing of a lawsuit or other action to enforce any Licensed Patent Rights or Patent Rights claiming Lilly Improvements, or any other patent owned by a Party against actual or suspected infringement or (b) for the other Party to obtain for its own benefit independent business or legal advice concerning any of the Patent Rights set forth in clause (a) above.

8. TERM AND TERMINATION

8.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue until the third (3rd) anniversary of the Effective Date, subject to earlier termination in accordance with Section 8.2 hereof (the **"Term"**).

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

(a) Voluntary Termination by Lilly. Lilly shall have the right to terminate this Agreement at any time upon not less than [***] days' prior written notice to ImmunoGen.

(b) Termination for Breach. Either Party may terminate this Agreement, effective upon written notice to the other Party, upon any breach by the other Party of any material obligation or condition of this Agreement (a **"Material Breach"**) that remains uncured [***] days ([***] days if the breach is a failure by Lilly to make any payment required hereunder) after the non-breaching Party first gives written notice of such breach to the other Party describing such Material Breach in reasonable detail; provided, however, that if the nature of the asserted breach (other than a breach for non-payment) is such that more than [***] days are reasonably required to cure, then the cure period shall be extended for a period not to exceed an additional [***] days so long as the Party seeking to cure the asserted breach is diligently pursuing such cure to completion. Anything contained in this Agreement to the contrary notwithstanding and subject to the proviso of this sentence, if the allegedly breaching Party (i) disputes either (A) whether a Material Breach has occurred or (B) whether the Material Beach has been timely cured, and (ii) provides written notice of that Dispute to the other Party within the above time periods, then the matter will be addressed under the dispute resolution provisions of Section 11.12, and the Party asserting the breach may not terminate this Agreement until it has been determined under Section 11.12 that the allegedly breaching Party is in Material Breach of

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this Agreement, and such breaching Party further fails to cure such breach within [***] days (or such longer or shorter period as determined by [***]) after the conclusion of the dispute resolution procedure; provided, however, that the foregoing shall not apply to any breach for non-payment of any payments required hereunder. Anything contained in this Agreement to the contrary notwithstanding, if the asserted Material Breach is cured or shown to be non-existent within the applicable cure period, the first notice of breach hereunder shall be deemed automatically withdrawn and of no effect.

(c) Termination for Insolvency. To the extent allowed by Applicable Law, if either Party files for protection under bankruptcy laws, makes an assignment for the benefit of creditors, appoints or suffers the appointment of a receiver or trustee over its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not discharged within [***] days of the filing thereof, then the other Party may terminate this Agreement effective immediately upon written notice to such Party. In connection therewith, all rights and licenses granted under this Agreement are, and shall be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the United States Bankruptcy Code. If either Party undergoes a voluntary dissolution or winding-up of its affairs, then the other Party may terminate this Agreement effective immediately upon written notice to such Party.

(d) Termination for Challenge. Except to the extent this Section 8.2(d) is unenforceable under the law of a particular jurisdiction where a patent application within the Licensed Patent Rights is pending or a patent within the Licensed Patent Rights issued, if Lilly or one or more of its Affiliates initiates a Challenge, or induces or assists a Third Party in initiating or prosecuting a Challenge, ImmunoGen shall have the right to terminate this Agreement [***] upon written notice to Lilly.

(e) Termination for Change in Control. Upon the occurrence of a Change in Control during the Term, Lilly shall have the right to terminate this Agreement at any time within [***] days of such occurrence and such termination shall be effective immediately upon written notice to ImmunoGen.

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8.3 Consequences of Expiration or Termination. Upon expiration or earlier termination of this Agreement by either Party under Section 8.2 hereof, the following provisions shall apply:

(a) Expiration or Earlier Termination by ImmunoGen under Section 8.2(b), 8.2(c) or 8.2(d) or by Lilly under Section 8.2(a). If this Agreement expires in accordance with its terms or is earlier terminated by ImmunoGen under Section 8.2(b), 8.2(c) or 8.2(d) hereof or by Lilly under Section 8.2(a) hereof, then: (i) the license granted by ImmunoGen to Lilly pursuant to Section 2.1 hereof shall immediately terminate, and Lilly shall discontinue the use of any Licensed Technology except to the extent expressly permitted in any outstanding Exclusive License [***]; (ii) all unexercised Holding Options and Reserve Options granted by ImmunoGen pursuant to Sections 3.1(a) and 3.1(b) hereof shall immediately terminate; and (iii) each Party shall promptly return or destroy all Confidential Information of the other Party, provided that each Party may retain, subject to Section 6 hereof, (A) one (1) copy of the Confidential Information of the other Party in its archives solely for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder, (B) any Confidential Information of the other Party contained in its laboratory notebooks or databases and (C) any Confidential Information of the other Party to the extent reasonably required to exercise its rights and perform its obligations under any outstanding Exclusive License. Notwithstanding the foregoing, no Exclusive License granted or related License Agreement executed as of the date of termination shall be affected by any termination of this Agreement.

(b) Termination by Lilly under Section 8.2(b), 8.2(c) or 8.2(e). If this Agreement is terminated by Lilly under Section 8.2(b), 8.2(c) or 8.2(e) hereof, then: (i) the license granted by ImmunoGen to Lilly pursuant to Section 2.1 hereof shall survive until the earlier of (A) the [***] anniversary of the Effective Date or (B) the date on which Lilly shall have taken the maximum number of Exclusive Licenses available to Lilly pursuant to Section 3.3 hereof; (ii) such license shall be expanded to permit Lilly and its Affiliates to perform any and all activities in connection with the Research Program that would otherwise have been performed by ImmunoGen to carry out the purpose of this Agreement; (iii) Lilly's right to take Holding Options, Reserve Options and Exclusive Licenses, subject to the terms and conditions of Section 3 hereof, shall survive until the [***] anniversary of the Effective Date, provided that no

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Holding Option Period or Reserve Option Period shall extend beyond the [***] anniversary of the Effective Date; (iv) ImmunoGen shall provide the Technical Transfer Materials to Lilly for the purpose of assisting Lilly to exercise its rights set forth in clauses (i), (ii) and (iii) of this Section 8.3(b); and (v) each Party shall promptly return or destroy all Confidential Information of the other Party, provided that each Party may retain, subject to Section 6 hereof, (A) one (1) copy of the Confidential Information of the other Party in its archives for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder, (B) any Confidential Information of the other Party contained in its laboratory notebooks or databases and (C) any Confidential Information of the other Party to the extent reasonably required to exercise its rights and perform its obligations under any outstanding Exclusive License. Notwithstanding the foregoing, and subject to Section 6 hereof, Lilly may retain and use ImmunoGen's Confidential Information in connection with the exercise of its rights set forth in clauses (i), (ii) and (iii) of this Section 8.3(b) or necessary or useful to exercise other rights under this Agreement that survive such termination.

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

8.5 Surviving Provisions. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 2.3, 3.3, 3.4, 5.2, 5.3, 5.5, 6, 7, 8.3, 8.4, 8.5, 9.3, 10 and 11 as well as any rights or obligations otherwise accrued hereunder (including any accrued payment obligations), shall survive the expiration or termination of the Term of this Agreement. Without limiting the generality of the foregoing, Lilly shall remain liable for all payment obligations accruing hereunder prior to the effective date of termination.

9. REPRESENTATIONS AND WARRANTIES

9.1 ImmunoGen Representations. ImmunoGen represents and warrants to Lilly that:

(a) it is duly incorporated, validly existing and in good standing under the Applicable Laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

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(b) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate ImmunoGen corporate action;

(c) this Agreement is a legal and valid obligation binding upon ImmunoGen and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with or result in any default under any agreement, instrument or understanding to which ImmunoGen is a party or by which it is bound;

(d) to ImmunoGen's knowledge, as of the Effective Date none of the issued patents within the Licensed Patent Rights is invalid or unenforceable;

(e) as of the Effective Date, ImmunoGen has received no written notice from a Third Party claiming that the use of the Licensed Intellectual Property pursuant to the license granted hereunder to Lilly will infringe the issued patents of any such Third Party; and

(f) as of the Effective Date, there is no pending or, to ImmunoGen's knowledge (without having conducted, or having any duty to conduct, any inquiry), threatened, litigation that alleges that the use of the Licensed Intellectual Property pursuant to the license granted hereunder to Lilly would infringe or misappropriate any intellectual property rights of any Third Party.

9.2 Lilly Representations. Lilly represents and warrants to ImmunoGen that:

(a) it is duly incorporated, validly existing and in good standing under the Applicable Laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

(b) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate Lilly corporate action; and

(c) this Agreement is a legal and valid obligation binding upon Lilly and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with or result in a default under any agreement, instrument or understanding to which Lilly is a party or by which it is bound.

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9.3 Warranty Disclaimers.

(a) Except as expressly set forth in Section 9.1 hereof, nothing in this Agreement is or shall be construed as a warranty or representation by ImmunoGen (i) as to the validity or scope of any patent application or patent within the Licensed Patent Rights or (ii) that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents, copyrights, and other rights of Third Parties.

(b) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY TECHNOLOGY, GOODS, SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT, AND EACH PARTY HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Lilly Indemnity. Lilly shall indemnify, defend and hold harmless ImmunoGen, its Affiliates, their respective directors, officers, employees, consultants and agents, and their respective successors, heirs and assigns (the **"ImmunoGen Indemnitees"**), from and against all liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses of litigation) (collectively, **"Losses"**) incurred by or imposed upon the ImmunoGen Indemnitees, or any of them, as a direct result of any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters (collectively, **"Third Party Claims"**), arising out of (i) a Material Breach of this Agreement by Lilly; (ii) the conduct of the Research Program by Lilly or any of its Affiliates or subcontractors; or (iii) the gross negligence, recklessness or willful misconduct of Lilly or any of its Affiliates or subcontractors; except in each case to the extent any such Third Party Claim or Losses result from a Material Breach of this Agreement by ImmunoGen, or the negligence, recklessness or willful misconduct of ImmunoGen or any of its Affiliates, or the conduct of the

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Research Program by ImmunoGen or any of its Affiliates or subcontractors; provided that with respect to any such Third Party Claim for which ImmunoGen also has an obligation to any Lilly Indemnitee pursuant to Section 10.1(b) hereof, Lilly shall indemnify each ImmunoGen Indemnitee for its Losses to the extent of Lilly's responsibility, relative to ImmunoGen (or to Persons for whom the ImmunoGen is legally responsible), for the facts underlying the Third Party Claim.

(b) ImmunoGen Indemnity. ImmunoGen shall indemnify, defend and hold harmless Lilly, its Affiliates, their respective directors, officers, employees, consultants and agents, and their respective successors, heirs and assigns (the **"Lilly Indemnitees"**), from and against any Losses incurred by or imposed upon the Lilly Indemnitees, or any of them, as a direct result of any Third Party Claims arising out of (i) the Material Breach of this Agreement by ImmunoGen; (ii) the conduct of the Research Program by ImmunoGen or any of its Affiliates or subcontractors; or (iii) the gross negligence, recklessness or willful misconduct of ImmunoGen or any of its Affiliates or subcontractors; except in each case to the extent any such Third Party Claim or Losses result from a Material Breach of this Agreement by Lilly, or the negligence, recklessness or willful misconduct of, Lilly or any of its Affiliates or subcontractors, or the conduct of the Research Program by Lilly or any of its Affiliates or subcontractors; provided that with respect to any such Third Party Claim for which Lilly also has an obligation to any ImmunoGen Indemnitee pursuant to Section 10.1(a) hereof, ImmunoGen shall indemnify each Lilly Indemnitee for its Losses to the extent of ImmunoGen's responsibility, relative to Lilly (or to Persons for whom Lilly is legally responsible), for the facts underlying the Third Party Claim.

10.2 Conditions to Indemnification. A Person seeking indemnification under Section 10.1 hereof (the **"Indemnified Party"**) in respect of a Third Party Claim shall give prompt notice of such Third Party Claim to the Party from which recovery is sought (the **"Indemnifying Party"**) and shall permit the Indemnifying Party to assume direction and control of the defense of the Third Party Claim, provided that the Indemnifying Party shall (a) act reasonably and in good faith with respect to all matters relating to the defense or settlement of such Third Party Claim as the defense or settlement relates to the Indemnified Party, and (b) shall not settle or otherwise resolve such Third Party Claim without the Indemnified Party's

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prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed); provided that the Indemnifying Party may, without the Indemnified Party's prior written consent, agree or consent to any settlement or other resolution of such Third Party Claim which requires solely money damages paid by the Indemnifying Party, and which includes as an unconditional term thereof the giving by such claimant or plaintiff to the Indemnified Party of a release from all liability in respect of such Third Party Claim.

10.3 Insurance Proceeds. Any indemnification payment hereunder shall be made net of any insurance proceeds which the Indemnified Party is entitled to recover; provided, however, that if, following the payment to the Indemnified Party of any amount under this Section 10, such Indemnified Party becomes entitled to recover any insurance proceeds in respect of the claim for which such indemnification payment was made, the Indemnified Party shall promptly pay an amount equal to the amount of such proceeds (but not exceeding the amount of such indemnification payment) to the Indemnifying Party.

10.4 Limited Liability. [***] NEITHER PARTY WILL BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR (a) ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM LOSS OF PROFITS OR LOSS OF BUSINESS), OR (b) COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES, EVEN IF EITHER PARTY IS INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF THE REMEDIES PROVIDED FOR IN THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE. For purposes of clarity, a Party's monetary liability under a Third Party Claim for such Third Party's special, incidental, indirect or consequential damages, or for any exemplary or punitive damages payable to such Third Party in connection with such Third Party Claim, shall be deemed to be the direct damages of such Party for purposes of this Section 10.

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11. MISCELLANEOUS

11.1 Notices. All notices and communications shall be in writing and delivered personally or by courier or mailed via certified mail, return receipt requested, postage prepaid, addressed as follows:

If to ImmunoGen: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451
Attn: Vice President, Business Development
Fax: [***]

with a copy to: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451
Attn: Alliance Management
Fax: [***]

If to Lilly: Eli Lilly and Company
Lilly Corporate Center
Indianapolis, IN 46285
Attn: General Counsel
Fax: [***]

Except as otherwise expressly provided in this Agreement or mutually agreed in writing, any notice, communication or document (excluding payment) required to be given or made shall be deemed given or made and effective upon actual receipt or, if earlier, (a) one (1) Business Day after deposit with a nationally recognized overnight express courier with charges prepaid, or (b) five (5) Business Days after mailed by certified mail, postage prepaid, in each case addressed to the receiving Party at its address stated above or to such other address as such Party may designate by written notice given in accordance with this Section 11.1.

11.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to any choice of law principle that would dictate the application of the law of another jurisdiction.

11.3 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior or

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contemporaneous agreements, understandings, negotiations or correspondence between the Parties, written or oral (including, without limitation, the Confidentiality Agreement) concerning the subject matter hereof.

11.4 Amendment and Waiver. This Agreement may be amended, modified or changed only by a written instrument executed by the Party to be bound. No term of this Agreement will be deemed to have been waived and no breach excused, unless such waiver or consent shall be in writing and signed by the Party claiming to have waived or consented. Any consent by any Party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, or waiver of, or excuse for, any other different or subsequent breach.

11.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Except as set forth in Section 10 hereof, no Third Party (including, without limitation, employees of either Party) shall have or acquire any rights by reason of this Agreement.

11.6 Purpose and Scope. The Parties hereto understand and agree that this Agreement is limited to the activities, rights and obligations as expressly set forth herein. Nothing in this Agreement shall be construed to establish any agency, employment, partnership, joint venture, franchise or similar or special relationship between the Parties. Neither Party shall have the right or authority to assume or create any obligations or to make any representations, warranties or commitments on behalf of the other Party, whether express or implied, or to bind the other Party in any respect whatsoever. Except as expressly set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

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

11.8 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed, except that such consent shall not be required in connection with any assignment to an Affiliate of the assigning Party, or to a Third Party in connection with a sale or transfer of the business to which this Agreement relates, or to any successor Person resulting from any merger or consolidation of such Party with or into such Person, provided that the

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assignee shall have agreed in writing to assume all of the assignor's obligations hereunder, and provided, further, that the other Party shall be notified promptly after such assignment has been effected. Any such assignment shall not relieve the assigning Party of any liabilities or obligations owed to the other Party hereunder, including, without limitation, in the case of Lilly, the payment of any amounts described in Section 5 hereof.

11.9 Force Majeure. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party, provided that financial inability in and of itself shall not be considered to be a force majeure event. In event of such force majeure, the Party affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.10 Interpretation. The Parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to each Party hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement. In addition, unless the context otherwise requires, wherever used in this Agreement: (i) the singular shall include the plural, the plural the singular; (ii) the use of any gender shall be applicable to all genders; (iii) the word "or" is used in the inclusive sense (and/or); (iv) the words "include" or "including" shall be construed as incorporating, also, "but not limited to" or "without limitation;" (v) the words "hereof," "herein," "hereby" and derivative or similar words refer to this Agreement; and (vi) all references to "will" are interchangeable with the word "shall" and shall be understood to be imperative or mandatory in nature.

11.11 Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction, or declared under any law, rule or regulation of any government having jurisdiction over the Parties hereto, to be illegal, invalid or unenforceable, then such provision will, to the extent permitted by the court or government, not be voided, but will instead be

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construed to give effect to the intentions of the Parties to the maximum extent permissible under applicable law, and the remainder of this Agreement will remain in full force and effect in accordance with its terms.

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

For Lilly:	Designated officer with full settlement authority; and
For ImmunoGen:	Chief Executive Officer.

In the event the designated senior officials are not able to resolve such Dispute, the Parties may seek to mediate their Dispute, on terms and with a mediator mutually agreeable to the Parties, or may seek to arbitrate their Dispute, on mutually agreed upon terms and conditions, but neither Party shall be required or obligated to mediate or arbitrate and the dispute resolution provisions of this Section 11.12 are in addition to any other relief or remedies available to either Party at law or equity. This Dispute resolution process shall be deemed a settlement negotiation for the purpose of all federal and state rules protecting disclosures made during settlement negotiations from later discovery and/or use in evidence.

11.13 Patent Disputes. Anything contained in this Agreement to the contrary notwithstanding, with respect to any dispute, controversy or claim between the Parties that involves the validity, scope, infringement, enforceability, inventorship or ownership of the Parties' respective Patent Rights (a) that are issued in the United States shall be subject to actions before the United States Patent and Trademark Office and/or submitted exclusively to the federal

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court located in [***]; and (b) that are issued in any other country (or region) shall be brought before an appropriate regulatory or administrative body or court in that country (or region), and the Parties hereby consent to the jurisdiction and venue of such courts and bodies.

11.14 Interim Equitable Relief. Anything contained in this Agreement to the contrary notwithstanding, if a Party reasonably requires relief on a more expedited basis than would be possible pursuant to the procedures set forth in Section 11.12 hereof, such Party may seek a temporary injunction or other interim equitable relief in a court of competent jurisdiction pending the resolution of the Dispute in accordance with Section 11.12 hereof. Any such remedies will be in addition to all other remedies available by law or at equity to the injured Party.

11.15 Prohibition on Solicitation. During the Research Program, neither Party nor its Affiliates shall, directly or indirectly, actively recruit, or solicit any employee of the other Party or its Affiliates with whom such Party or its Affiliates have come into contact or interacted for the purposes of performing this Agreement, without the prior consent of the other Party. For purposes of this Section 11.15, "solicit" shall be deemed not to include (a) circumstances where an employee of one Party or any of its Affiliates initially contacts the other Party or any of such Party's Affiliates seeking employment or (b) general solicitations of employment not specifically targeted at such employees.

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

11.17 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Party, it being understood that both Parties need not sign the same counterpart. If any signature is delivered by facsimile transmission or by e-mail delivery of a "pdf" format data file, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or "pdf" signature page were an original thereof.

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11.18 Compliance with Law.

(a) Mutual Covenant. Each Party shall insure that it and its activities under this Agreement at all times comply in all material respects with all Applicable Laws.

(b) Notice of Inspections. Each Party (**"Notifying Party"**) shall provide the other Party as promptly as practicable (**"Notified Party"**) with notice of any governmental or regulatory review, audit or inspection of its facility, processes, or products that might reasonably be believed to relate to the Research Program. If permitted by the authority conducting such review, the Notifying Party shall provide the Notified Party with the results of any such review, audit or inspection to the extent they are relevant to the Research Program. If permitted by the authority conducting the review, the Notified Party shall be given the opportunity to provide assistance to the Notifying Party in responding to any such review, audit or inspection relating to the Research Program.

(c) Books and Records.

(i) Records Retention. During the Term and for an additional five (5) years thereafter, ImmunoGen shall maintain records of the ImmunoGen Activities performed hereunder that verify ImmunoGen's material compliance with Applicable Laws in its performance of the ImmunoGen Activities hereunder.

(ii) Inspection. Subject to the other terms of this Section 11.18(c), at the request of Lilly, upon at least [***] Business Days' prior written notice, but no more often than once per Calendar Year and not more frequently than once with respect to records covering any specific period of time, ImmunoGen shall select a law firm reasonably acceptable to Lilly (which acceptance shall not be unreasonably withheld, conditioned or delayed) to inspect the relevant records required to be maintained by ImmunoGen under Section 11.18(c)(i) hereof for the sole purpose of verifying ImmunoGen's compliance with Applicable Laws in its performance of the ImmunoGen Activities hereunder. [***] in connection with the conduct the law firm's activities as contemplated hereby [***]. Before beginning the inspection the law firm shall enter into a confidentiality agreement with ImmunoGen substantially similar to the provisions of Section 6 hereof limiting the disclosure of such information by such law firm to authorized representatives of ImmunoGen. ImmunoGen reserves the right to dispute any determination by the law firm that it was not in material compliance with Applicable Laws in its performance of

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the ImmunoGen Activities hereunder. If such report contains the law firm's determination that ImmunoGen was in material compliance in its performance of all the ImmunoGen Activities that were the subject of the law firm's inspection (a **"Clean Report"**), ImmunoGen will authorize the law firm to deliver a copy of such report to Lilly, and such report shall be deemed to be ImmunoGen's Confidential Information. Alternatively, ImmunoGen, without [***], will notify Lilly that it is [***] to [***] a Clean Report to Lilly, and such notification shall be deemed to be ImmunoGen's Confidential Information.

(d) Prohibition of Corrupt Payments. In connection with the research other efforts/services ImmunoGen will provide under this Agreement and in connection with any other business involving Lilly, ImmunoGen confirms that ImmunoGen has not given or promised to give, and will not make, offer, agree to make or authorize any payment or transfer anything of value, directly or indirectly, (i) to any Government or Public Official, as defined herein; (ii) any political party, party official or candidate for public or political office; (iii) any person while knowing or having reason to know that all or a portion of the value will be offered, given, or promised, directly or indirectly, to anyone described in clauses (i) or (ii) above; or (iv) any healthcare professional, owner, director, employee, representative or agent of any actual or potential customer of Lilly to obtain or retain business or secure an improper advantage. For purposes of this Agreement, **"Government or Public Official"** is any officer or employee or anyone acting in an official capacity on behalf of: a government or any department or agency thereof; a public international organization (such as the United Nations, the International Monetary Fund, the International Red Cross, and the World Health Organization), or any department, agency or institution thereof; or a government-owned or controlled company, institution, or other entity, including a government-owned hospital or university.

