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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2012

OR

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

For the transition period from to

Commission file number 0-17999

ImmunoGen, Inc.

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

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. x Yes o No

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). o Yes x 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: 77,295,075 shares outstanding as of May 1, 2012.

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IMMUNOGEN, INC.
FORM 10-Q
FOR THE QUARTER ENDED MARCH 31, 2012
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ITEM 1. ***Financial Statements***

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

	March 31, 2012	June 30, 2011
ASSETS		
Cash and cash equivalents	$ 175,260	$ 191,206
Accounts receivable	1,430	4,668
Unbilled revenue	1,284	1,488
Inventory	931	480
Restricted cash	319	1,019
Prepaid and other current assets	2,588	2,664
Total current assets	181,812	201,525
Property and equipment, net of accumulated depreciation	11,751	13,409
Long-term restricted cash	2,549	2,549
Other assets	216	158
Total assets	$ 196,328	$ 217,641
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 2,635	$ 3,213
Accrued compensation	4,113	4,723
Other accrued liabilities	3,874	3,305
Current portion of deferred lease incentive	979	979
Current portion of deferred revenue	3,197	2,346
Total current liabilities	14,798	14,566
Deferred lease incentive, net of current portion	6,850	7,583
Deferred revenue, net of current portion	69,914	51,545
Other long-term liabilities	3,836	3,978
Total liabilities	95,398	77,672
Commitments and contingencies (Note E)		
Shareholders' equity:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $.01 par value; authorized 100,000 shares; issued and outstanding 77,190 and 76,281 shares as of March 31, 2012 and June 30, 2011, respectively	772	763
Additional paid-in capital	581,700	569,843
Accumulated deficit	(481,542)	(430,637)
Total shareholders' equity	100,930	139,969
Total liabilities and shareholders' equity	$ 196,328	$ 217,641

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

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2012	2011	2012	2011
Revenues:				
Research and development support	$ 1,320	$ 2,190	$ 3,333	$ 5,690
License and milestone fees	999	858	8,211	3,534
Clinical materials	933	2,163	1,861	3,576
Total revenues	3,252	5,211	13,405	12,800
Operating Expenses:				
Research and development	16,933	15,763	49,653	45,192
General and administrative	5,021	4,550	14,696	11,602
Total operating expenses	21,954	20,313	64,349	56,794
Loss from operations	(18,702)	(15,102)	(50,944)	(43,994)
Other income, net	33	99	39	1,870
Loss before provision for income taxes	(18,669)	(15,003)	(50,905)	(42,124)
Provision for income taxes	—	—	—	—
Net loss	$ (18,669)	$ (15,003)	$ (50,905)	$ (42,124)
Basic and diluted net loss per common share	$ (0.24)	$ (0.22)	$ (0.66)	$ (0.62)
Basic and diluted weighted average common shares outstanding	76,961	68,067	76,615	67,996

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

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

	Nine Months ended March 31,	
	2012	2011
Cash flows from operating activities:		
Net loss	$ (50,905)	$ (42,124)
Adjustments to reconcile net loss to net cash (used for) provided by operating activities:		
Depreciation and amortization	3,463	3,656
(Gain) loss on sale/disposal of fixed assets	(23)	3
Amortization of deferred lease incentive	(733)	(734)
Gain on sale of marketable securities	—	(341)
Loss (gain) on forward contracts	47	(197)
Stock and deferred share unit compensation	7,859	4,268
Deferred rent	(81)	42
Changes in operating assets and liabilities:		
Accounts receivable	3,238	(476)
Unbilled revenue	204	(921)
Inventory	(451)	515
Prepaid and other current assets	64	(1,091)
Restricted cash	700	255
Other assets	(58)	24
Accounts payable	(578)	(495)
Accrued compensation	(610)	(333)
Other accrued liabilities	529	804
Deferred revenue	19,220	43,088
Net cash (used for) provided by operating activities	(18,115)	5,943

Cash flows from investing activities:		
Proceeds from maturities or sales of marketable securities	—	1,201
Purchases of property and equipment, net	(1,782)	(1,532)
(Payments) proceeds from settlement of forward contracts	(56)	132
Net cash used for investing activities	(1,838)	(199)
Cash flows from financing activities:		
Proceeds from stock options exercised	4,007	913
Net cash provided by financing activities	4,007	913
Net change in cash and cash equivalents	(15,946)	6,657
Cash and cash equivalents, beginning balance	191,206	109,156
Cash and cash equivalents, ending balance	$ 175,260	$ 115,813

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

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IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

A. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements at March 31, 2012 and June 30, 2011 and for the three and nine months ended March 31, 2012 and 2011 include the accounts of ImmunoGen, Inc., or the Company, and its wholly owned subsidiaries, ImmunoGen Securities Corp. and ImmunoGen Europe Limited. The consolidated financial statements include all of the adjustments, consisting only of normal recurring adjustments, which management considers necessary for a fair presentation of the Company's financial position in accordance with accounting principles generally accepted in the U.S. for interim financial information. Certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. The preparation of interim financial statements requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenditures during the reported periods. The results of the interim periods are not necessarily indicative of the results for the entire year. Accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2011.

Subsequent Events

The Company has evaluated all events or transactions that occurred after March 31, 2012 up through the date the Company issued these financial statements. During this period, the Company did not have any material recognizable or unrecognizable subsequent events.

Revenue Recognition

The Company enters into licensing and development agreements with collaborative partners for the development of monoclonal antibody-based anticancer therapeutics. The terms of these agreements contain multiple deliverables which may include (i) licenses, or options to obtain licenses, to the Company's Targeted Antibody Payload, or TAP, 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 non-refundable license fees, option fees, exercise fees, payments for research activities, payments for the manufacture of preclinical or clinical materials, payments based upon the achievement of certain milestones and royalties on product sales. The Company follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 605-25, "Revenue Recognition — Multiple-Element Arrangements," and ASC Topic 605-28, "Revenue Recognition — Milestone Method," in accounting for these agreements. In order to account for these agreements, the Company must identify the deliverables included within the agreement and evaluate which deliverables represent separate units of accounting based on if certain criteria are met, including whether the delivered element has stand-alone value to the collaborator. The consideration received is allocated among the separate units of accounting, and the applicable revenue recognition criteria are applied to each of the separate units.

At March 31, 2012, the Company had the following two types of agreements with the parties identified below:

· Exclusive development and commercialization licenses to use the Company's TAP technology and/or certain other intellectual property to develop compounds to a single target antigen (referred to herein as single-target licenses, as distinguished from the Company's right-to-test agreements described elsewhere):

Amgen (two single-target licenses)

Bayer HealthCare (one single-target license)

Biotest (one single-target license)

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

Sanofi (license to multiple individual targets)

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· Option/research agreement for a defined period of time to secure development and commercialization licenses to use the Company's TAP technology to develop anticancer compounds to specified targets on established terms (referred to herein as right-to-test agreements):

Amgen

Sanofi

Novartis

Eli Lilly and Company

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

Exclusive Licenses

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

Generally, exclusive license agreements contain non-refundable terms for payments and, depending on the terms of the agreement, provide that the Company will (i) at the collaborator's request, provide research services at negotiated prices which are generally consistent with what other third parties would charge, (ii) at the collaborator's request, manufacture and provide to it 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 trastuzumab emtansine (T-DM1), however, the minimum royalty term is 10 years and the maximum royalty term is 12 years on a country-by-country basis. Royalty rates may vary over the royalty term depending on the Company's intellectual property rights. The Company may provide technical assistance and share any technology improvements with its collaborators during the term of the collaboration agreements. The Company does not directly control when any collaborator will request research or manufacturing services, achieve milestones or become liable for royalty payments. As a result, the Company cannot predict when it will recognize revenues in connection with any of the foregoing.

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

Upfront payments on single-target licenses are deferred if facts and circumstances dictate that the license does not have stand-alone value. Prior to the adoption of Accounting Standards Update (ASU) No. 2009-13, "Revenue Arrangements with Multiple Deliverables" on July 1, 2010, the Company determined that its licenses lacked stand-alone value and were combined with other elements of the arrangement and any amounts associated with the license were deferred and amortized over a certain period, which the Company refers to as the Company's period of substantial involvement. The determination of the length of the period over which to defer revenue is subject to judgment and estimation and can have an impact on the amount of revenue recognized in a given period. Historically the Company's involvement with the development of a collaborator's product candidate has been significant at the early stages of development, and lessens as it progresses into clinical trials. Also, as a drug candidate gets closer to commencing pivotal testing the Company's collaborators have sought an alternative site to manufacture the product, as the Company's facility does not produce pivotal or commercial drug product. Accordingly, the Company generally estimates this period of substantial involvement to begin at the inception of the collaboration agreement and conclude at the end of non-pivotal Phase II testing. The Company believes this period of substantial involvement is, depending on the nature of the license, on average six and one-half years. Quarterly, the Company reassesses its periods of substantial involvement over which the Company amortizes its upfront license fees and makes

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adjustments as appropriate. In the event a collaborator elects to discontinue development of a specific product candidate under a single target license, but retains its right to use the Company's technology to develop an alternative product candidate to the same target or a target substitute, the Company would cease amortization of any remaining portion of the upfront fee until there is substantial preclinical activity on another product candidate and its remaining period of substantial involvement can be estimated. In the event that a single target license were to be terminated, the Company would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue, at the date of such termination. Subsequent to the adoption of ASU No. 2009-13, the Company determined that its research licenses lack stand-alone value and are considered for aggregation with the other elements of the arrangement and accounted for as one unit of accounting.

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

The Company recognizes revenue related to research services that represent separate units of accounting as they are performed, as long as there is persuasive evidence of an arrangement, the fee is fixed or determinable, and collection of the related receivable is probable. The Company recognizes revenue related to the rights to future technological improvements over the estimated term of the applicable license.

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 title and risk of loss have transferred to the collaborator. Arrangement consideration allocated to the manufacture of preclinical and clinical materials in a multiple-deliverable arrangement 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.

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

The Company's license agreements have milestone 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 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 agreement that includes milestone payments, the Company evaluates whether each milestone is substantive and at risk to both parties on the basis of the contingent nature of the milestone. This evaluation includes an assessment of whether (a) the consideration is commensurate with either (1) the entity's performance to achieve the milestone, or (2) the enhancement of the value of the delivered item(s) as a result of a specific outcome resulting from the entity's performance to achieve the milestone, (b) the consideration relates solely to past performance and (c) the consideration is reasonable relative to all of the deliverables and payment terms within the arrangement. The Company evaluates factors such as the scientific, regulatory, commercial and other risks that must be overcome to achieve the respective milestone, the level of effort and investment required to achieve the respective milestone and whether the milestone consideration is reasonable relative to all deliverables and payment terms in the arrangement in making this assessment.

Non-refundable development and regulatory milestones that are expected to be achieved as a result of the Company's efforts during the period of substantial involvement are considered substantive and are recognized as revenue upon the achievement of the milestone, assuming all other revenue recognition criteria are met. Milestones that are not considered substantive because we do not contribute effort to the achievement of such milestones are generally achieved after the period of substantial involvement and are recognized as revenue upon achievement of the milestone, as there are no undelivered elements remaining and no continuing performance obligations, assuming all other revenue recognition criteria are met.

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Right-to-Test Agreements

The Company's right-to-test agreements provide collaborators the right to (a) test the Company's TAP technology for a defined period of time through a right-to-test, or research, license, (b) take options, for a defined period of time, to specified targets and (c) 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 taking an option with respect to a specific target (referred to as option fees or payments earned, if any, when the option is "taken"), (iii) upon the exercise of a previously taken option 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"), or (iv) some combination of all of these fees.

The accounting for right-to-test agreements is dependent on the nature of the options granted to the collaborative partner. Options are considered substantive if, at the inception of a right-to-test agreement, the Company is at risk as to whether the collaborative partner will choose to exercise the options to secure development and commercialization licenses. Factors that are considered in evaluating whether options are substantive 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 total upfront consideration, and the additional financial commitments or economic penalties imposed on the collaborator as a result of exercising the options.

For right-to-test agreements where the options to secure a development and commercialization licenses to the Company's TAP technology are considered substantive, the Company does not consider the development and commercialization licenses to be a deliverable at the inception of the agreement. For those right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 where the options to secure development and commercialization licenses are considered substantive, the Company has deferred the upfront payments received and recognizes this revenue over the period during which the collaborator could elect to take options for development and commercialization licenses. These periods are specific to each collaboration agreement. If a collaborator takes an option to acquire a development and commercialization license under these agreements, any substantive option fee is deferred and recognized over the life of the option, generally 12 to 18 months. If a collaborator exercises an option and takes a development and commercialization license to a specific target, the Company attributes the exercise fee to the development and commercialization license. Upon exercise of an option to acquire a development and commercialization license, the Company would also attribute any remaining deferred option fee to the development and commercialization license and apply the multiple-element revenue recognition criteria to the development and commercialization license and any other deliverables to determine the appropriate revenue recognition, which will be consistent with the Company's accounting policy for upfront payments on single-target licenses. In the event a right-to-test agreement were to be terminated, the Company would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue, at the date of such termination. None of the Company's right-to-test agreements entered into subsequent to the adoption of ASU No. 2009-13 has been determined to contain substantive options.

For right-to-test agreements where the options to secure development and commercialization licenses to the Company's TAP technology are not considered substantive, the Company considers the development and commercialization licenses to be a deliverable at the inception of the agreement and applies the multiple-element revenue recognition criteria to determine the appropriate revenue recognition. None of the Company's right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 has been determined to contain non-substantive options.

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

Fair Value of Financial Instruments

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

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

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- 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, 2012, 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, 2012 (in thousands):

		Fair Value Measurements at March 31, 2012 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash, cash equivalents and restricted cash	$ 178,128	$ 178,128	$ —	$ —

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

		Fair Value Measurements at June 30, 2011 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash, cash equivalents and restricted cash	$ 194,774	$ 194,774	$ —	$ —

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

Unbilled Revenue

The majority of the Company's unbilled revenue at March 31, 2012 and June 30, 2011 represents research funding earned prior to those dates based on actual resources utilized under the Company's agreements with various collaborators.

Inventory

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

Inventory at March 31, 2012 and June 30, 2011 is summarized below (in thousands):

	March 31, 2012	June 30, 2011
Raw materials	$ 220	$ 480
Work in process	711	—
Total	$ 931	$ 480

Raw materials inventory consists entirely of DM1 or DM4, the Company's proprietary cell-killing agents, which are included in all TAP product candidates currently in preclinical and clinical testing with the Company's collaborators. The Company considers more than a twelve month supply of raw materials that is not supported by firm, fixed orders and/or projections from its collaborators to be excess and establishes a reserve to reduce to zero the value of any such excess raw material inventory with a corresponding charge to research and development expense. In accordance with this policy, during the nine-month periods ended March 31, 2012 and March 31, 2011 the Company recorded $748,000 and $741,000, respectively, of expense related to excess inventory. The Company recorded $286,000 of expense related to excess inventory during the three-month period ended March 31, 2011. There was no

expense related to excess inventory recorded during the current three-month period, however, the Company recorded $34,000 of expense to write down certain raw material inventory to its net realizable value.

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

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during the period. The Company's common stock equivalents, as calculated in accordance with the treasury-stock method, are shown in the following table (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2012	2011	2012	2011
Options outstanding to purchase common stock	7,036	6,850	7,036	6,850
Common stock equivalents under treasury stock method	2,670	1,978	2,456	1,799

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, 2012, the Company is authorized to grant future awards under one employee share-based compensation plan, which is the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan, or the 2006 Plan. The 2006 Plan provides for the issuance of Stock Grants, the grant of Options and the grant of Stock-Based Awards for up to 8,500,000 shares of the Company's common stock, as well as any shares of common stock that are represented by awards granted under the previous stock option plan, the ImmunoGen, Inc. Restated Stock Option Plan, or the Former Plan, that are forfeited, expire or are cancelled without delivery of shares of common stock; provided, however, that no more than 5,900,000 shares shall be added to the Plan from the Former Plan, pursuant to this provision. Option awards are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Options vest at various periods of up to four years and may be exercised within ten years of the date of grant.

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2012	2011	2012	2011
Dividend	None	None	None	None
Volatility	58.91%	60.27%	59.76%	58.76%
Risk-free interest rate	1.41%	2.77%	2.19%	2.43%
Expected life (years)	7.1	7.3	7.1	7.2

Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during the three months ended March 31, 2012 and 2011 were $7.31 and $5.87 per share, respectively, and $9.03 and $5.44 per share for options granted during the nine months ended March 31, 2012 and 2011, respectively.

Stock compensation expense related to stock options granted under the 2006 Plan was $2.3 million and $7.6 million during the three and nine months ended March 31, 2012, respectively, compared to stock compensation expense of $1.1 million and $4.0 million for the three and nine months ended March 31, 2011, respectively.

As of March 31, 2012, the estimated fair value of unvested employee awards was $13.0 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately two and a half years.

During the nine months ended March 31, 2012, holders of options issued under the Company's equity plans exercised their rights to acquire an aggregate of approximately 863,000 shares of common stock at prices ranging from $2.91 to $11.18 per share. The total proceeds to the Company from these option exercises were approximately $4.0 million.

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Financial Instruments and Concentration of Credit Risk

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

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

The Company does not designate foreign currency forward contracts as hedges for accounting purposes, and changes in the fair value of these instruments are recognized in earnings during the period of change. Because the Company enters into forward contracts only as an economic hedge, any gain or loss on the underlying foreign-denominated existing or anticipated receivable or payable balance would be offset by the loss or gain on the forward contract. For the three and nine months ended March 31, 2012, net gains (losses) recognized on forward contracts were $9,000 and $(47,000), respectively, and are included in the accompanying consolidated statements of operations as other income, net. For the three and nine months ended March 31, 2011, net gains recognized on forward contracts were $43,000 and $197,000, respectively. As of March 31, 2012, the Company had outstanding forward contracts with notional amounts equivalent to approximately $353,000 (€262,000), all maturing on or before October 7, 2013. As of June 30, 2011, the Company had outstanding forward contracts with notional amounts equivalent to approximately $1.6 million (€1.1 million). The Company does not anticipate using derivative instruments for any purpose other than hedging exchange rate exposure.