11.19 HSR Filing. Notwithstanding anything to the contrary this Agreement (including Section 3.2 of this Agreement) in the event that either Party makes a filing under the Hart-Scott-Rodino Antitrust Improvement Act (**"HSR Act"**) with respect to an Exclusive License as contemplated herein, then the Exclusive License Effective Date as defined in Section 3.2 of this Agreement shall be modified to mean the later of (a) the Exclusive License Effective Date as defined in Section 3.2 of this Agreement or (b) the second (2nd) Business Day immediately following the earlier of: (i) the date upon which the waiting period under the HSR

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Act expires or terminates early or (ii) the date upon which a closing letter is received from the Federal Trade Commission or the Justice Department, as the case may be, with regard to the transaction contemplated by this Agreement indicating that all requests have been satisfactorily met and no objection on the part of the Federal Trade Commission or the Justice Department remains. Furthermore, in the event a filing under the HSR Act is made as described above, the Parties will, in good faith, cooperate with each other and take reasonable actions to attempt to resolve all enforcement agency concerns about the transaction under investigation.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

IMMUNOGEN, INC.		**ELI LILLY AND COMPANY**	
By:	/s/ Peter Williams	By:	/s/ Jan M. Lundberg
Name:	Peter Williams	Name:	Jan M. Lundberg
Title:	Vice President	Title:	Exec. VP Sci & Tech and Pres. LRL
Date:	December 19, 2011	Date:	Date: 12/19/11

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SCHEDULE A

FORM OF LICENSE AGREEMENT

LICENSE AGREEMENT

This License Agreement (this **"Agreement"**) is made effective as of _____[1] (subject to the provisions below in this paragraph) by and between **ImmunoGen, Inc.**, a Massachusetts corporation (**"ImmunoGen"**), with its principal place of business at 830 Winter Street, Waltham, Massachusetts 02451, and **Eli Lilly and Company**, an Indiana corporation (**"Lilly"**), with its principal place of business at Lilly Corporate Center, Indianapolis, Indiana 46285. ImmunoGen and Lilly are sometimes each hereinafter referred to individually as a **"Party"** and collectively as the **"Parties."** For purposes of this Agreement **"Effective Date"** means the date referenced above unless either Party makes a filing under the Hart-Scott-Rodino Antitrust Improvement Act, in which case it will be the later of (a) the date referenced above or (b) the second (2nd) Business Day immediately following the earlier of: (i) the date upon which the waiting period under the Hart-Scott-Rodino Antitrust Improvement Act expires or terminates early or (ii) the date upon which a closing letter is received from the Federal Trade Commission or the Justice Department, as the case may be, with regard to the transaction contemplated by this Agreement indicating that all requests have been satisfactorily met and no objection on the part of the Federal Trade Commission or the Justice Department remains.

WHEREAS, the Parties have entered into a Multi-Target Agreement, pursuant to which ImmunoGen granted Lilly the right to obtain licenses to certain Technology and associated Patent Rights Controlled by ImmunoGen on an exclusive basis with respect to Licensed Product ; and

WHEREAS, pursuant to the Multi-Target Agreement, Lilly has exercised a Reserve Option (as defined in the Multi-Target Agreement), pursuant to which the Parties have agreed to enter into this Agreement setting forth the terms and conditions of an exclusive license from ImmunoGen to Lilly with respect to the Licensed Product;

[1] Insert date of receipt by ImmunoGen of a Reserve Option exercise notice with respect to the Licensed Target.

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

1. DEFINITIONS

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

1.1 **"Ab-MAY Product"** means any compound that incorporates, is comprised of, or is otherwise derived from, a conjugate of an Antibody with a MAY Compound.

1.2 **"Affiliate"** means, with respect to any Person, any other Person that, directly or indirectly through one or more Affiliates, controls or is controlled by or is under common control with such Person. For purposes of this Section 1.2, "control" means (a) ownership of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interests in the case of any other type of legal entity, (b) status as a general partner in the case of any partnership, or (c) any other arrangement whereby a Person controls or has the right to control the board of directors or equivalent governing body or management of another Person. A Person shall be deemed an Affiliate only so long as it satisfies the foregoing definition.

1.3 **"Antibody"** means an antibody, whether polyclonal or monoclonal, multiple or single chain, recombinant or naturally occurring, whole or fragment, and any variants, derivatives or constructs thereof, including but not limited to, antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb and CDR fragments, single chain antibodies (scFv), chimeric antibodies, diabodies and polypeptides (including humanized versions thereof) that contain at least a portion of an immunoglobulin that is sufficient to confer specific antigen binding to the polypeptide.

1.4 **"Applicable Laws"** means all federal, state, local, national and supra-national laws, statutes, rules and regulations, including any rules, regulations, guidelines or requirements of Regulatory Authorities, securities regulatory authorities, national securities exchanges or

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securities listing organizations that may be in effect from time to time during the Term and applicable to a particular activity hereunder.

1.5 **"BLA"** means a biologics license application (within the meaning of 21 C.F.R. 601.2) filed with the FDA seeking Regulatory Approval to market and sell any Licensed Product as a biologic in the United States for a particular Indication within the Field.

1.6 **"Business Day"** means any day other than a Saturday, Sunday or other day on which banking institutions in Boston, Massachusetts or Indianapolis, Indiana are required to be closed or are actually closed with legal authorization.

1.7 **"Calendar Quarter"** means, with respect to the first such Calendar Quarter, the period beginning on the Effective Date and ending on the last day of the calendar quarter within which the Effective Date falls, and thereafter each successive period of three (3) consecutive months ending on March 31, June 30, September 30 and December 31.

1.8 **"Calendar Year"** means, with respect to the first such Calendar Year, the period beginning on the Effective Date and ending on December 31 of the calendar year within which the Effective Date falls, and thereafter each successive period of twelve (12) consecutive months commencing on January 1 and ending on December 31.

1.9 **"Challenge"** means any challenge to the [***] or [***] of any of the Licensed Patent Rights, including without limitation: (a) filing a declaratory judgment action in which any of the Licensed Patent Rights is alleged to be invalid or unenforceable; (b) citing prior art pursuant to 35 U.S.C. §122 or §301, filing a request for re-examination of any of the Licensed Patent Rights pursuant to 35 U.S.C. §302 or §311, filing a [***] of the Licensed Patent Rights pursuant to [***], or filing a [***] of the Licensed Patent Rights pursuant to [***]; or (c) filing or commencing any re-examination, opposition, cancellation, nullity or similar proceeding against any of the Licensed Patent Rights in any country.

1.10 **"Commercialization"** or **"Commercialize"** means, with respect to any Licensed Product, any and all activities during Term with respect to such Licensed Product relating to commercialization in the Field in the Territory, including pre-launch and launch activities, pricing and reimbursement activities, marketing, manufacturing for commercial sale, promoting, detailing, distributing, offering for sale and selling such Licensed Product, importing or exporting such Licensed Product for sale, conducting post-marketing human clinical trials,

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reporting of adverse events in patients and interacting with Regulatory Authorities regarding any of the foregoing. When used as a verb, "Commercialize" means to engage in Commercialization and "Commercialized" has a corresponding meaning.

1.11 **"Competing Product"** means a product (a) consisting of a [***] *and* (b) the Development and Commercialization of the product described in clause (a) above [***].

1.12 **"Confidential Information"** means (a) with respect to Lilly, the identity of the Licensed Target; and (b) with respect to each Party, all information and Technology which is disclosed by or on behalf of such Party (in such capacity, the **"Disclosing Party"**) or its Affiliates to the other Party (in such capacity, the **"Receiving Party"**) or its Affiliates hereunder or to any of the Receiving Party's or its Affiliates' employees, consultants or subcontractors (collectively, **"Representatives"**), except to the extent that the Receiving Party can demonstrate by contemporaneous written record or other suitable physical evidence that such information, (i) as of the date of disclosure is known to the Receiving Party or its Affiliates other than by virtue of a prior confidential disclosure by or on behalf of the Disclosing Party to the Receiving Party or its Affiliates; (ii) as of the date of disclosure is in, or subsequently enters, the public domain through no fault or omission of the Receiving Party or its Affiliates or their respective Representatives; (iii) is obtained by the Receiving Party or its Affiliates from a Third Party without breach of any duty and without restriction on disclosure to or from the Disclosing Party; or (iv) is independently developed by or for the Receiving Party or its Affiliates without benefit of, reference to or reliance upon any Confidential Information of the Disclosing Party.

1.13 **"Confidentiality Agreement"** means that certain Mutual Confidential Disclosure Agreement effective April 26, 2011 by and between ImmunoGen and Lilly.

1.14 **"Control"** or **"Controlled"** means, with respect to any Patent Rights, Technology or Proprietary Materials, the possession by a Party of the ability to grant a license or sublicense of such Patent Rights or Technology and the rights thereto or to supply such Proprietary Materials as contemplated in this Agreement without violating the terms of any arrangement or agreement between such Party or its Affiliates and any Third Party.

1.15 **"Development"** and **"Develop"** means, with respect to any Licensed Product, all activities during Term with respect to such Licensed Product relating to research and development in connection with seeking, obtaining or maintaining any Regulatory Approval for

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such Licensed Product in the Field in the Territory, including without limitation, all pre-clinical research and development activities, all pre-marketing human clinical studies (including, without limitation, clinical trial design and operations), test method development and stability testing, regulatory toxicology studies, formulation, all activities relating to developing the ability to manufacture any Licensed Product or any component thereof (including, without limitation, process development, manufacturing scale-up, development-stage manufacturing and quality assurance/quality control development), statistical analysis and report writing, preparing and filing Drug Approval Applications, reporting of adverse events in clinical study subjects, and all regulatory affairs related to the foregoing. When used as a verb, "Developing" means to engage in Development and "Developed" has a corresponding meaning.

1.16 "Drug Approval Application" means, with respect to a Licensed Product in a particular country or region, an application for Regulatory Approval to market and sell such Licensed Product in such country or region including, without limitation: (a) an NDA or sNDA; (b) a BLA or supplement BLA; (c) a counterpart of an NDA, sNDA, BLA or supplement BLA, including any MAA, in any country or region in the Territory outside the U.S.; and (d) all supplements and amendments to any of the foregoing.

1.17 "Exclusive License" has the meaning ascribed to it in the Multi-Target Agreement.

1.18 "FDA" means the United States Food and Drug Administration and any successor agency or authority thereto.

1.19 "FDCA" means the United States Food, Drug and Cosmetic Act (21 U.S.C. § 301 *et seq.*), as amended.

1.20 "Field" means all uses including, without limitation, pharmaceutical, therapeutic, prophylactic and diagnostic uses for humans and animals.

1.21 "First Commercial Sale" means the first sale of a Licensed Product, by or under the authority of Lilly, an Affiliate of Lilly, or their Sublicensees to a Third Party in a country following Regulatory Approval of such Licensed Product in that country or, if no such Regulatory Approval or similar approval is required, the date on which such Licensed Product is first commercially launched in such country; provided that "First Commercial Sale" shall not include: [***].

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1.22 **"Generic Equivalent"** means, with respect to any Licensed Product in a given country, any biopharmaceutical product that is sold by a Third Party that is not a Sublicensee of Lilly or its Affiliates and such Third Party product (a) contains the same [***] and [***] and the same [***] as the relevant Licensed Product, or (b) (i) has been [***] as a [***] or [***] by FDA pursuant to [***] of [***]), as may be amended, or any subsequent or superseding law, statute or regulation, (ii) has been [***] as a [***] by the European Medicines Agency pursuant to [***], as may be amended, or any subsequent or superseding law, statute or regulation, or (iii) has otherwise achieved [***] in reliance on the [***] of a [***] from another applicable Regulatory Authority where in the case of each of clauses (i), (ii) or (iii) above, the [***] is the [***] for purposes of determining [***] or [***] of the Third Party product.

1.23 **"GLP"** means all good laboratory practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.24 **"GMP"** means all good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.25 **"ImmunoGen Proprietary Antibody Rights"** means all Technology (and associated Patent Rights) owned or Controlled by ImmunoGen during the Term constituting or claiming (a) the [***] or [***] of, or [***], an Antibody that was generated or in-licensed by ImmunoGen, whether or not patentable (an **"ImmunoGen Proprietary Antibody"**), or (b) the [***] or [***], or [***] an [***] where the Antibody is an ImmunoGen Proprietary Antibody, but only, in the case of clauses (a) and (b) above, to the extent such Technology (and associated Patent Rights) covers the ImmunoGen Proprietary Antibody, and not to the extent such Technology (and associated Patent Rights) covers Lilly Antibodies. For purposes of clarity, "ImmunoGen Proprietary Antibody Rights" does not include any Program Technology (as defined herein and in the Multi-Target Agreement) that relates to Antibodies specifically binding to the Licensed Target or any Patent Rights claiming such Program Technology.

1.26 **"Improvements"** means (subject to the specific provisions set forth in the [***] definition that specifies that certain Program Technology pertaining to a [***] or an [***] comprising of a [***] to [***] shall be [***] and, thus, are [***] any enhancement, improvement or modification to the Licensed Intellectual Property that is (a) an improvement to [***] (b) an improvement to methods of [***], (c) an improvement to the [***] for [***] (including, for

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example, [***] or [***] that create improvements in the [***] of such [***]), (d) an improvement to [***] used for [***] and [***], (e) improvements to [***] or [***] useful for [***] a [***] to an [***]), or (f) improvements to the [***] of [***].

1.27 **"IND"** means (a) an Investigational New Drug Application (as defined in the FDCA and regulations promulgated thereunder) or any successor application or procedure required to initiate clinical testing of a Licensed Product in humans in the United States; (b) a counterpart to an Investigational New Drug Application that is required in any other country or region in the Territory before beginning clinical testing of a Licensed Product in humans in such country or region; and (c) all supplements and amendments to any of the foregoing.

1.28 **"Indication"** means any indication, disease or condition which can be treated, prevented, cured or the progression of which can be delayed. For purposes of clarity and not limitation, (a) distinctions between indications, diseases or conditions with respect to a Licensed Product shall be made by reference to the World Health Organization International Classification of Diseases and Related Health Publications, version 10 (including any updates or successors thereto) and (b) any indication, disease or condition that requires the [***] of a [***] in order to include such human indication, disease or condition in the [***] will be considered to be a separate Indication for purposes of this Agreement.

1.29 **"Initiation"** means, with respect to any clinical study, the first date that a human subject is dosed in such clinical study.

1.30 **"Joint Improvements"** means Improvements the inventors of which are jointly (a) one or more employees of, or others obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen, *and* (b) one or more employees of, or others obligated to assign inventions to, Lilly or any Affiliate of Lilly.

1.31 **"Joint Program Technology"** means any Program Technology (other than Joint Improvements) the inventors of which are jointly (a) employees of, or other persons obligated to assign inventions to, ImmunoGen or any Affiliate of ImmunoGen, *and* (b) employees of, or other persons obligated to assign inventions to, Lilly or any Affiliate of Lilly. Anything contained in this Agreement to the contrary notwithstanding, Joint Program Technology shall also include any Program Technology (excluding Improvements) constituting the [***] or [***]of, or [***] (i) an [***] comprising a [***] to a [***], regardless of [***], as [***] is determined in accordance

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with [***], or (ii) a [***] where employees of [***], or others obligated to assign inventions to, [***] or any of its Affiliates are [***], as inventorship is determined in accordance with United States patent law.

1.32 "Licensed Intellectual Property" means the Licensed Patent Rights and the Licensed Technology.

1.33 "Licensed Patent Rights" means any Patent Rights that are owned or Controlled by ImmunoGen as of the Effective Date or become owned or Controlled by ImmunoGen during the Term (including, without limitation, ImmunoGen's interest in any Patent Rights claiming Improvements, Joint Program Technology and Joint Improvements) that include one or more claims that cover Licensed Technology (including, without limitation, any Licensed Technology covering MAY Compounds, Ab-MAY Product or Licensed Product); provided, however, that Licensed Patent Rights shall expressly exclude [***]. For purposes of convenience, at the time of execution of the License Agreement, ImmunoGen shall provide to Lilly a non-exhaustive list of Licensed Patent Rights licensed hereunder that it is aware of as of the Effective Date which shall be updated (the **"Patent List"**) by ImmunoGen and provided to Lilly from time to time and in any event annually upon Lilly's reasonable written request. Such Patent List (with updates) shall be materially in the form attached hereto as **Schedule D** incorporated herein by reference.

1.34 "Licensed Product" means any product that incorporates, is comprised of, or is otherwise derived from, a conjugate of a Target-Binding Antibody owned or Controlled by Lilly with a MAY Compound.

1.35 "Licensed Target" means the Target set forth in **Schedule A** attached hereto and incorporated herein by reference.

1.36 "Licensed Technology" means any and all Technology that is owned or Controlled by ImmunoGen as of the Effective Date or becomes owned or Controlled by ImmunoGen during the Term (including, without limitation, ImmunoGen's interest in any Program Technology, Joint Program Technology, Improvements and Joint Improvements) that is necessary or useful for Lilly to exercise the license granted to it pursuant to Section 2.1(a) hereof; provided, however, that Licensed Technology shall expressly exclude any ImmunoGen Proprietary Antibody Rights.

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1.37 **"Lilly Accounting Standards"** means US GAAP (United States Generally Accepted Accounting Principles), as generally and consistently applied throughout Lilly's organization.

1.38 **"Lilly Antibody"** means any Antibody owned or Controlled by Lilly or its Affiliates.

1.39 **"Lilly Improvements"** means Improvements (other than Joint Improvements) the inventors of which (alone or with others) are employees of or others obligated to assign inventions to, Lilly or any of its Affiliates or Permitted Third Party Service Providers in connection with the Development and Commercialization of any Licensed Product, or otherwise based on, or resulting from, such employees' or others' [***] to or [***].

1.40 **"Lilly Standard Exchange Rate Methodology"** means, with respect to amounts invoiced in U.S. Dollars, all such amounts shall be expressed in U.S. Dollars. The U.S. Dollar equivalent of amounts invoiced in a currency other than U.S. Dollars shall be calculated using Lilly's then-current standard exchange rate methodology, which is in accordance with the Lilly Accounting Standards applied in its external reporting for the conversion of foreign currency sales into U.S. Dollars or, in the case of sublicensees, such similar methodology, consistently applied.

1.41 **"Loss of Market Exclusivity"** with respect to any Licensed Product in any country, shall be deemed to have occurred only if: (a) one or more Generic Equivalent(s) are being marketed by a Third Party (excluding any Sublicensee) in such country; and (b) Net Sales of such Licensed Product in that country in the Calendar Quarter of Generic Equivalent introduction (or any Calendar Quarter thereafter) have [***] in that country relative to the [***] Net Sales of such Licensed Product in such country over the last [***] Calendar Quarters ending prior to the introduction of such Generic Equivalent(s) (the **"Baseline Net Sales"**) and such [***] in Net Sales is not primarily attributable to (i) any action of the [***] of the Licensed Product in such country, (ii) the [***] of [***] to [***] of the Licensed Product in such country to [***], or (iii) any [***] of the Licensed Product in such country; provided that (A) with respect to a Loss of Market Exclusivity in a [***], such Loss of Market Exclusivity shall be deemed to exist [***] as [***] of such Generic Equivalent(s) [***] in such country, and (B) with respect to a Loss of Market Exclusivity in a [***], [***] such Loss of Market Exclusivity has

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[***], Loss of Market Exclusivity in such country shall be [***] for the [***] of the [***] in such country, [***] of whether a [***] with respect to a subsequent Calendar Quarter would show that the Net Sales [***] described above is [***] relative to the Baseline Sales in such country. Anything contained in this Agreement to the contrary notwithstanding, a "Loss of Market Exclusivity" shall not be deemed to have occurred in the United States if the events described in clauses (a) and (b) of this Section 1.41 were caused by or result from any act or omission of Lilly (or any of its Affiliates or Sublicensees) determined to have been made negligently or in bad faith in the performance of Lilly's obligations under Section 7.5(c) hereof that results in actual prejudice to ImmunoGen's ability to preserve its rights in the Licensed Patent Rights and eliminate the infringement threatened by Applicant (excluding any acts or omissions undertaken pursuant to the specific instruction of ImmunoGen).

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

1.43 "Major Country" means any of the [***] and [***] and any of the [***].

1.44 "Major EU Countries" means [***].

1.45 "MAY Compound" means any and all maytansinoid compounds (including, without limitation, maytansinol, ansamitocins, DM1 and DM4), whether produced by a botanical source, natural fermentation, chemical synthesis or otherwise, and shall include, without limitation, all variants, fragments or derivatives of any of the foregoing, in each case owned or Controlled by ImmunoGen.

1.46 "Multi-Target Agreement" means that certain Multi-Target Agreement effective as of [insert date] by and between ImmunoGen and Lilly, as the same may be amended from time to time.

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

1.48 "Net Sales" means the gross invoiced sales prices charged for all Licensed Products sold by Licensee or its Affiliates or Sublicensees to Third Parties throughout the

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Territory in *bona fide* arm's length transactions, as determined in accordance with the Lilly Accounting Standards, less the following amounts incurred or paid by Lilly or its Affiliates or Sublicensees with respect to sales of Licensed Products:

(a) trade, quantity and cash discounts actually allowed or taken;

(b) discounts, refunds, rebates, chargebacks, retroactive price adjustments, and any other allowances actually allowed or given which effectively reduce the net selling price;

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

(d) the standard selling price of devices used for dispensing or administering the Licensed Product, or the inventory cost if such devices are not sold independently from the Licensed Products which are shipped with the Licensed Product and included in the gross invoiced sales price;

(e) any non-recoverable tax imposed on the production, sale, delivery or use of the Licensed Product, including, without limitation, sales, use, excise and value added taxes borne by the seller thereof, other than franchise or income tax of any kind whatsoever, or the portion of the annual fee imposed on the pharmaceutical manufacturers by the U.S. Government attributable or allocable to Net Sales of Licensed Products;

(f) wholesaler inventory management fees;

(g) allowances for distribution expenses; and

(h) other reductions or specifically identifiable amounts deducted for reasons similar to those listed above in accordance with the Lilly Accounting Standards.

Net Sales shall not include sales or transfers among Lilly and its Affiliates and Sublicensees where the Licensed Product is intended for subsequent sale to the end user. All the foregoing elements of Net Sales calculations shall be determined from the books and records of Lilly and its Sublicensees, maintained in accordance with the Lilly Accounting Standards or, in the case of Sublicensees, such similar accounting principles, consistently applied.

In the event a Licensed Product is sold as a component of a combination or bundled product that consists of a Licensed Product together with another therapeutically active product, or screening or diagnostic product, for the same Indication (a **"Combination"**), the Net Sales

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from the Combination, for the purposes of determining royalty payments hereunder, shall be determined by multiplying the Net Sales of the Combination (as defined in the standard Net Sales definition above) by the fraction A/(A+B), where A is the weighted average per unit sale price of the Licensed Product when sold separately in finished form in the country in which the Combination is sold in similar volumes and of the same class, purity, potency and dosage form, and B is the weighted average per unit sale price of the other product(s) included in the Combination when sold separately in finished form in the country in which the Combination is sold in similar volumes and of the same class, purity, potency and dosage form.

In the event that the weighted average per unit sale price of the Licensed Product can be determined but the weighted average per unit sale price of the other product(s) included in the Combination cannot be determined, Net Sales for purposes of determining royalty payments shall be calculated by multiplying the Net Sales of the Combination (as defined in the standard Net Sales definition above) by the fraction A/C, where A is the weighted average sale price of the Licensed Product when sold separately in finished form in the country in which the Combination is sold in similar volumes and of the same class, purity, potency and dosage form, and C is the weighted average per unit sale price of the Combination.

In the event that the weighted average per unit sale price of the other product(s) included in the Combination can be determined but the weighted average per unit sale price of the Licensed Product in similar volumes and of the same class purity, potency and dosage form as in the Combination cannot be determined, Net Sales for purposes of determining royalty payments shall be calculated by the following formula: one (1) minus (B/C) where B is the weighted average per unit sale price of the other product(s) included in the Combination when sold separately in finished form in the country in which the Combination is sold in similar volumes and of the same class, purity, potency and dosage form and C is the weighted average per unit sale price of the Combination.

In the event that such average per unit sale price cannot be determined for the Licensed Product, on the one hand, and all other product(s) included in the Combination, on the other, Net Sales for the purposes of determining royalty payments shall be [***] based on [***], such [***] to be[***] in [***].

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The weighted average per unit sale price for both the Licensed Product, on the one hand, and all other product(s) included in the Combination, on the other, shall be calculated [***] and such price shall be used during all applicable royalty reporting periods for the [***]. When determining the weighted average per unit sale price of a Licensed Product, other product(s), or Combination, the weighted average per unit sale price shall be calculated by dividing sales dollars (translated into U.S. Dollars using the Lilly Standard Exchange Rate Methodology) by the units sold during the [***] months (or the number of months in which sales occurred in a [***]) of the preceding [***] for the respective Licensed Product, other product(s), or Combination. In the initial [***], a [***] will be used for the Licensed Product, other product(s), or Combination. Any over- or under-payment due to a difference between the forecasted and actual weighted average per unit sale price will be paid or credited in the first royalty payment of the following [***].

1.49 "Non-Major Country" means any country in the Territory that is not a Major Country.

1.50 "Patent Rights" means the rights and interests in and to any and Patents. For purposes of this Agreement the term "Patents" shall mean: (a) all national, regional and international patent applications (including provisional applications and applications for certificates of invention); (b) any patents issuing from such patent applications (including certificates of invention); (c) all patent applications claiming priority from of any of the foregoing ((a) or (b)), including divisionals, continuations, continuations-in-part, converted provisionals and continued prosecution applications; (d) any and all patents that have issued or in the future issue from the foregoing patent applications; (e) any and all extensions or restorations by existing or future extension or restoration mechanisms, including any reissues, revalidations, re-examinations, extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications ((a), (b), (c) and (d)); and (f) any similar rights, including so-called pipeline protection or any importation, revalidation, confirmation or introduction patent or registration patent or patent of additions to any of such foregoing patent applications and patents.

1.51 "Person" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust,

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joint stock company, trust, incorporated association, joint venture or similar entity or organization, including a government or political subdivision, department or agency of a government.

1.52 "Phase I Clinical Study" means, as to a particular Licensed Product, an initial clinical study in humans with the purpose of preliminarily assessing the Licensed Product's safety, tolerability, toxicity, pharmacokinetics or other pharmacological properties.

1.53 "Phase II Clinical Study" means, as to a particular Licensed Product (a) for an oncology product, a clinical study in humans that is intended to obtain information on the Licensed Product's activity for an Indication at a prescribed (or otherwise limited) dose and administration schedule, as well as additional information on the Licensed Product's safety and toxicity, or (b) for a non-oncology product, a dose ranging clinical study in humans to evaluate further the efficacy and safety of the Licensed Product in the targeted patient population and to define the optimal dosing regimen. Without limiting the generality of the foregoing, a clinical study shall be deemed to be a "Phase II Clinical Study" hereunder if such study has been designated by the sponsor as a Phase II clinical trial on www.clinicaltrials.gov (or any successor website maintained by the U.S. National Institutes of Health (or any successor agency of the U.S. Government)).

1.54 "Phase III Clinical Study" means, as to a particular Licensed Product, a clinical study in humans that is prospectively designed to assess the safety and effectiveness of such Licensed Product in a manner sufficient to file a Drug Approval Application for the Indication under investigation in the study. Without limiting the generality of the foregoing, a clinical study shall be deemed to be a "Phase III Clinical Study" hereunder if such study has been designated by the sponsor as a Phase III clinical trial on www.clinicaltrials.gov (or any successor website maintained by the U.S. National Institutes of Health (or any successor agency of the U.S. Government)).

1.55 "PHSA" means the Public Health Service Act (42 U.S.C. § 201 *et seq.*), as amended.

1.56 "Program Technology" means any Technology conceived or first actually reduced to practice in connection with the Development or Commercialization of any Licensed Product.

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1.57 "Proprietary Materials" means any tangible chemical, biological or physical research materials that are furnished by or on behalf of one Party to the other Party in connection with this Agreement, regardless of whether such materials are specifically designated as proprietary by the transferring Party. Any mutant, derivative, progeny or improvement of a Party's Proprietary Materials shall be considered to be that Party's Proprietary Materials. Without limiting the generality of the foregoing, any [***] furnished by ImmunoGen to Lilly or any of its Affiliates, Sublicensees or Permitted Third Party Service Providers, including, without limitation any samples, cultures or cell banks derived directly or indirectly from any mutant, derivative, progeny or improvement thereof (collectively, the [***]), shall be deemed to be ImmunoGen's Proprietary Materials. Without prejudice to any of ImmunoGen's intellectual property rights in and to MAY Compounds, any tangible MAY Compounds manufactured by or for Lilly or any of its Affiliates, Sublicensees or Permitted Third Party Service Providers [***] as a [***] in connection with the Development and Commercialization of Licensed Products are not included within the meaning of the defined term "Proprietary Materials" for purposes of this Agreement.

1.58 "Regulatory Approval" means any and all approvals (including pricing and reimbursement approvals), product and establishment licenses, registrations and authorizations of any kind of any Regulatory Authority necessary for the Development, manufacture, use or Commercialization of a Licensed Product (or any component thereof) for use in the Field in any country or other jurisdiction in the Territory. The term "Regulatory Approval" shall include, without limitation, any approval by a Regulatory Authority of any NDA, BLA, MAA or other Drug Approval Application.

1.59 "Regulatory Authority" means the FDA or any counterpart to the FDA outside the United States, or other national, supra-national, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity with authority over the Development, manufacture, use or Commercialization of a Licensed Product.

1.60 "Regulatory Filings" means, collectively: (a) all INDs, NDAs, BLAs, establishment license applications, drug master files, applications for designation as an "Orphan Product" under the Orphan Drug Act, for "Fast Track" status under Section 506 of the FDCA (21 U.S.C. § 356) or for a Special Protocol Assessment under Section 505(b)(5)(B) and (C) of

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the FDCA (21 U.S.C. § 355(b)(5)(B) and (C)) or all other similar filings (including MAAs and counterparts to any of the foregoing in any country or region in the Territory) as may be required by any Regulatory Authority for the Development, manufacture, use or Commercialization of a Licensed Product in the Territory; (b) all supplements and amendments to any of the foregoing; and (c) all data and other information contained in, and correspondence relating to, any of the foregoing.

1.61 **"Restricted Period"** means the period commencing on the Effective Date and ending on the [***] anniversary of the Effective Date.

1.62 **"Sublicensee"** means any Third Party to which Lilly or one of its Affiliates grants a sublicense of the rights granted to Lilly and its Affiliates pursuant to this Agreement.

1.63 **"Target"** means a protein described by [***] that is bound by an Antibody used to create an Ab-MAY Product.

1.64 **"Target-Binding Antibody"** means an Antibody that specifically binds to the Licensed Target. For purposes of clarity, "Target-Binding Antibody" does [***].

1.65 **"Technology"** means, collectively, all inventions, discoveries, improvements, trade secrets and proprietary methods or materials, whether or not patentable, including, without limitation, macromolecular sequences, data, formulations, processes, techniques, know-how and results (including negative results).

1.66 **"Technical Transfer Materials"** has the meaning ascribed to such term in the Multi-Target Agreement.

1.67 **"Territory"** means all countries and jurisdictions of the world.

1.68 **"Third Party"** means any Person other than ImmunoGen, Lilly and their respective Affiliates.

1.69 **"Valid Claim"** means any claim (including, without limitation, a process, use or composition of matter claim) (a) in an issued and unexpired patent within the Licensed Patent Rights that (i) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, and (ii) has not been revoked, held invalid, or declared unpatentable or unenforceable in a decision of a court or other body of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal, and (iii) has not been rendered unenforceable through reissue, disclaimer or otherwise, and (iv) has

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not been disclaimed or otherwise dedicated to the public by ImmunoGen, and (v) is not lost through an interference proceeding and any appeals therefrom; or (b) in [***] within the Licensed Patent Rights that [***]. Anything contained in this Agreement to the contrary notwithstanding, a claim [***] within the Licensed Patent Rights shall remain a Valid Claim for all purposes under this Agreement, notwithstanding [***].

Additional Definitions. In addition, each of the following definitions shall have the respective meanings set forth in the section of the Agreement indicated below:

Definition	Section
Agreement	Recitals
Alliance Managers	3.1(a)
Applicant	7.5(b)
Applicant Response	7.5(c)(ii)
Baseline Net Sales	1.41
Biosimilar Application	7.5(a)
BPCIA	7.5(a)
Challenge Jurisdiction	5.3(e)
Challenged Patent Rights	5.3(e)
Challenge-Related Royalty Increase	5.3(e)
Clawback Amount	5.3(e)
Combination	1.48
Covered Results	6.3
Covers	5.3(c)(iii)
[***]	[***]
Disclosing Party	1.12
Disclosure Letter	9.1(c)
Dispute	11.12
Effective Date	Recitals
Immediate Patent Infringement Action	7.5(c)(v)
ImmunoGen	Recitals

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ImmunoGen Indemnitees	10.1(a)
ImmunoGen Proprietary Antibody	1.25
Indemnified Party	10.2
Indemnifying Party	10.2
Infringed Patent List	7.5(c)(v)
Infringement	7.4(a)
Infringement Notice	7.4(a)
JDC	3.2(a)
Lilly	Recitals
Lilly Indemnitees	10.1(b)
Lilly Response	7.5(c)(iii)
Losses	10.1(a)
Material Breach	8.2(b)
Monies	7.4(g)
Negotiation Period	7.5(c)(v)
Patent Committee	7.2(c)(i)
Patent List	1.33
Party/Parties	Recitals
Permitted Third Party Service Providers	2.1(a)
Post-Royalty Term Issued Patents	5.5(b)
Pre-Market Notice	7.5(d)(ii)
Proposed Biosimilar Product	7.5(a)
Proposed Patent List	7.5(c)(i)
Receiving Party	1.12
Reinstated License	5.5(b)
Reinstated Royalty Term	5.5(b)
Representatives	1.12
Royalty Restoration Date	5.5(b)
Royalty Term	5.5

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Safety Data Exchange Agreement	3.4
[***]	[***]
Term	8.1(a)
Third Party Claims	10.1(a)
Third Party Payments	5.3(b)
Upfront Fee	5.1
Wind-Down Period	8.3(a)

2. GRANT OF RIGHTS

2.1 License Grants.

(a) License to Lilly. Subject to the terms and conditions of this Agreement, ImmunoGen hereby grants to Lilly and its Affiliates an exclusive, non-transferable (except as expressly permitted in this Agreement), royalty-bearing license, including the right to grant sublicenses as described in Section 2.1(b) hereof, under the Licensed Intellectual Property to Develop, make, have made, use, sell, offer for sale, import, export and otherwise Commercialize Licensed Products in the Field in the Territory. Lilly and its Affiliates shall have the right, without ImmunoGen's permission or consent but subject to the conditions set forth herein, to engage one or more Third Parties (**"Permitted Third Party Service Providers"**) as subcontractors to perform designated functions in connection with its activities under this Agreement (including transferring Licensed Technology as may be necessary for such Affiliate or Permitted Third Party Service Provider to perform such designated functions), provided that (a) Lilly shall [***] and (b) Lilly shall [***].

(b) Right to Sublicense. Lilly and its Affiliates shall have the right to grant sublicenses under the license rights granted to it under Section 2.1(a) hereof with respect to any Licensed Product to any Sublicensee, provided, that: (i) each such sublicense shall be consistent with the terms and conditions of this Agreement; (ii) Lilly shall [***]; and (iii) Lilly shall [***].

2.2 Retained Rights and Covenants.

(a) Retained Rights. Subject to the other terms of this Agreement (including, without limitation, Section 2.2(b) hereof), ImmunoGen retains the right to use the Licensed

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Technology and practice the Licensed Patent Rights (i) to perform its responsibilities under this Agreement; and (ii) to develop, make, have made, use, sell, offer for sale, import, export or otherwise commercialize [***] the Licensed Target while [***] (and to grant licenses to Third Parties to do the same). For the avoidance of doubt, this Section 2.2 shall not confer on ImmunoGen any right to Develop, make, have made, use, sell, offer for sale, import, export or otherwise Commercialize [***] or [***] that [***] of [***] that [***] to the [***] while the [***] under Section [***] hereof [***].

(b) Covenants. Notwithstanding anything to the contrary contained in Section 2.2(a) or 2.4 hereof, ImmunoGen hereby agrees that, during the period that the exclusive license granted under Section 2.1(a) hereof remains in effect, it shall not (i) except as necessary to perform its responsibilities under this Agreement, [***] or otherwise [***] any Licensed Product or other product that consists of [***] that specifically binds to the Licensed Target, or (ii) [***]; provided that the foregoing shall not restrict ImmunoGen's right to [***] provided further that under no circumstance shall such [***] include any grant/conveyance of any rights to Develop, make, have made, use, sell, offer for sale, import, export and otherwise Commercialize Licensed Products in the Field in the Territory.

2.3 Use of Licensed Technology. In connection with any Licensed Technology transferred to Lilly pursuant to this Agreement and except as otherwise provided in a separate written agreement between ImmunoGen and Lilly, Lilly hereby agrees that (a) it shall not use such Licensed Technology for any purpose other than exercising its rights and performing its obligations hereunder; (b) it shall use such Licensed Technology only in compliance with all Applicable Laws; (c) it shall not transfer any such Licensed Technology to any Third Party (other than Sublicensees) without the prior written consent of ImmunoGen, except as expressly permitted hereby; and (d) except for the rights expressly set forth herein, Lilly is not granted any other rights, title or interest in or to such Licensed Technology as a result of such transfer by ImmunoGen.

2.4 Improvement License to ImmunoGen. Lilly hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free, worldwide license [***], under Lilly's interest in any Lilly Improvements and Joint Improvements, including, without limitation, any Patent Rights claiming such Improvements: (a) to research, develop, make, have made, use, sell,

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offer for sale, import, export and otherwise commercialize [***] during the period that the exclusive license granted under Section 2.1(a) hereof remains in effect, any [***] and any [***] that [***]); and (b) to otherwise exploit such Improvement for any and all uses outside of the field of human therapeutic, prophylactic and diagnostic uses. ImmunoGen's ability to grant sublicenses to Lilly's interest in any Lilly Improvements and Joint Improvements shall be effective in any given case only if [***]. For purposes of clarity, the license granted under this Section 2.4 excludes any right [***] any [***] or other [***] that [***] to the [***] for any use [***] while the exclusive license granted under Section 2.1(a) hereof remains in effect.

3. DEVELOPMENT AND COMMERCIALIZATION OF lICENSED PRODUCTS

3.1 Alliance Management.

(a) Appointment of Alliance Managers. Promptly after the Effective Date, the Parties shall each appoint an individual who shall oversee contact between the Parties for all matters related to this Agreement and the Parties' respective activities hereunder (the **"Alliance Managers"**). The Alliance Managers may, but are not required to be, members of the JDC, but in all events the Alliance Managers shall have the right to attend all meetings of the JDC and may bring to the attention of the JDC, any matters or issues either of them reasonably believes should be discussed by such committee. Each Party may replace its Alliance Manager at any time by notice to the other Party.

(b) Responsibilities. The Alliance Managers shall have the responsibility of creating and maintaining a constructive work environment between the Parties for all matters related to this Agreement and the Parties' respective activities hereunder. Without limiting the generality of the foregoing, the Alliance Managers shall:

(i) identify and bring to the attention of their respective managements any disputes arising between the Parties related to this Agreement or the Parties' respective activities hereunder in a timely manner, including, without limitation, any asserted occurrence of a Material Breach by a Party, and function as the point of first referral in the resolution of each dispute;

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(ii) provide a single, continuous point of communication between the Parties with respect to this Agreement and the Parties' respective activities hereunder;

(iii) plan and coordinate efforts and external communications by or between the Parties with respect to this Agreement and the Parties' respective activities hereunder;

(iv) take such steps as may be required to ensure that meetings of the JDC occur as set forth in this Agreement, that procedures are followed with respect to such meetings (including, without limitation, the giving of proper notice and the preparation and approval of minutes) and that relevant action items resulting from such meetings are appropriately carried out or otherwise addressed; and

(v) undertake such other responsibilities as the Parties may mutually agree in writing.

3.2 Joint Development Committee.

(a) Mandate and Establishment of Committee. Promptly after the Effective Date, the Parties shall form a joint development committee (the **"JDC"**) to serve as a forum for coordination and communication between the Parties with respect to the Development of Licensed Products, the exchange of safety data (as further described in Section 3.4 hereof) relating to Licensed Products and other products containing MAY Compounds, and to assist Lilly in its exercise of its rights to make or have made Licensed Products under this Agreement. Within [***] days after the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2) or more than five (5) each) for membership on the JDC. Each Party may change its representative(s) as it deems appropriate by written notice to the other Party. From time to time the JDC may establish one or more sub-teams comprised of an equal number of representatives from both Parties to undertake specific responsibilities of the JDC, which sub-teams shall be governed in the same manner and subject to the relevant requirements set forth herein for the JDC. Lilly may dissolve the JDC upon achievement of the first approval of a Drug Approval Application by the applicable Regulatory Authority for any Licensed Product.

(b) Chair of Committee; Meetings. The chair of the JDC shall be one of the Lilly representatives (or at Lilly's sole discretion, co-chaired by two Lilly representatives) on the

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JDC, as designated by Lilly. The JDC shall meet on a semi-annual basis or other schedule agreed upon by the Parties, unless the Parties mutually agree in advance of any scheduled meeting that there is no need for such meeting. In such instance, the next JDC meeting shall also be scheduled as agreed upon by the Parties. The location of meetings of the JDC shall alternate between ImmunoGen's offices and Lilly's offices, unless otherwise agreed by the Parties. As agreed upon by the Parties, JDC meetings may be face-to-face or may be conducted through teleconferences or videoconferences, provided that at least two (2) JDC meetings during any Calendar Year shall be conducted face-to-face, unless otherwise agreed to by the Parties. In addition to its JDC representatives, each Party shall be entitled to have other employees attend such meetings to present and participate, though not in a decision-making capacity. Each Party shall bear its own costs and expenses, including travel and lodging expense, that may be incurred by JDC representatives or other attendees at JDC meetings, as a result of such meetings hereunder. Minutes of each JDC meeting will be transcribed and issued to members of the JDC by the Alliance Manager (or his or her designee) of one of the Parties on an alternating basis within [***] days after each meeting, and such minutes shall be reviewed and modified as mutually required to obtain approval of such minutes promptly thereafter.

3.3 Development and Commercialization.

(a) Responsibility and Authority. On and after the Effective Date, Lilly shall have sole authority and responsibility (notwithstanding the formation of the JDC or its decisions and/or disputes among the membership of the JDC) for the Development, manufacture, use and Commercialization of Licensed Products in the Field in the Territory, including, without limitation: (i) the conduct of all research and pre-clinical Development activities (including, without limitation, the assessment of alternative designs for the Licensed Products, the selection of the final Target-Binding Antibodies, MAY Compounds and linkers to be used in the Licensed Products and the selection of the Licensed Products to be Developed, all pre-clinical and IND-enabling studies (including, without limitation, toxicology testing), any pharmaceutical development work on formulations and process development relating to any such Licensed Products); (ii) all activities related to human clinical trials; (iii) all activities relating to the manufacture and supply of Target-Binding Antibodies, MAY Compounds, linkers and Licensed Products, to the extent such activities relate to the Development, manufacture, use and

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Commercialization of Licensed Products (including, without limitation, all required process development and scale up work with respect thereto); and (iv) all Commercialization activities relating to any Licensed Product (including, without limitation, marketing, promotion, sales, distribution, import and export activities and any post-marketing trials and safety surveillance). Without limiting the generality of the foregoing, Lilly shall have full control and authority and sole responsibility for (A) making all Regulatory Filings for Licensed Products and filing all Drug Approval Applications and otherwise seeking all Regulatory Approvals regarding such matters and (B) reporting of all adverse events to Regulatory Authorities if and to the extent required by Applicable Laws. All activities relating to Development, manufacture, use and Commercialization of Licensed Products under this Agreement shall be undertaken at Lilly's sole cost and expense, except as otherwise expressly provided in this Agreement.

(b) Due Diligence. Lilly will use, and will cause any Sublicensee to use, [***] to Develop Licensed Products and to undertake investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products, in the Field and in the Territory and, if approved, to Commercialize Licensed Products, such [***] to be in accordance with the efforts and resources Lilly would use for a compound owned by it or to which it has rights, and that is of [***] at a [***] as the applicable Licensed Product, taking into account [***] of such Licensed Product, [***] and [***] of such Licensed Product, the [***] requirements involved in its Development, Commercialization and Regulatory Approval, the [***] and [***] to [***] and [***] such Licensed Product [***], the [***] of the applicable compound or pharmaceutical product (including, without limitation, [***] and [***] achieved or likely to be achieved) and other relevant factors including, without limitation, technical, marketplace competitiveness, legal, scientific and/or medical factors. Anything contained in this Agreement to the contrary notwithstanding, the obligations under this Section 3.3(b) shall cease upon achievement of the [***] of a [***] by the applicable [***] for any Licensed Product in any of the [***] or [***].