Segment Information

During the three and nine months ended March 31, 2012, the Company continued to operate in one reportable business segment which is the business of discovery of monoclonal antibody-based anticancer therapeutics.

The percentages of revenues recognized from significant customers of the Company in the three and nine months ended March 31, 2012 and 2011 are included in the following table:

	Three Months Ended March 31,		Nine Months Ended March 31,	
Collaborative Partner:	**2012**	**2011**	**2012**	**2011**
Amgen	38%	39%	33%	45%
Bayer HealthCare	24%	6%	14%	8%
Biotest	5%	19%	9%	10%
Novartis	22%	9%	14%	7%
Sanofi	5%	22%	27%	26%

There were no other customers of the Company with significant revenues in the three and nine months ended March 31, 2012 and 2011.

Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, “Fair Value Measurement.” This ASU clarifies the concepts related to highest and best use and valuation premise, blockage factors and other premiums and discounts, the fair value measurement of financial instruments held in a portfolio and of those instruments classified as a component of shareholders’ equity. The guidance includes enhanced disclosure requirements about recurring Level 3 fair value measurements, the use of nonfinancial assets, and the level in the fair value hierarchy of assets and liabilities not recorded at fair value. The provisions of this ASU are effective prospectively for annual periods, and interim periods within those years, beginning on or after December 15, 2011. Early application is prohibited. The Company does not expect the adoption of these provisions to have a significant impact on its financial statements.

In June 2011, the FASB issued ASU No. 2011-05, “Comprehensive Income.” This ASU intends to enhance comparability and transparency of other comprehensive income components. The guidance provides an option to present total comprehensive income, the components of net income and the components of other comprehensive income in a single continuous statement or two

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separate but consecutive statements. This ASU eliminates the option to present other comprehensive income components as part of the statement of changes in shareholders’ equity. The provisions of this ASU will be applied retrospectively for annual periods, and interim periods within those years, beginning after December 15, 2011. Early application is permitted. The Company does not expect the adoption of these provisions to have a significant impact on its financial statements.

B. Collaborative Agreements

Roche

In May 2000, the Company granted Roche, through its Genentech unit, an exclusive license to the Company’s maytansinoid TAP technology for use with antibodies or other proteins that target HER2, such as trastuzumab. Under the terms of this agreement, Roche has exclusive worldwide rights to develop and commercialize maytansinoid TAP compounds with antibodies that target HER2. Roche is responsible for the manufacturing, product development and marketing of any products resulting from the agreement. The Company is compensated for any preclinical and clinical materials that the Company manufactures under the agreement. The Company received a $2 million non-refundable upfront payment from Roche upon execution of the agreement. The Company is also entitled to receive up to a total of $44 million in milestone payments, plus royalties on the commercial sales of any resulting products. Total milestones are categorized as follows: development milestones — $13.5 million; and regulatory milestones — $30.5 million. Through March 31, 2012, the Company has received and recognized $13.5 million in milestone payments related to T-DM1, which were all development milestones. Roche began Phase II evaluation of T-DM1 in July 2007 and the Company received and recognized a $5 million milestone payment with this event. Roche began Phase III evaluation of T-DM1 in February 2009 and the Company received and recognized a $6.5 million milestone payment with this event. At the time of execution of this agreement, there was significant uncertainty as to whether these received and recognized milestones would be achieved. In consideration of this, as well as the Company’s past involvement in the research and manufacturing of this product candidate, these milestones were deemed substantive. The next potential milestone the Company will be entitled to receive will be a regulatory milestone for marketing approval of T-DM1. As this could occur first in either the U.S. or Europe, the next potential milestone due will be either $10.5 million with first approval in the U.S. or $5 million with first approval in

Europe. Based on an evaluation of the effort contributed to the achievement of these milestones, the Company has determined these milestones are not substantive.

Roche, through its Genentech unit, also has licenses for the exclusive right to use the Company's maytansinoid TAP technology with antibodies to four undisclosed targets, which were granted under the terms of a separate May 2000 right-to-test agreement with Genentech. For each of these licenses the Company received a $1 million license fee and is entitled to receive up to a total of $38 million in milestone payments and also royalties on the sales of any resulting products. The total milestones are categorized as follows: development milestones — $8 million; regulatory milestones — $20 million; and sales milestones — $10 million. The Company has not received any milestone payments from these agreements through March 31, 2012. Roche is responsible for the manufacturing, product development, and marketing of any products resulting from these licenses. The next potential milestone the Company will be entitled to receive under any of these agreements will be a development milestone for filing of an Investigational New Drug (IND) application which will result in a $1 million payment being due. At the time of execution of each of these development and commercialization licenses, there was significant uncertainty as to whether this milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of these product candidates, this milestone was deemed substantive. Roche no longer has the right to take additional licenses under the right-to-test agreement. The Company received a non-refundable upfront payment totaling $5 million for the eight-year term of the right-to-test agreement. The upfront fees were deferred and recognized ratably over the period during which Genentech could elect to obtain product licenses.

Amgen

In September 2000, the Company entered into a ten-year right-to-test agreement with Abgenix, Inc., which was later acquired by Amgen. The agreement provides Amgen with the right to (a) test the Company's maytansinoid TAP technology with Amgen's antibodies under a right-to-test, or research, license, (b) take options, with certain restrictions, to specified targets on either an exclusive or non-exclusive basis for specified option periods and (c) upon exercise of those options, take exclusive or non-exclusive licenses to use the Company's maytansinoid TAP technology to develop and commercialize products for the specified targets on previously agreed-upon terms. The Company received a $5 million upfront payment in September 2000. Amgen no longer has the right to take additional options under the agreement, although multiple outstanding options remain in effect for the remainder of their respective option periods. For each exclusive development and commercialization license taken, the Company is entitled to receive an exercise fee of $1 million and up to a total of $34 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones per development and commercialization license are categorized as follows: development milestones — $9 million; regulatory milestones — $20 million; and sales milestones — $5 million. Amgen is responsible for the manufacturing, product development and marketing of any products resulting from the agreement.

Under the right-to-test agreement, in September 2009 and November 2009, Amgen took two development and commercialization licenses and the Company received an exercise fee of $1 million for each license taken. The Company has deferred each $1 million exercise fee and is recognizing these amounts as revenue ratably over the respective estimated periods of its substantial involvement. In November 2011, the IND applications to the FDA for two compounds developed under the September 2009 and November 2009 development and commercialization licenses became active, which triggered two $1 million milestone payments to the Company. These payments are included in license and milestone fees for the nine

months ended March 31, 2012. At the time of execution of each of these development and commercialization licenses, there was significant uncertainty as to whether these received and recognized milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of these product candidates, these milestones were deemed substantive. The next potential milestone the Company will be entitled to receive under either of these development and commercialization licenses will be a development milestone for the first dosing of a patient in a Phase II clinical trial, which will result in a $3 million payment being due. At the time of execution of each of these development and commercialization licenses, there was significant uncertainty as to whether this milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of these product candidates, this milestone was deemed substantive.

In September 2010, Amgen took a combination of exclusive and non-exclusive options with respect to specific targets. For each option taken, Amgen paid the Company nominal option fees. In March 2012, Amgen extended a number of these options for nominal extension fees and all other options lapsed.

Sanofi

In July 2003, the Company entered into a broad collaboration agreement with Sanofi (formerly Aventis) to discover, develop and commercialize antibody-based products. The collaboration agreement provides Sanofi with worldwide development and commercialization rights to new antibody-based products directed to targets that are included in the collaboration, including the right to use the Company's TAP technology and its humanization technology in the creation of products developed to these targets. The product candidates (targets) currently in development under the collaboration include SAR3419 (CD19), SAR566658 (DS6, also known as CA6), SAR650984 (CD38) and at least one earlier-stage compound that has yet to be disclosed. Sanofi is responsible for the manufacturing, product development and marketing of any products resulting from the agreement.

For each of the targets included in the collaboration at this time, the Company is entitled to receive up to a total of $21.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones — $7.5 million; and regulatory milestones — $14 million. Through March 31, 2012, the Company has received and recognized an aggregate of $16 million in milestone payments for compounds covered under this agreement now or in the past, including a $3 million milestone payment related to the initiation of a Phase IIb clinical trial (as defined in the agreement) for SAR3419, which is included in license and milestone fee revenue for the nine months ended March 31, 2012, as well as a $1 million milestone payment earned in September 2010 related to the initiation of Phase I clinical testing of SAR566658 which is included in license and milestone fee revenue for the nine months ended March 31, 2011. At the time of execution of this agreement, there was significant uncertainty as to whether these received and recognized milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of these product candidates, these milestones were deemed substantive. The next potential milestone the Company will be entitled to receive with respect to each of SAR566658 and SAR650984 will be a development milestone for initiation of a Phase IIb clinical trial (as defined in the agreement), which will result in each case in a $3 million payment being due. The next potential milestone the Company will be entitled to receive with respect to SAR3419 will be for initiation of a Phase III clinical trial, which will result in a $3 million payment being due. The next potential milestone the Company will be entitled to receive for each of the unidentified targets will be a development milestone for commencement of a Phase I clinical trial, which will result in a $1 million payment being due, or a preclinical milestone which will result in a $500,000 payment being due. At the time of execution

of this agreement, there was significant uncertainty as to whether these milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of these product candidates, these milestones were deemed substantive.

In December 2006, the Company entered into a separate right-to-test agreement with Sanofi. The agreement provides Sanofi with the right to (a) test the Company's maytansinoid TAP technology with Sanofi's antibodies to targets that were not included in the collaboration agreement described above under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to specified targets for specified option periods and (c) upon exercise of those options, take exclusive licenses to use the Company's maytansinoid TAP technology to develop and commercialize products for the specified targets on the terms agreed upon at the inception of the right-to-test agreement. For each development and commercialization license taken, the Company is entitled to receive an exercise fee of $2 million and up to a total of $30 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones — $10 million; and regulatory milestones — $20 million. No development and commercialization license has yet been taken under this agreement. Execution of the first license will entitle the Company to receive an exercise fee in the amount of $2 million. Sanofi is responsible for the manufacturing, product development and marketing of any products resulting from the agreement.

The Company received an aggregate of $4 million under the right-to-test agreement, of which $500,000 was received in December 2006 upon execution of the agreement, and $3.5 million of which was received in August 2008 upon Sanofi's activation of its rights under the agreement. The right-to-test agreement had a three-year original term from the activation date and was renewed by Sanofi in August 2011for its final three-year term by payment of a $2 million fee. The Company has deferred the $2 million extension fee and is recognizing this amount as revenue over the period during which Sanofi can take an option for a development and commercialization license.

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Biotest

In July 2006, the Company entered into a development and license agreement with Biotest AG. The agreement grants Biotest exclusive rights to use the Company's maytansinoid TAP technology to develop and commercialize therapeutic compounds to the target CD138. Biotest is responsible for the manufacturing, product development and marketing of any products resulting from the agreement. The Company received a $1 million upfront payment upon execution of the agreement and could receive up to a total of $35.5 million in milestone payments, as well as royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones — $4.5 million; and regulatory milestones — $31 million. The Company receives payments for manufacturing any preclinical and clinical materials made at the request of Biotest. In September 2008, Biotest began Phase I evaluation of BT062 which triggered a $500,000 milestone payment to the Company. At the time of execution of this agreement, there was significant uncertainty as to whether this received and recognized milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of this product candidate, this milestone was deemed substantive. The next potential milestone the Company will be entitled to receive will be a development milestone for commencement of a Phase IIb clinical trial (as defined in the agreement) which will result in a $2 million payment being due. At the time of execution of this agreement, there was significant uncertainty as to whether this milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of this product, this milestone was deemed substantive.

The agreement also provides the Company with the right to elect, at specific stages during the clinical evaluation of any compound created under the agreement, to participate in the United States development and commercialization of that compound in lieu of receiving the milestone payments not yet earned and royalties on sales in the United States. The Company can exercise this right during an exercise period specified in the agreement by notice and payment to Biotest of a $15 million opt-in fee. Upon exercise of this right, we would share equally with Biotest the associated costs of product development and commercialization in the United States along with the profit, if any, from product sales in the United States.

Bayer HealthCare

In October 2008, the Company entered into a development and commercialization license agreement with Bayer HealthCare. The license grants Bayer HealthCare exclusive rights to use the Company's maytansinoid TAP technology to develop and commercialize products to the mesothelin target. Bayer HealthCare is responsible for the manufacturing, product development and marketing of any products resulting from the agreement. The Company received a $4 million upfront payment upon execution of the agreement, and—for each product developed and marketed by Bayer HealthCare under this development and commercialization license—the Company is entitled to receive up to a total of $170.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones — $16 million; regulatory milestones — $44.5 million; and sales milestones — $110 million. Through March 31, 2012, the Company has received and recognized an aggregate of $3 million in milestone payments under this agreement. At the time of execution of this agreement, there was significant uncertainty as to whether these received and recognized milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and supply of cytotoxic agent for this product candidate, these milestones were deemed substantive. The next potential milestone the Company will be entitled to receive will be a development milestone for commencement of a non-pivotal Phase II clinical trial, which will result in a $4 million payment being due. At the time of execution of this agreement, there was significant uncertainty as to whether this milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and supply of cytotoxic agent for this product candidate, this milestone was deemed substantive.

The Company had previously deferred the $4 million upfront payment received and was recognizing this amount as revenue ratably over the estimated period of substantial involvement. The Company had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the first quarter of fiscal 2012, Bayer HealthCare initiated Phase I clinical testing of its product candidate. In reaching this stage of clinical testing, Bayer HealthCare developed its own processes for manufacturing required clinical material and produced clinical material in its own manufacturing facility. Considering that Bayer HealthCare was able to accomplish this without significant reliance on the Company, and considering that the Company's expected future involvement will be primarily supplying Bayer HealthCare with small quantities of cytotoxic agents for a limited period of time, the Company believes its period of substantial involvement will end prior to the completion of non-pivotal Phase II testing. As a result of this determination, beginning in September 2011, the Company is recognizing the balance of the upfront payment as revenue ratably through September 2012. This change in estimate results in an increase to license and milestone fees of approximately $856,000 for the nine months ending March 31, 2012 and $1.2 million for the fiscal year ending June 30, 2012 compared to amounts that would have been recognized pursuant to the Company's previous estimate.

Novartis

In October 2010, the Company entered into a three-year right-to-test agreement with Novartis Institutes for BioMedical Research, Inc. (Novartis). The agreement provides Novartis with the right to (a) test the Company's TAP technology with Novartis' antibodies under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to specified targets for specified option periods and (c) upon exercise of those options, take exclusive licenses to use the Company's TAP technology to develop and commercialize products for a specified number of individual targets on terms agreed upon at the inception of the right-to-test agreement. The initial three-year term of the right-to-test agreement may be extended by Novartis for up to two additional one-year periods by payment of additional consideration. The terms of the right-to-test agreement require Novartis to exercise its options for the development and commercialization licenses by the end of the term of the research license. The Company received a $45 million upfront payment in connection with the execution of the right-to-test agreement, and for each development and commercialization license for a specific target, the Company is entitled to receive an exercise fee of $1 million and up to a total of $200.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones — $22.5 million; regulatory milestones — $77 million; and sales milestones — $100 million. No development and commercialization license has yet been taken under this agreement. Execution of the first license will entitle the Company to receive an exercise fee in the amount of $1 million. The Company also is entitled to receive payments for research and development activities performed on behalf of Novartis. Novartis is responsible for the manufacturing, product development and marketing of any products resulting from this agreement.

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In accordance with ACS 605-25 (as amended by ASU No. 2009-13), the Company identified all of the deliverables at the inception of the right-to-test agreement. The significant deliverables were determined to be the right-to-test, or research, license, the exclusive development and commercialization licenses, rights to future technological improvements, and the research services. The options to obtain development and commercialization licenses in the right-to-test agreement were determined not to be substantive and, as a result, the exclusive development and commercialization licenses were considered deliverables at the inception of the right-to-test agreement. Factors that were considered in determining the options were not substantive included (i) the overall objective of the agreement was for Novartis to obtain development and commercialization licenses, (ii) the size of the exercise fee of $1 million for each development and commercialization license obtained is not significant relative to the $45 million upfront payment that was due at the inception of the right-to-test agreement, (iii) the limited economic benefit that Novartis could obtain from the right-to-test agreement unless it exercised its options to obtain development and commercialization licenses, and (iv) the lack of economic penalties as a result of exercising the options.

The Company has determined that the research license together with the development and commercialization licenses represent one unit of accounting as the research license does not have stand-alone value from the development and commercialization licenses due to the lack of transferability of the research license and the limited economic benefit Novartis would derive if they did not obtain any development and commercialization licenses. The Company has also determined that this unit of accounting has stand-alone value from the rights to future technological improvements and the research services. The rights to future technological improvements and the research services are considered separate units of accounting as each of these was determined to have stand-alone value. The rights to future technological improvements have stand-alone value as Novartis would be able to use those items for its intended purpose without the undelivered elements. The research services have stand-alone value as similar services are sold separately by other vendors. The estimated selling prices for these units of accounting were determined based on market conditions, similar arrangements entered into by third parties and entity-specific factors such as the terms of the Company's previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use the Company's TAP technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, the likelihood that technological improvements made will be used by Novartis, and the nature of the research services to be performed for Novartis and market rates for similar services. The arrangement consideration (which is comprised of the $45 million upfront payment, the exercise fee for each license, and the expected fees for the research services to be provided under the arrangement) was allocated to the deliverables based on the relative selling price method. The Company will recognize as license revenue an equal amount of the total arrangement consideration allocated to the development and commercialization licenses as each individual license is delivered to Novartis upon Novartis' exercise of its options to such licenses. At the time the first development and commercialization license is taken, the amount of the total arrangement consideration allocated to future technological improvements will commence to be recognized as revenue ratably over the period the Company is obligated to make available any technological improvements, which is the equivalent to the estimated term of the license. The Company estimates the term of a development and commercialization license to be approximately 25 years, which reflects management's estimate of the time necessary to develop and commercialize products pursuant to the license plus the estimated royalty term. The Company will be required to reassess the estimated term at each subsequent reporting period. The Company does not control when Novartis will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when it will recognize the related development and commercialization license revenue except that it will be within the term of the research license. The Company will recognize research services revenue as the related services are delivered.