(c) Compliance. Each Party shall perform its obligations under this Agreement in compliance in all material respects with all Applicable Laws, provided that, with respect to each activity so performed that will or would reasonably be expected to be submitted to a Regulatory Authority in support of an Regulatory Filing, Lilly shall comply in all material

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respects with the regulations and guidance of the FDA that constitute GLP or GMP (or, if and as appropriate under the circumstances, other comparable regulation and guidance of any applicable Regulatory Authority in any country or region in the Territory). Furthermore, each Party, to the extent applicable, will comply with Lilly's animal use policy as set forth in **Schedule C** attached hereto in carrying out any animal research, if any, in connection with the Development of Licensed Products hereunder.

3.4 Safety; Adverse Event Reporting. At least [***] days prior to [***], the Parties, through the JDC, will determine the desirability of entering into a separate, related safety data exchange agreement (the **"Safety Data Exchange Agreement"**) providing details related to managing adverse events that occur during clinical trials, safety issues arising from pre-clinical research and other safety and reporting practices and procedures (including all activities outlined in Section 3.3 hereof) in compliance with all Applicable Laws. If the Parties determine that a separate, written Safety Data Exchange Agreement is desirable, they agree to negotiate the terms of such agreement in good faith. Any breach of the Safety Data Exchange Agreement by either Party shall not, in and of itself, be deemed to be a breach of this Agreement.

3.5 Updates and Reports; Notification of Milestones; Product Recalls.

(a) Updates and Reports. [***], Lilly shall provide ImmunoGen with brief written reports, which ImmunoGen may request no more frequently than once per Calendar Year until satisfaction of Lilly's obligations under Section 3.3(b) hereof, that shall summarize Lilly's efforts to Develop the Licensed Products in the Field in the Territory, identify the Drug Approval Applications that Lilly or its Affiliates or Sublicensees have filed, sought or obtained in the prior [***] month period, and any they reasonably expect to make, seek or attempt to obtain in the following [***] month period. The Parties agree that the minutes of the JDC meetings may serve as reports hereunder, to the extent such minutes adequately address the above subject matter.

(b) Notification of Milestone Achievement. Lilly shall provide ImmunoGen with prompt written notice of the occurrence of any event giving rise to an obligation to make a milestone payment to ImmunoGen under Section 5.2 hereof, which shall in any event be no later than [***] Business Days after the occurrence of such event, and shall provide ImmunoGen with prompt written notice of the occurrence of the First Commercial Sale of any Licensed Product in

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any country. In the event that, notwithstanding the fact that Lilly has not given any such notice, ImmunoGen believes any such milestone event has occurred, it shall so notify Lilly in writing, and shall provide to Lilly the data and information demonstrating that the conditions for payment have been achieved. Within [***] Business Days of its receipt of such notice, the Parties shall confer to review the data and information and shall agree in good faith whether or not the conditions for payment have been achieved.

(c) Correspondence for Licensed Products. To the extent reasonably practicable and subject to any Third Party confidentiality obligations, Lilly shall provide ImmunoGen with copies of any material documents or correspondence pertaining to ImmunoGen's manufacture or supply of MAY Compound or Licensed Product in drug substance form and prepared for submission to any Regulatory Authority and any material documents or other correspondence received from any Regulatory Authority pertaining to ImmunoGen's manufacture or supply of MAY Compound or Licensed Product in drug substance form. ImmunoGen shall complete its review within [***] Business Days after receipt of the proposed submission. When requested in writing, ImmunoGen shall use commercially reasonable efforts to provide assistance to Lilly in obtaining Regulatory Approvals for Licensed Products. Notwithstanding the foregoing, Lilly shall have the sole responsibility for, and ImmunoGen agrees that Lilly shall be the sole owner of, any Regulatory Approval for the Licensed Products.

(d) Product Recalls. In the event any Regulatory Authority issues or requests a recall or takes similar action with respect to a Licensed Product that Lilly reasonably believes is or may be attributable to or otherwise relates to the Licensed Intellectual Property, or in the event either Party reasonably believes that an event, incident or circumstance has occurred that may result in the need for such a recall, such Party shall promptly notify the other Party thereof by telephone, facsimile or email. Following such notification, Lilly shall decide and have control of whether to conduct a recall or market withdrawal (except in the event of a recall or market withdrawal mandated by a Regulatory Authority, in which case it shall be required) or take such other corrective action in any country and the manner in which any such recall, market withdrawal or corrective action shall be conducted, provided that Lilly shall keep ImmunoGen informed regarding any such recall, market withdrawal or corrective action as ImmunoGen from time to time may reasonably request, but only to the extent Lilly is legally permitted to do so.

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Lilly shall bear all expenses of any such recall, market withdrawal or corrective action, including, without limitation, expenses of notification, destruction and return of the affected Licensed Product and any refund to customers of the amounts paid for such Licensed Product.

(e) Confidential Information. All reports, updates, product complaints and other information provided by the Disclosing Party to the Receiving Party under this Agreement (including under this Section 3.5), shall be considered Confidential Information of the Disclosing Party, subject to the terms of Section 6 hereof.

4. SUPPLY AND MANUFACTURING OBLIGATIONS; SERVICES

4.1 Supply of Materials. Lilly shall be responsible, at its sole cost, for manufacturing or having manufactured, all materials (including without limitation, all Target-Binding Antibodies, linkers, MAY Compounds and Licensed Products) to enable it to Develop and Commercialize Licensed Products (including as required for any pre-clinical, clinical and commercial use of Licensed Products, including process development and scale-up). In the event Lilly elects to manufacture or have manufactured by a Permitted Third Party Service Provider Licensed Products, or linkers or MAY Compounds therefor, then ImmunoGen shall (a) provide the Technical Transfer Materials to Lilly for the purpose of enabling Lilly to exercise its rights under this Agreement with respect to the Licensed Product, to the extent such Technical Transfer Materials have not already been provided by ImmunoGen to Lilly pursuant to the Multi-Target Agreement [***]. Notwithstanding the foregoing, Lilly shall promptly notify ImmunoGen whenever Lilly has, directly or indirectly, engaged any Permitted Third Party Service Provider to provide any MAY Compound for use, or potential use, in the manufacture of any Licensed Product or any of its components. Such notice shall set forth such Permitted Third Party Service Provider's name, address and contact information (*e.g.*, telephone number(s) and/or email address(es)).

4.2 Supply of MAY Compound by ImmunoGen for Non-Clinical Development. Notwithstanding anything to the contrary in Section 4.1 hereof, during the Term, Lilly may request ImmunoGen to supply Lilly with such quantities of MAY Compound as may be reasonably requested by Lilly in order to conduct all pre-clinical Development activities

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relating to Licensed Products. Lilly shall order all amounts of MAY Compound, and ImmunoGen shall use commercially reasonable efforts to deliver all such ordered amounts, in accordance with forecasting parameters, advance ordering timeframes and delivery timeframes and specifications to be agreed upon by the Parties. ImmunoGen shall charge, and Lilly agrees to pay, [***] for such MAY Compound. In connection with such supply pursuant to this Section 4.2, Lilly hereby agrees that (a) it shall not use the MAY Compound in any human subject; and (b) it shall use the MAY Compound in compliance with all Applicable Laws. Lilly shall be entitled to transfer MAY Compound to any Affiliate, Sublicensee or Permitted Third Party Service Provider under terms obligating such Affiliate, Sublicensee or Permitted Third Party Service Provider not to transfer or use such MAY Compound except in compliance with the preceding sentence.

4.3 Services; Supply of Drug Substance. If, during the Term, Lilly requests that ImmunoGen conduct (a) [***], (b) [***], (c) manufacturing and/or supply of Licensed Product in drug substance form for any [***], or [***], but excluding [***] and [***], or (d) any other tasks in connection with the Development, manufacture, use and Commercialization of Licensed Products with respect to which the Parties may mutually agree, then the Parties shall negotiate in good faith the terms of separate written agreements (which may include, without limitation, master agreements, supply agreements, service agreements and quality agreements) for each of the activities to be performed thereunder.

5. FINANCIAL TERMS

5.1 Upfront Fee. In consideration of the grant of the license described in Section 2.1 hereof, Lilly hereby agrees to pay ImmunoGen an upfront fee (the **"Upfront Fee"**) in the amount of [Zero United States Dollars ($0.00)/Two Million United States Dollars ($2,000,000)] payable in accordance with Section 5.6(d) hereof within [***] days after the Effective Date, which Upfront Fee shall be non-refundable and non-creditable.

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Milestone Payments for Licensed Products. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, Lilly will make the following payments to ImmunoGen in accordance with Section 5.6(d) hereof within [***] days after Lilly's receipt of an invoice from ImmunoGen reflecting the first occurrence of each of the milestones set forth below:

Clinical Milestones	Milestone Payment
(a) Initiation of first Phase I Clinical Study for a Licensed Product	$5.0 Million
(b) Initiation of first Phase II Clinical Study for a Licensed Product	$9.0 Million
[***]	[***]
Regulatory Milestones	
[***]	[***]
[***]	[***]
Sales Milestones	
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

If the milestone described in [***] above occurs before milestone described in [***] above, the milestone payment payable upon the occurrence of the milestone described in [***]

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above shall be increased from $[***] to [$[***]], and no milestone payment will be payable with respect to any [***] of the [***]. It is hereby acknowledged and agreed that any milestone payment shall be [***], with respect to the [***] of the [***], regardless of how many times [***] is [***] and [***]. All milestone payments shall be nonrefundable and noncreditable. Lilly shall notify ImmunoGen of the achievement of each milestone hereunder as provided in Section 3.5(b) hereof.

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

(a) Royalty Payments. For each Licensed Product, commencing on the first date of First Commercial Sale of such Licensed Product in any country or jurisdiction in the Territory, Lilly shall pay to ImmunoGen the following royalties based on Net Sales of such Licensed Product sold by Lilly, its Affiliates and its Sublicensees, on an incremental basis in each Calendar Year during the Royalty Term, at the following rates:

For Calendar Year Worldwide Net Sales of Licensed Products	Royalty Rate (% of Calendar Year Net Sales)
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b) Third Party Royalty Offset. Subject to Section 5.3(f) hereof, if, with respect to a Calendar Quarter, Lilly [***] to one or more Third Parties in consideration for a [***], in the [***] Lilly could [***] the Licensed Intellectual Property [***] to [***] or [***] the [***] or [***] of any Licensed Product included within the Licensed Intellectual Property

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[***] owned by such Third Party in any country (collectively, **"Third Party Payments"**), as evidenced, to the extent requested by ImmunoGen, by [***] and approved by [***] (which approval shall not be unreasonably withheld), then Lilly shall have the right to reduce the royalties otherwise due to ImmunoGen pursuant to Section 5.3(a) or 5.3(d) hereof (but not the royalties otherwise due to ImmunoGen pursuant to Section 5.3(c) hereof) with respect to Net Sales in such country of such Licensed Products in such Calendar Quarter by an amount equal to [***] of the amount of such Third Party Payments. For purposes of clarity, the term "Third Party Payments" includes only [***] payable on the same basis as required by this Section 5.3, and does not include [***] in excess of [***], any amounts paid for [***] or any amount paid for rights not required to permit Lilly to practice the Licensed Intellectual Property to make, use, sell or import the MAY Compound portion or linker portion of any Licensed Product included in the Licensed Intellectual Property in any country.

(c) Valid Claim Coverage.

(i) No Patent Coverage. Subject to Section 5.3(f) hereof, the royalty rates set forth in Sections 5.3(a), 5.3(d) and 5.3(e) hereof shall apply, on a country-by-country basis and Licensed Product-by-Licensed Product basis, to Net Sales of Licensed Products only where (A) such Licensed Product (or its manufacture, use, sale, offer for sale or importation) in such country is Covered by a Valid Claim within the Licensed Patent Rights or (B) the manufacture of such Licensed Product (or of any component of such Licensed Product), at the time of its manufacture, was Covered by a Valid Claim within the Licensed Patent Rights in the country of manufacture. Subject to the other terms of this Agreement (except for Section 5.3(b) hereof, which shall not apply), on a country-by-country and Licensed Product-by-Licensed Product basis where and as of and when the royalty rates under Sections 5.3(a), 5.3(d) and 5.3(e) hereof do not apply as a result of this Section 5.3(c)(i), the royalties payable with respect to Net Sales of such Licensed Product sold by Lilly, its Affiliates and its Sublicensees in such country shall be reduced by [***] of the royalties otherwise owed to ImmunoGen pursuant to Section 5.3(a) or 5.3(e) hereof, as applicable, without giving effect to any royalty reduction provided in Section 5.3(d) hereof, using the methodology outlined in **Schedule B** attached hereto. The Parties hereby acknowledge and agree that such royalties shall be in consideration of

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the commercial advantage, know-how and background information gained from the unpatented Licensed Technology.

(ii) Applicability of Royalty Rates. For purposes of clarity, (A) if a Licensed Product (or its manufacture, use, sale, offer for sale or importation) is Covered by a Valid Claim in a country within the Territory such that royalties are paid by Lilly pursuant to Section 5.3(a), 5.3(d) or 5.3(e) hereof and, prior to the expiration of the Royalty Term for such Licensed Product in such country, the Licensed Product (and its manufacture, use, sale, offer for sale or importation) is no longer Covered by a Valid Claim in such country, Lilly shall pay ImmunoGen a royalty at the rate set forth in Section 5.3(c)(i) hereof for the portion of the Royalty Term during which no such Valid Claim Covers such Licensed Product (or its manufacture, use, sale, offer for sale or importation) in such country; and (B) if a Licensed Product (or its manufacture, use, sale, offer for sale or importation) is not Covered by a Valid Claim in a country within the Territory such that royalties are paid by Lilly pursuant to Section 5.3(c)(i) hereof and, prior to the expiration of the Royalty Term for such Licensed Product in such country, the Licensed Product (or its manufacture, use, sale, offer for sale or importation) becomes Covered by a Valid Claim within the Licensed Patent Rights in such country, Lilly shall pay ImmunoGen a royalty at the rates set forth in Section 5.3(a), 5.3(d) or 5.3(e) hereof, as applicable, for that portion of the Royalty Term during which such Valid Claim Covers such Licensed Product (or its manufacture, use, sale, offer for sale or importation) in such country.

(iii) Definition of "Cover". For the sole purposes of this Section 5.3 (and for no other purpose under this Agreement), a Valid Claim within the Licensed Patent Rights **"Covers"** the Licensed Product (or its manufacture, use, sale, offer for sale or importation) in a country if, but for the license granted under Section 2.1(a) hereof, the manufacture, use, sale, offer for sale or importation of the Licensed Product by Lilly or any of its Affiliates or Sublicensees in such country would infringe such Valid Claim; provided, however, that in determining whether a Valid Claim within such Licensed Patent Rights **"Covers"** (as defined above) the Licensed Product (or its manufacture, use, sale, offer for sale or importation), (A) any Valid Claim within the Licensed Patent Rights that is jointly owned by Lilly (or any of its Affiliates) with ImmunoGen (or any of its Affiliates) shall be deemed to be owned solely by

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ImmunoGen or an Affiliate of ImmunoGen and (B) any Valid Claim contained in [***] within the Licensed Patent Rights that has not been (1) canceled, withdrawn or abandoned or (2) [***] shall be deemed to [***].

(d) Loss of Market Exclusivity.

(i) Major Countries. Subject to Section 5.3(f) hereof, if, with respect to a Calendar Quarter, Lilly or any of its Affiliates or Sublicensees experiences a Loss of Market Exclusivity for a Licensed Product in any Major Country, then Lilly shall have the right to reduce the royalties otherwise due to ImmunoGen pursuant to Section 5.3(a) or 5.3(e) hereof (but not the royalties otherwise due to ImmunoGen under Section 5.3(c) hereof) with respect to Net Sales in such country of such Licensed Products in such Calendar Quarter as described below, in each case using a methodology similar to that outlined in **Schedule B** attached hereto. In calculating royalty reductions pursuant to this Section 5.3(d), the applicable WARR (as defined in **Schedule B**) shall be multiplied by a percentage which is equal to a fraction, the numerator of which is the actual Net Sales of the Licensed Product in the country for the applicable Calendar Quarter during the period of Loss of Market Exclusivity, and the denominator of which is the Baseline Net Sales of the Licensed Product in such country; provided, however, that (i) if the percentage referred to above is [***], no reductions shall be made pursuant to this Section 5.3(d) with respect to Net Sales of the Licensed Product in such country for such Calendar Quarter; and (ii) such percentage shall never be less than [***], regardless of whether Net Sales of such Licensed Product in such country for such Calendar Quarter are [***] of the applicable Baseline Net Sales.

(ii) Non-Major Countries. Subject to Section 5.3(f) hereof, if, with respect to a Calendar Quarter, Lilly or any of its Affiliates or Sublicensees experiences a Loss of Market Exclusivity for a Licensed Product in any Non-Major Country, then Lilly shall have the right to reduce the royalties otherwise due to ImmunoGen pursuant to Section 5.3(a) or 5.3(e) hereof (but not the royalties otherwise due to ImmunoGen under Section 5.3(c) hereof) with respect to Net Sales in such country of such Licensed Products in such Calendar Quarter and [***] in such country as described below, in each case using a methodology similar to that outlined in **Schedule B** attached hereto. In calculating royalty reductions pursuant to this Section 5.3(d), the applicable WARR (as defined in **Schedule B**) shall be multiplied by [***].

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(e) Effect of Challenge. In further consideration of the grant by ImmunoGen of the license hereunder and except to the extent the following is unenforceable under the Applicable Laws of a particular jurisdiction where a patent application within the Licensed Patent Rights is pending or a patent within the Licensed Patent Rights is issued, if Lilly, its Affiliates or Sublicensees initiates a Challenge or induces or assists a Third Party in initiating or prosecuting a Challenge (the Licensed Patent Rights subject to such Challenge being referred to herein as the **"Challenged Patent Rights"**), then during the period that such Challenge is pending, the royalty rates set forth in Section 5.3(a) hereof shall be increased by an additional [***] of annual Net Sales (the **"Challenge-Related Royalty Increase"**) in the country(ies) in which the Challenged Patent Rights were pending or issued (each, a **"Challenge Jurisdiction"**) commencing on the date of such initiation or the date Lilly, its Affiliates or Sublicensees first induces or provides assistance to such Third Party, as applicable, but only with respect to Net Sales of Licensed Products in the applicable Challenge Jurisdiction(s). Each Party shall pay its respective expenses (including attorneys' fees and expenses) with respect to the assertion of or response to any Challenge. Following the final, unappealable conclusion of a Challenge in a Challenge Jurisdiction, Lilly's obligation to pay the Challenge-Related Royalty Increase shall [***]. If, following the final, unappealable conclusion of a Challenge in a Challenge Jurisdiction, there remains one or more Valid Claims within the Challenged Patent Rights that would be infringed by the manufacture, use, sale, offer for sale or importation of Licensed Products by Lilly or any of its Affiliates or Sublicensees in the Challenge Jurisdiction in the absence of the license granted under Section 2.1(a) hereof, then ImmunoGen shall be entitled to (i) retain all amounts with respect to the Challenge-Related Royalty Increase actually paid by Lilly to ImmunoGen with respect to the Challenge Jurisdiction, and (ii) be paid any amounts owing with respect to the Challenge-Related Royalty Increase that are accrued but unpaid prior to the date Lilly's obligation to pay the Challenge-Related Royalty Increase ceases as provided above (for avoidance of any doubt, under the circumstances described in this sentence, since the Challenge-Related Royalty Increase has ceased, for any period from and after the date of such cessation, royalties under this Agreement shall only be those royalties that ImmunoGen would otherwise be entitled to under this Agreement disregarding the Challenge-Related Royalty Increase). If, following the final, unappealable conclusion of a Challenge in a Challenge

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Jurisdiction, there remain no Valid Claims within the Challenged Patent Rights that would be infringed by the manufacture, use, sale, offer for sale or importation of Licensed Products by Lilly or any of its Affiliates or Sublicensees in such Challenge Jurisdiction in the absence of the license granted under Section 2.1(a) hereof, then ImmunoGen shall reimburse Lilly for all amounts paid with respect to the Challenge-Related Royalty Increase actually paid by Lilly to ImmunoGen with respect to the Challenge Jurisdiction (the **"Clawback Amount"**) as follows: (A) Lilly shall be entitled to credit [***] percent ([***]%) of each royalty payment due under Section 5 hereof as they become due from and after the final, unappealable conclusion of such Challenge in such Challenge Jurisdiction against the Clawback Amount until reimbursed in full; and (B) any unreimbursed portion of the Clawback Amount outstanding at the conclusion of the Royalty Term in all countries and jurisdictions in the Territory shall be paid to Lilly within [***] days after receipt by ImmunoGen of an invoice from Lilly therefor.

(f) Minimum Royalty Rate. Anything contained in this Agreement to the contrary notwithstanding, none of the reductions to royalties provided in Sections 5.3(b), 5.3(c) and 5.3(d) hereof, shall, individually or in the aggregate, [***] the royalties payable with respect to Net Sales of any Licensed Product sold by Lilly, its Affiliates and its Sublicensees in any country during the Royalty Term by more than [***] of the royalties otherwise owed to ImmunoGen pursuant to Section 5.3(a) or 5.3(e), as applicable, without giving effect to any royalty reduction provided in Section 5.3(b), 5.3(c) or 5.3(d) hereof.

5.4 One Royalty. For purposes of clarity, only one royalty, calculated at the applicable royalty rate under this Section 5 (after taking into account all the applicable provisions of this Section 5), shall be payable to ImmunoGen hereunder for each sale of a Licensed Product.

5.5 Royalty Term.

(a) Determination of Royalty Term. Subject to the reinstatement provisions of Section 5.5(b) hereof, Lilly shall pay royalties with respect to Net Sales of each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until the later of (i) [***] years from the date of First Commercial Sale of such Licensed Product in such country or (ii) the expiration of the last to expire Valid Claim within the Licensed Patent Rights that would be infringed by the manufacture, use, sale, offer for sale or importation of the Licensed Product by Lilly or any of its Affiliates or Sublicensees in such country in the absence

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of the license granted under Section 2.1(a) hereof (the **"Royalty Term"**). For the sole purposes of determining infringement of Valid Claims under this Section 5.5(a) (and for no other purpose), (A) any Valid Claim within the Licensed Patent Rights that is jointly owned by Lilly (or any of its Affiliates) with ImmunoGen (or any of its Affiliates) shall be deemed to be owned solely by ImmunoGen or an Affiliate of ImmunoGen, and (B) subject to Section 5.5(b) hereof, claims contained in [***] that have [***] in a country will not be considered Valid Claims and, therefore, will be disregarded for purposes of determining the expiration of the Royalty Term for a Licensed Product in such country under this Section 5.5(a).

(b) Reinstatement of Royalty Term. If, following the expiration of the Royalty Term applicable to a Licensed Product in a country in accordance with Section 5.5(a) hereof, any patent issues to ImmunoGen or one of its Affiliates in such country having, as its earliest priority date, a date preceding the expiration of the Royalty Term (as determined in accordance with Section 5.5(a) hereof), and any such issued patent (the **"Post-Royalty Term Issued Patents")** contains one or more Valid Claims that would at any time after issuance be infringed by the manufacture, use, sale, offer for sale or importation of the Licensed Product by Lilly or any of its Affiliates or Sublicensees in such country (it being understood and agreed by the Parties that such Post-Royalty Term Issued Patents are not included within the scope of the paid-up license granted under Section 8.1(b) hereof but are included in the paid-up license granted under Section 8.1(c) hereof), then all of the terms and conditions of this Agreement shall be automatically reinstated (the **"Reinstated License"**) with respect to such Licensed Product in such country as of the first date that the manufacture, use, sale, offer for sale or importation of such Licensed Product in such country would infringe such Valid Claims (the **"Royalty Restoration Date"**) with such Valid Claims included within the Licensed Patent Rights, except that the Reinstated License shall be on a nonexclusive basis. Lilly shall pay royalties in accordance with Section 5 hereof with respect to Net Sales of such Licensed Product in such country from the applicable Royalty Restoration Date until the expiration of the last to expire Valid Claim contained in the applicable Post-Royalty Term Issued Patents that would be infringed by the manufacture, use, sale, offer for sale or importation of the Licensed Product by Lilly or any of its Affiliates or Sublicensees in such country in the absence of the license granted

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under Section 2.1(a) hereof (the **"Reinstated Royalty Term"**). For purposes of clarity, a discrete Reinstated Royalty Term will apply to each Post-Royalty Term Issued Patent.

5.6 Payment Terms.

(a) Payment of Milestones; Payment of Royalties; Royalty Reports. Lilly shall make any milestone payments owed to ImmunoGen hereunder in U.S. Dollars, using the wire transfer provisions of Section 5.6(d) hereof within [***] days of the occurrence of the applicable event giving rise to the obligation and receipt by Lilly of an invoice from ImmunoGen to make such payment. Lilly shall make any royalty payments owed to ImmunoGen in U.S. Dollars, quarterly within [***] days following the end of each Calendar Quarter for which such royalties are deemed to occur (as provided in the next sentence), using the wire transfer provisions of Section 5.6(d) hereof. Determination of when a sale of any Licensed Product occurs for purposes of this Agreement shall be made when the revenue from such sale is recognized by Lilly in accordance with Lilly Accounting Standards or, in the case of Sublicensees, in accordance with such Sublicensees' respective revenue recognition accounting standards, consistently applied. Each royalty payment shall be accompanied by a report in which sales of Licensed Products occurred in the Calendar Quarter covered by such statement, specifying each of: (A) the Net Sales in U.S. Dollars of each Licensed Product on a country-by-country basis in the Territory during the Calendar Quarter by Lilly and its Affiliates and Sublicensees; (B) the applicable royalty rate(s) under this Agreement [***]; and (C) the royalties payable, in U.S. Dollars, which shall have accrued hereunder with respect to such Net Sales.

(b) Accounting. All payments hereunder shall be made in U.S. dollars. Royalties shall be calculated based on Net Sales in U.S. Dollars, with the conversion of Net Sales in each country to U.S. Dollars according the Lilly Standard Exchange Rate Methodology.

(c) No Set-Off; Tax Withholding. All payments made by Lilly to ImmunoGen hereunder shall be made without set-off or counterclaim and free and clear of any taxes, duties, levies, fees or charges, except for withholding taxes, if any. Lilly shall make any applicable withholding payments due on behalf of ImmunoGen and shall provide ImmunoGen with reasonable proof of payment of such withholding taxes, together with an accounting of the calculations of such taxes, within [***] days after such payment is remitted to the proper

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authority. Any withheld tax remitted by Lilly to the proper authority shall be treated as having been paid by Lilly to ImmunoGen for all purposes of this Agreement. The Parties will cooperate reasonably in completing and filing documents required under the provisions of any Applicable Laws in connection with the making of any required withholding tax payment, or in connection with any claim to a refund of or credit for any such payment.

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

5.7 Overdue Payments. Subject to the other terms of this Agreement, any payments hereunder not paid within the applicable time period set forth herein shall bear interest from the due date until paid in full, at a rate per annum equal to the lesser of (a) [***], or (b) the maximum interest rate permitted by Applicable Law in regard to such payments, calculated in each case from the date such payment was due through to the date on which payment is actually made; provided, however, that with respect to any disputed payments, no interest shall be due until such dispute is resolved and the interest that shall be payable thereon shall be based on the finally-resolved amount of such payment, calculated from the original date on which the disputed payment was due through the date on which payment is actually made. Such payments when made shall be accompanied by all interest so accrued. Such interest and the payment and acceptance thereof shall not negate or waive the right of ImmunoGen to any other remedy, legal or equitable, to which it may be entitled because of the delinquency of the payment.

5.8 Records Retention; Audit.

(a) Records Retention. Commencing as of the date of First Commercial Sale of the first Licensed Product, Lilly and its Affiliates and Sublicensees shall keep for at least [***] years from the end of the Calendar Year to which they pertain complete and accurate records of sales by Lilly or its Affiliates or Sublicensees, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the royalty payments to be confirmed.

(b) Audit. Subject to the other terms of this Section 5.8(b), at the request of ImmunoGen, upon at least [***] Business Days' prior written notice, but no more often than [***] per Calendar Year and not [***] with respect to records covering any specific period of time, and at its sole expense (except as otherwise provided herein), Lilly shall permit an

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internationally recognized independent accounting firm reasonably selected by ImmunoGen and reasonably acceptable to Lilly to inspect (during regular business hours) at such place or places where such records are customarily kept the relevant records required to be maintained by Lilly and its Affiliates and Sublicensees under Section 5.8(a) hereof. At ImmunoGen's request, the independent accounting firm shall be entitled to audit the [***] years of Lilly's records solely for purposes of verifying the items set forth in Section 5.8(a) hereof. Before beginning the audit the independent accounting firm shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 hereof limiting the disclosure and use of such information by such independent accounting firm to authorized representatives of the Parties and the purposes germane to this Section 5.8. The independent accounting firm shall provide its audit report and basis for any determination to Lilly at the time such report is provided to ImmunoGen. Lilly and ImmunoGen shall each have the right to request a further determination by such independent accounting firm as to matters which such Party disputes within [***] days following receipt of such report. The Party initiating a dispute will provide the other Party and the independent accounting firm with a reasonably detailed statement of the grounds upon which it disputes any findings in the audit report and the independent accounting firm shall undertake to complete such further determination within [***] days after the dispute notice is provided, which determination shall be limited to the disputed matters and provided to both Parties. The Parties shall use reasonable efforts, through the participation of finance representatives of both Parties, to resolve any dispute arising in relation to the audit by good faith discussion. The results of any such audit, reflecting the independent accounting firm's determination of any disputed matters, shall be binding on both Parties. ImmunoGen agrees to treat the results of any such independent accounting firm's review of Lilly's records under this Section 5.8(b) as Confidential Information of Lilly subject to the terms of Section 6 hereof. If any such audit reveals a deficiency in the calculation of royalties resulting in any underpayment by Lilly, Lilly shall [***] pay ImmunoGen the amount remaining to be paid [***], and if such underpayment is by [***], Lilly shall pay the reasonable costs and expenses of the audit. If any audit reveals an excess in the calculation of royalties resulting in an overpayment by Lilly, Lilly may invoice ImmunoGen for such overpayment, and ImmunoGen will pay such invoice within [***] days from the date of its receipt of such invoice.

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6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidentiality.

(a) Confidentiality Obligations. ImmunoGen and Lilly each recognizes that the other Party's Confidential Information constitutes highly valuable assets of such other Party. ImmunoGen and Lilly each agrees that, subject to Section 6.1(b) hereof, during the Term and for an additional [***] years thereafter, (i) it will not disclose, and will cause its Affiliates (and, in the case of Lilly, its Sublicensees and Permitted Third Party Service Providers) not to disclose, any Confidential Information of the other Party and (ii) it will not use, and will cause its Affiliates (and, in the case of Lilly, its Sublicensees and Permitted Third Party Service Providers) not to use, any Confidential Information of the other Party, in either case, except as expressly permitted hereunder. Without limiting the generality of the foregoing, each Party shall take such action, and shall cause its Affiliates (and, in the case of Lilly, its Sublicensees and Permitted Third Party Service Providers) to take such action, to preserve the confidentiality of the other Party's Confidential Information as such Party would customarily take to preserve the confidentiality of its own Confidential Information and shall, in any event, use at least reasonable care to preserve the confidentiality of the other Party's Confidential Information.

(b) Limited Disclosure. Each Receiving Party shall be entitled to disclose the Disclosing Party's Confidential Information to its Affiliates and their respective Representatives (and, in the case of Lilly, its Sublicensees and Permitted Third Party Service Providers) to enable the Receiving Party to exercise its rights or to carry out its responsibilities under this Agreement, provided that such disclosure shall only be made to persons who are bound by written obligations as described in Section 6.1(c) hereof. In addition, the Receiving Party may disclose the Disclosing Party's Confidential Information to the extent such disclosure (i) is reasonably necessary to file, prosecute or maintain patents or patent applications, or to file, prosecute or defend litigation related to patents or patent applications, subject to the restriction set forth in Section 7.2(e) hereof and otherwise in accordance with this Agreement, or (ii) as required by Applicable Laws, provided that in the case of any disclosure under this clause (ii), the Receiving Party shall (A) if practicable, provide the Disclosing Party with reasonable advance notice of and an opportunity to comment on any such required disclosure, (B) if requested by the Disclosing

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Party, cooperate in all reasonable respects with the Disclosing Party's efforts to obtain confidential treatment or a protective order with respect to any such disclosure, at the Disclosing Party's expense, and (C) use good faith efforts to incorporate the comments of the Disclosing Party in any such disclosure or request for confidential treatment or a protective order.

(c) Employees, Consultants and Subcontractors. ImmunoGen and Lilly each hereby represents and warrants that all of its and its Affiliates' Representatives who participate in the activities contemplated by this Agreement or who otherwise have access to Confidential Information of the other Party are or will, prior to their participation or access, be bound by written obligations to maintain such Confidential Information in confidence and not to use such information except as expressly permitted hereunder. Each Party agrees to use, and to cause its Affiliates (and, in the case of Lilly, its Sublicensees and Permitted Third Party Service Providers) to use, reasonable efforts to enforce such obligations.

6.2 Publicity. The Parties acknowledge that the terms of this Agreement constitute the Confidential Information of each Party and may not be disclosed except as permitted by Section 6.1(b) hereof. In addition, either Party may disclose the terms of this Agreement (a) on a need-to-know basis to such Party's legal, accounting and financial advisors and (b) as reasonably necessary in connection with any actual or potential (i) debt or equity financing of such Party or (ii) purchase by any Third Party of all the outstanding capital stock or all or substantially all of the assets of such Party or any merger or consolidation involving such Party (except that ImmunoGen shall not disclose the identity of the Licensed Target under this clause (b)); provided that in each case the Person to whom the terms of this Agreement is to be disclosed agrees in writing to maintain the confidentiality of such information with terms at least as protective as those contained in Section 6.1(a) hereof. Anything contained in this Agreement to the contrary notwithstanding, upon the execution of this Agreement ImmunoGen may issue a press release with respect to this Agreement (the final form of which shall have been reviewed and approved by Lilly prior to the Effective Date, which approval shall not be unreasonably withheld, conditioned or delayed) and either Party may make subsequent and repeated public disclosure of the contents thereof without further approval of the other Party. After issuance of such press release, neither Party shall publish, present or otherwise disclose publicly any material related to events arising under this Agreement without the prior written consent of the other

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Party; provided that notwithstanding the foregoing, (A) neither Party will be prevented from complying with any duty of disclosure it may have pursuant to Applicable Laws; and (B) either Party shall be permitted to publish such material in scientific journals or present such material at scientific conferences in accordance with Section 6.3 hereof. Either Party may make subsequent and repeated disclosure of the contents of any disclosures permitted by the preceding sentence without the prior written consent of the other Party.

6.3 Publications and Presentations. The Parties acknowledge that scientific publications and presentations must be strictly monitored to prevent any adverse effect from premature publication or dissemination of results of the activities hereunder. Each Party agrees that, except as required by Applicable Laws, it shall not publish or present, or permit to be published or presented, the results of the Development, manufacture, use and Commercialization of a Licensed Product to the extent such results refer to, derive from or otherwise relate to the Licensed Intellectual Property (the **"Covered Results"**) without the prior review by and approval of the other Party; provided, that it shall not be deemed unreasonable for Lilly to withhold its consent to any request by ImmunoGen to publish or present any Covered Results prior to the planned publication or dissemination of such Covered Results by Lilly. Each Party shall provide to the other Party the opportunity to review each of the submitting Party's proposed abstracts, manuscripts or presentations (including, without limitation, information to be presented verbally) that relate to the Covered Results at least [***] days prior to its intended presentation or submission for publication, and such submitting Party agrees, upon written request from the other Party given within such [***] day period, not to submit such abstract or manuscript for publication or to make such presentation until the other Party is given up to [***] days (or such other period as the Parties may mutually agree) from the date of such written request to seek appropriate patent protection for any unpatented Technology disclosed in such publication or presentation that it reasonably believes may be patentable. Once such abstracts, manuscripts or presentations have been reviewed and approved by each Party, the same abstracts, manuscripts or presentations do not have to be provided again to the other Party for review for a later submission for publication. Each Party also shall have the right to require that any of its Confidential Information that is disclosed in any such proposed publication or presentation be deleted prior to such publication or presentation. In any permitted publication or

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presentation by a Party, the other Party's contribution shall be duly recognized, and co-authorship shall be determined in accordance with customary industry standards. Notwithstanding the foregoing or anything to the contrary herein, ImmunoGen acknowledges and agrees that Lilly may publish the registration of the initiation of and results of clinical trials that it conducts with respect to an Ab-May Product or Licensed Product on Lilly's Clinical Trial Register to the extent required by Lilly policies and/or Applicable Laws and that such publication will not be a breach of the confidentiality obligations this Agreement.

6.4 Integration. As to the subject matter of this Agreement, this Section 6 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the Confidentiality Agreement and the confidentiality provisions of the Multi-Target Agreement. Any confidential information of a Party disclosed under the Confidentiality Agreement or the Multi-Target Agreement relating to the subject matter of this Agreement shall be treated as Confidential Information of such Party hereunder, subject to the terms of this Section 6.

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

7.1 Ownership of Intellectual Property Disclosure. Except as otherwise expressly provided herein, all inventions and discoveries governed by this Agreement shall be owned based on inventorship, as inventorship is determined in accordance with United States patent law.

(a) Solely-Owned Technology. Anything contained in this Agreement to the contrary notwithstanding, as between the Parties (i) ImmunoGen shall be the sole owner of the Licensed Intellectual Property (other than the Joint Program Technology and Joint Improvements included therein), and (ii) subject to Section 7.3(b) hereof, Lilly shall be the sole owner of Lilly Improvements and any Patent Rights claiming such Lilly Improvements and/or Lilly Antibodies.

(b) Jointly-Owned Technology. All Joint Program Technology and Joint Improvements shall be jointly owned by ImmunoGen and Lilly. The Parties shall also jointly own any Patent Rights claiming such Joint Program Technology and Joint Improvements.

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(c) Disclosure. Each Party shall provide to the other Party any invention disclosure related to any Joint Program Technology or Joint Improvements within [***] days after such Party receives such disclosure from its employees or others obligated to assign inventions to such Party or any Affiliate of such Party.

7.2 Patent Filing, Prosecution and Maintenance.

(a) Licensed Patent Rights. ImmunoGen, acting through patent counsel or agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Licensed Patent Rights (other than Licensed Patent Rights claiming Joint Program Technology or Joint Improvements).

(b) Lilly Improvements. Lilly, acting through patent counsel or agents of its choice, shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights claiming Lilly Improvements.

(c) Joint Program Technology and Joint Improvements.

(i) If not already established under the Multi-Target Agreement, prior to either Party filing any patent application disclosing Joint Program Technology or Joint Improvements, the Parties shall establish a committee (the **"Patent Committee"**) comprised of at least one (1) representative of each Party for the purpose of facilitating the preparation, filing, prosecution, maintenance and defense of Patent Rights claiming Joint Program Technology and/or Joint Improvements. As agreed upon by the Parties, meetings of the Patent Committee may be face-to-face or may be conducted by teleconferences or videoconferences, from time to time as needed. The Patent Committee will be the forum through which the Parties coordinate their respective obligations to each other described in this Section 7.

(ii) Subject to the terms contained herein, Lilly shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Patent Rights claiming Joint Program Technology, using patent counsel and agents selected by Lilly and approved by ImmunoGen, which approval shall not be unreasonably withheld, conditioned or delayed.

(iii) Subject to the terms contained herein, ImmunoGen shall be responsible, at its sole cost and expense and in its sole discretion, for the preparation, filing,

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prosecution and maintenance of all Patent Rights claiming Joint Improvements, using patent counsel and agents selected by ImmunoGen and approved by Lilly, which approval shall not be unreasonably withheld, conditioned or delayed.

(iv) The Party undertaking the responsibility for the filing, prosecution and maintenance of any Patent Rights claiming Joint Program Technology or Joint Improvements (A) will provide the other Party with a copy of any proposed patent application claiming Joint Program Technology or Joint Improvements for review and comment reasonably in advance (but at least thirty (30) days in advance) of filing, and (B) will otherwise keep the other Party reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, by using commercially reasonable efforts to provide the other Party a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantial narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that the other Party has a reasonable opportunity to review and comment.

(d) Cooperation. Each Party agrees to cooperate reasonably with the other Party in the preparation, filing, prosecution and maintenance of any Patent Rights pursuant to this Section 7.2. Such cooperation includes, but is not limited to, executing all papers and instruments, or requiring employees or others to execute such papers or instruments, so as to effectuate the ownership of such Patent Rights and to enable the filing, prosecution, maintenance and extension thereof in any country or region. In addition, the Parties shall reasonably cooperate with each other in obtaining patent term restoration or supplemental protection certificates or their equivalents in any country in the Territory where applicable to the Licensed Patent Rights.

(e) Improper Patent Filings. [***].

7.3 Abandonment.

(a) Licensed Patent Rights; Joint Improvements. If ImmunoGen decides to abandon or allow to lapse, or otherwise determines to not prosecute or defend, any of the Licensed Patent Rights or Patent Rights claiming Joint Improvements for which it is the filing

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party under Sections 7.2(a) and 7.2(c)(iii) hereof in any country or region in the Territory, ImmunoGen shall inform Lilly of such decision promptly and, in any event, so as to provide Lilly a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. Lilly shall have the right to assume responsibility for continuing the prosecution, maintenance or defense of such Patent Rights in such country or region and paying any required fees to maintain such Patent Rights in such country or region or defending such Patent Rights, in each case at Lilly's sole expense and through patent counsel or agents of its choice. Lilly shall not become an assignee of such Licensed Patent Rights or of ImmunoGen's interest in such Patent Rights claiming Joint Improvements as a result of its assumption of such responsibility. Upon transfer of ImmunoGen's responsibility for prosecuting, maintaining and defending any of the Licensed Patent Rights or Patent Rights claiming Joint Improvements under this Section 7.3(a) hereof, ImmunoGen shall promptly deliver to Lilly copies of all necessary files related to such Patent Rights with respect to which responsibility has been transferred and shall take all actions and execute all documents reasonably necessary for Lilly to assume such prosecution, maintenance and defense.

(b) Lilly Improvements; Joint Program Technology. If Lilly decides to abandon or allow to lapse, or otherwise determines to not prosecute or defend, any of the Patent Rights claiming Lilly Improvements or Patent Rights claiming Joint Program Technology for which Lilly is the filing party under Sections 7.2(b) and 7.2(c)(ii) hereof in any country or region in the Territory, Lilly shall inform ImmunoGen of such decision promptly and, in any event, so as to provide ImmunoGen a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. ImmunoGen shall have the right to assume responsibility for continuing the prosecution, maintenance or defense of such Patent Rights in such country or region and paying any required fees to maintain such Patent Rights in such country or region or defending such Patent Rights, in each case at ImmunoGen's sole expense and through patent counsel or agents of its choice. ImmunoGen shall not become an assignee of Lilly's interest in such Patent Rights claiming Lilly Improvements, Joint Program Technology as a result of its assumption of such responsibility. Upon transfer of Lilly's responsibility for prosecuting, maintaining and defending any of the Patent Rights claiming Lilly Improvements or Joint Program Technology under this Section 7.2(b), Lilly shall promptly

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deliver to ImmunoGen copies of all necessary files related to such Patent Rights with respect to which responsibility has been transferred and shall take all actions and execute all documents reasonably necessary for ImmunoGen to assume such prosecution, maintenance and defense and to assign ownership of such Lilly Improvements to ImmunoGen.

7.4 Third Party Infringement.

(a) If either Party becomes aware of any possible infringement of, or submission by any Third Party of an abbreviated new drug application under the Hatch-Waxman Act that is covered by, any Licensed Patent Rights that cover a Licensed Product or any Lilly Improvement (an **"Infringement"**), that Party shall promptly notify the other Party and provide it with all details of such Infringement of which it is aware (each, an **"Infringement Notice"**).

(b) ImmunoGen shall have the first right and option, but not the obligation, to eliminate such Infringement with respect to Licensed Patent Rights (other than Patent Rights claiming Joint Program Technology) that cover Licensed Products by reasonable steps, which may include the institution of legal proceedings or other action. All costs, including, without limitation, attorneys' fees, relating to such legal proceedings or other action shall be borne by ImmunoGen. If ImmunoGen does not take commercially reasonable steps to eliminate the Infringement [***] days from any Infringement Notice (or [***] days in the case of an Infringement under the Hatch-Waxman Act), then Lilly shall have the right and option to do so at its expense, provided that if ImmunoGen has commenced negotiations with an alleged infringer for elimination of such Infringement within such [***] day (or, if applicable, such [***] day) period, then ImmunoGen shall have an additional [***] days (or in the case of an infringement under the Hatch-Waxman Act, [***] days) to conclude its negotiations before Lilly may take steps to eliminate such Infringement.

(c) Lilly shall have the first right and option, but not the obligation, to eliminate such Infringement with respect to Patent Rights claiming Lilly Improvements or Joint Program Technology by reasonable steps, which may include the institution of legal proceedings or other action. All costs, including, without limitation, attorneys' fees, relating to such legal proceedings or other action shall be borne by Lilly. If Lilly does not take commercially reasonable steps to eliminate the Infringement within [***] days from any Infringement Notice (or [***] days in the case of an Infringement under the Hatch-Waxman Act), then ImmunoGen

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shall have the right and option to do so at its expense, provided that if Lilly has commenced negotiations with an alleged infringer for elimination of such Infringement within such [***] day (or, if applicable, such [***] day) period, then Lilly shall have an additional [***] days (or in the case of an infringement under the Hatch-Waxman Act, [***] days) to conclude its negotiations before ImmunoGen may take steps to eliminate such Infringement.