No license revenue has been recognized related to the right-to-test agreement through March 31, 2012 as the options to take development and commercialization licenses were not considered to be substantive and no development and commercialization licenses have been taken. Accordingly, the entire $45 million upfront payment is included in long-term deferred revenue at March 31, 2012.

Lilly

In December 2011, the Company entered into a three-year right-to-test agreement with Eli Lilly and Company (Lilly). The agreement provides Lilly with the right to (a) take exclusive options, with certain restrictions, to specified targets for specified option periods, (b) test the Company's maytansinoid TAP technology with Lilly's antibodies directed to the optioned targets under a right-to-test, or research, license, and (c) upon exercise of those options, take exclusive licenses to use the Company's maytansinoid TAP technology to develop and commercialize products for a specified number of individual targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require Lilly to exercise its options for the development and commercialization licenses by the end of the term of the research license. The Company received a $20 million upfront payment in connection with the execution of the right-to-test agreement, and for the first development and commercialization license taken, the Company is entitled to receive up to a total of $200.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. For each subsequent development and commercialization license taken, the Company is entitled to receive an

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exercise fee in the amount of $2 million and up to a total of $199 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones — $30.5 million for the first development and commercialization license

and $29 million for each subsequent license; regulatory milestones — $70 million; and sales milestones — $100 million. No development and commercialization license has yet been taken under this agreement. The next payment the Company could receive would either be a $5 million development milestone payment with the initiation of a Phase I clinical trial under the first development and commercialization license taken, or a $2 million exercise fee for the execution of a second license. At the time of execution of this agreement, there was significant uncertainty as to whether the milestone related to initiation of a Phase I clinical trial under the first development and commercialization license would be achieved. In consideration of this, as well as the Company's expected involvement in the research and manufacturing if these product candidates, this milestone was deemed substantive. The Company also is entitled to receive payments for delivery of cytotoxic agents to Lilly and research and development activities performed on behalf of Lilly. Lilly is responsible for the manufacturing, product development and marketing of any products resulting from this collaboration.

In accordance with ASC 605-25 (as amended by ASU No. 2009-13), the Company identified all of the deliverables at the inception of the right-to-test agreement. The significant deliverables were determined to be the right-to-test, or research, license, the exclusive development and commercialization licenses, rights to future technological improvements, delivery of cytotoxic agents and the research services. The options to obtain development and commercialization licenses in the right-to-test agreement were determined not to be substantive and, as a result, the exclusive development and commercialization licenses were considered deliverables at the inception of the right-to-test agreement. Factors that were considered in determining the options were not substantive included (i) the overall objective of the agreement was for Lilly to obtain development and commercialization licenses, (ii) the size of the exercise fees of $2 million for each development and commercialization license taken beyond the first license is not significant relative to the $20 million upfront payment that was due at the inception of the right-to-test agreement, (iii) the limited economic benefit that Lilly could obtain from the right-to-test agreement unless it exercised its options to obtain development and commercialization licenses, and (iv) the lack of economic penalties as a result of exercising the options.

The Company has determined that the research license together with the development and commercialization licenses represent one unit of accounting as the research license does not have stand-alone value from the development and commercialization licenses due to the lack of transferability of the research license and the limited economic benefit Lilly would derive if they did not obtain any development and commercialization licenses. The Company has also determined that this unit of accounting has stand-alone value from the rights to future technological improvements, the delivery of cytotoxic agents and the research services. The rights to future technological improvements, delivery of cytotoxic agents and the research services are considered separate units of accounting as each of these was determined to have stand-alone value. The rights to future technological improvements have stand-alone value as Lilly would be able to use those items for their intended purpose without the undelivered elements. The research services and cytotoxic agents have stand-alone value as similar services and products are sold separately by other vendors. The estimated selling prices for these units of accounting were determined based on market conditions, similar arrangements entered into by third parties and entity-specific factors such as the terms of the Company's previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use the Company's TAP technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, the likelihood that technological improvements made will be used by Lilly, market rates for the manufacture of cytotoxic agents, and the nature of the research services to be performed for Lilly and market rates for similar services. The arrangement consideration (which is comprised of the $20 million upfront payment, the exercise fee, if any, for each license, the expected fees for the research services to be provided and the cytotoxic agent to be delivered under the arrangement) was allocated to the deliverables based on the relative selling price method. The Company will recognize as license revenue an equal amount of the total arrangement consideration allocated to the development and commercialization licenses as each individual license is delivered to Lilly upon Lilly's exercise of its options to such licenses. At the time the first license is taken, the amount of the total arrangement consideration allocated to future technological improvements will commence to be recognized as revenue ratably over the period the Company is obligated to make available any technological improvements, which is the equivalent to the estimated term of the license. The Company estimates the term of development and commercialization license to be approximately 25 years, which reflects management's estimate of the time necessary to develop and commercialize therapeutic products pursuant to the license plus the estimated royalty term. The Company will be required to reassess the estimated term at each subsequent reporting period. The Company does not control when Lilly will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when it will recognize the related development and commercialization license revenue except that it will be within the term of the research license. The Company will recognize research services revenue and revenue from the delivery of cytotoxic agents as the related services and cytotoxic agents are delivered.

No license revenue has been recognized related to this agreement through March 31, 2012 as the options to take development and commercialization licenses were not considered to be substantive and no development and commercialization licenses have been delivered. Accordingly, the entire $20 million upfront payment is included in long-term deferred revenue at March 31, 2012.

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

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C. Capital Stock

2001 Non-Employee Director Stock Plan

During the three and nine months ended March 31, 2012, the Company recorded approximately $18,000 and $22,000 in expense, respectively, related to stock units outstanding under the Company's 2001 Non-Employee Director Stock Plan, or the 2001 Plan, compared to $(3,000) in expense reduction recorded during both the three and nine months ended March 31, 2011, respectively. The value of the stock units is adjusted to market value at each reporting period as the redemption amount of stock units for this plan will be paid in cash. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004. Pursuant to the 2001 Plan, in November 2011, the Company paid a retiring director approximately $115,000 to settle outstanding stock units.

Compensation Policy for Non-Employee Directors

During the three and nine months ended March 31, 2012, the Company recorded approximately $67,000 and $236,000 in compensation expense, respectively, related to deferred share units issued and outstanding under the Company's Compensation Policy for Non-Employee Directors, compared to $93,000 and $242,000 in compensation expense recorded during the three and nine months ended March 31, 2011, respectively. Pursuant to the Compensation Policy for Non-Employee Directors, the redemption amount of deferred share units issued will be paid in shares of common stock of the Company on the date a director ceases to be a member of the Board. Annual retainers vest quarterly over approximately one year from the date of grant, contingent upon the individual remaining a director of ImmunoGen as of each vesting date, and the number of deferred share units awarded is based on the market value of the Company's common stock on the date of the award. All unvested deferred stock awards will automatically vest immediately prior to the

occurrence of a change of control. Pursuant to the Compensation Policy for Non-Employee Directors, in November 2011, the Company issued two retiring directors an aggregate 46,298 shares of common stock of the Company to settle outstanding deferred share units.

In September 2010, the Board revised the Compensation Policy for Non-Employee Directors to provide that, in addition to the compensation they received previously, they would also become entitled to receive stock option awards having a grant date fair value of $30,000, determined using the Black-Scholes option pricing model measured on the date of grant, which would be the date of the annual meeting of shareholders. These options will vest quarterly over approximately one year from the date of grant. Any new directors will receive a pro-rated award, depending on their date of election to the Board. The directors received a total of 33,187 and 49,688 options during the nine months ended March 31, 2012 and 2011, respectively, and the related compensation expense is included in the amounts discussed in the "Stock-Based Compensation" section of footnote A above.

D. Cash and Cash Equivalents

As of March 31, 2012 and June 30, 2011, the Company held $175.3 million and $191.2 million, respectively, in cash, U.S. Government treasury bills and money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper which were classified as cash and cash equivalents.

E. Commitments and Contingencies

Leases

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

Effective April 2012, the Company entered into a sublease agreement for the rental of 7,310 square feet of laboratory and office space at 830 Winter Street, Waltham, MA from Histogenics Corporation. The initial term of the sublease is for three years with a conditional option for the Company to extend the lease through October 2017. 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.

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At March 31, 2012, the Company also leases a facility consisting of 43,850 square feet in Norwood, MA under an agreement through 2018 with an option to extend the lease for an additional term of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount.

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

2012 (three months remaining)	$	1,557
2013		6,229
2014		6,318
2015		6,435
2016		6,207
Thereafter		22,430
Total minimum lease payments	$	49,176
Total minimum rental payments from sublease		(1,866)
Total minimum lease payments, net	$	47,310

Collaborative Agreements

The Company is contractually obligated to make potential future success-based regulatory milestone payments in conjunction with certain collaborative agreements. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when, if ever, the Company may be required to pay such amounts. Further, the timing of any future payment is not reasonably estimable. As of March 31, 2012, the maximum amount that may be payable in the future under such arrangements is approximately $43.0 million.

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

OVERVIEW

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

We have used our proprietary TAP technology in conjunction with our in-house antibody expertise to develop our own anticancer product candidates. We have also entered into collaborative agreements that enable companies to use our TAP technology to develop commercial product candidates to specified targets. Under the terms of our collaborative agreements, we are generally entitled to upfront fees, milestone payments and royalties on any commercial product sales. In addition, under certain agreements we are compensated for research and development activities performed at our collaborative partner's request at negotiated prices which are generally consistent with what other third parties would charge. We are compensated to manufacture preclinical and clinical materials and deliver cytotoxic agent at negotiated prices which are generally consistent with what other third parties would charge. Currently, our collaborative partners are Amgen, Bayer HealthCare, Biotest, Eli Lilly and Company, Novartis, Roche and Sanofi. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements. Details for some of our collaborative agreements with recent activity follow. Details for our other significant agreements can be found in our 2011 Annual Report on Form 10-K

Amgen—In September 2000, we entered into a ten-year right-to-test agreement with Abgenix, Inc. which was later acquired by Amgen. The agreement provides Amgen with the right to (a) test our maytansinoid TAP technology with Amgen's antibodies under a right-to-test, or research, license, (b) take options, with certain restrictions, to specified targets on either an exclusive or non-exclusive basis for specified option periods and (c) upon exercise of those options, take exclusive or non-exclusive licenses to use our maytansinoid TAP technology to develop and commercialize products for the specified targets on previously agreed-upon terms.

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Under the right-to-test agreement, in September 2009 and November 2009, Amgen took two development and commercialization licenses and we received an exercise fee of $1 million for each license taken. We have deferred each $1 million exercise fee and are recognizing these amounts as revenue ratably over the respective estimated periods of our substantial involvement. For each development and commercialization license taken, we are entitled to receive an exercise fee of $1 million and up to a total of $34 million in milestone payments, plus royalties on the commercial sales of any resulting products. In November 2011, the Investigational New Drug (IND) applications for two compounds developed under the September 2009 and November 2009 development and commercialization licenses became active, which triggered two $1 million milestone payments to us. These payments are included in license and milestone fees for the nine months ended March 31, 2012.

Sanofi—In July 2003, we entered into a broad collaboration agreement with Sanofi (formerly Aventis) to discover, develop and commercialize antibody-based products. The collaboration agreement provides Sanofi with worldwide commercialization rights to new antibody-based products directed to targets that are included in the collaboration. For each of the targets included in the collaboration at this time, we are entitled to receive up to a total of $21.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. Through March 31, 2012, we have received and recognized an aggregate of $16 million in milestone payments under this agreement for compounds covered under this agreement now or in the past, including a $3 million milestone payment earned related to the initiation of a Phase IIb clinical trial (as defined in the agreement) for SAR3419, which is included in license and milestone fee revenue for the nine months ended March 31, 2012, as well as a $1 million milestone payment earned in September 2010 related to the initiation of a Phase I clinical trial for SAR566658, which is included in license and milestone fee revenue for the nine months ended March 31, 2011.

In December 2006, we entered into a separate right-to-test agreement with Sanofi. The agreement provides Sanofi with the right to (a) test our maytansinoid TAP technology with Sanofi's antibodies to targets that were not included in the collaboration agreement described above under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to specified targets for specified time periods and (c) upon exercise of those options, take exclusive licenses to use our maytansinoid TAP technology to develop and commercialize products for the specific targets on the terms agreed upon at the inception of the right-to-test agreement. We are entitled to receive an exercise fee and milestone payments potentially totaling $32 million under each development and commercialization license taken under the right-to-test agreement, as well as royalties on the commercial sales of any resulting products. We are also entitled to manufacturing payments for any materials made on behalf of Sanofi. We received an aggregate of $4 million under the right-to-test agreement, of which $500,000 was received in December 2006 upon execution of the agreement, and $3.5 million of which was received in August 2008 upon Sanofi's activation of its rights under the agreement. The right-to-test agreement had a three-year original term from the activation date and was renewed by Sanofi in August 2011for its final three-year term by payment of a $2 million fee. We have deferred the $2 million extension fee and are recognizing this amount as revenue over the period during which Sanofi can take an option for a development and commercialization license.

Bayer HealthCare— In October 2008, we entered into a development and commercialization license agreement with Bayer HealthCare. The license grants Bayer HealthCare exclusive rights to use our maytansinoid TAP technology to develop and commercialize products to the mesothelin target. Bayer HealthCare is responsible for the manufacturing, product development and marketing of any products resulting from the license. We received a $4 million upfront payment upon execution of the agreement, and—for each product developed and marketed by Bayer HealthCare under the development and commercialization license—we are entitled to receive up to a total of $170.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. Through March 31, 2012, we have received and recognized an aggregate of $3 million in milestone payments under this agreement.

We had previously deferred the $4 million upfront payment received and were recognizing this amount as revenue ratably over the estimated period of substantial involvement. We had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the first quarter of fiscal 2012, Bayer HealthCare initiated Phase I clinical testing of its product candidate. In reaching this stage of clinical testing, Bayer HealthCare developed its own processes for manufacturing required clinical material and produced clinical material in its own manufacturing facility. Considering that Bayer was able to accomplish this without significant reliance on us, and considering that our expected future involvement will be primarily supplying Bayer HealthCare with small quantities of cytotoxic agents for a limited period of time, we believe our period of substantial involvement will end prior to the completion of non-pivotal Phase II testing. As a result of this determination, beginning in September 2011, we are recognizing the balance of the upfront payment as revenue ratably through September 2012. This change in estimate results in an increase to license and milestone fees of approximately $856,000 for the nine months ending March 31, 2012 and $1.2 million for the fiscal year ending June 30, 2012 compared to amounts that would have been recognized pursuant to our previous estimate.

Lilly - In December 2011, we entered into a three-year right-to-test agreement with Eli Lilly and Company (Lilly). The agreement provides Lilly with the right to (a) take exclusive options, with certain restrictions, to specified targets for specified option periods, (b) test our maytansinoid TAP technology with Lilly's antibodies directed to the optioned targets under a right-to-test, or research, license. and (c) upon exercise of those options, take exclusive licenses to use our maytansinoid TAP technology to develop and commercialize products for a specified number of individual targets on terms agreed upon at the inception of the right-to-test

agreement. The terms of the right-to-test agreement require Lilly to exercise its options for the development and commercialization licenses by the end of the term of the research license. We received a $20 million upfront payment in connection with the execution of the right-to test agreement, and for each development and commercialization license for an antigen target, we are entitled to receive exercise fees and milestone payments totaling up to approximately $200 million, plus royalties on the commercial sales of any resulting products. The actual milestone and royalty payments due to us will be based upon the terms of the development and commercialization license applicable to the exercise of each option. We also are entitled to receive payments for research and development activities performed on behalf of Lilly. Lilly is responsible for the manufacturing, product development and marketing of any products resulting from this collaboration.

No license fee revenue has been recognized related to this agreement through March 31, 2012 because none of the delivered elements, primarily the research license, had stand-alone value. We expect to begin to record license fee revenue upon delivery of development and commercialization licenses to Lilly upon Lilly's exercise of its options to such licenses. We do not control when, or if, Lilly will exercise its options for development and commercialization licenses. As a result, we cannot predict when we will recognize license fee revenue. Accordingly, the entire $20 million upfront payment is included in long-term deferred revenue at March 31, 2012.

To date, we have not generated revenues from commercial product sales and we expect to incur significant operating losses for the foreseeable future. As of March 31, 2012, we had approximately $175.3 million in cash and cash equivalents compared to $191.2 million in cash, cash equivalents and marketable securities as of June 30, 2011.

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

Critical Accounting Policies

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

Revenue Recognition

We enter into licensing and development agreements with collaborative partners for the development of monoclonal antibody-based anticancer therapeutics. The terms of these agreements contain multiple deliverables which may include (i) licenses, or options to obtain licenses, to our TAP 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 us under these agreements may include non-refundable license fees, option fees, exercise fees, payments for research activities, payments for the manufacture of preclinical or clinical materials, payments based upon the achievement of certain milestones and royalties on product sales. We follow the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 605-25, "Revenue Recognition — Multiple-Element Arrangements," and ASC Topic 605-28, "Revenue Recognition — Milestone Method," in accounting for these agreements. In order to account for these agreements, we must identify the deliverables included within the agreement and evaluate which deliverables represent separate units of accounting based on if certain criteria are met, including whether the delivered element has stand-alone value to the collaborator. The consideration received is allocated among the separate units of accounting, and the applicable revenue recognition criteria are applied to each of the separate units.