(d) ImmunoGen shall not consent to the entry of judgment or enter into any settlement with respect to any Infringement claim or proceeding under this Section 7.4 involving Lilly Improvements, Joint Improvements or Joint Program Technology without the prior written consent of Lilly, which consent shall not be unreasonably withheld, conditioned or delayed. Lilly shall not consent to the entry of judgment or enter into any settlement with respect to any Infringement claim or proceeding under this Section 7.4 involving Joint Improvements, Joint Program Technology or any other Licensed Patent Rights without the prior written consent of ImmunoGen, which consent shall not be unreasonably withheld, conditioned or delayed.

(e) Each Party shall have the right to participate, and be represented by counsel that it selects, in any legal proceedings or other action instituted under this Section 7.4 by the other Party. If a Party with the right to initiate legal proceedings under this Section 7.4 to eliminate Infringement lacks standing to do so and the other Party has standing to initiate such legal proceedings, such Party with standing shall initiate such legal proceedings at the request and expense of the other Party.

(f) In any action, suit or proceeding instituted under this Section 7.4, the Parties shall cooperate with and assist each other in all reasonable respects. Upon the reasonable request of the Party initiating such action, suit or proceeding, the other Party shall join such action, suit or proceeding and shall be represented using counsel of its own choice, at the requesting Party's expense.

(g) Unless otherwise mutually agreed by the Parties, any damages, amounts received in settlement, judgment or other monetary awards recovered by either Party pursuant to Section 7.4(b) or 7.4(c) hereof, whether by settlement or judgment (**"Monies"**), shall be allocated in the following order:

(i) the Monies will be distributed first to [***] for its costs and expenses incurred under Section 7.4(b) 7.4(c) or 7.4(f) hereof, as applicable;

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(ii) the Monies will then be distributed to [***] for its costs and expenses incurred under Section 7.4(e) hereof; then

(iii) to the extent the remaining Monies recovered represent such Third Party's infringing sales with respect to Licensed Products, (A) ImmunoGen will receive an amount out of such remaining Monies equal to [***], and (B) Lilly will receive the amount of such remaining Monies [***]; or

(iv) to the extent the remaining Monies recovered represent [***], the amount of such Monies shall [***] and (A) ImmunoGen will [***], and (B) Lilly will receive the amount of such remaining Monies representing [***]; or

(v) to the extent the remaining Monies recovered represent [***], and the applicable decision-making authority in the action, suit or proceeding has not [***], then the Parties shall agree, in good faith, to an allocation of such Monies based on the relevant contributions of [***] and [***]; provided that if the Parties are unable to agree in good faith as to the allocation of such Monies on such basis, then the Parties shall submit such matter for determination to a mutually agreed upon independent patent counsel who (and whose firm) is not at the time of the dispute, was not at any time during the [***] years prior to such dispute, performing services for either Party or their respective Affiliates (or, in the case of Lilly, its Sublicensees); provided that the determination of such independent patent counsel shall be final and binding upon the Parties; then

(vi) if Lilly is the controlling Party, then Lilly will retain all Monies remaining after [***], including, without limitation, those for [***], which are applicable to the Licensed Products; or

(vii) If ImmunoGen is the controlling Party, then ImmunoGen will retain all Monies remaining after the [***], including, without limitation, those [***].

7.5 Response to Biosimilar Applicants.

(a) Notice. In the event that either Party (i) receives a copy of an application submitted to the FDA under subsection (k) of Section 351 of the PHSA (a **"Biosimilar Application"**), whether or not such notice or copy is provided under any Applicable Laws (including under the Biologics Price Competition and Innovation Act of 2009 (the **"BPCIA"**), the United States Patent Protection and Affordable Care Act or implementing FDA regulations

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and guidance) applicable to the approval or manufacture of any biosimilar or interchangeable biological product (a **"Proposed Biosimilar Product"**) for which a Licensed Product is a "reference product," as such term is used in the BPCIA, or (ii) otherwise becomes aware that such a Biosimilar Application has been filed (such as in an instance described in Section 351(l)(9)(C) of the PHSA), then such Party shall promptly provide the other Party with written notice.

(b) Access to Confidential Information. Upon written request from ImmunoGen and to the extent permitted by Applicable Laws, Lilly shall provide ImmunoGen with confidential access to the Biosimilar Application and such other information that describes the process used to manufacture the Proposed Biosimilar Product, in each case, to the extent provided to Lilly by the Third Party that submitted the Biosimilar Application (the **"Applicant"**); provided, however, that prior to receiving the Biosimilar Application and such confidential information, ImmunoGen shall provide notice to Lilly and the Applicant confirming its agreement to be subject to the confidentiality provisions in Section 351(l)(1)(B)(iii) of the PHSA. For purposes of clarity, the Parties acknowledge and agree that ImmunoGen has retained a right to assert any patent within the Licensed Patent Rights and participate in litigation concerning any such patent.

(c) Proposed Patent List.

(i) Preparation of Proposed Patent List. Not later than [***] days from the date of receipt by Lilly of a copy of a Biosimilar Application and related manufacturing information, Lilly, with cooperation from ImmunoGen shall prepare and provide ImmunoGen with a list (the **"Proposed Patent List"**) of (A) those patents within the Licensed Patent Rights that Lilly reasonably believes would be infringed by the manufacture and/or sale of the Proposed Biosimilar Product and (B) those patents within the Licensed Patent Rights, if any, that Lilly would be willing to sublicense to such Applicant in accordance with the terms of this Agreement. As soon as practicable following the date of receipt by ImmunoGen of the Proposed Patent List, ImmunoGen and Lilly shall discuss in good faith the patents within the Licensed Patent Rights to be included on the Proposed Patent List and Lilly shall consider in good faith ImmunoGen's proposals for changes to the Proposed Patent List with respect to the patents within the Licensed Patent Rights. Not later than [***] days following Lilly's receipt of the Biosimilar Application

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and related manufacturing information, Lilly shall provide the Applicant with a copy of the Proposed Patent List; provided, however, that Lilly shall incorporate certain ImmunoGen requests in accordance with Section 7.5(c)(iv) hereof. Notwithstanding the enforcement rights with respect to the Licensed Patent Rights set forth in Section 7.4(b) hereof, Lilly shall have the right to include any of the patents within the Licensed Patent Rights on the Proposed Patent List to the extent that Lilly reasonably believes that a claim of patent infringement for such patent could be asserted by either ImmunoGen or Lilly; provided, however, that the right to control any suit or proceeding in which such a claim is asserted shall be as set forth in Section 7.5(d) hereof.

(ii) Disclosure of Applicant's Response. Provided that ImmunoGen has agreed to comply with the confidentiality provisions in Section 351(l)(1)(B)(iii) of the PHSA and to the extent permitted by Applicable Laws Lilly shall provide to ImmunoGen the Applicant Response (as defined below) no later than [***] days from the date of receipt by Lilly of a response from the Applicant with regard to any patent within the Licensed Patent Rights included on the Proposed Patent List, including any response required by the BPCIA (the **"Applicant Response"**).

(iii) Preparation of Lilly Response. Not later than [***] days from the date of receipt by Lilly of the Applicant Response, Lilly, with cooperation and assistance from ImmunoGen, shall prepare and provide ImmunoGen with a proposed response (the **"Lilly Response"**) that (A) describes on a claim-by-claim basis, how each patent within the Licensed Patent Rights on the Proposed Patent List would be infringed by the commercial marketing of the Proposed Biosimilar Product, and (B) responds to Applicant's claims, if any, that the patents within the Licensed Patent Rights on the Proposed Patent List are invalid or unenforceable. The Lilly Response shall include only the foregoing and shall not be construed to include any proposed response to the Applicant relating to any patents other than the Licensed Patent Rights; further, any actual response to the Applicant under the BPCIA and all decisions relating to subsequent procedures under the BPCIA with regard to any patent other than those included within the Licensed Patent Rights shall be within the sole discretion of Lilly. As soon as practicable following the date of receipt by ImmunoGen of the proposed Lilly Response, the Parties shall discuss in good faith the statements in the proposed Lilly Response and Lilly shall consider in good faith ImmunoGen's proposals for changes to the Lilly Response. Not later than

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[***] days following Lilly's receipt of the Applicant Response, Lilly shall provide the Applicant with a copy of the Lilly Response; provided, however, that Lilly shall incorporate certain ImmunoGen requests in accordance with Section 7.5(c)(iv) hereof.

(iv) Inclusion of Licensed Patent Rights or Responsive Information. Provided that Lilly is legally able under Applicable Law to provide ImmunoGen with a copy of the Biosimilar Application (and related manufacturing agreement) and ImmunoGen has provided notice to Lilly and Applicant confirming its agreement to be subject to the confidentiality provisions of Section 351(l)(1)(B)(iii) of the PHSA, if ImmunoGen requests in writing to either (A) include a patent in the Proposed Patent List that was not included in Lilly's initial Proposed Patent List provided to ImmunoGen by Lilly pursuant to Section 7.5(c)(i) hereof or (B) include responsive information with respect to any patent within the Licensed Patent Rights in the Lilly Response that was not included in Lilly's initial Lilly Response provided to ImmunoGen pursuant to Section 7.5(c)(iii) hereof, then, absent manifest error, Lilly shall include such patent in the Proposed Patent List and such responsive information in the Lilly Response provided to Applicant, as applicable; provided, however, that ImmunoGen shall indemnify Lilly in accordance with Section 10.1(b) hereof to the extent any submissions requested by ImmunoGen are determined to have been made negligently or in bad faith.

(v) Negotiation; ImmunoGen Rights. As soon as possible following the date on which Lilly provides Applicant with a copy of the Lilly Response, Lilly shall commence good faith negotiations with Applicant for a period of not more than [***] days (the **"Negotiation Period"**) in an effort to reach agreement on the patents on the Proposed Patent List (the **"Infringed Patent List"**) that will be the subject of an immediate patent infringement litigation pursuant to Section 351(l)(6) of the PHSA (an **"Immediate Patent Infringement Action"**); provided, however, that if the Proposed Patent List includes both patents within the Licensed Patent Rights and patents that are not within the Licensed Patent Rights, then Lilly shall not agree to the inclusion in the Infringed Patent List of any patents within the Licensed Patent Rights without the prior written consent of ImmunoGen, which consent shall not be unreasonably withheld, conditioned or delayed. If Lilly and Applicant fail to reach agreement under Section 351(l)(4)(A) of the PHSA on the Infringed Patent List, Lilly shall have the sole right to determine under Section 351(l)(5)(B) of the PHSA which patents of those on the

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Proposed Patent List should be the subject of an Immediate Patent Infringement Action; provided, however, that if the Proposed Patent List [***], then Lilly shall [***]. Within [***] days following the exchange of such lists by Lilly and the Applicant, Lilly shall, to the extent legally permissible, provide ImmunoGen with a copy of the combined Infringed Patent List that will be the subject of an Immediate Patent Infringement Action.

(vi) Supplements to Proposed Patent List. ImmunoGen shall provide Lilly with a copy of any U.S. patent within the Licensed Patent Rights that is issued after Lilly has provided the Proposed Patent List to the Applicant within [***] day after such issuance. As soon as practicable following the date of receipt by Lilly of any such patent, ImmunoGen and Lilly shall discuss in good faith whether such patent would be infringed by the manufacture and/or sale of the Proposed Biosimilar Product. Lilly shall provide the Applicant with a supplement to the Proposed Patent List to include such patent not later than [***] days after the issuance of such patent if Lilly reasonably believes that a claim of patent infringement for such patent could be asserted by either ImmunoGen or Lilly or if ImmunoGen, absent manifest error, requests that Lilly supplement the Proposed Patent List to include such patent provided, however, that ImmunoGen shall indemnify Lilly in accordance with Section 10.1(b) hereof to the extent any supplement submissions requested by ImmunoGen are determined to have been made negligently or in bad faith.

(d) Claims, Suits and Proceedings.

(i) Immediate Patent Infringement Action. With respect to any patents within the Licensed Patent Rights or any Patent Rights covering the Lilly Improvements, Joint Improvements or Joint Program Technology that are to be the subject of an Immediate Patent Infringement Action, the Parties' respective rights and obligations with respect to the litigation of such patents (including rights to initiate, step in, participate in, settle and share amounts recovered pursuant to such Immediate Patent Infringement Action, and obligations to pay legal costs and expenses with respect to such Immediate Patent Infringement Action) shall be as set forth in Sections 7.4(b) through 7.4(g) hereof, except that the Party having the first right to file a claim for Infringement against the Applicant with respect to any such patent subject to an Immediate Patent Infringement Action shall file such claim within [***] days after agreement

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is reached as to the Infringed Patent List under Section 351(l)(4) or the exchange of the lists under Section 351(l)(5)(B) of the PHSA, as applicable.

(ii) Pre-Marketing Litigation. Either Party shall, within [***] days of receiving any notice of commercial marketing provided by the Applicant pursuant to Section 351(l)(8)(A) of the PHSA (the **"Premarket Notice"**), notify the other Party. Thereafter, the Parties' respective rights and obligations with respect to any litigation pursuant to Section 351(l)(8)(B) of the PHSA (including rights to initiate, step in, participate in, settle and share amounts recovered pursuant to such action, and obligations to pay legal costs and expenses with respect to such action) shall be as set forth in Sections 7.4(b) through 7.4(g) hereof.

(iii) Cooperation; Standing. Without limitation of Section 7.4(e) hereof, if a Party with the right to initiate legal proceedings under this Section 7.5(d) lacks standing to do so (or lacks the right under the BPCIA to do so) and the other Party has standing (or the sole right under the BPCIA) to initiate such legal proceedings, such Party with standing shall initiate such legal proceedings at the request and expense of the other Party.

(e) Invalidity or Unenforceability Defenses or Actions. In the event that the Applicant asserts, as a defense or as a counterclaim in any infringement action under Section 7.5(d) hereof, that any of the Licensed Patent Rights or any Patent Rights covering the Lilly Improvements, Joint Improvements or Joint Program Technology is invalid or unenforceable, then the Parties' respective rights and obligations with respect to the response to such defense or the defense against such counterclaim, as applicable, (including rights to initiate, step in, participate in, settle and share amounts recovered pursuant to such action, and obligations to pay legal costs and expenses with respect to such action) shall be as set forth in Sections 7.4(b) through 7.4(g) hereof; provided that for these purposes any such defense or counterclaim shall be deemed to be an Infringement. In all other cases, including any declaratory judgment action or similar action or claim filed by an Applicant asserting that any of the Licensed Patent Rights or any Patent Rights covering the Lilly Improvements, Joint Improvements or Joint Program Technology is invalid or unenforceable (as in a declaratory judgment action brought by the Applicant following the Premarket Notice), then the Parties' respective rights and obligations with respect to such action (including rights to initiate, step in, participate in, settle and share amounts recovered pursuant to such action, and obligations to pay

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legal costs and expenses with respect to such action) shall be as set forth in Sections 7.4(b) through 7.4(g) hereof; provided that for these purposes any such case shall be deemed to be an Infringement.

(f) Changes in Applicable Law. The Parties have agreed to the provisions of this Section 7.5 on the basis of the BPCIA and other applicable laws and regulations in effect as of the Effective Date. If there are any material changes to the BPCIA or other Applicable Laws that would affect these provisions, the Parties will discuss amendments to this Section 7.5 in good faith.

7.6 Defense of Claims. If any action, suit or proceeding is brought or threatened against either Party or an Affiliate or Sublicensee alleging infringement of the Technology or Patent Rights of a Third Party by reason of use by Lilly or an Affiliate or Sublicensee of the Licensed Intellectual Property in the Development, manufacture, use or Commercialization of any Licensed Product, the Party first receiving notice of such actual or threatened action, suit or proceeding shall notify the other Party promptly, and the Parties shall as soon as practicable thereafter confer in good faith regarding the best response.

7.7 Trademarks. All Licensed Products shall be sold under one or more trademarks and trade names selected and owned by Lilly or its Affiliates or Sublicensees in the Territory. As between the Parties, Lilly shall control the preparation, prosecution and maintenance of applications related to all such trademarks and trade names in the Territory, at its sole cost and expense and at its sole discretion. ImmunoGen shall notify Lilly promptly upon learning of any actual, alleged or threatened infringement of a trademark or trade name applicable to a Licensed Product in the Territory, or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses in the Territory. As between the Parties, all of the costs, expenses and legal fees in bringing, maintaining and prosecuting any action to maintain, protect or defend any trademark owned by Lilly or its Sublicensee hereunder, and any damages or other recovery, shall be Lilly's sole responsibility, and taken in its sole discretion.

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8. TERM AND TERMINATION

8.1 Term; Paid-Up Licenses.

(a) Term. The term of this Agreement shall commence on the Effective Date and shall expire on a Licensed Product-by-Licensed Product and a country-by-country basis upon the expiration of the Royalty Term or the Reinstated Royalty Term, as the case may be, applicable to a Licensed Product in each such country, subject to earlier termination in accordance with Section 8.2 hereof and reinstatement in accordance with Section 5.5(b) hereof (the **"Term"**).

(b) Royalty Term Expiration – Paid-Up License. Upon the expiration of the Royalty Term, provided this Agreement has not been terminated prior thereto (*i.e.*, prior to the expiration of the Royalty Term as opposed to expiration of the Reinstated Royalty Term) by ImmunoGen under Section 8.2(b) hereof for a Lilly Material Breach or 8.2(c) hereof as the result of a Lilly insolvency or by Lilly for a voluntary termination under Section 8.2(a) hereof, Lilly and its Affiliates shall thereafter have a fully paid-up, irrevocable, freely transferable and sublicensable license under the relevant Licensed Intellectual Property (specifically excluding any Post-Royalty Term Issued Patents) to make, have made, use, have used, sell, have sold, offer for sale, import and have imported such Licensed Product in such country.

(c) Reinstated Royalty Term – Paid-Up License. Upon the expiration of the Reinstated Royalty Term with respect to any particular Post-Royalty Term Issued Patents, provided this Agreement has not been terminated prior thereto by ImmunoGen under Section 8.2(b) hereof for a Lilly Material Breach or 8.2(c) hereof as the result of a Lilly insolvency or by Lilly for a voluntary termination under Section 8.2(a) hereof, Lilly and its Affiliates shall thereafter have a fully paid-up, irrevocable, freely transferable and sublicensable license under the relevant Licensed Intellectual Property applicable to such Post-Royalty Term Issued Patents (but specifically excluding any other Post-Royalty Term Issued Patents as to which the applicable Reinstated Royalty Term has not expired) to make, have made, use, have used, sell, have sold, offer for sale, import and have imported such Licensed Product in such country.

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

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(a) Voluntary Termination by Lilly. Lilly shall have the right to terminate this Agreement at any time upon not less than [***] days' prior written notice to ImmunoGen.

(b) Termination for Breach. Either Party may terminate this Agreement, effective upon written notice to the other Party, upon any breach by the other Party of any material obligation or condition of this Agreement (a **"Material Breach"**) that remains uncured [***] days ([***] days if the breach is a failure by Lilly to make any payment required hereunder) after the non-breaching Party first gives written notice of such breach to the other Party describing such Material Breach in reasonable detail; provided, however, that if the nature of the asserted breach (other than a breach for non-payment) is such that more than [***] days are reasonably required to cure, then the cure period shall be extended for a period not to exceed an additional [***] days so long as the Party seeking to cure the asserted breach is diligently pursuing such cure to completion. Anything contained in this Agreement to the contrary notwithstanding and subject to the proviso of this sentence, if the allegedly breaching Party (i) disputes either (A) whether a Material Breach has occurred or (B) whether the Material Beach has been timely cured, and (ii) provides written notice of that Dispute to the other Party within the above time periods, then the matter will be addressed under the dispute resolution provisions of Section 11.12, and the Party asserting the breach may not terminate this Agreement until it has been determined under Section 11.12 that the allegedly breaching Party is in Material Breach of this Agreement, and such breaching Party further fails to cure such breach within [***] days (or such longer or shorter period as determined by [***]) after the conclusion of the dispute resolution procedure; provided, however, that the foregoing shall not apply to any breach for non-payment of any payments required hereunder. Anything contained in this Agreement to the contrary notwithstanding, if the asserted Material Breach is cured or shown to be non-existent within the applicable cure period, the first notice of breach hereunder shall be deemed automatically withdrawn and of no effect.

(c) Termination for Insolvency. To the extent permitted by Applicable Law, if either Party files for protection under bankruptcy laws, makes an assignment for the benefit of creditors, appoints or suffers the appointment of a receiver or trustee over its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not discharged within [***] days of the filing thereof, then the other Party may terminate this

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Agreement effective immediately upon written notice to such Party. In connection therewith, all rights and licenses granted under this Agreement are, and shall be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the United States Bankruptcy Code. If either Party undergoes a voluntary dissolution or winding-up of its affairs, then the other Party may terminate this Agreement effective immediately upon written notice to such Party.

(d) Termination for Competing Product. ImmunoGen shall have the right to terminate this Agreement, effective upon [***] days' prior written notice to Lilly, in the event that Lilly or one of its Affiliates or Sublicensees (i) [***] an [***] in respect of a Competing Product with a [***] in any country or region in the Territory prior to [***] an [***] in respect of a Licensed Product in such country or region or (ii) [***] a [***] in respect of a Competing Product with a [***] in any country or region in the Territory prior to [***] a [***] in respect of a Licensed Product in such country or region.

8.3 Consequences of Termination. Upon termination of this Agreement by either Party under Section 8.2 hereof, the following provisions shall apply:

(a) Termination by ImmunoGen under Section 8.2(b), (8.2(c) or 8.2(d) or by Lilly under Section 8.2(a). If this Agreement is terminated by ImmunoGen under Section 8.2(b), 8.2(c) or 8.2(d) hereof or by Lilly under Section 8.2(a) hereof, then: (i) the license granted by ImmunoGen to Lilly and its Affiliates pursuant to Section 2.1 hereof shall immediately terminate, and Lilly shall discontinue the use of any Licensed Technology except to the extent expressly permitted in any other written agreement between the Parties or, with respect to the Licensed Patent Rights, as otherwise permitted under [***] with respect to activities performed in [***]; (ii) Lilly shall immediately cease, and shall cause its Affiliates and Sublicensees (subject to the next sentence) immediately to cease, any and all Development and Commercialization of Licensed Products in the Territory; and (iii) each Party shall promptly return or destroy all Confidential Information of the other Party, provided that each Party may retain, subject to Section 6 hereof, (A) one (1) copy of the Confidential Information of the other Party in its archives solely for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder, (B) any Confidential Information of the other Party contained in laboratory notebooks or databases and (C) any Confidential Information of the other

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Party to the extent reasonably required to exercise its rights and perform its obligations under any other outstanding Exclusive Licenses. Notwithstanding the foregoing, (1) unless ImmunoGen specifies in writing to the contrary, no such termination of this Agreement shall be construed as a termination of any valid sublicense to any Third Party Sublicensee hereunder, and thereafter each such Sublicensee shall be considered a direct licensee of ImmunoGen, provided that (x) such Sublicensee is then in full compliance with all terms and conditions of its sublicense, (y) all accrued payment obligations to ImmunoGen have been paid, and (z) such Sublicensee agrees no later than [***] Business Days after the effective date of such termination to assume all obligations of Lilly under this Agreement, and (2) Lilly and its Affiliates and Sublicensees shall have the right, for six (6) consecutive months following the effective date of such termination, or such longer period (if any) to which the Parties mutually agree in writing (the **"Wind-Down Period"**), to sell or otherwise dispose of all Licensed Products then on hand, subject to the payment of royalties and the other terms of this Agreement. After the Wind-Down Period, Lilly shall immediately cease, and shall cause its Affiliates and Sublicensees (subject to the preceding sentence) to cease, any and all Development and Commercialization of Licensed Products in the Territory.

(b) Termination by Lilly under Section 8.2(b) or 8.2(c). If this Agreement is terminated by Lilly under Section 8.2(b) or 8.2(c) hereof, then: (i) the license granted by ImmunoGen to Lilly pursuant to Section 2.1 hereof shall survive on a country-by-country and Licensed Product-by-Licensed Product basis until the expiration of the Royalty Term for each such Licensed Product in each such country, subject to Lilly's continued payment of all milestone, royalty and other payments under and in accordance with this Agreement with respect thereto, provided, however, that Lilly shall [***] be obligated to pay to ImmunoGen [***] of each milestone and royalty payment otherwise due from and after the date of termination (and that upon the expiration of the Royalty Term applicable to a Licensed Product in a country in accordance with Section 5.5 hereof and provided Lilly shall have paid to ImmunoGen all royalty amounts due to ImmunoGen with respect to Net Sales in such country, Lilly and its Affiliates shall thereafter have a fully paid-up, irrevocable, freely transferable and sublicensable license under the relevant Licensed Intellectual Property, to make, have made, use, have used, sell, have sold, offer for sale, import and have imported such Licensed Product in such country, provided

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that the foregoing license shall not alter Lilly's obligations to make milestone payments (as reduced as provided in this Section 8.3(b)) in accordance with the terms of this Agreement); and (ii) each Party shall promptly return or destroy all Confidential Information of the other Party, provided that each Party may retain, subject to Section 6 hereof, (A) one (1) copy of the Confidential Information of the other Party in its archives for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder, (B) any Confidential Information of the other Party contained in its laboratory notebooks or databases and (C) any Confidential Information of the other Party to the extent reasonably required to exercise its rights and perform its obligations under any other outstanding Exclusive License. Notwithstanding the foregoing and subject to Section 6 hereof, Lilly may retain and use ImmunoGen's Confidential Information solely in connection with the exercise of its rights set forth in clause (i) of the preceding sentence or necessary or useful to exercise any other rights under this Agreement that survive such termination. Moreover, upon Lilly's written request following the effective date of such termination as described under this Section 8.3(b), ImmunoGen, to the extent that it has not already done so, will provide Lilly with the Technical Transfer Materials promptly following ImmunoGen's receipt of such written request for the purpose of assisting Lilly to exercise its rights set forth in clause (i) of the second preceding sentence.

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

8.5 Surviving Provisions. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 2.4, 3.5(b) – (e), 5.6, 5.7, 5.8, 6, 7.1, 7.2(b), 7.2(c), 7.2(d), 7.2(e), 7.3, 7.4, 7.5, 8.1, 8.3, 8.4, 8.5, 9.3, 10 and 11 hereof as well as any rights or obligations otherwise accrued hereunder (including any accrued payment obligations), shall survive the expiration or termination of the Term of this Agreement. Without limiting the generality of the foregoing, Lilly shall remain liable for all payment obligations accruing hereunder prior to the effective date of termination.

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9. REPRESENTATIONS AND WARRANTIES

9.1 ImmunoGen Representations. ImmunoGen represents and warrants to Lilly that:

(a) it is duly incorporated, validly existing and in good standing under the Applicable Laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

(b) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate ImmunoGen corporate action; and

(c) this Agreement is a legal and valid obligation binding upon ImmunoGen and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with or result in any default under any agreement, instrument or understanding to which ImmunoGen is a party or by which it is bound;

Except as set forth in a written disclosure letter (the **"Disclosure Letter"**) delivered by ImmunoGen to Lilly within [***] Business Days after the Effective Date (which shall be deemed Confidential Information of ImmunoGen), ImmunoGen represents and warrants to Lilly that:

(d) to ImmunoGen's knowledge, as of the Effective Date, none of the issued patents within the Licensed Patent Rights is invalid or unenforceable;

(e) as of the Effective Date, ImmunoGen has received no written notice from a Third Party claiming that the use of the Licensed Intellectual Property pursuant to the license granted hereunder to Lilly will infringe the issued patents of any such Third Party; and

(f) as of the Effective Date, there is no pending or, to ImmunoGen's knowledge (without having conducted, or having any duty to conduct, any inquiry), threatened, litigation that alleges that the use of the Licensed Intellectual Property pursuant to the license granted hereunder to Lilly would infringe or misappropriate any intellectual property rights of any Third Party.

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9.2 Lilly Representations. Lilly represents and warrants to ImmunoGen that:

(a) it is duly incorporated, validly existing and in good standing under the Applicable Laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

(b) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate Lilly corporate action; and

(c) this Agreement is a legal and valid obligation binding upon Lilly and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with or result in any default under any agreement, instrument or understanding to which Lilly is a party or by which it is bound.

9.3 Warranty Disclaimers.

(a) Except as expressly set forth in Section 9.1 hereof, nothing in this Agreement is or shall be construed as a warranty or representation by ImmunoGen (i) as to the validity or scope of any patent application or patent within the Licensed Patent Rights or (ii) that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents, copyrights, and other rights of Third Parties.

(b) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY TECHNOLOGY, GOODS, SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT, AND EACH PARTY HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

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10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Lilly Indemnity. Lilly shall indemnify, defend and hold harmless ImmunoGen, its Affiliates, their respective directors, officers, employees, consultants and agents, and their respective successors, heirs and assigns (the **"ImmunoGen Indemnitees"**), from and against all liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses of litigation) (collectively, **"Losses"**) incurred by or imposed upon the ImmunoGen Indemnitees, or any of them, as a direct result of any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters (collectively, **"Third Party Claims"**), arising out of (i) a Material Breach of this Agreement by Lilly; (ii) the Development or Commercialization (including, without limitation, the production, manufacture, promotion, import, sale or use by any Person but excluding to the extent the Parties may agree otherwise pursuant to a separate agreement between the Parties, if any, such as pursuant to a manufacturing agreement involving Licensed Product) of any Licensed Product by Lilly or any of its Affiliates, Sublicensees, subcontractors, distributors or agents; or (iii) the gross negligence, recklessness or willful misconduct of Lilly or any of its Affiliates, Sublicensees, subcontractors, distributors or agents; except in each case to the extent any such Third Party Claim or Losses result from a Material Breach of this Agreement (or another agreement between the Parties such as a manufacturing agreement, if any) by ImmunoGen, or the negligence, recklessness or willful misconduct of, ImmunoGen or any of its Affiliates or subcontractors; provided that with respect to any such Third Party Claim for which ImmunoGen also has an obligation to any Lilly Indemnitee pursuant to Section 10.1(b) hereof, Lilly shall indemnify each ImmunoGen Indemnitee for its Losses to the extent of Lilly's responsibility, relative to ImmunoGen (or to Persons for whom ImmunoGen is legally responsible), for the facts underlying the Third Party Claim.

(b) ImmunoGen Indemnity. ImmunoGen shall indemnify, defend and hold harmless Lilly, its Affiliates, their respective directors, officers, employees, consultants and agents, and their respective successors, heirs and assigns (the **"Lilly Indemnitees"**), from and against all Losses incurred by or imposed upon the Lilly Indemnitees, or any of them, as a direct

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result of any Third Party Claims arising out of (i) a Material Breach of this Agreement by ImmunoGen; or (ii) the gross negligence, recklessness or willful misconduct of ImmunoGen or any of its Affiliates or subcontractors; except in each case to the extent any such Third Party Claim or Losses result from a Material Breach of this Agreement by Lilly, or the negligence, recklessness or willful misconduct of Lilly or any of its Affiliates, Sublicensees subcontractors, distributors or agents, or the Development or Commercialization (including, without limitation, the production, manufacture, promotion, import, sale or use by any Person but excluding to the extent the Parties may agree otherwise pursuant to a separate agreement between the Parties, if any, such as pursuant to a manufacturing agreement involving Licensed Product) of any Licensed Product by Lilly or any of its Affiliates, Sublicensees, subcontractors, distributors or agents; provided that with respect to any such Third Party Claim for which Lilly also has an obligation to any ImmunoGen Indemnitee pursuant to Section 10.1(a) hereof, ImmunoGen shall indemnify each Lilly Indemnitee for its Losses to the extent of ImmunoGen's responsibility, relative to Lilly (or to Persons for whom Lilly is legally responsible), for the facts underlying the Third Party Claim.

10.2 Conditions to Indemnification. A Person seeking indemnification under Section 10.1 hereof (the **"Indemnified Party"**) in respect of a Third Party Claim shall give prompt notice of such Third Party Claim to the Party from which recovery is sought (the **"Indemnifying Party"**) and shall permit the Indemnifying Party to assume direction and control of the defense of the Third Party Claim, provided that the Indemnifying Party shall (a) act reasonably and in good faith with respect to all matters relating to the defense or settlement of such Third Party Claim as the defense or settlement relates to the Indemnified Party, and (b) shall not settle or otherwise resolve such Third Party Claim without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed); provided that the Indemnifying Party may, without the Indemnified Party's prior written consent, agree or consent to any settlement or other resolution of such Third Party Claim which requires solely money damages paid by the Indemnifying Party, and which includes as an unconditional term thereof the giving by such claimant or plaintiff to the Indemnified Party of a release from all liability in respect of such Third Party Claim.

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10.3 Insurance Proceeds. Any indemnification payment hereunder shall be made net of any insurance proceeds which the Indemnified Party is entitled to recover; provided, however, that if, following the payment to the Indemnified Party of any amount under this Section 10, such Indemnified Party becomes entitled to recover any insurance proceeds in respect of the claim for which such indemnification payment was made, the Indemnified Party shall promptly pay an amount equal to the amount of such proceeds (but not exceeding the amount of such indemnification payment) to the Indemnifying Party.

10.4 Limited Liability. [***] NEITHER PARTY WILL BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR (a) ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM LOSS OF PROFITS OR LOSS OF BUSINESS), OR (b) COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES, EVEN IF EITHER PARTY IS INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF THE REMEDIES PROVIDED FOR IN THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE. For purposes of clarity, a Party's monetary liability under a Third Party Claim for such Third Party's special, incidental, indirect or consequential damages, or for any exemplary or punitive damages payable to such Third Party in connection with such Third Party Claim, shall be deemed to be the direct damages of such Party for purposes of this Section 10.

11. MISCELLANEOUS

11.1 Notices. All notices and communications shall be in writing and delivered personally or by courier or mailed via certified mail, return receipt requested, postage prepaid, addressed as follows:

If to ImmunoGen: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451
Attn: Vice President, Business Development
Fax: [***]

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with a copy to: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451
Attn: Alliance Management
Fax: [***]

If to Lilly: Eli Lilly and Company
Lilly Corporate Center
Indianapolis, IN 46285
Attn: General Counsel
Fax: [***]

Except as otherwise expressly provided in this Agreement or mutually agreed in writing, any notice, communication or document (excluding payment) required to be given or made shall be deemed given or made and effective upon actual receipt or, if earlier, (a) one (1) Business Day after deposit with a nationally recognized overnight express courier with charges prepaid, or (b) five (5) Business Days after mailed by certified mail, return receipt requested, postage prepaid, in each case addressed to the receiving Party at its address stated above or to such other address as such Party may designate by written notice given in accordance with this Section 11.1.

11.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to any choice of law principle that would dictate the application of the law of another jurisdiction.

11.3 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreements or understandings, negotiations or correspondence between the Parties, written or oral (including, without limitation, the Confidentiality Agreement) concerning the subject matter hereof.

11.4 Amendment and Waiver. This Agreement may be amended, modified or changed only by a written instrument executed by the Party to be bound. No term of this Agreement will be deemed to have been waived and no breach excused, unless such waiver or consent shall be in writing and signed by the Party claiming to have waived or consented. Any

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consent by any Party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, or waiver of, or excuse for, any other different or subsequent breach.

11.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Except as set forth in Section 10 hereof, no Third Party (including, without limitation, employees of either Party) shall have or acquire any rights by reason of this Agreement.

11.6 Purpose and Scope. The Parties hereto understand and agree that this Agreement is limited to the activities, rights and obligations as expressly set forth herein. Nothing in this Agreement shall be construed to establish any agency, employment, partnership, joint venture, franchise or similar or special relationship between the Parties. Neither Party shall have the right or authority to assume or create any obligations or to make any representations, warranties or commitments on behalf of the other Party, whether express or implied, or to bind the other Party in any respect whatsoever. Except as expressly set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

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

11.8 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed, except that such consent shall not be required in connection with any assignment to an Affiliate of the assigning Party, or to a Third Party in connection with a sale or transfer of the business to which this Agreement relates, or to any successor Person resulting from any merger or consolidation of such Party with or into such Person, provided that the assignee shall have agreed in writing to assume all of the assignor's obligations hereunder, and provided, further, that the other Party shall be notified promptly after such assignment has been effected. Any such assignment shall not relieve the assigning Party of any liabilities or obligations owed to the other Party hereunder, including, without limitation, in the case of Lilly, the payment of any amounts described in Section 5 hereof, if any.

11.9 Force Majeure. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its

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obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party, provided that financial inability in and of itself shall not be considered to be a force majeure event. In event of such force majeure, the Party affected thereby shall use commercially reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.10 Interpretation. The Parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to each Party hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement. In addition, unless the context otherwise requires, wherever used in this Agreement: (i) the singular shall include the plural, the plural the singular; (ii) the use of any gender shall be applicable to all genders; (iii) the word "or" is used in the inclusive sense (and/or); (iv) the words "include" or "including" shall be construed as incorporating, also, "but not limited to" or "without limitation" (irrespective of whether such words are used in the applicable instance); (v) the words "hereof," "herein," "hereby" and derivative or similar words refer to this Agreement; and (vi) all references to "will" are interchangeable with the word "shall" and shall be understood to be imperative or mandatory in nature.

11.11 Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction, or declared under any law, rule or regulation of any government having jurisdiction over the Parties hereto, to be illegal, invalid or unenforceable, then such provision will, to the extent permitted by the court or government, not be voided, but will instead be construed to give effect to the intentions of the Parties to the maximum extent permissible under Applicable Law, and the remainder of this Agreement will remain in full force and effect in accordance with its terms.

11.12 Dispute Resolution. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the Term relating to the Development or Commercialization of Licensed Products, either Party's rights or obligations hereunder or

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otherwise relating to the validity, enforceability or performance of this Agreement, including disputes relating to alleged breach or termination of this Agreement but excluding any determination of the validity, scope, infringement, enforceability, inventorship or ownership of the Parties' respective Patent Rights (hereinafter, a **"Dispute"**). In the event of the occurrence of any such Dispute, the Parties shall, by written notice to the other Party, have such Dispute referred to their respective senior officers designated below, for attempted resolution by good faith negotiations commencing promptly after such notice is received. Said designated senior officials of the Parties are as follows:

For Lilly: Designated officer with full settlement authority; and

For ImmunoGen: Chief Executive Officer.

In the event the designated senior officials are not able to resolve such Dispute, the Parties may seek to mediate their Dispute, on terms and with a mediator mutually agreeable to the Parties, or may seek to arbitrate their Dispute, on mutually agreed upon terms and conditions, but neither Party shall be required or obligated to mediate or arbitrate and the dispute resolution provisions of this Section 11.12 are in addition to any other relief or remedies available to either Party at law or equity. This Dispute resolution process shall be deemed a settlement negotiation for the purpose of all federal and state rules protecting disclosures made during settlement negotiations from later discovery and/or use in evidence.

11.13 Patent Dispute. Anything contained in this Agreement to the contrary notwithstanding, with respect to any dispute, controversy or claim between the Parties that involves the validity, scope, infringement, enforceability, inventorship or ownership of the Parties' respective Patent Rights (a) that are issued in the United States shall be subject to actions before the United States Patent and Trademark Office and/or submitted exclusively to the federal court located in [***], and (b) that are issued in any other country (or region) shall be brought before an appropriate regulatory or administrative body or court in that country (or region), and the Parties hereby consent to the jurisdiction and venue of such courts and bodies.

11.14 Equitable Relief. Anything contained in this Agreement to the contrary notwithstanding, if a Party reasonably requires relief on a more expedited basis than would be possible pursuant to the procedures set forth in Section 11.12 hereof, such Party may seek a

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temporary injunction or other equitable relief in a court of competent jurisdiction, without posting a bond, pending the resolution of the Dispute in accordance with Section 11.12 hereof. Any such remedies will be in addition to all other remedies available by law or at equity to the injured Party.

11.15 Prohibition on Solicitation. During the Restricted Period, neither Party nor its Affiliates shall, directly or indirectly, actively recruit, or solicit any employee of the other Party or its Affiliates with whom such Party or its Affiliates have come into contact or interacted for the purposes of performing this Agreement, without the prior consent of the other Party. For purposes of this Section 11.15, "solicit" shall be deemed not to include (a) circumstances where an employee of one Party or any of its Affiliates initially contacts the other Party or any of such Party's Affiliates seeking employment or (b) general solicitations of employment not specifically targeted at such employees.

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

11.17 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Party, it being understood that both Parties need not sign the same counterpart. If any signature is delivered by facsimile transmission or by e-mail delivery of a "pdf" format data file, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or "pdf" signature page were an original thereof.

11.18 Compliance with Law. Each Party shall insure that it and its activities under this Agreement shall at all times comply in all material respects with all Applicable Laws.

[Signature page follows]

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

IMMUNOGEN, INC.	**ELI LILLY AND COMPANY**
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

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SCHEDULE A

LICENSED TARGET

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CHANGE IN CONTROL SEVERANCE AGREEMENT

This Agreement is entered into as of the 23rd day of April, 2018 (the "***Effective Date***") by and between ImmunoGen, Inc., a Massachusetts corporation (the "***Company***"), and Blaine H. McKee (the "***Executive***").

WHEREAS, the Company recognizes that the Executive's service to the Company is very important to the future success of the Company;

WHEREAS, the Executive desires to enter into this Agreement to provide the Executive with certain financial protection in the event that his employment terminates under certain conditions following a change in control of the Company; and

WHEREAS the Board of Directors of the Company (the "***Board***") has determined that it is in the best interests of the Company to enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive hereby agree as follows:

1. Definitions.

(a) Cause. For purposes of this Agreement, "***Cause***" shall mean that the Executive has (i) willfully committed an act or omission that materially harms the Company; (ii) been grossly negligent in the performance of the Executive's duties to the Company; (iii) willfully failed or refused to follow the lawful and proper directives of the Board; (iv) been convicted of, or pleaded guilty or *nolo contendere*, to a felony; (v) committed an act involving moral turpitude that is or is reasonably expected to be injurious to the Company or its reputation; (vi) committed an act relating to the Executive's employment or the Company involving, in the good faith judgment of the Board, material fraud or theft; (vii) breached any material provision of this Agreement or any nondisclosure or non-competition agreement between the Executive and the Company, as all of the foregoing may be amended prospectively from time to time; or (viii) breached a material provision of any code of conduct or ethics policy in effect at the Company, as all of the foregoing may be amended prospectively from time to time.

(b) Change in Control. For purposes of this Agreement, a "***Change in Control***" shall mean the occurrence of any of the following events:

(i) Ownership. Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "Beneficial Owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (excluding for this purpose any such voting securities held by the Company or its Affiliates (as defined in the Company's 2016 Employee, Director and Consultant Equity Incentive Plan) or by any employee benefit plan of the Company) pursuant to a transaction or a series of related transactions which the Board does not approve; or

(ii) Merger/Sale of Assets. (A) A merger or consolidation of the Company whether or not approved by the Board, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the parent of such corporation) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity or parent of such corporation, as the case may be, outstanding immediately after such merger or consolidation; or (B) the stockholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(iii) Change in Board Composition. A change in the composition of the Board, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of December 10, 2016, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company).

(c) Disability. For purposes of this Agreement, "***Disability***" shall mean that the Executive (i) is unable to engage in any substantial gainful activity because of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of at least twelve (12) months, or (ii) is receiving income replacement benefits for a period of at least three (3) months under a Company-sponsored disability plan because of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of at least twelve (12) months. Whether the Executive has a Disability will be determined by a majority of the Board based on evidence provided by one or more physicians selected by the Board and approved by the Executive, which approval shall not be unreasonably withheld. In any case, if a disability is determined to trigger the payment of any "deferred compensation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), disability shall be determined in accordance with Section 409A of the Code.

(d) Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean the occurrence of one or more of the following without the Executive's consent: (i) a change in the principal location at which the Executive performs his duties for the Company to a new location that is at least a forty (40) mile longer commute for the Executive from the prior work location; (ii) a material change in the Executive's authority, functions, duties or responsibilities as an executive of the Company, which would cause his position with the Company to become of less responsibility, importance or scope than his highest position with the Company at any time from the date of this Agreement to immediately prior to the Change in Control, provided, however, that such material change is not in connection with the termination of the Executive's employment by the Company for Cause or death or Disability and further provided that it shall not be considered a material change if the Company becomes a subsidiary of another entity and the Executive continues to hold a position in the subsidiary that is at least as high (in both title and scope of responsibilities) as the highest position he held with the Company at any time from the date of this

Agreement to immediately prior to the Change in Control; (iii) a material reduction in the Executive's annual base salary; or (iv) a material reduction in the Executive's target annual bonus as compared to the target annual bonus set for the previous fiscal year.

For purposes of any determination regarding the existence of Good Reason, any claim by the Executive that Good Reason exists shall be presumed to be correct unless the Company establishes by clear and convincing evidence that Good Reason does not exist.

2. Term of Agreement. The term of this Agreement (the "***Term***") shall commence on the Effective Date and shall continue in effect for two (2) years; provided, however, that commencing on the second anniversary of the Effective Date and continuing each anniversary thereafter, the Term shall automatically be extended for one (1) additional year unless, not later than nine (9) months before the conclusion of the Term, the Company or the Executive shall have given notice not to extend the Term; and further provided, however, that if a Change in Control shall have occurred during the Term, the Term shall expire on the last day of the twelfth (12^{th}) month following the month in which such Change in Control occurred. Notice of termination or termination of this Agreement shall not constitute Cause or Good Reason (both terms as defined above).

3. Termination; Notice; Severance Compensation.

(a) In the event that within a period of two (2) months before or twelve (12) months following the consummation of a Change in Control (such period, the "***Change in Control Period***") the Company elects to terminate the Executive's employment other than for Cause (but not including termination due to the Executive's Disability), then the Company shall give the Executive no less than sixty (60) days advance notice of such termination (the "***Company's Notice Period***"); provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Company's Notice Period.