At March 31, 2012, we had the following two types of agreements with the parties identified below:

· Exclusive development and commercialization licenses to use our TAP technology and/or certain other intellectual property to develop compounds to a single target antigen (referred to herein as single-target licenses, as distinguished from our right-to-test agreements described elsewhere):

Amgen (two single-target licenses)

Bayer HealthCare (one single-target license)

Biotest (one single-target license)

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

Sanofi (license to multiple individual targets)

· Option/research agreement for a defined period of time to secure development and commercialization licenses to use our TAP technology to develop anticancer compounds to specified targets on established terms (referred to herein as right-to-test agreements):

Amgen

Sanofi

Novartis

Eli Lilly and Company

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

Exclusive Licenses

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

Generally, exclusive license agreements contain non-refundable terms for payments and, depending on the terms of the agreement, provide that we 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 to it 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 trastuzumab emtansine (T-DM1), however, the minimum royalty term is 10 years and the maximum royalty term is 12 years on a country-by-country basis. Royalty rates may vary over the royalty term depending on our intellectual property rights. We may provide technical assistance and share any technology improvements with our collaborators during the term of the collaboration agreements. We do not directly control when any collaborator will request research or manufacturing services, achieve milestones or become liable for royalty payments. As a result, we cannot predict when we will recognize revenues in connection with any of the foregoing.

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

Upfront payments on single-target licenses are deferred if facts and circumstances dictate that the license does not have stand-alone value. Prior to the adoption of Accounting Standards Update (ASU) No. 2009-13, "Revenue Arrangements with Multiple Deliverables" on July 1, 2010, we determined that our licenses lacked stand-alone value and were combined with other elements of the

arrangement and any amounts associated with the license were deferred and amortized over a certain period, which we refer to as our period of substantial involvement. The determination of the length of the period over which to defer revenue is subject to judgment and estimation and can have an impact on the amount of revenue recognized in a given period. Historically our involvement with the development of a collaborator's product candidate has been significant at the early stages of development, and lessens as it progresses into clinical trials. Also, as a drug candidate gets closer to commencing pivotal testing our collaborators have sought an alternative site to manufacture its product, as our facility does not produce pivotal or commercial drug product. Accordingly, we generally estimate this period of substantial involvement to begin at the inception of the collaboration agreement and conclude at the end of non-pivotal Phase II testing. We believe this period of substantial involvement is, depending on the nature of the license, on average six and one-half years. Quarterly, we reassess our periods of substantial involvement over which we amortize our upfront license fees and make adjustments as appropriate. In the event a collaborator elects to discontinue development of a specific product candidate under a single target license, but retains its right to use our technology to develop an alternative product candidate to the same target or a target substitute, we would cease amortization of any remaining portion of the upfront fee until there is substantial preclinical activity on another product candidate and its remaining period of substantial involvement can be estimated. In the event that a single target license were to be terminated, we would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue, at the date of such termination. Subsequent to the adoption of ASU No. 2009-13, we determined that our research licenses lack stand-alone value and are considered for aggregation with the other elements of the arrangement and accounted for as one unit of accounting.

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

We recognize revenue related to research services that represent separate units of accounting as they are performed, as long as there is persuasive evidence of an arrangement, the fee is fixed or determinable, and collection of the related receivable is probable. We recognize revenue related to the rights to future technological improvements over the estimated term of the applicable license.

We may also provide cytotoxic agents to our collaborators or produce preclinical and clinical materials for them at negotiated prices which are generally consistent with what other third parties would charge. We recognize revenue on cytotoxic agents and on preclinical and clinical materials when the materials have passed all quality testing required for collaborator acceptance and title and risk of loss have transferred to the collaborator. Arrangement consideration allocated to the manufacture of preclinical and clinical materials in a multiple-deliverable arrangement is below our full cost, and our full cost is not expected to ever be below our contract selling prices for our existing collaborations.

We may also produce research material for potential collaborators under material transfer agreements. Additionally, we perform research activities, including developing antibody specific conjugation processes, on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. We record amounts received for research materials produced or services performed as a component of research and development support revenue. We also develop conjugation processes for materials for later stage testing and commercialization for certain collaborators. We are compensated at negotiated rates and may receive milestone payments for developing these processes which are recorded as a component of research and development support revenue.

Our 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 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 agreement that includes milestone payments, we evaluate whether each milestone is substantive and at risk to both parties on the basis of the contingent nature of the milestone. This evaluation includes an assessment of whether (a) the consideration is commensurate with either (1) the entity's performance to achieve the milestone, or (2) the enhancement of the value of the delivered item(s) as a result of a specific outcome resulting from the entity's performance to achieve the milestone, (b) the consideration relates solely to past performance and (c) the consideration is reasonable relative to all of the deliverables and payment terms within the arrangement. We evaluate factors such as the scientific, regulatory, commercial and other risks that must be overcome to achieve the respective milestone, the level of effort and investment required to achieve the respective milestone and whether the milestone consideration is reasonable relative to all deliverables and payment terms in the arrangement in making this assessment.

Non-refundable development and regulatory milestones that are expected to be achieved as a result of our efforts during the

period of substantial involvement are considered substantive and are recognized as revenue upon the achievement of the milestone, assuming all other revenue recognition criteria are met. Milestones that are not considered substantive because we do not contribute effort to the achievement of such milestones are generally achieved after the period of substantial involvement and are recognized as revenue upon achievement of the milestone, as there are no undelivered elements remaining and no continuing performance obligations, assuming all other revenue recognition criteria are met.

Right-to-Test Agreements

The Company's right-to-test agreements provide collaborators the right to (a) test our TAP technology for a defined period of time through a right-to-test, or research, license, (b) take options, for a defined period of time, to specified targets and (c) 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 us (i) at the inception of the arrangement (referred to as "upfront" fees or payments), (ii) upon taking an option with respect to a specific target (referred to as option fees or payments earned, if any, when the option is "taken"), (iii) upon the exercise of a previously taken option 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"), or (iv) some combination of all of these fees.

The accounting for right-to-test agreements is dependent on the nature of the option granted to the collaborative partner. Options are considered substantive if, at the inception of a right-to-test agreement, we are at risk as to whether the collaborative partner will choose to exercise the options to secure development and commercialization licenses. Factors that are considered in evaluating whether options are substantive 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 total upfront consideration, and the additional financial commitments or economic penalties imposed on the collaborator as a result of exercising the options.

For right-to-test agreements where the options to secure development and commercialization licenses to our TAP technology are considered substantive, we do not consider the development and commercialization licenses to be a deliverable at the inception of the agreement. For those right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 where the options to secure a development and commercialization license are considered substantive, we have deferred the upfront payments received and recognize this revenue over the period during which the collaborator could elect to take options for development and commercialization licenses. These periods are specific to each collaboration agreement. If a collaborator takes an option to acquire a development and commercialization license under these agreements, any substantive option fee is deferred and recognized over the life of the option, generally 12 to 18 months. If a collaborator exercises an option and takes a development and commercialization license to a specific target, we attribute the exercise fee to the development and commercialization license. Upon exercise of an option to acquire a development and commercialization license, we would also attribute any remaining deferred option fee to the development and commercialization license and apply the multiple-element revenue recognition criteria to the development and commercialization license and any other deliverables to determine the appropriate revenue recognition, which will be consistent with our accounting policy for upfront payments on single-target licenses. In the event a right-to-test agreement were to be terminated, we would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue, at the date of such termination. None of our right-to-test agreements entered into subsequent to the adoption of ASU No. 2009-13 has been determined to contain substantive options.

For right-to-test agreements where the options to secure development and commercialization licenses to our TAP technology are not considered substantive, we consider the development and commercialization license to be a deliverable at the inception of the agreement and apply the multiple-element revenue recognition criteria to determine the appropriate revenue recognition. None of our right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 has been determined to contain non-substantive options.

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

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

RESULTS OF OPERATIONS

Comparison of Three Months ended March 31, 2012 and 2011

Revenues

Our total revenues for the three months ended March 31, 2012 and 2011 were $3.3 million and $5.2 million, respectively. The $1.9 million decrease in revenues in the three months ended March 31, 2012 from the same period in the prior year is attributable to a decrease in research and development support revenue and clinical materials revenue, partially offset by an increase in license and milestone fees, all of which are discussed below.

Research and development support revenue was $1.3 million for the three months ended March 31, 2012 compared with $2.2 million for the three months ended March 31, 2011. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators shown in the table below. Also included in research and development support revenue are fees for developing antibody-specific conjugation processes on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. The amount of research and development support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of research and development support revenue may vary widely from quarter to quarter and year to year. Total revenue recognized from research and development support from each of our collaborative partners in the three-month periods ended March 31, 2012 and 2011 is included in the following table (in thousands):

	Three Months Ended March 31,	
Research and Development Support	**2012**	**2011**
Collaborative Partner:		
Amgen	$ 277	$ 984
Bayer HealthCare	20	172
Biotest	132	336
Lilly	164	—
Novartis	723	479
Sanofi	4	52
Other	—	167
Total	$ 1,320	$ 2,190

Revenues from license and milestone fees for the three months ended March 31, 2012 increased $141,000 to $999,000 from $858,000 in the same period ended March 31, 2011. The amount of license and milestone fees we earn is directly related to the number of our collaborators and potential collaborators, the resources our collaborators allocate to the advancement of the product candidates, the number of clinical trials our collaborators conduct and the speed of enrollment and overall success in those trials. As such, the amount of license and milestone fees may vary widely from quarter to quarter and year to year. Total revenue from license and milestone fees recognized from each of our collaborative partners in the three-month periods ended March 31, 2012 and 2011 is included in the following table (in thousands):

	Three Months Ended March 31,	
License and Milestone Fees	**2012**	**2011**
Collaborative Partner:		
Amgen	$ 279	$ 299
Bayer HealthCare	521	154
Biotest	32	32
Centocor	—	14
Sanofi	167	359
Total	$ 999	$ 858

Deferred revenue of $73.1 million as of March 31, 2012 primarily represents payments received from our collaborators pursuant to our license agreements, including a $20 million upfront payment received from Lilly during the current quarter and a $45 million upfront payment received from Novartis during fiscal 2011, both of which we have yet to earn pursuant to our revenue recognition policy.

Clinical materials revenue decreased $1.2 million in the three months ended March 31, 2012, to $933,000 from $2.2 million in the three months ended March 31, 2011. We are compensated at negotiated prices which are generally consistent with what other third-parties would charge. 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 are preparing or have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and the supply of clinical-grade material to our collaborators for process development and analytical purposes. As such, the amount of clinical materials revenue revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year.

Research and Development Expenses

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

Research and development expense for the three months ended March 31, 2012 increased $1.1 million to $16.9 million from $15.8 million for the three months ended March 31, 2011. The increase was primarily due to (i) lower overhead utilization absorbed by the manufacture of clinical materials on

behalf of our collaborators; (ii) increased clinical trial costs; and (iii) increased salaries and related expenses due primarily to additional headcount and higher stock compensation cost. The number of our research and development personnel increased to 212 as of March 31, 2012 compared to 197 at March 31, 2011. The higher stock compensation costs in the current period are driven by higher stock prices and increases in the number of annual options granted. Partially offsetting these increases, during the current period there was a decrease in cost of clinical materials revenue related to decreased orders of such clinical materials from our partners due to timing of supply requirements. A more detailed discussion of research and development expense in the period follows.

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

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

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

	Three Months Ended March 31,	
Research and Development Expense	**2012**	**2011**
Research	$ 4,070	$ 3,925
Preclinical and Clinical Testing	5,665	4,198
Process and Product Development	1,736	1,773
Manufacturing Operations	5,462	5,867
Total Research and Development Expense	$ 16,933	$ 15,763

Research: Research includes expenses associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, contract services, facilities and lab supplies. Research expenses for the three months ended March 31, 2012 increased $145,000 compared to the three months ended March 31, 2011. This increase is primarily the result of an increase in salaries and related expenses and an increase in disposables used in research activities, partially offset by decreased contract service expense due to less outsourced research-related studies for potential new compounds conducted during the current period.

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

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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, 2012 increased $1.5 million to $5.7 million compared to $4.2 million for the three months ended March 31, 2011. This increase is primarily the result of (i) an increase in salaries and related expenses, including higher stock compensation cost; (ii) an increase in clinical trial costs due to site expansion and higher patient enrollment for the IMGN901 studies, start-up costs for the IMGN853 trial and increased data management costs for the IMGN388 trial; and (iii) an increase in contract service expense related to *in vivo* studies conducted for a pre-IND product candidate and a potential new linker and a cytotoxic agent during the period.

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, 2012, total development expenses decreased $37,000 compared to the three months ended March 31, 2011. This decrease is primarily the result of a decrease in contract service expense, partially offset by an increase in salaries and related expenses.

Manufacturing Operations: Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the three months ended March 31, 2012, manufacturing operations expense decreased $405,000 to $5.5 million compared to $5.9 million in the same period last year. The decrease in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011 is primarily the result of a decrease in cost of clinical materials revenue related to decreased orders of such clinical materials from our partners. Partially offsetting this decrease, overhead utilization absorbed by the manufacture of clinical materials on behalf of our collaborators decreased and salaries and related expense increased during the current period.

General and Administrative Expenses

General and administrative expenses for the three months ended March 31, 2012 increased $471,000 to $5.0 million compared to $4.6 million for the three months ended March 31, 2011. This increase is primarily due to an increase in salaries and related expenses, particularly stock compensation cost. The higher stock compensation costs in the current period are driven by higher stock prices and increases in the number of annual options granted.

Other Income, net

Other income, net for the three months ended March 31, 2012 and 2011 is included in the following table (in thousands):

	Three Months Ended March 31,	
Other Income, net	**2012**	**2011**
Interest Income	$ 18	$ 56
Other Income, net	15	43
Total Other Income, net	$ 33	$ 99

Comparison of Nine Months ended March 31, 2012 and 2011

Revenues

Our total revenues for the nine months ended March 31, 2012 and 2011 were $13.4 million and $12.8 million, respectively. The $605,000 increase in revenues in the nine months ended March 31, 2012 from the same period in the prior year is attributable to an increase in license and milestone fees, partially offset by a decrease in research and development support revenue and clinical materials revenue, all of which are discussed below.

Research and development support revenue was $3.3 million for the nine months ended March 31, 2012 compared with $5.7 million for the nine months ended March 31, 2011. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators shown in the table below. Also included in research and development support revenue are fees for developing antibody-specific conjugation processes on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. The amount of research and development

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support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of research and development support revenue may vary widely from quarter to quarter and year to year. Total revenue recognized from research and development support from each of our collaborative partners in the nine-month periods ended March 31, 2012 and 2011 is included in the following table (in thousands):

	Nine Months Ended March 31,	
Research and Development Support	**2012**	**2011**
Collaborative Partner:		
Amgen	$ 818	$ 3,332
Bayer HealthCare	27	415
Biotest	436	606
Lilly	171	—
Novartis	1,867	844
Sanofi	14	124
Other	—	369
Total	$ 3,333	$ 5,690

Revenues from license and milestone fees for the nine months ended March 31, 2012 increased $4.7 million to $8.2 million from $3.5 million in the same period ended March 31, 2011. Included in license and milestone fees for the nine months ended March 31, 2012 was a $3 million milestone payment related to the initiation of Phase II clinical testing of SAR3419 achieved under our collaboration agreement with Sanofi and two $1 million milestone payments related to clinical milestones achieved under our license agreements with Amgen. Included in license and milestone fees for the nine months ended March 31, 2011 was a $1 million milestone payment related to the initiation of Phase I clinical testing of SAR566658 achieved under the collaboration agreement with Sanofi. The amount of license and milestone fees we earn is directly related to the number of our collaborators and potential collaborators, the resources our collaborators allocate to the advancement of the product candidates, the number of clinical trials our collaborators conduct and the speed of enrollment and overall success in those trials. As such, the amount of license and milestone fees may vary widely from quarter to quarter and year to year. Total revenue from license and milestone fees recognized from each of our collaborative partners in the nine-month periods ended March 31, 2012 and 2011 is included in the following table (in thousands):

	Nine Months Ended March 31,	
License and Milestone Fees	**2012**	**2011**
Collaborative Partner:		
Amgen	$ 2,879	$ 823
Bayer HealthCare	1,318	462
Biogen Idec	270	28
Biotest	97	97
Centocor	19	48
Sanofi	3,628	2,076
Total	$ 8,211	$ 3,534

Clinical materials revenue decreased $1.7 million in the nine months ended March 31, 2012, to $1.9 million from $3.6 million in the nine months ended March 31, 2011. We are compensated at negotiated prices which are generally consistent with what other third-parties would charge 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 are preparing or have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and the supply of clinical-grade material to our

collaborators for process development and analytical purposes. As such, the amount of clinical materials revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year.

Research and Development Expenses

Research and development expense for the nine months ended March 31, 2012 increased $4.5 million to $49.7 million from $45.2 million for the nine months ended March 31, 2011. The increase was primarily due to (i) increased contract service expenses to advance our linkers and internal product candidates; (ii) increased clinical trial costs (iii) lower overhead utilization absorbed by the manufacture of clinical materials on behalf of our collaborators; and (iv) increased salaries and related expenses due primarily to additional headcount and higher stock compensation cost. The higher stock compensation costs in the current period are driven by

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higher stock prices and increases in the number of annual options granted. Partially offsetting these increases, during the current period there was a decrease in cost of clinical materials revenue related to decreased orders of such clinical materials from our partners due to timing of partner supply requirements and a decrease in antibody development and supply expense due to timing of internal supply requirements. A more detailed discussion of research and development expense in the period follows.

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

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

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

	Nine Months Ended March 31,	
Research and Development Expense	**2012**	**2011**
Research	$ 12,458	$ 11,156
Preclinical and Clinical Testing	15,538	11,871
Process and Product Development	5,303	5,363
Manufacturing Operations	16,354	16,802
Total Research and Development Expense	$ 49,653	$ 45,192

Research: Research includes expenses associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, contract services, facilities and lab supplies. Research expenses for the nine months ended March 31, 2012 increased $1.3 million compared to the nine months ended March 31, 2011. This increase is primarily the result of an increase in salaries and related expenses.

Preclinical and Clinical Testing: Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the nine months ended March 31, 2012 increased $3.6 million to $15.5 million compared to $11.9 million for the nine months ended March 31, 2011. This increase is primarily the result of (i) an increase in salaries and related expenses; (ii) an increase in contract service expense related to *in vivo* studies conducted for IMGN853, a pre-IND product candidate and a potential new linker and a cytotoxic agent during the period; and (iii) an increase in clinical trial costs due primarily to site expansion and higher patient enrollment for the IMGN901 studies and start-up costs for the IMGN529 and IMGN853 trials. Partially offsetting these increases, consulting service expense decreased due primarily to a decrease in third-party regulatory assistance required during the current period due to the addition of internal resources.

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 nine months ended March 31, 2012, total development expenses decreased $60,000

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compared to the nine months ended March 31, 2011. This decrease is primarily the result of a decrease in contract service expense, partially offset by an increase in salaries and related expenses.

Manufacturing Operations: Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the nine months ended March 31, 2012, manufacturing operations expense decreased $448,000 compared to the same period last year. The decrease in the nine months ended March 31, 2012 as compared to the nine months ended March 31, 2012 is primarily the result of a decrease in antibody development and supply expense and a decrease in cost of clinical materials revenue related to decreased orders of such clinical materials from our partners. Partially offsetting these decreases, overhead utilization absorbed by the manufacture of clinical materials on behalf of our collaborators decreased and salaries and related expense increased during the current period. Also contract service expense increased during the period due primarily to greater linker development costs, increased fill/finish costs, particularly for IMGN388 and IMGN901, and increased stability and analytical testing of our internal antibodies.

General and Administrative Expenses

General and administrative expenses for the nine months ended March 31, 2012 increased $3.1 million to $14.7 million compared to $11.6 million for the nine months ended March 31, 2011. This increase is primarily due to an increase in salaries and related expenses, particularly stock compensation cost and an increase in professional fees, particularly consulting fees and public reporting charges. The higher stock compensation costs in the current period are driven by higher stock prices and increases in the number of annual options granted.

Other Income, net

Other income, net for the nine months ended March 31, 2012 and 2011 is included in the following table (in thousands):

	Nine Months Ended March 31,	
Other Income, net	**2012**	**2011**
Interest Income	$ 40	$ 160
Net Realized Gains on Investments	—	341
Other (Expense) Income, net	(1)	1,369
Total Other Income, net	$ 39	$ 1,870

Net Realized Gains on Investments

During the nine months ended March 31, 2011, we sold the remaining marketable securities held in our investment portfolio, resulting in a net realized gain of $341,000.

Other (Expense) Income, net

During the nine months ended March 31, 2011, we recognized $1.2 million of federal grant funding awarded under the Patient Protection and Affordable Care Act of 2010 to develop new anticancer therapies.

LIQUIDITY AND CAPITAL RESOURCES

	March 31, 2012	June 30, 2011
	(In thousands)	
Cash and cash equivalents	$ 175,260	$ 191,206
Working capital	167,014	186,959
Shareholders' equity	100,930	139,969

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	Nine Months Ended March 31,	
	2012	**2011**
	(In thousands)	
Cash (used for) provided by operating activities	$ (18,115)	$ 5,943
Cash used for investing activities	(1,838)	(199)
Cash provided by financing activities	4,007	913

Cash Flows

We require cash to fund our operating expenses, including the advancement of our own clinical programs, and to make capital expenditures. Historically, we have funded our cash requirements primarily through equity financings in public markets and payments from our collaborators, including equity investments, license fees, milestones and research funding. As of March 31, 2012, we had approximately $175.3 million in cash and cash equivalents. Net cash (used for) provided by operations was $(18.1) million and $5.9 million for the nine months ended March 31, 2012 and 2011, respectively. The principal use of cash in operating activities for all periods presented was to fund our net loss. Cash used for operations for the nine months ended March 31, 2012 benefited from the $20 million upfront payment received from Lilly in January 2012 with the establishment of a technology access collaboration between the companies. Cash provided by operations for the nine months ended March 31, 2011 benefited from the $45 million upfront payment received from Novartis in October 2010 with the establishment of a technology access collaboration between the companies.

Net cash used for investing activities was $(1.8) million and $(199,000) for the nine months ended March 31, 2012 and 2011, respectively, and primarily represents cash outflows for capital expenditures offset by cash inflows from the sales and maturities of marketable securities in the prior period.

Capital expenditures, primarily for the purchase of new equipment, were $1.8 million and $1.5 million for the nine-month periods ended March 31, 2012 and 2011, respectively.

Net cash provided by financing activities was $4.0 million and $913,000 for the nine months ended March 31, 2012 and 2011, respectively, which represents proceeds from the exercise of approximately 863,000 and 190,000 stock options, respectively.

We anticipate that our current capital resources and expected future collaborator payments under existing collaborations will enable us to meet our operational expenses and capital expenditures through fiscal year 2014. However, we cannot provide assurance that such future collaborative agreement funding will, in fact, be received. Should we or our partners not meet some or all of the terms and conditions of our various collaboration agreements, we may be required to pursue additional strategic partners, secure alternative financing arrangements, and/or defer or limit some or all of our research, development and/or clinical projects.

Contractual Obligations

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

Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, “Fair Value Measurement.” This ASU clarifies the concepts related to highest and best use and valuation premise, blockage factors and other premiums and discounts, the fair value measurement of financial instruments held in a portfolio and of those instruments classified as a component of shareholders’ equity. The guidance includes enhanced disclosure requirements about recurring Level 3 fair value measurements, the use of nonfinancial assets, and the level in the fair value hierarchy of assets and liabilities not recorded at fair value. The provisions of this ASU are effective prospectively for annual periods, and interim periods within those years, beginning on or after December 15, 2011. Early application is prohibited. The Company does not expect the adoption of these provisions to have a significant impact on our financial statements.

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

Forward-Looking Statements

This quarterly report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to analyses and other information which are based on forecasts of future results and estimates of amounts that are not yet determinable. There are a number of factors that could cause actual events or results to be significantly

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different from those described in the forward-looking statements. Forward-looking statements might include, but are not limited to, one or more of the following subjects:

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

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

OFF-BALANCE SHEET ARRANGEMENTS

None.

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

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

ITEM 4. *Controls and Procedures*

(a) *Disclosure Controls and Procedures*

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

(b) *Changes in Internal Controls*

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2012 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1A. ***Risk Factors***

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

ITEM 6. ***Exhibits***

Exhibit No.	Description
10.1*	Development and License agreement dated as of October 20, 2008 by and between the Registrant and Bayer HealthCare AG
10.2*	Multi-Target Agreement dated as of October 8, 2010 by and between the Registrant and Novartis Institutes for BioMedical Research, Inc.
10.3*	Multi-Target Agreement dated as of December 19, 2011 by and between the Registrant and Eli Lilly and Company XBRL Instance Document
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 Taxonomy Extension Schema
101.SCH**	XBRL Taxonomy Extension Calculation Linkbase
101.CAL**	XBRL Taxonomy Extension Definition Linkbase
101.DEF**	XBRL Taxonomy Extension Label Linkbase
101.LAB**	XBRL Taxonomy Extension Presentation Linkbase
101.PRE**	

† *Furnished, not filed.*

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

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

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SIGNATURES

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

ImmunoGen, Inc.

Date: May 10, 2012

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

Date: May 10, 2012

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

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.

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. [***] 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

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

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

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.

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.

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 [***] 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

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

paid by Bayer or its Affiliates or Sublicensees during such calendar quarter with respect to sales of Licensed Products regardless of the calendar quarter in which such sales were made:

(a) (i) [***] actually allowed or taken, including [***] to [***] or [***]; (ii) [***] actually [***] or [***], including [***] such as [***] or [***]; (iii) [***] or [***] actually allowed or granted from the [***]; and (iv) [***] actually [***] to [***] as reflected on the same invoice as for the sale of Licensed Product;

(b) [***] or [***] actually [***] or [***] for [***] of or [***] of, [***] Licensed Products;

(c) any charges for[***], and [***] related to the [***] of Licensed Product to the extent [***] in the [***];

(d) any [***] or [***] levied on the [***] or [***] of a Licensed Product (including any [***] such as a [***] or similar [***] or [***]) borne by the [***] thereof, other than [***] or [***] of any kind whatsoever; and

(e) any [***] or [***] duties or their [***] borne by the [***].

Net Sales shall not include [***] or [***] between [***] and [***], unless the Licensed Product is [***] by the [***].

In the event a Licensed Product is sold as a [***] of a [***] or [***] that consists of a Licensed Product together with another [***] for the [***] (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 the country in which the Combination Product is sold [***] and of the [***] and [***], and B is the [***] of the other product(s) included in the Combination Product when sold separately [***] in the country in which the Combination Product is sold [***] 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 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 [***].

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

1.46. **"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 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 (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 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)

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 [***] prior to such execution and provide redacted copies to ImmunoGen of each such sublicense within [***]; (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

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.

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

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.

(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 [***] period, and any they reasonably expect to make, seek or attempt to obtain in the following [***] 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 [***] 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 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 [***] 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 [***] after receipt of the proposed submission. When requested in writing, ImmunoGen shall provide reasonable assistance to Bayer in obtaining 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 [***] 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

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 [***].

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, 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 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 [***] 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 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 [***] 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 [***] 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
[***]		[***]

If Initiation of [***] or [***] for the [***] of a Licensed Product occurs before the [***] of a Licensed Product, the milestone payment payable upon the earlier of[***] or [***] for the first indication of a Licensed Product shall be increased from $[***] to $[***]. 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 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)
[***]	[***]

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 [***] in [***].

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

exchange rate to convert from each country's currency to United States Dollars under this Section 5.6; and the royalties payable in United States Dollars.

(b) Accounting. All payments hereunder shall be made in 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 [***] 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 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 [***] 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 [***] 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 [***] 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.

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 [***] 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

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

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 [***] 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 [***] 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 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

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 [***] 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

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

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 [***].

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 [***] from any Infringement Notice (or [***] 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, such [***]) period, then ImmunoGen shall have an additional [***] (or in the case of an infringement under the Hatch-Waxman Act, [***]) 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 [***] from any Infringement Notice (or [***] 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 [***] (or, if applicable, such [***]) period, then Bayer shall have an additional [***] (or in the case of an

infringement under the Hatch-Waxman Act, [***]) 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

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 [***] 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 [***] ([***] if the breach is a failure of [***] to [***]) after the non-breaching Party first gives written notice of such breach to the

other Party; provided, however, that if the asserted 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 [***] 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) [***]. [***] shall have the right to terminate this Agreement, effective upon [***] prior written notice to [***], in the event that [***].

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 [***] 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 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 [***] 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 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 (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 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:

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 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.

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:

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.]

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

IMMUNOGEN, INC.		**BAYER HEALTHCARE AG**	
By:	/s/ Daniel M. Junius	By:	/s/ D. Linkenheil
Name:	Daniel M. Junius	Name:	Dr. D. Linkenheil
Title:	President and CEO	Title:	Law and Patents

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

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

MULTI-TARGET AGREEMENT

This Multi-Target Agreement (this **"Agreement"**) is made effective as of October 8, 2010 (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 **Novartis Institutes for BioMedical Research, Inc.**, a Delaware corporation (**"Novartis"**), with its principal place of business at 250 Massachusetts Avenue, Cambridge, Massachusetts 02139. ImmunoGen and Novartis are sometimes each hereinafter referred to individually as a **"Party"** and collectively as the **"Parties."**

WHEREAS, Novartis 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 Cytotoxic Compounds to Antibodies; and

WHEREAS, pursuant to the terms and conditions set forth herein, Novartis desires to have access to ImmunoGen's proprietary technology and know-how for research, discovery and development of Ab-Cytotoxic Products, and ImmunoGen desires to give Novartis 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-Cytotoxic Product" means any compound that incorporates, is comprised of, or is otherwise derived from, a conjugate of an Antibody with a Cytotoxic Compound.

1.2 "Affiliate" means, with respect to a Person, any entity or person that controls, is controlled by, or is under common control with that Person. For the purpose of this definition, "control" or "controlled" means, direct or indirect, 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 interest in the case of any other type of legal entity; status as

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a general partner in any partnership; or any other arrangement whereby the entity or person controls or has the right to control the board of directors or equivalent governing body of a corporation or other entity or the ability to cause the direction of the management or policies of a corporation or other entity. The Parties acknowledge that in the case of entities organized under the laws of certain countries where the maximum percentage ownership permitted by law for a foreign investor is less than fifty percent (50%), such lower percentage shall be substituted in the preceding sentence, provided that such foreign investor has the power to direct the management and policies of such entity. In the case of Novartis, "Affiliates" shall also expressly be deemed to include the Novartis Institute for Functional Genomics, Inc., the Friedrich Miescher Institute for Biomedical Research and their respective Affiliates. A Person shall be deemed an Affiliate of another Person 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 a 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 New York, New York, Boston, Massachusetts or Basel, Switzerland 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

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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; 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 [***].

1.9 **"Confidential Information"** means (a) with respect to ImmunoGen, the identification by ImmunoGen of any Proposed Target as an Excluded Target; (b) with respect to Novartis, the identification by Novartis 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 employees, consultants or Affiliates, 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 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 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.

1.10 **"Confidentiality Agreement"** means that certain Mutual Confidential Disclosure Agreement effective February 15, 2008, by and between ImmunoGen and Novartis.

1.11 **"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.

1.12 **"Cytotoxic Compound"** means MAY Compounds [***].

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 [***] 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 [***], 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, as amended.

1.18 **"Field"** means all human and veterinary therapeutic, prophylactic and diagnostic uses.

1.19 **"FTE"** means a full time equivalent person year (consisting of a total of [***] 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 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 **"**[***]**"** means any and all [***], whether produced by a botanical source, natural fermentation, chemical synthesis or otherwise, including, without limitation, all analogs, variants, fragments or derivatives of any of the foregoing, in each case owned or Controlled by ImmunoGen.

1.26 **"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.

1.27 [***].

1.28 **"Improvements"** means any enhancement, improvement or modification to the Licensed Intellectual Property which is [***].

1.29 **"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-Cytotoxic 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-Cytotoxic Product in humans in such country or region; and (c) all supplements and amendments to any of the foregoing.

1.30 **"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, Novartis or any Affiliate of Novartis.

1.31 **"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, Novartis or any Affiliate of Novartis.

1.32 **"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.

1.33 **"Licensed Intellectual Property"** means the Licensed Patent Rights and the Licensed Technology.

1.34 **"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 ImmunoGen's interest in any Patent Rights claiming Joint Program Technology or Joint Improvements) that include one or more claims that cover Licensed Technology; provided, however, that Licensed Patent Rights shall expressly exclude [***].

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

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

1.37 **"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 ImmunoGen's interest in any Joint Program Technology and Joint Improvements) that is necessary or useful for Novartis to conduct the Research Program; provided, however, that Licensed Technology shall expressly exclude any Proprietary Antibody Rights.

1.38 **"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.

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

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

1.41 **"Novartis Improvements"** means Improvements conceived or first reduced to practice by one or more employees of or others obligated to assign inventions to Novartis or any of its Affiliates [***] in the conduct of [***].

1.42 **"Novartis Research Inventions"** means any claim of Patent Rights which, as between the Parties, are solely owned or Controlled by Novartis or its Affiliates, and which relate to a [***] and are conceived and reduced to practice in [***], after [***] but [***] with respect to [***], [***].

1.43 "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.

1.44 "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 "Personal Information" means any information that can be used to identify, describe, locate or contact an individual, including but not limited to (a) name or initials;

(b) home or other physical address; (c) telephone number; (d) email address or online identifier associated with the individual; (e) social security number or other similar government identifier; (f) employment, financial or health information; (g) information specific to an individual's physical, physiological, mental, economic, racial, political, ethnic, ideological, cultural or social identity; (h) photographs; (i) dates relating to the individual (except years alone); (j) financial account numbers; (k) genetic material or information; (l) business contact information and (m) any other information relating to an individual that, alone or in combination, with any of the above, can be used to identify an individual.

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

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

1.48 "Proposed Target" means the single Target specified in any Holding Option Request.

1.49 "Proprietary Antibody Rights" means all Technology (and associated Patent Rights) owned or Controlled by ImmunoGen during the Term constituting or claiming (a) the [***] (a **"Proprietary Antibody"**), or (b) the [***]. For purposes of clarity, "Proprietary Antibody Rights" does not include any Program Technology that relates to Antibodies directed to Program Targets or any Patent Rights claiming such Program Technology.

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

1.51 "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. Without limiting the generality of the foregoing, any [***] furnished by ImmunoGen to Novartis or an Affiliate or Sublicensee of Novartis or any of their Permitted Third Party Service Providers shall be deemed to be ImmunoGen's Proprietary Materials.

1.52 "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-Cytotoxic Product.

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

1.54 "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 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.

1.55 "Research Program" means, subject to the limitations set forth in Section 2.1 hereof, any and all [***] of any [***] directed to Holding Option Targets and/or Reserve Option Targets and the manufacture of [***] solely for use in such [***]. In addition, subject to a [***] set forth in Section 4.3(b), at Novartis' request during the Term, ImmunoGen will [***] to [***] on an [***], and such [***], together with Novartis' [***] with the resulting [***] solely for the purpose of [***] to which such [***] is directed, will be deemed to be [***].

1.56 "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.

1.57 "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 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.

1.58 **"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-aventis"**), as successor-in-interest to Aventis Pharmaceuticals, Inc., as the same may be amended from time to time.

1.59 **"Specific Ab-Cytotoxic Product"** means an Ab-Cytotoxic Product incorporating a Novartis Antibody.

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

1.61 **"Technical Transfer Materials"** means ImmunoGen information (including, without limitation, [***]) as consistently provided by ImmunoGen to [***] for the purpose of [***] with respect to [***], [***], as applicable, including: [***].

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

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

1.65 **"Third Party Expert Services Agreement"** means that certain Services Agreement effective as of October 4, 2010 by and among ImmunoGen, Novartis and Foley & Lardner LLP, as the same may be amended from time to time.

1.66 **"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.

1.67 **"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	1.9
Dispute	11.12
Effective Date	Recitals
Exclusive License	3.2(a)
Exclusive License Effective Date	3.2(a)
Expired Holding Option	3.1(d)
Expired Holding Option Tail Period	3.1(d)
Extension Fee	5.2
First Extended Term	8.1(b)
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)
ImmunoGen	Recitals
ImmunoGen Indemnitees	10.1(a)
Indemnified Party	10.2
Indemnifying Party	10.2
Initial Term	8.1(a)
JRC	4.2(a)
Losses	10.1(a)
Material Breach	8.2(b)
Novartis	Recitals

Novartis Indemnitees	10.1(b)
Party/Parties	Recitals
Permitted Third Party Service Providers	2.1
Proprietary Antibody	1.49
Receiving Party	1.9
Reserve Option Grant Date	3.1(b)

Reserve Option Period	3.2(a)
Rolling Forecast	4.3(b)
sanofi-aventis	1.58
Second Extended Term	8.1(c)
Term	8.1(c)
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 Novartis a fully paid-up, non-exclusive, non-transferable (except in accordance with Section 11.8 hereof), 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. Novartis shall have the right 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; provided that (a) Novartis shall [***] and (b) Novartis shall [***]. Anything contained in this Agreement to the contrary notwithstanding, Novartis shall have no right under this Agreement to [***] for which Novartis [***].