(b) In the event that during the Change in Control Period, the Executive elects to terminate his employment for Good Reason, then the Executive shall give the Company no less than thirty (30) days and no more than sixty (60) days advance notice of such termination (the "***Executive's Notice Period***") by indicating the specific termination provision in this Agreement relied upon and setting forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated (the "***Executive's Termination Notice***"); provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Executive's Notice Period. In order to effect a termination for Good Reason pursuant to this Agreement, the Executive must give the Executive's Termination Notice not later than ninety (90) days following the occurrence of the Good Reason. The Company shall have the opportunity to cure the Good Reason condition within thirty (30) days following receipt of the Executive's Termination Notice, provided that if the Company has not notified the Executive in writing of its intention to cure the Good Reason Condition within ten (10) days following receipt of the Executive's Termination Notice, the Company shall be deemed to have irrevocably elected not to cure the Good Reason condition. If the Company elects not to cure the Good Reason condition, or has failed to cure the Good Reason condition within the applicable thirty (30)-day

period, the Executive must separate from service no later than nine (9) months following initial occurrence of the Good Reason condition. If, within ten (10) days following the earlier of (i) the Company's election not to cure the Good Reason condition, or (ii) expiration of the thirty (30)-day cure period, either (A) the Company notifies the Executive in writing that it disputes whether the Executive has given the Executive's Termination Notice in good faith and established Good Reason to quit, or (B) the Executive notifies the Company in writing that the Company has failed to cure the Good Reason condition, then the Executive's termination date (the "***Termination Date***") shall be extended until the sooner of (x) the resolution of the dispute by mutual agreement of the parties, or (y) final order, decree or judgment of an arbitrator (which the parties agree is not appealable), during which time (1) the Executive shall not be required to perform work for the Company, and (2) the Company shall continue to pay the Executive's full salary in effect immediately prior to the Executive giving the Executive's Termination Notice (or, if higher, immediately prior to the change in control), and continue the Executive as a participant in all compensation, benefit and insurance plans in which the Executive was participating when the Executive's Termination Notice was given; provided that the amounts paid under this Section are in addition to all other amounts due under this Agreement and shall not be offset against or reduce any other amounts due under this Agreement.

(c) In the event that during the Change in Control Period the Executive's employment with the Company is terminated by the Company other than for Cause (but not including termination due to the Executive's death or Disability), or by the Executive for Good Reason, then, contingent upon the Executive's execution of a release of claims against the Company in substantially the form attached hereto as Exhibit A (the "***Release***") the Executive shall be entitled to, in addition to any amounts due to the Executive for services rendered prior to the termination date:

(i) a lump sum payment from the Company in an amount equal to one and one-half (1.5) times the sum of the Executive's Annual Salary and the Executive's target annual bonus for the fiscal year in which the termination occurs (without giving effect to any event or circumstance constituting Good Reason) at one hundred percent (100%) of such target annual bonus, which shall be paid on the sixtieth (60^{th}) day following the Executive's Termination Date, provided that the Release is executed and effective by then or the Executive shall forfeit the payment of such amount;

(ii) all outstanding options, restricted stock and other similar rights held by the Executive, which shall become one hundred percent (100%) vested on the sixtieth (60^{th}) day following the Executive's Termination Date, provided that the Release is executed and effective by then or the Executive shall forfeit the vesting;

(iii) provided Executive elects continuation of medical insurance coverage for the Executive and/or the Executive's family subject to and in accordance with the Consolidated Omnibus Budget Reconciliation Act ("***COBRA***"), the Company will subsidize the Executive's COBRA premium at the same percentage as it subsidized health insurance premiums for the Executive immediately prior to the Executive's Termination Date (or, if more favorable to the Executive, immediately prior to the consummation of the Change in Control) (the "***COBRA Premium Subsidy***") for a

period of up to eighteen (18) months from the Executive's Termination Date; provided that the Company shall have no obligation to provide the COBRA Premium Subsidy after the date the Executive becomes eligible for medical coverage with another employer or becomes entitled to Medicare, notice of which the Executive shall provide to the Company within five (5) business days of the eligibility event. If the Company determines that the COBRA Premium Subsidy is taxable income to the Executive, the income will be reported on Form W-2 as imputed income; and

(iv) the Company shall pay the cost of providing the Executive with outplacement services up to a maximum of $40,000, provided that (A) the Executive begins to use such services within six (6) months following the Executive's Termination Date, and (B) such services are provided by an outplacement services provider approved by the Company (which approval shall not be unreasonably withheld, conditioned or delayed). Such payment shall be made by the Company directly to the service provider promptly following the presentation to the Company of documentation of the enrollment by the Executive with the provider of outplacement services and the service provider's invoice for such services. In no event will the Executive be entitled to receive the cash value of the outplacement services in lieu of the outplacement services.

For purposes of this Agreement, "***Annual Salary***" shall mean the Executive's annual base salary then in effect or, if higher, in effect at the time of the Change in Control, excluding reimbursements and amounts attributable to stock options and other non-cash compensation; and the "***Severance Compensation***" shall mean the compensation set forth in (i), (ii), (iii), and (iv) above.

(d) If any of the benefits set forth in this Agreement are deferred compensation as defined in Section 409A of the Code, any termination of employment triggering payment of such benefits must constitute a "separation from service" under Section 409A of the Code before, subject to subsection (e) below, a distribution of such benefits can commence. For purposes of clarification, this Section shall not cause any forfeiture of benefits on the part of the Executive, but shall only act as a delay until such time as a "separation from service" occurs. In addition, the Company Notice Period and the Executive Notice Period shall be interpreted and administered in accordance with Section 409A of the Code and the "separation from service" rules thereunder. In particular, if a waiver of the Company Notice Period or the Executive Notice Period triggers a "separation from service," such waiver shall constitute a termination and any amounts due to the Executive over the remaining portion of the applicable notice period shall be deemed additional severance under Section 3(c)(ii) of this Agreement and paid accordingly. In addition, any applicable notice or release periods and dates of payment shall be adjusted accordingly.

(e) Notwithstanding any other provision with respect to the timing of payments, if, at the time of the Executive's termination, the Executive is deemed to be a "specified employee" (within the meaning of Code Section 409A, and any successor statute, regulation and guidance thereto) of the Company, then solely to the extent necessary to comply with the requirements of Code Section 409A, any payments to which the Executive may become entitled under this Agreement which are subject to Code Section 409A (and not otherwise exempt from its application) will be withheld until the first (1st) business day of the seventh (7th) month following the termination

of the Executive's employment, at which time the Executive shall be paid an aggregate amount equal to the accumulated, but unpaid, payments otherwise due to the Executive under the terms of this Agreement.

(f) Notwithstanding any other provision of this Agreement to the contrary, to the extent any payment contemplated hereunder is subject to the Executive's execution of the Release, the Release must be executed no later than ninety (90) days following the Termination Date. If this 90-day period starts in one tax year and ends in the next, then the payments may not commence until the later of the end of the Release revocation period or the first day of that next tax year.

(g) If any payment or benefit the Executive would receive under this Agreement, when combined with any other payment or benefit the Executive receives pursuant to a Change in Control ("***Payment***") would (i) constitute a "parachute payment" within the meaning of Code Section 280G, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall be either (x) the full amount of such Payment or (y) such less amount as would result in no portion of the Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state, and local employments taxes, income taxes, and the Excise Tax results in the Executive's receipt, on an after-tax basis, of the greater amount of the Payment, notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. The Company shall, in a manner compliant with Code Section 409A, determine in good faith which payment(s) or benefit(s) to reduce based on what provides the best economic result for the Executive. The Company shall provide the Executive with sufficient information to support its determination and to allow the Executive to file and pay any required taxes.

4. No Duplication of Compensation. The Severance Compensation shall replace, and be provided in lieu of, any severance or similar compensation, excepting payment during the resolution of a dispute regarding Good Reason as provided in Section 3(b), that may be provided to the Executive under any other agreement or arrangement in relation to termination of employment; provided, however, that this prohibition against duplication shall not be construed to otherwise limit the Executive's rights to payments or benefits provided under any pension plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended), deferred compensation, stock, stock option or similar plan sponsored by the Company. This Agreement supersedes any other agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof which may have been made by either party.

5. No Mitigation. If the Executive's employment with the Company terminates following a Change in Control, the Executive is not required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to Section 3 or Section 14. Except as set forth in Section 4, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation earned by the Executive as the result of employment by another employer (with the exception of the COBRA Premium Subsidy, which shall terminate when the Executive becomes eligible for medical insurance through another employer or the Executive becomes entitled to Medicare), by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company, or otherwise.

6. Confidentiality, Non-Competition, and Assignment of Inventions. The Company's obligations under this Agreement are contingent upon the Executive's execution of the Company's Proprietary Information, Inventions, and Competition Agreement (the "***Proprietary Information Agreement***"). The parties agree that the obligations set forth in the Proprietary Information Agreement shall survive termination of this Agreement and termination of the Executive's employment, regardless of the reason for such termination.

7. Enforceability. If any provision of this Agreement shall be deemed invalid or unenforceable as written, this Agreement shall be construed, to the greatest extent possible, or modified, to the extent allowable by law, in a manner which shall render it valid and enforceable. No invalidity or unenforceability of any provision contained herein shall affect any other portion of this Agreement.

8. Notices. Except as otherwise specifically provided herein, any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notices to the Executive shall be sent to the last known address in the Company's records or such other address as the Executive may specify in writing. Notices to the Company shall be sent to the Company's Chairman of the Board (or if the Chairman of the Board is also the CEO, to the Company's Lead Director), or to such other Company representative as the Company may specify in writing.

9. Claims for Benefits. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim and shall further allow the Executive to appeal to the Board a decision of the Board within sixty (60) days after notification by the Board that the Executive's claim has been denied. In no event shall the Board's claims or appeals determination be given any deference or weight in any subsequent legal proceeding.

Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, paid for by the Company, in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect; provided, however, that the evidentiary standards set forth in this Agreement shall apply; and further provided that the parties agree that the binding arbitration protocol shall be structured such that a decision will issue not later than ninety (90) days following notice in the event of a dispute concerning Good Reason pursuant to Section 3(b). Judgment may be entered on the arbitrator's award in any court having jurisdiction. Notwithstanding any provision of this Agreement to the contrary, the Executive shall be entitled to seek specific performance of the Executive's right to be paid until the Termination Date during the pendency of any dispute or controversy arising under of in connection with this Agreement.

10. Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by the Company and the Executive. The Company and the Executive agree that they will jointly execute an amendment to modify this Agreement to the extent necessary to comply with or be exempt from the requirements of Code Section 409A, or any successor statute, regulation and guidance thereto; provided that no such amendment shall increase the total financial obligation of the Company under this Agreement.

11. Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions. 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.

12. Binding Effect; Assignment. The Agreement will be binding upon and inure to the benefit of (a) the heirs, executors and legal representatives of the Executive upon the Executive's death and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of the Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to the Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of the Executive's right to compensation or other benefits will be null and void.

13. 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.

14. Attorneys' Fees. The Company shall pay to the Executive all legal fees and expenses incurred by the Executive in disputing in good faith any issue hereunder relating to the termination of the Executive's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement. Such payments shall be made within five (5) business days after delivery of the Executive's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

15. Withholding. The Company is authorized to withhold, or to cause to be withheld, from any payment or benefit under the Agreement the full amount of any applicable withholding taxes.

16. Tax Consequences. The Company does not guarantee the tax treatment or tax consequences associated with any payment or benefit arising under this Agreement.

17. Acknowledgment. The Executive acknowledges that he has had the opportunity to discuss this matter with and obtain advice from his private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of the Agreement, and is knowingly and voluntarily entering into the Agreement.

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

19. Section 409A. The parties hereto intend that the payments and benefits provided by this Agreement shall be exempt to the maximum extent from the requirements of Code Section 409A and related regulations and Treasury pronouncements, and this Agreement shall be interpreted accordingly. To the extent subject to Code Section 409A, the Agreement shall be interpreted to comply with such requirements. Each separately identified payment or benefit hereunder shall be deemed to be a separately determinable payment for purposes of Code Section 409A, and each payment to be made in installments shall be deemed a series of separate payments. If any provision provided herein could result in the imposition of an additional tax under the provisions of Code Section 409A, the Executive and the Company agree that such provision will be reformed to avoid imposition of any such additional tax in the manner that the Executive and the Company mutually agree is appropriate to comply with or be exempt from Code Section 409A.

20. Reimbursements. To the extent there are any reimbursements of expenses under this Agreement including, without limitation, under Section 14 hereof, payments with respect to such reimbursements shall be made no later than on or before the last day of the calendar year following the calendar year in which the relevant expense is incurred. The amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year and any such reimbursements may not be exchanged or liquidated for any other benefit or payment.

[Signature Page follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Change in Control Severance Agreement as of the day and year first above written.

COMPANY:

IMMUNOGEN, INC.

/s/ Mark J. Enyedy
Name: Mark J. Enyedy
Title: President and Chief Executive Officer

EXECUTIVE:

_____/s/ Blaine H. McKee_____
Name: Blaine H. McKee

Exhibit A

GENERAL RELEASE

1. General Release. In consideration of the payments and benefits to be made under that certain Change in Control Severance Agreement, dated April 23, 2018 (the "***Agreement***"), Blaine H. McKee (the "***Executive***"), with the intention of binding the Executive and the Executive's heirs, executors, administrators and assigns, does hereby release, remise, acquit and forever discharge ImmunoGen, Inc. (the "***Company***") and each of its subsidiaries and affiliates (collectively, the "***Company Affiliated Group***"), their present and former officers, directors, executives, agents, insurers, attorneys, employees, and employee benefits plans (and the fiduciaries thereof), and the successors, predecessors, and assigns of each of the foregoing (collectively with the Company Affiliated Group, the "***Company Released Parties***"), of and from any and all claims, actions, causes of action, complaints, charges, demands, rights, damages, debts, sums of money, accounts, financial obligations, suits, expenses, attorneys' fees and liabilities of whatever kind or nature in law, equity or otherwise, whether accrued, absolute, contingent, unliquidated or otherwise and whether now known or unknown, suspected or unsuspected which the Executive, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Company Released Party in any capacity, including, without limitation, any and all claims (i) arising out of or in any way connected with the Executive's service to any member of the Company Affiliated Group (or the predecessors thereof) in any capacity, or the termination of such service in any such capacity, (ii) for severance or vacation benefits, unpaid wages, rights in or for equity based awards, salary or incentive payments, (iii) for breach of contract, wrongful discharge, impairment of economic opportunity, defamation, intentional infliction of emotional harm or other tort and (iv) for any violation of applicable state and local labor and employment laws (including, without limitation, all laws concerning unlawful and unfair labor and employment practices), any and all claims based on the Employee Retirement Income Security Act of 1974 ("***ERISA***"), any and all claims arising under the civil rights laws of any federal, state or local jurisdiction, including, without limitation, Title VII of the Civil Rights Act of 1964 ("***Title VII***"), the Age Discrimination in Employment Act ("***ADEA***"), the Americans with Disabilities Act ("***ADA***"), Sections 503 and 504 of the Rehabilitation Act the Family and Medical Leave Act, the Massachusetts Fair Employment Practices Act, the Massachusetts Payment of Wages Law, An Act Relative to Domestic Violence, and any and all claims under any whistleblower laws or whistleblower provisions of other laws.

2. No Admissions. The Executive acknowledges and agrees that this General Release is not to be construed in any way as an admission of any liability whatsoever by any Company Released Party, any such liability being expressly denied.

3. Application to all Forms of Relief. This General Release applies to any relief no matter how called, including, without limitation, wages, back pay, front pay, compensatory damages, liquidated damages, punitive damages for pain or suffering, costs and attorney's fees and expenses.

4. Specific Waiver. The Executive specifically acknowledges that his acceptance of the terms of this General Release is, among other things, a specific waiver of his rights, claims and causes of action under Title VII, ADEA, ADA, the Massachusetts Fair Employment Practices Act and any state or local law or regulation in respect of discrimination of any kind; provided, however, that nothing herein shall be deemed, nor does anything herein purport, to be a waiver of any right or claim or cause of action which by law the Executive is not permitted to waive.

The Executive expressly agrees and understands that the release of claims contained herein is a ***General Release*** and that any references to specific claims arising out of or in connection with the Executive's employment or termination are not intended to limit the release of claims. The Executive expressly agrees and understands that this ***General Release*** means that the Executive is releasing, remising and discharging the Released Parties from and with respect to all claims, whether known or unknown, asserted or unasserted, and whether or not the claims arise out of or in connection with the Executive's employment or termination, or otherwise, to the extent permitted by law.

5. No Complaints or Other Claims. The Executive acknowledges and agrees that he has not, with respect to any transaction or state of facts existing prior to the date hereof, filed any complaints, charges or lawsuits against any Company Released Party with any governmental agency, court or tribunal. This General Release does not: (i) prohibit or restrict Executive from communicating, providing relevant information to or otherwise cooperating with the U.S. Equal Employment Opportunity Commission or any other governmental authority with responsibility for the administration of fair employment practices laws regarding a possible violation of such laws or responding to any inquiry from such authority, including an inquiry about the existence of this General Release or its underlying facts, or (ii) require Executive to notify the Company of such communications or inquiry.

6. Conditions of General Release.

(a) Terms and Conditions. From and after the date of termination of employment, the Executive shall abide by all the terms and conditions of this General Release and the terms and any conditions set forth in any employment or confidentiality agreements signed by the Executive, which is incorporated herein by reference.

(b) Confidentiality. The Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or any legal process, or as is necessary in connection with any adversarial proceeding against any member of the Company Affiliated Group (in which case the Executive shall cooperate with the Company in obtaining a protective order at the Company's expense against disclosure by a court of competent jurisdiction), communicate, to anyone other than the Company and those designated by the Company or on behalf of the Company in the furtherance of its business, any trade secrets, confidential information, knowledge or data relating to any member of the Company Affiliated Group, obtained by the Executive during the Executive's employment by the Company that is not generally available public knowledge (other than acts by the Executive in violation of this General Release). This confidentiality obligation is in addition to, and not in lieu of, any other

contractual, statutory and common law confidentiality obligation of the Executive to the Company.

(c) Return of Company Material. The Executive represents that he has returned to the Company all Company Material (as defined below). For purposes of this Section 6(c), "***Company Material***" means any documents, files and other property and information of any kind belonging or relating to (i) any member of the Company Affiliated Group, (ii) the current and former suppliers, creditors, directors, officers, employees, agents and customers of any of them or (iii) the businesses, products, services and operations (including without limitation, business, financial and accounting practices) of any of them, in each case whether tangible or intangible (including, without limitation, credit cards, building and office access cards, keys, computer equipment, cellular telephones, pagers, electronic devices, hardware, manuals, files, documents, records, software, customer data, research, financial data and information, memoranda, surveys, correspondence, statistics and payroll and other employee data, and any copies, compilations, extracts, excerpts, summaries and other notes thereof or relating thereto), excluding only information (x) that is generally available public knowledge or (y) that relates to the Executive's compensation or Executive benefits.

(d) Cooperation. Following the date of termination of employment, the Executive shall reasonably cooperate with the Company upon reasonable request of the Board of Directors and be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company Affiliated Group.

(e) Nondisparagement. The Executive acknowledges and agrees that, following execution of this General Release, he shall not make any statements that are professionally or personally disparaging about or adverse to the interests of any Company Released Party, including, but not limited to, any statements that disparage in any way whatsoever the Company’s products, services, businesses, finances, financial condition, capabilities or other characteristics.

(f) Ownership of Inventions, Non-Disclosure, Non-Competition and Non-Solicitation. The Executive expressly acknowledges and agrees that the Proprietary Information, Inventions, and Competition Agreement executed by him is incorporated herein by reference, and shall survive the execution of this General Release in full force and effect pursuant to its terms.

(g) No Representation. The Executive acknowledges that, other than as set forth in this General Release and the Agreement, (i) no promises have been made to him and (ii) in signing this General Release the Executive is not relying upon any statement or representation made by or on behalf of any Company Released Party and each or any of them concerning the merits of any claims or the nature, amount, extent or duration of any damages relating to any claims or the amount of any money, benefits, or compensation due the Executive or claimed by the Executive, or concerning the General Release or concerning any other thing or matter.

(h) Injunctive Relief. In the event of a breach or threatened breach by the Executive of this Section 6, the Executive agrees that the Company shall be entitled to injunctive

relief in a court of appropriate jurisdiction to remedy any such breach or threatened breach, the Executive acknowledging that damages would be inadequate or insufficient.

7. Voluntariness. The Executive agrees that he is relying solely upon his own judgment; that the Executive is over eighteen years of age and is legally competent to sign this General Release; that the Executive is signing this General Release of his own free will; that the Executive has read and understood the General Release before signing it; and that the Executive is signing this General Release in exchange for consideration that he believes is satisfactory and adequate.

8. Legal Counsel. The Executive acknowledges that he has been informed of the right to consult with legal counsel and has been encouraged to do so.

9. Complete Agreement/Severability. Other than the agreements and/or obligations specifically referenced as surviving herein, this General Release constitutes the complete and final agreement between the parties and supersedes and replaces all prior or contemporaneous agreements, negotiations, or discussions relating to the subject matter of this General Release. All provisions and portions of this General Release are severable. If any provision or portion of this General Release or the application of any provision or portion of the General Release shall be determined to be invalid or unenforceable to any extent or for any reason, all other provisions and portions of this General Release shall remain in full force and shall continue to be enforceable to the fullest and greatest extent permitted by law.

10. Acceptance. The Executive acknowledges that he has been given a period of twenty-one (21) days within which to consider this General Release, unless applicable law requires a longer period, in which case the Executive shall be advised of such longer period and such longer period shall apply. The Executive may accept this General Release at any time within this period of time by signing the General Release and returning it to the Company.

11. Revocability. This General Release shall not become effective or enforceable until seven (7) calendar days after the Executive signs it. The Executive may revoke his acceptance of this General Release at any time within that seven (7) calendar day period by sending written notice to the Company. Such notice must be received by the Company within the seven (7) calendar day period in order to be effective and, if so received, would void this General Release for all purposes.

12. Governing Law. Except for issues or matters as to which federal law is applicable, this General Release shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without giving effect to the conflicts of law principles thereof.

[Signature page follows]

IN WITNESS WHEREOF, the Executive has executed this General Release as of the date last set forth below.

EXECUTIVE

_____ Date: _____

Name: Blaine H. McKee

EXHIBIT 31.1

CERTIFICATIONS

I, Mark Enyedy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2018

/s/ Mark J. Enyedy
Mark J. Enyedy
President, Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, David B. Johnston, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2018

/s/ David B. Johnston
David B. Johnston
Executive Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)

EXHIBIT 32

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of ImmunoGen, Inc., a Massachusetts corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report for the period ended March 31, 2018 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 9, 2018

/s/MARK J. ENYEDY
Mark J. Enyedy
President, Chief Executive Officer
(Principal Executive Officer)

Dated: May 9, 2018

/s/ DAVID B. JOHNSTON
David B. Johnston
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)