2.2 Use of Licensed Technology. In connection with any Licensed Technology transferred to Novartis pursuant to this Agreement and except as provided in any outstanding Exclusive License, Novartis 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 hereby; and (d) except for the rights expressly set forth herein, Novartis 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. Subject to Section 2.5 hereof, Novartis hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free, worldwide license[***] under Novartis' interest in any Novartis Improvements and Joint Improvements, including, without limitation, any Patent Rights therein, (a) to manufacture Ab-Cytotoxic Products and Cytotoxic Compounds solely in connection with the conduct of the ImmunoGen Activities; (b) [***] (other than a [***]) that [***] (i) either a Holding Option Target or a Reserve Option Target while the applicable Holding Option or Reserve Option is outstanding and (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 [***].

2.4 Research Inventions. Novartis hereby grants, on behalf of itself and its Affiliates, to ImmunoGen a [***], worldwide license, with the right to grant sublicenses as specified below, under Novartis' and its Affiliates' interest in any Novartis Research Inventions (excluding any Patent Rights to which Section 2.3 hereof applies), 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 in the Field any [***] (other than a [***]) that [***] (a) either a Holding Option Target or a Reserve Option Target while the applicable Holding Option or Reserve Option is outstanding and (b) a Licensed Target while the exclusive license granted under the applicable License Agreement remains in effect, provided that any grant of a sublicense to a Third Party shall be made only in connection with [***]. Novartis has no obligation hereunder to [***].

2.5 Specific Ab-Cytotoxic Products and Program Targets. Nothing in this Agreement shall constitute a grant or an obligation to grant by Novartis or any of its Affiliates to ImmunoGen or its Affiliates of any right, title, interest or license to any Specific Ab-Cytotoxic Product or to any Novartis Antibody related thereto or contained therein, or any Program Targets, other than the right to conduct the ImmunoGen Activities.

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, Novartis 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 Novartis within [***] 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 Holding Option Request is an Excluded Target. If ImmunoGen timely provides a Holding Option Response to Novartis 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, (i) such Holding Option shall be deemed to have been automatically granted, (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 Novartis has delivered a Holding Option Request ceases to be an Excluded Target during the Term, then ImmunoGen will promptly notify Novartis thereof and subject to notice, availability and the limitations pursuant to this Section 3.1, Novartis 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, Novartis 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 [***] thereafter (the **"Holding Option Period"**); provided, however that no Holding Option Period shall extend beyond the expiration of the Term. Novartis 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. Novartis 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 Novartis under this Section 3.1.

(d) Expiration of Holding Options. If Novartis fails to exercise any Holding Option prior to the expiration of the applicable Holding Option Period (each, an **"Expired Holding Option"**), then (i) ImmunoGen shall have the right to [***] with respect to a [***]; and (ii) during the period commencing on the date of expiration of the Holding Option Period and continuing for a period of [***] thereafter (the **"Expired Holding Option Tail Period"**), Novartis may not submit a Holding Option Request with respect to the Target covered by such Expired Holding Option; and (iii) subject to Section 3.1(c) hereof, on or after the Expired Holding Option Tail Period but prior to the expiration of the Term, and subject to notice, availability and the limitations pursuant to this Section 3.1, Novartis shall have the right to submit a Holding Option Request to ImmunoGen with respect to the Target covered by such Expired Holding Option. Notwithstanding the foregoing, subject to Section 3.1(c) hereof, with respect to any Holding Option Target, Novartis shall have the right to submit a second Holding Option Request to ImmunoGen with respect to such Holding Option Target at any time prior to the expiration of the first Holding Option Period applicable to such Holding Option Target.

3.2 Reserve Options; Grant of Exclusive Licenses.

(a) Exercise of Reserve Options. Subject to the limitations set forth in Section 3.3 hereof, Novartis 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"**). Novartis 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 Novartis 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 Novartis' 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 Novartis, within [***] following ImmunoGen's receipt of Novartis' 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 Reserve Option 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, Novartis' failure to return a copy of such License Agreement that has been executed on behalf of Novartis, within [***] after the receipt of the executed License Agreement from ImmunoGen shall be a Material Breach by Novartis. 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 Novartis the rights with respect to the Exclusive License consistent with the License Agreement.

(b) Number of Reserve Options. Novartis shall have the right to [***] outstanding, unexercised Reserve Options [***] during the Term; provided, that Novartis may not 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. Novartis may terminate any outstanding Reserve Option at any time during the Reserve Option Period, effective immediately upon Novartis' 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. Anything contained in this Agreement to the contrary notwithstanding, Novartis may take Exclusive Licenses to up to a total of [***] Targets during the Term. 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 Novartis 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 Novartis' exercise of any Reserve Option, ImmunoGen delivers a Disclosure Letter in connection with the execution and delivery of the applicable License Agreement within [***] of ImmunoGen's receipt of the applicable Reserve Option exercise notice, then Novartis shall be entitled to rescind the exercise of such Reserve Option by delivering written notice of such rescission within [***] of Novartis' receipt of the Disclosure Letter. Any failure by ImmunoGen to deliver a Disclosure Letter to Novartis within the applicable ten [***] period described above shall be deemed a waiver of ImmunoGen's right to qualify its representations and warranties in the applicable 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 Novartis to deliver a rescission notice to ImmunoGen within the applicable [***] period described above shall be deemed a waiver of Novartis' 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 Novartis 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 Novartis exercises the Reserve Option and ending on the [***] after Novartis' delivery of the rescission notice to ImmunoGen, Novartis shall have the right to exercise a Reserve Option for a different Reserve Option Target (excluding any Reserve Option Target that was the subject of a previous rescission) within [***] (or such longer period as may be mutually agreed to in writing by the Parties) after Novartis' 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 Novartis (which request may not be given more than [***] 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 [***] of ImmunoGen's delivery to Novartis 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 [***] after the completion of its inspection. Such law firm may not reveal to Novartis any other information learned in the course of such examination, including, without limitation, the basis for ImmunoGen's determination. Novartis 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 Novartis to enforce its rights under this Agreement. If the law firm's report concludes that ImmunoGen's determination was correct, Novartis 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) Novartis shall automatically be deemed to have delivered another Holding Option Request for such Proposed Target as of the date of such determination, (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 a person who shall oversee contact between the Parties for all matters related to the Research Program (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 the Research Program. 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 the Research Program 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;

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

(iii) plan and coordinate efforts and external communications by or between the Parties with respect to the Research Program;

(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 [***] after the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2) nor 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 Novartis representatives on the JRC, as designated by Novartis. 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 scheduled as agreed upon by the Parties. The location of meetings of the JRC shall alternate between ImmunoGen's offices and Novartis' 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. 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 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 [***] 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. 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 Novartis 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 the JRC may not [***] or [***] or any [***] in any manner [***] without the prior written consent 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;

(iv) monitoring the Parties' compliance with their respective obligations under the Research Plan, including the accomplishment of key objectives, 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-Cytotoxic Products directed to one or more Holding Option Targets and/or Reserve Option Targets that (i) consist of one or more Novartis Antibodies conjugated to one or more Cytotoxic Compounds and (ii) are suitable for further development and commercialization as Licensed Products under an Exclusive License. In the case of ImmunoGen's conjugation of Cytotoxic Compounds to Antibodies selected by Novartis and [***], the objective of the Research Program is to identify potential Proposed Targets that are suitable for further development and commercialization of Ab-Cytotoxic Products directed to such Targets under this Agreement and an Exclusive License.

(b) Research Plan. The JRC shall create a Research Plan describing activities for each Holding Target that is reasonably designed to achieve the objectives of the Research Program and is consistent with the terms of this Agreement. A Research Plan summary is attached hereto as **Schedule C**, which summary serves as baseline guidance on a per Program Target basis. Deviations from the summary attached hereto as **Schedule C** shall be made on a Program Target-by-Program Target basis as determined by the JRC. 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 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, (i) ImmunoGen shall invoice Novartis for, and Novartis shall fund and ImmunoGen shall provide, a [***] per Calendar Year (appropriately pro-rated for the first and last Calendar Years during the Term) during the Term; and (ii) the Research Plan, as the same may be amended, modified or updated, shall not require (A) ImmunoGen to devote [***] (on an annualized basis) at any given time during the Term to the conjugation of Cytotoxic Compounds to Antibodies selected by Novartis and blinded to ImmunoGen, and (B) ImmunoGen to devote [***] (on an annualized basis) at any given time during the Term to the conduct of the ImmunoGen Activities, in each case without ImmunoGen's prior written consent, which consent [***]. 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 [***] (on an annualized basis) during the second Calendar Quarter of each Rolling Forecast over the [***] set forth for the second Calendar Quarter of the immediately preceding Rolling Forecast (or, if less, the [***] (on an annualized basis) devoted to the ImmunoGen Activities during the Calendar Quarter immediately preceding the Calendar Quarter in question) without ImmunoGen's prior written consent, which consent [***]. Notwithstanding the foregoing, ImmunoGen shall not be required to devote [***] (x) [***] (on an annualized basis) during each of the [***] during the Term (appropriately pro-rated for the first Calendar Quarter during the Term), and (y) [***] (on an annualized basis) during the [***] during the Term, in each case without ImmunoGen's prior written consent, which consent [***].

(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) Novartis Activities Under the Research Program. Subject to ImmunoGen's conduct of the ImmunoGen Activities, Novartis shall have the sole right and responsibility for all aspects related to the research and early stage development of Ab-Cytotoxic Products directed to Holding Option Targets and Reserve Option Targets under the Research 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 Novartis Antibodies, Cytotoxic Compounds and linkers to be used in such Ab-Cytotoxic Products and the selection of Ab-Cytotoxic 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 studies in animals[***] with respect to the Ab-Cytotoxic Products so selected.

(ii) ImmunoGen Activities Under the Research Program. Subject to payment by Novartis of the consideration set forth in Section 4.3(g) hereof, ImmunoGen will use commercially reasonable efforts to perform the ImmunoGen Activities as set forth in the Research Plan, which shall include, but not be limited to: [***]. 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 Novartis. 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 [***] 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-Cytotoxic Products, Novartis shall supply ImmunoGen with quantities of Novartis 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-Cytotoxic Products. For purposes of clarity, except with respect to the conjugation of Cytotoxic Compounds to Antibodies selected by Novartis and [***] as described elsewhere in this Agreement, in all cases ImmunoGen Activities must relate directly to the research and development of Ab-Cytotoxic Products directed to Program Targets. ImmunoGen shall provide Novartis status reports of the ImmunoGen Activities on a Program Target-by-Program Target basis as reasonably requested by Novartis.

(d) Diligence. 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 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 Novartis in connection with the Research Program, Novartis 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.

(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 Novartis 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.

(g) Research Program Funding. During the period commencing on the Effective Date and continuing until the expiration of the Term, Novartis shall pay ImmunoGen the FTE Cost for the conduct of ImmunoGen Activities on a quarterly basis in arrears. Within [***] following the last day of each Calendar Quarter during the Term, ImmunoGen shall

provide a report and invoice in the form attached hereto as **Schedule B** setting forth the aggregate number of hours devoted by ImmunoGen employees in performing ImmunoGen Activities during such Calendar Quarter, [***]. Within [***] from the date of its receipt of each such invoice, Novartis will pay to ImmunoGen the invoice amount due as reimbursement for the ImmunoGen Activities in accordance with Section 5.4(b) hereof. If Novartis 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.

4.4 Supply of Materials. Except as set forth below, Novartis shall be responsible, at its sole cost, for manufacturing or having manufactured through Affiliates and/or Third Party contract manufacturers, all materials (including, without limitation, all Antibodies, Cytotoxic Compounds and Ab-Cytotoxic Products) to enable it to conduct the Research Program. Unless otherwise agreed to by the Parties, ImmunoGen's cost of making Ab-Cytotoxic Product (excluding the cost of the Antibody of any such Ab-Cytotoxic 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 Novartis for biological and analytical research; 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 consistently applied by ImmunoGen, as reasonably determined to be necessary by the JRC for Novartis to complete such biological research and analytical research. If, during the Term, Novartis requests that ImmunoGen conduct (a) process development, (b) analytical method development, or (c) manufacturing and/or supply of Ab-Cytotoxic 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 a written master services and supply agreement pursuant to which the Parties would from time to time negotiate separate written work orders for each of the activities to be performed thereunder. In the event that Novartis elects to manufacture or have manufactured Cytotoxic Compounds, linkers or Ab-Cytotoxic Products, then ImmunoGen shall (i) provide the Technical Transfer Materials to Novartis for the purpose of enabling Novartis to exercise its rights under

this Agreement and the rights that it would obtain under a License Agreement with respect to a specific Ab-Cytotoxic Product[***].

5. FINANCIAL TERMS

5.1 Upfront Fee. In consideration of the rights granted to Novartis under this Agreement, Novartis hereby agrees to pay ImmunoGen an upfront fee (the **"Upfront Fee"**) in the amount of Forty-Five Million U.S. Dollars ($45,000,000.00) payable in accordance with Section 5.4 hereof within [***] following the Effective Date and receipt of a corresponding invoice substantially in the form attached hereto as **Schedule B**, which Upfront Fee shall be non-refundable and non-creditable.

5.2 Extension Fees. In connection with Novartis' exercise of its right to extend the term of this Agreement beyond the Initial Term or the First Extended Term in accordance with Sections 8.1(b) and 8.1(c) hereof, Novartis hereby agrees in each case to pay ImmunoGen a Term extension fee (the **"Extension Fee"**) in the amount of [***] payable within [***] after receipt of a corresponding invoice substantially in the form attached hereto as **Schedule B** and in accordance with Section 5.4 hereof at any time prior to the expiration of the Initial Term and the First Extended Term, as the case may be, which Extension Fees shall in each case be nonrefundable and non-creditable.

5.3 Reserved.

5.4 Payment Terms.

(a) No-Set-Off; Tax Withholding. All payments made by Novartis 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. Novartis 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 [***] after such payment is remitted to the proper authority. Any withheld tax remitted by Novartis to the proper authority shall be treated as having been paid by Novartis 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 in the invoice for such payments; provided, however, that payment by means of a [***] and delivered to the address for ImmunoGen provided in accordance with Section 11.1 hereof shall not be deemed a breach of this Section 5.4(b); and provided, further, that the date of payment by [***] shall be the date of ImmunoGen's [***].

5.5 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 on the number of days such payments are paid after the date such payments are due; provided, that with respect to any disputed payments, no interest payment shall be due until such dispute is resolved and the interest which 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.

6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidentiality.

(a) Confidentiality Obligations. ImmunoGen and Novartis each recognizes that the other Party's Confidential Information constitutes highly valuable assets of such other Party. ImmunoGen and Novartis each agrees that, subject to Section 6.1(b) hereof, during the Term and for an additional [***] thereafter, (i) it will not disclose, and will cause its Affiliates (and, in the case of Novartis, 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 Novartis, 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 Novartis, 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 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 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 Novartis each hereby represents and warrants that all of its employees, consultants and subcontractors, and all of the employees, consultants and subcontractors 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 (and, in the case of Novartis, 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 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 by Novartis prior to the Effective Date) 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 Novartis to withhold its consent to any request by ImmunoGen to publish or present any Covered Results prior to the publication or dissemination of such Covered Results by Novartis. 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 [***] 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 [***] 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) Novartis shall be the sole owner of Novartis Improvements and any Patent Rights claiming Novartis Improvements.

(b) Jointly-Owned Technology. All Joint Program Technology and Joint Improvements shall be jointly owned by ImmunoGen and Novartis. 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 [***] 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. Novartis shall have no obligation to disclose Novartis Research Inventions to ImmunoGen.

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) Novartis Inventions. Novartis, 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 the Novartis Antibody, a Specific Ab-Cytotoxic Product or any other Novartis inventions (including Novartis Improvements but excluding any Licensed Patent Rights).

(c) Joint Program Technology and Joint Improvements.

(i) Novartis, 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 claiming 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 preparation, filing, prosecution and maintenance of all Patent Rights claiming Joint Improvements.

(iii) The Party undertaking the responsibility for the filing, prosecution and maintenance of any Patent Rights claiming 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 resulting from activities conducted pursuant to this Agreement. 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. 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.

7.3 Abandonment. If Novartis decides to abandon or allow to lapse, or otherwise determines not prosecute, any of the Patent Rights claiming Novartis Improvements or Patent Rights claiming Joint Program Technology for which Novartis is the filing party under Sections 7.2(b) and 7.2(c)(i) hereof in any country or region in the Territory, Novartis 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 Novartis' interest in such Patent Rights claiming Novartis Improvements or Joint Program Technology as a result of its assumption of such responsibility. Upon transfer of Novartis' responsibility for prosecuting, maintaining and defending any of the Patent Rights claiming Novartis Improvements or Joint Program Technology, Novartis 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 of such Novartis Improvements or Joint Program Technology.

7.4 Third Party Infringement.

(a) Licensed Patent Rights. Subject to any rights granted to Novartis and its Affiliates pursuant to any License Agreement, 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) Novartis Improvements. Novartis 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 Novartis 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.

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 Novartis 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.

(a) Initial 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 **"Initial Term"**).

(b) First Extended Term. If this Agreement has not been terminated in accordance with Section 8.2 hereof (other than termination by Novartis in accordance with Section 8.2(b) hereof) on or before the expiration of the Initial Term, Novartis may extend the term of this Agreement from the end of the Initial Term until the fourth (4th) anniversary of the Effective Date, subject to earlier termination in accordance with Section 8.2 hereof (the **"First Extended Term"**), by providing written notice and by paying the Extension Fee in accordance with Section 5.2 hereof at any time prior to the expiration of the Initial Term.

(c) Second Extended Term. If this Agreement has not expired or been terminated in accordance with Section 8.2 hereof (other than termination by Novartis in accordance with Section 8.2(b) hereof) on or before the expiration of the First Extended Term, Novartis may extend the term of this Agreement from the end of the First Extended Term until the fifth (5th) anniversary of the Effective Date, subject to earlier termination in accordance with Section 8.2 hereof (the **"Second Extended Term"**), by providing written notice and by paying another Extension Fee (in addition to the Extension Fee paid or payable with respect to the First Extended Term) in accordance with Section 5.2 hereof at any time prior to the expiration of the First Extended Term. The Initial Term, together with the First Extended Term and the Second

Extended Term, if applicable, shall be referred to herein collectively as the **"Term."** The foregoing notwithstanding, the Term shall automatically expire once Novartis has taken the maximum number of Exclusive Licenses available to Novartis pursuant to Section 3.3 hereof.

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

(a) Voluntary Termination by Novartis. Novartis shall have the right to terminate this Agreement at any time upon not less than [***] 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 [***] ([***] if the breach is a failure by [***] to [***]) 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 [***] are reasonably required to cure, then the cure period shall be extended for a period not to exceed [***] 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 [***] (or such [***] period as determined by [***]) after the conclusion of the dispute resolution procedure; provided, however, that the foregoing shall not apply to any breach for [***]. 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 Laws, 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 [***] 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.

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) or 8.2(c) or by Novartis 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) or 8.2(c) hereof or by Novartis under Section 8.2(a) hereof, then (i) the license granted by ImmunoGen to Novartis pursuant to Section 2.1 hereof shall immediately terminate, and Novartis shall discontinue the use of any Licensed Technology [***] except to the extent provided 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 Novartis under Section 8.2(b) or 8.2(c). If this Agreement is terminated by Novartis under Section 8.2(b) or 8.2(c) hereof, then (i) the license granted by ImmunoGen to Novartis pursuant to Section 2.1 hereof shall survive until [***] the date on which Novartis shall have taken the maximum number of Exclusive Licenses available to Novartis pursuant to Section 3.3 hereof; (ii) such license shall be expanded to permit Novartis and its Affiliates to perform any and all activities in connection with the Research Program that would otherwise have been performed by ImmunoGen; (iii) Novartis' obligations under Section 5.2 hereof shall thereafter [***]; (iv) Novartis' right to take Holding Options, Reserve Options and Exclusive Licenses, subject to the terms and conditions of Section 3 hereof, shall survive until the [***], provided that no Holding Option Period or Reserve Option Period shall extend beyond the [***]; (v) ImmunoGen shall (A) provide the Technical Transfer Materials to Novartis for the purpose of enabling Novartis to exercise its rights set forth in clauses (i) and (ii) of this Section 8.3(b),[***]; and (vi) 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 and (B) any Confidential Information of the other Party contained in its laboratory notebooks or databases. Notwithstanding the foregoing, and subject to Section 6 hereof, Novartis may retain and use ImmunoGen's Confidential Information in connection with the exercise of its rights set forth in clauses (i) and (ii) of this Section 8.3(b).

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 2.2, 2.3, 2.4, 2.5, 4.3(g), 5.4, 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, Novartis 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 Novartis 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 issued patents within the Licensed Patent Rights is invalid or unenforceable;

(d) to ImmunoGen's knowledge (without having conducted, or having any duty to conduct, any inquiry), as of the Effective Date, Novartis' use of the Licensed Intellectual Property pursuant to the license granted hereunder to Novartis does not infringe the issued patents of any Third Party;

(e) as of the Effective Date, ImmunoGen has received no notice from a Third Party claiming that the use of the Licensed Intellectual Property pursuant to the license granted hereunder to Novartis 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 Novartis would infringe or misappropriate any intellectual property rights of any Third Party.

9.2 Novartis Representations. Novartis 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 Novartis corporate action; and

(b) this Agreement is a legal and valid obligation binding upon Novartis 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 Novartis 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 (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.

9.4 [***].

10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Novartis Indemnity. Novartis 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"**), 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) the Material Breach of

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

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 (1) ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM LOSS OF PROFITS OR LOSS OF BUSINESS), OR (2) 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.

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 Novartis:
Novartis Institutes for BioMedical Research, Inc.
250 Massachusetts Avenue
Cambridge, MA 02139
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 Commonwealth of Massachusetts 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, 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 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 Novartis, the payment of any amounts described in Sections 4.3 and 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 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 Novartis: 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.

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 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. Without ImmunoGen's prior written consent, neither Novartis nor any of its Affiliates shall, during [***], solicit, directly or indirectly, for hire or engagement any person who is at the time an employee of ImmunoGen or any of its Affiliates. Notwithstanding the foregoing, this Section 11.15 shall not restrict either Novartis or any of its Affiliates from advertising employment opportunities or engaging in other activity directed towards recruitment of personnel, in each case if and to the extent that such advertising or activities do not specifically target employees of ImmunoGen or its Affiliates. For purposes of clarity and not limitation, any breach of this Section by Novartis or any of its Affiliates shall be not be deemed a [***]; provided however, if Novartis or any of its Affiliates breaches this Section and then, during the Term, hires the Person whose solicitation gave rise to such breach as an employee (whether on a temporary or permanent basis, or a part- or full-time basis) or engages for the services of such Person either as a consultant, independent contractor or any other capacity for the benefit of Novartis or any of its Affiliates, then ImmunoGen shall have the right to assert that such breach of this Section constituted a [***]. If the Parties agree, or it is otherwise finally determined in accordance with the terms of this Agreement, that such [***], ImmunoGen's sole remedy for such [***] shall be to [***]. Novartis shall indemnify any ImmunoGen Indemnitees in accordance with Section 10 hereof with respect to any Losses incurred by or imposed upon them as a direct result of any Third Party Claim arising out of ImmunoGen's exercise of its sole remedy described above.

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.

11.19 Privacy of Personal Information.

(a) In the course of performance of this Agreement, ImmunoGen may acquire the Personal Information of individuals from various sources and countries. ImmunoGen will, and will cause its Affiliates and agents to, process all Personal Information it acquires under or in connection with this Agreement in compliance with all applicable data protection laws, including but not limited to the data protection laws of the European Union, European Economic Area, Switzerland, the United States and various localities therein. ImmunoGen acknowledges that the requirements under such data protection laws may exceed the requirements applicable to confidential information set forth in Section 6 hereof. Novartis may, on reasonable prior notice, audit ImmunoGen's compliance with such data protection laws.

(b) This Agreement contains the Personal Information of one or more individuals. This Agreement, and the Personal Information contained herein, from time to time may be transferred to, stored or otherwise processed in the United States or other countries that have privacy and data protection laws that differ from, or are not as stringent as, those where the Agreement was executed or where the individual(s) resides. The Personal Information disclosed in this Agreement will be used for the purposes of administration and enforcement of this Agreement and/or other actual or potential legal and business transactions involving the Parties. Storage or processing of Personal Information disclosed in this Agreement may be electronic and/or off line. Execution and delivery of this Agreement constitutes the representation by each Party to this Agreement that if required by the privacy laws applicable to such individuals, the individuals identified herein by such Party have been notified of and have consented to, the transfer, storage, and processing of such Personal Information, as described in this paragraph.

(c) Anything contained in this Agreement to the contrary notwithstanding, Novartis acknowledges and agrees that any breach by ImmunoGen of the representations, warranties and covenants set forth in this Section 11.19 shall not constitute a Material Breach.

11.20 Corporate Citizenship. Novartis gives preference to third parties who share Novartis' societal and environmental values, as set forth in the Novartis Policy on Corporate Citizenship and Novartis Corporate Citizenship Guideline #5, both of which are attached as **Schedule D** and incorporated herein by reference. Accordingly, ImmunoGen represents and warrants that this Agreement will be performed in material compliance with all Applicable Laws and regulations, including, without limitation, laws and regulations relating to health, safety and the environment, fair labor practices and unlawful discrimination. Anything contained in this Agreement to the contrary notwithstanding, Novartis acknowledges and agrees that any breach by ImmunoGen of the representations, warranties and covenants set forth in this Section 11.20 shall not constitute a Material Breach, and that Novartis' sole remedy in connection with any such breach shall be its right to terminate this Agreement pursuant to Section 8.2(a) hereof.

[Remainder of page intentionally left blank.]

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

IMMUNOGEN, INC.		**NOVARTIS INSTITUTES FOR BIOMEDICAL RESEARCH, INC.**	
By:	/s/ Peter Williams	By:	/s/ Christian Klee
Name:	Peter Williams	Name:	Christian Klee
Title:	Vice President	Title:	Chief Financial Officer
Date:	October 8, 2010	Date:	October 8, 2010

SCHEDULE A

FORM OF LICENSE AGREEMENT

This License Agreement (this **"Agreement"**) is made effective as of [(1)] (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 **Novartis Institutes for BioMedical Research, Inc.**, a Delaware corporation (**"Novartis"**), with its principal place of business at 250 Massachusetts Avenue, Cambridge, Massachusetts 02139. ImmunoGen and Novartis are sometimes each hereinafter referred to individually as a **"Party"** and collectively as the **"Parties."**

WHEREAS, the Parties have entered into a Multi-Target Agreement, pursuant to which ImmunoGen granted Novartis the right to obtain licenses to certain Technology and associated Patent Rights Controlled by ImmunoGen on an exclusive basis with respect to individual Targets; and

WHEREAS, pursuant to the Multi-Target Agreement, Novartis 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 Novartis with respect to the Licensed Target;

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)] Insert date of receipt by ImmunoGen of a Reserve Option exercise notice with respect to the Licensed Target.

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

1.2 **"Accounting Standards"** means, with respect to ImmunoGen, US GAAP (United States Generally Accepted Accounting Principles) and, with respect to Novartis and its Affiliates, the IFRS (International Financial Reporting Standards), in each case, as generally and consistently applied throughout the Party's organization. Each Party shall promptly notify the other in the event that it changes the accounting principles pursuant to which its records are maintained, it being understood that only internationally recognized accounting principles may be used (*e.g.*, IFRS, US GAAP, etc).

1.3 **"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.

1.4 **"Affiliate"** means, with respect to a Person, any entity or person that controls, is controlled by, or is under common control with that Person. For the purpose of this definition, "control" or "controlled" means, direct or indirect, 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 interest in the case of any other type of legal entity; status as a general partner in any partnership; or any other arrangement whereby the entity or person controls or has the right to control the board of directors or equivalent governing body of a corporation or other entity or the ability to cause the direction of the management or policies of a corporation or other entity. The Parties acknowledge that in the case of entities organized under the laws of certain countries where the maximum percentage ownership permitted by law for a foreign investor is less than fifty percent (50%), such lower percentage shall be substituted in the preceding sentence, provided that such foreign investor has the power to direct the management and policies of such entity. In the case of Novartis, "Affiliates" shall also expressly be deemed to include the Novartis Institute for Functional Genomics, Inc., the Friedrich Miescher Institute for

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

Biomedical Research and their respective Affiliates. A Person shall be deemed an Affiliate of another Person only so long as it satisfies the foregoing definition.

1.5 **"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 a polypeptide.

1.6 **"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.

1.7 **"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.

1.8 **"Business Day"** means any day other than a Saturday, Sunday or other day on which banking institutions in New York, New York, Boston, Massachusetts, or Basel, Switzerland are required to be closed or are actually closed with legal authorization.

1.9 **"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.

1.10 **"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.

1.11 [***].

1.12 [***].

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

1.13 **"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, 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 additional human clinical trials, reporting of Adverse Events 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.

1.14 **"Confidential Information"** means (a) with respect to Novartis, the identification of the Licensed Target, all information and Technology related to Target-Binding Antibodies and otherwise included in any Regulatory Filings made, and Regulatory Approvals received, by Novartis with respect to Licensed Products; 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"**) to the other Party (in such capacity, the **"Receiving Party"**) hereunder or to any of the Receiving Party's employees, consultants, subcontractors or Affiliates, 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 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 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.

1.15 **"Confidentiality Agreement"** means that certain Mutual Confidential Disclosure Agreement effective February 15, 2008 by and between ImmunoGen and Novartis.

1.16 **"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.

1.17 **"Cytotoxic Compound"** means MAY Compounds [***].

1.18 **"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 preclinical research and development activities, all 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, 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.

1.19 **"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; and (d) all supplements and amendments to any of the foregoing.

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

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

1.22 **"Field"** means all human and veterinary therapeutic, prophylactic and diagnostic uses.

1.23 **"First Commercial Sale"** means the first sale of a Licensed Product, by or under the authority of Novartis, an Affiliate of Novartis, 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 upon which such Product is first commercially launched in such country; provided that First Commercial Sale shall not include [***].

1.24 [***].

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

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

1.27 **"**[***]**"** means any and all [***], whether produced by a botanical source, natural fermentation, chemical synthesis or otherwise, including, without limitation, all analogs, variants, fragments or derivatives of any of the foregoing, in each case owned or Controlled by ImmunoGen.

1.28 **"Improvements"** means any enhancement, improvement or modification to the Licensed Intellectual Property which is [***].

1.29 **"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.

1.30 **"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, [***].

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

1.32 **"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, Novartis or any Affiliate of Novartis.

1.33 **"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, Novartis or any Affiliate of Novartis.

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 ImmunoGen's interest in any Patent Rights claiming Joint Program Technology and Joint Improvements) that include one or more claims that cover Licensed Technology; provided, however, that Licensed Patent Rights shall expressly exclude [***].

1.36 **"Licensed Product"** means any product that incorporates, is comprised of, or is otherwise derived from, a conjugate of a Target-Binding Antibody Controlled by Novartis with a Cytotoxic Compound.

1.37 **"Licensed Target"** means the Target set forth in **Schedule A** attached hereto and incorporated herein by reference.

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 ImmunoGen's interest in any Joint Program Technology and Joint Improvements) that is necessary or useful for Novartis to exercise the license granted to it pursuant to Section 2.1(a) hereof; provided, however, that Licensed Technology shall expressly exclude any Proprietary Antibody Rights.

1.39 [***].

1.40 **"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.

1.41 **"Major EU Countries"** means [***].

1.42 **"Marketing Approval"** means, with respect to a Licensed Product in a Major EU Country, approval by the applicable Regulatory Authority of [***].

1.43 **"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.

1.44 **"MHLW"** means the Japanese Ministry of Health, Labour and Welfare.

1.45 **"Multi-Target Agreement"** means that certain Multi-Target Agreement effective as of October 8, 2010 by and between ImmunoGen and Novartis, as the same may be amended from time to time.

1.46 **"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.

1.47 "Net Sales" means the [***] sales recorded by Novartis or any of its Affiliates or Sublicensees (but not distributors and wholesalers) for any Licensed Product sold to Third Parties other than Sublicensees [***], as determined in accordance with Novartis' Accounting Standards as consistently applied[***]. The deductions booked on an accrual basis by Novartis and its Affiliates under its Accounting Standards to calculate the recorded net sales from gross sales include, without limitation, the following:

(a) [***] and [***];

(b) amounts [***] or [***] by reasons of [***];

(c) [***]and [***] to [***]and [***] (including, without limitation, [***] and similar types of [***]);

(d) [***];

(e) amounts [***];

(f) [***] related to the impact of [***] between [***] and [***];

(g) [***] to [***] for any [***] (including compensation for [***]); and

(h) other reductions or specifically identifiable amounts deducted for reasons similar to those listed above in accordance with Novartis' Accounting Standards.

With respect to the calculation of Net Sales:

(i) Net Sales only include the value charged or invoiced on the first arm's length sale to a Third Party and sales between or among Novartis and its Affiliates and Sublicensees shall be disregarded for purposes of calculating Net Sales;

(ii) If a Licensed Product is delivered to the Third Party before being invoiced (or is not invoiced), Net Sales will be calculated at the time all the revenue recognition criteria under Novartis Accounting Standards are met;

(iii) In the event that the Licensed Product is sold as a [***] that consists of Licensed Product together with [***], for the [***] (a **"Combination"**), the Net Sales will be calculated by multiplying the Net Sales of the Combination (as defined using the Net Sales definition above) by the fraction, A/(A+B) where A is the [***] in the relevant country of the Licensed Product, and B is the [***] in that country of the product(s) containing the other component(s) [***]. Regarding prices comprised in the [***] when sold separately referred to above, if these are available [***] and other components that are included in the Combination, then the Parties shall mutually agree on the appropriate [***] in calculating the royalty-bearing Net Sales of the Combination. If the [***] cannot be determined for the Licensed Product or other component(s), the calculation of Net Sales for a Combination will [***].

1.48 "Novartis Improvements" means Improvements conceived or first reduced to practice by one or more employees of or others obligated to assign inventions to Novartis or any of its Affiliates [***] in connection with [***].

1.49 "Novartis Standard Exchange Rate Methodology" means, with respect to amounts invoiced in U.S. Dollars, all such amounts shall be expressed in U.S. Dollars. With respect to amounts invoiced in a currency other than U.S. Dollars, all such amounts shall be expressed both in the currency in which the amount was invoiced and in the U.S. Dollar equivalent. The U.S. Dollar equivalent shall be calculated using Novartis' then-current standard exchange rate methodology, which is in accordance with applicable Accounting Standards, applied in its external reporting (which is ultimately based on official rates such as those published by the European Central Bank) for the conversion of foreign currency sales into U.S. Dollars.

1.50 "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.

1.51 "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.

1.52 "Personal Information" means any information that can be used to identify, describe, locate or contact an individual, including but not limited to (a) name or initials; (b) home or other physical address; (c) telephone number; (d) email address or online identifier associated with the individual;

(e) social security number or other similar government identifier; (f) employment, financial or health information; (g) information specific to an individual's physical, physiological, mental, economic, racial, political, ethnic, ideological, cultural or social identity; (h) photographs; (i) dates relating to the individual (except years alone); (j) financial account numbers; (k) genetic material or information; (l) business contact information and (m) any other information relating to an individual that, alone or in combination, with any of the above, can be used to identify an individual.

1.53 "Phase I Clinical Study" means, as to a particular Licensed Product, an initial clinical study in humans with the purpose of assessing the Licensed Product's safety, tolerability, toxicity, pharmacokinetics or other pharmacological properties.

1.54 "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)).

1.55 "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)).

1.56 "Preclinical Materials" means any Licensed Product, Cytotoxic Compound, linker or other materials supplied by ImmunoGen to Novartis pursuant to Section 4.2 hereof for use in conducting research activities and testing (other than human clinical testing) with respect to a Licensed Product. For purposes of clarity, "Preclinical Materials" does not include any Drug Substance that may be manufactured by ImmunoGen for use in GLP toxicology studies (which will require a separate written agreement).

1.57 "Program Technology" means any Technology conceived or first reduced to practice in connection with the Development or Commercialization of any Licensed Product. Program Technology also includes any "Program Technology" (as defined in the Multi-Target Agreement) that is necessary or useful for Novartis to exercise the license granted to it pursuant to Section 2.1(a) hereof.

1.58 "Proprietary Antibody Rights" means all Technology (and associated Patent Rights) owned or Controlled by ImmunoGen during the Term constituting or claiming (a) the [***] (a **"Proprietary Antibody"**), or (b) the [***]. For purposes of clarity, "Proprietary Antibody Rights" does not include any Program Technology that relates to Antibodies directed to the Licensed Target or any Patent Rights claiming such Program Technology.

1.59 "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. For purposes of clarity, any [***] furnished by ImmunoGen to Novartis or an Affiliate or Sublicensee of Novartis or any of their Permitted Third Party Service Providers shall be deemed to be ImmunoGen's Proprietary Materials.

1.60 "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, preclinical 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. The term "Regulatory Approval" shall include, without limitation, any approval by a Regulatory Authority of any NDA, BLA, MAA or other Drug Approval Application.

1.61 "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.

1.62 "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)(4)(B) and (C) of the FDCA (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.

1.63 "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. In the case of other significant events, medical and scientific judgment should be exercised in deciding whether expedited reporting is appropriate. Such events may be important medical events that may not be immediately life-threatening or result in death or hospitalization but which may jeopardize the patient or may require intervention to prevent one of the other outcomes listed in the definition above. Such events should usually be considered Serious Adverse Events.

1.64 **"Specific Ab-Cytotoxic Product"** means an Ab-Cytotoxic Product incorporating a Target-Binding Antibody owned or Controlled by Novartis.

1.65 **"Sublicensee"** means any Third Party to which Novartis or one of its Affiliates grants a sublicense of the rights granted to Novartis and its Affiliates pursuant to this Agreement.

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

1.67 **"Target-Binding Antibody"** means an Antibody that selectively and specifically binds to the Licensed Target. For purposes of clarity, "Target-Binding Antibody" does [***].

1.68 **"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).

1.69 **"Technology Transfer Materials"** has the meaning ascribed to such term in the Multi-Target Agreement.

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

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

1.72 [***].

1.73 **"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.

1.74 **"Valid Claim"** means any claim (a) in an issued, unexpired patent within the Licensed Patent Rights that (i) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, and (ii) has not been

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revoked, held invalid, or declared unpatentable or unenforceable in a decision of a court or other body of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal, and (iii) has not been rendered unenforceable through disclaimer or otherwise, and (iv) has 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 [***].

1.75 **"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 Manager	3.1(a)
Applicant	7.5(a)
Applicant Response	7.5(c)
[***]	1.39
Biosimilar Notice	7.5(a)
BPCIA	7.5(a)
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
Combination	1.47
Disclosing Party	1.14
Disclosure Letter	9.1(b)
Dispute	11.12

Effective Date	Recitals
ImmunoGen	Recitals
ImmunoGen Indemnitees	10.1(a)
Indemnified Party	10.2
Indemnifying Party	10.2
Infringed Patent List	7.5(e)
Infringement	7.4(a)
Infringement Notice	7.4(a)
JDC	3.2(a)
Losses	10.1(a)
Material Breach	8.2(b)
Negotiation Period	7.5(e)
Novartis	Recitals
Novartis Indemnitees	10.1(b)
Novartis Response	7.5(d)
Other Required Information	7.5(b)
Party/Parties	Recitals
Permitted Third Party Service Providers	2.1(a)
Proposed Biosimilar Product	7.5(a)
Proposed Patent List	7.5(b)
Proprietary Antibody	1.58
Receiving Party	1.14
[***]	[***]
Royalty Term	5.5
Term	8.1
Third Party Claims	10.1(a)
Third Party Patent Rights	5.3(b)
Third Party Payments	5.3(b)
Upfront Fee	5.1(a)
Wind-Down Period	8.3(a)

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

2. GRANT OF RIGHTS

2.1 License Grants.

(a) License to Novartis. Subject to the terms and conditions of this Agreement, ImmunoGen hereby grants to Novartis and its Affiliates an exclusive, non-transferable (except in accordance with Section 11.8 hereof), royalty-bearing license, including the right to grant sublicenses as described in Section 2.1(b) hereof, under the Licensed Intellectual Property to Develop, have Developed, Commercialize and have Commercialized Licensed Products in the Field in the Territory. Novartis shall have the right 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 its activities under this Agreement, provided that (i) Novartis shall [***] and (ii) Novartis shall [***].

(b) Right to Sublicense. Novartis and its Affiliates shall have the right to grant sublicenses under the license rights granted to them 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) Novartis shall [***]; (iii) Novartis shall [***]; and (iv) Novartis shall [***].

2.2 Retained Rights and Covenants.

(i) 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 Technology and practice the Licensed Patent Rights (i) to perform its responsibilities under this Agreement (including, without limitation, the manufacture of Preclinical Materials and Licensed Product in bulk drug substance form as contemplated by Section 4 hereof); (ii) to develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported [***] that [***] the Licensed Target while [***] (and to grant licenses to any Third Party to do the same); and (iii) for any and all uses [***]. Notwithstanding the foregoing, no rights or licenses are granted to ImmunoGen or its Affiliates pursuant to this Section 2.2(a) under any intellectual property rights owned or Controlled by Novartis or its Affiliates.

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

(b) 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 [***]; provided that the foregoing shall not restrict ImmunoGen's right to [***].

2.3 Use of Licensed Technology. In connection with any Licensed Technology transferred to Novartis pursuant to this Agreement and except as otherwise provided in a separate written agreement between ImmunoGen and Novartis, Novartis 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 Affiliate or Third Party without the prior written consent of ImmunoGen, except as expressly permitted hereby; and (d) except for the rights expressly set forth herein, Novartis 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. Novartis hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free, worldwide license[***] under Novartis' interest in any Novartis Improvements and Joint Improvements, including, without limitation, any Patent Rights therein, (a) to manufacture Preclinical Materials and Licensed Product in bulk drug substance form as contemplated by Section 4 hereof; (b) [***] that [***] the Licensed Target while the exclusive license granted under Section 2.1(a) hereof remains in effect and (c) to otherwise exploit such Improvement for any and all uses [***]. [***] shall be effective in any given case only if [***].

2.5 Specific Ab-Cytotoxic Products. Nothing in this Agreement shall constitute a grant or an obligation to grant by Novartis or any of its Affiliates to ImmunoGen or its Affiliates of any right, title, interest or license to any Specific Ab-Cytotoxic Product or to any Antibody owned or Controlled by Novartis related thereto or contained therein.

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 a person 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 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 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 from the Effective Date until the termination or expiration of this Agreement;

(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, and to assist Novartis in its exercise of its rights to make or have made Licensed Products under this Agreement. Within [***] after the Effective Date, the Parties shall each nominate an equal number of representatives (which shall be no less than two (2) nor 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. Novartis may dissolve the JDC upon achievement of the first approval of a Drug Approval Application by the applicable Regulatory Authority for any Licensed Product or upon [***].

(b) Chair of Committee; Meetings. The chair of the JDC shall be one of the Novartis representatives on the JDC, as designated by Novartis. 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 Novartis' 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. 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 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 [***] 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. On and after the Effective Date, Novartis 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 preclinical Development activities (including, without limitation, the assessment of alternative designs for the Licensed Products, the selection of the final Target-Binding Antibodies, Cytotoxic 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, 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, Cytotoxic Compounds, linkers and Licensed Products, to the extent such activities relate to the Development and 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, Novartis 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 and Commercialization of Licensed Products under this Agreement shall be undertaken at Novartis' sole cost and expense, except as otherwise expressly provided in this Agreement.

(b) Due Diligence. Novartis 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[***]. In determining

whether Novartis is using the efforts described in this Section 3.3(b) hereof to [***] a Licensed Product, the Parties shall consider, among other things, whether such Licensed Product is [***]. [***] shall mean that at any given time Novartis or an Affiliate, Sublicensee or Permitted Third Party Service Provider shall be [***] engaging in one or more of the following [***] activities for a given Licensed Product: [***]. Anything contained in this Agreement to the contrary notwithstanding, the obligations under this Section 3.3(b) shall [***] by the applicable [***] for any [***].

(c) Compliance. Novartis shall use commercially reasonable efforts to 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, Novartis 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).

3.4 Updates and Reports; Notification of Milestones; Exchange of Adverse Event Information; Product Recalls.

(a) Updates and Reports. [***] Novartis shall provide ImmunoGen with brief written reports, which ImmunoGen may request no more frequently than once per Calendar Year, until satisfaction of Novartis' obligations under Section 3.3(b) hereof, which shall summarize Novartis' efforts to Develop and Commercialize the Licensed Products in the Field in the Territory in sufficient detail to establish that a Licensed Product is in Active Development, identify the Drug Approval Applications that Novartis and its Affiliates and Sublicensees have filed, sought or obtained in the prior [***] period, and any they reasonably expect to make, seek or attempt to obtain in the following [***] period. 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. Novartis 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 [***] after Novartis becomes aware of 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 any country. In the event that, notwithstanding the fact that Novartis has not given any such notice, ImmunoGen believes any such milestone event has occurred, it shall so notify Novartis in writing, and shall provide to Novartis the data and information demonstrating that the conditions for payment have been achieved. Within [***] 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) Adverse Event Reports. In addition to the updates described in Section 3.2(a) hereof, Novartis shall provide ImmunoGen with all Adverse Event information and medical complaint information relating to Licensed Products as such information is compiled or prepared by Novartis in the ordinary course of business in connection with the Development or Commercialization of any Licensed Product, in accordance with the terms of a pharmacovigilance agreement to be negotiated in good faith by the Parties and, in any event, within the time frames consistent with reporting obligations under Applicable Laws. Novartis shall hold the global safety database for all Licensed Products. Novartis shall be responsible for reporting all Adverse Events to Regulatory Authorities worldwide. Novartis shall be responsible for the core safety information to be included in the Investigators' Brochure and Core Data Sheet. To the extent that it may apply to a Licensed Product, ImmunoGen agrees to provide Novartis with Serious Adverse Event and product complaint information relating to any product containing an Ab-Cytotoxic Product 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 the terms of the pharmacovigilance agreement; 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, Novartis shall provide ImmunoGen with copies of any material documents or correspondence pertaining to ImmunoGen's manufacture of Preclinical 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 or any Licensed Product. ImmunoGen shall complete its review within [***] after receipt of the proposed submission. When requested in writing, ImmunoGen shall use commercially reasonable efforts to provide reasonable assistance to Novartis in obtaining Regulatory Approvals for Licensed Product. Notwithstanding the foregoing, Novartis shall have the sole responsibility for, and ImmunoGen agrees that Novartis shall be the sole owner of, any Regulatory Approval for the Licensed Product.

(e) Product Recalls. In the event any Regulatory Authority issues or requests a recall or takes similar action with respect to a Licensed Product that Novartis reasonably believes is 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, Novartis 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 Novartis shall keep ImmunoGen regularly informed regarding any such recall, market withdrawal or corrective action. Novartis 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.

(f) 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 3.4), shall be considered Confidential Information of the Disclosing Party, subject to the terms of Section 6 hereof.

3.5 Technology Transfer. The transfer of Technical Transfer Materials from ImmunoGen to Novartis in connection with Novartis' Development of Licensed Products

hereunder is addressed in the Multi-Target Agreement. Upon reasonable request by Novartis, ImmunoGen shall [***] in connection with [***] of Licensed Products hereunder.

4. SUPPLY AND MANUFACTURING OBLIGATIONS

4.1 Supply of Materials. Novartis shall be responsible, at its sole cost, for manufacturing or having manufactured, all materials (including, without limitation, all Target-Binding Antibodies, Cytotoxic Compounds, linkers and Licensed Products) to enable it to Develop and Commercialize Licensed Products (including as required for any preclinical, clinical and commercial use of Licensed Products, including process development and scale-up).

Notwithstanding the foregoing, Novartis shall promptly notify ImmunoGen whenever Novartis or an Affiliate or Sublicensee has, directly or indirectly, engaged any Third Party to provide any MAY Compound for use, or potential use, in the manufacture of any Licensed Product or any of its components.

4.2 Supply of Preclinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1 hereof, during the Term, Novartis may request ImmunoGen to supply Novartis with such quantities of Preclinical Materials as may be reasonably requested by Novartis in order to conduct all preclinical Development activities [***] relating to Licensed Products. With respect to any Cytotoxic Compound obtained by ImmunoGen from a Third Party and supplied to Novartis (in either conjugated or unconjugated form), ImmunoGen shall charge, and Novartis agrees to pay, [***] for such Cytotoxic Compound; provided that ImmunoGen shall [***] Novartis to [***]. Any other Preclinical Materials that are supplied by ImmunoGen will be subject to [***]. In connection with such supply, Novartis hereby agrees that (a) it shall not use the Preclinical Materials in any human subject; and (b) it shall use the Preclinical Materials in compliance with all Applicable Laws. Novartis shall be entitled to transfer Preclinical Materials 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 Preclinical Materials except in compliance with the foregoing clauses (a) and (b) of the preceding sentence.

4.3 [***]. If, during the Term, Novartis requests that ImmunoGen conduct [***], then the Parties shall negotiate in good faith the terms of a written master services and supply

agreement pursuant to which the Parties would from time to time negotiate separate written work orders 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, Novartis hereby agrees to pay ImmunoGen an upfront fee (the **"Upfront Fee"**) in the amount of One Million U.S. Dollars ($1,000,000.00) payable in accordance with Section 5.6(e) hereof within [***] after the Effective Date and receipt of a corresponding invoice substantially in the form attached hereto as **Schedule B**, which Upfront Fee shall be non-refundable and non-creditable.

5.2 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, Novartis will make the following payments to ImmunoGen in accordance with Section 5.6(e) hereof within [***] after the first occurrence of each of the milestones set forth below and receipt of a corresponding invoice substantially in the form attached hereto as **Schedule B**:

Development and Commercialization Milestones	**Milestone Payment**
[***]	[***]

Sales Milestones	**Milestone Payment**
[***]	[***]

If (i) the milestone described in [***] above occurs before the milestone described in [***], *and* before or contemporaneously with the milestone described in [***] above, the milestone payment payable upon the occurrence of [***] above shall be increased from $[***] to $[***], and no milestone payment will be payable with respect to any subsequent [***], (ii) the milestone described in [***] above occurs before the milestones described in [***] above, the milestone payment payable upon the occurrence of [***] above shall be increased from $[***] to $[***], and no milestone payment will be payable with respect to any subsequent [***], and (iii) the first [***] in [***] or [***] covers [***], the milestones described in [***], as the case may be, shall be increased from $[***] to $[***] (or from $[***] to $[***], if the immediately preceding clause (i) also applies), and no milestone payment will be payable with respect to

[***], as applicable, for a Licensed Product in such country for [***]. It is hereby acknowledged and agreed that any milestone payment shall be [***], with respect to [***], regardless of how many times [***]. All milestone payments shall be nonrefundable and noncreditable. Novartis shall notify ImmunoGen of the achievement of each milestone hereunder as provided in Section 3.4(b) hereof.

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

(a) Royalty Payments. On a Licensed Product-by-Licensed Product and country-by-country basis, Novartis shall pay to ImmunoGen the following royalties based on Annual Net Sales of such Licensed Product sold by Novartis, its Affiliates and its Sublicensees, on an incremental basis in each Calendar Year during the Royalty Term, at the following rates:

For Worldwide Net Sales of a Licensed Product in a Calendar Year	**Royalty Rate (% of Annual Net Sales)**
[***]	[***]

(b) Third Party Royalty Offset. Subject to Sections 5.3(f) and 5.4 hereof, if, with respect to a Calendar Quarter, Novartis [***] to one or more Third Parties under any [***] (including, without limitation, [***]) of such Third Party's Patent Rights (**"Third Party Patent Rights"**) that Novartis determines, [***] are [***] (collectively, **"Third Party Payments"**), then Novartis shall have the right to reduce the royalties otherwise due to ImmunoGen

pursuant to Section 5.3(a), [***] hereof (but not the royalties otherwise due to ImmunoGen pursuant to Section 5.3(c) hereof) with respect to Net Sales of such Licensed Products in the country(ies) covered by such Third Party license in such Calendar Quarter by an amount equal to [***] the amount of such Third Party Payments. If, after the Effective Date, Novartis wishes to license any Third Party Patent Rights [***], then prior to taking a license for such Third Party Patent Rights, the Parties shall [***]. Nothing in this Agreement shall restrict [***]; provided, however, that if [***], then such matter will be addressed under the dispute resolution provisions of Section 11.12 hereof.

(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), [***] hereof shall apply, on a country-by-country basis and Licensed Product-by-Licensed Product basis, to Net Sales of Licensed Products only where such

Licensed Product (or its use, sale, offer for sale or importation) in such country is covered by a Valid Claim within the Licensed Patent Rights. 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), [***] hereof do not apply as a result of this Section 5.3(c)(i) hereof, the royalties payable with respect to Net Sales of such Licensed Product sold by Novartis, its Affiliates and its Sublicensees in such country shall be [***], as applicable, without giving effect to [***] provided in Section [***] hereof, using the methodology outlined in **Schedule C** attached hereto. The Parties hereby acknowledge and agree that such royalties shall be in consideration of the commercial advantage, know-how and background information gained from the 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 Novartis pursuant to Section 5.3(a)[***] 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, Novartis 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 exists 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 Novartis 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, Novartis shall pay ImmunoGen a royalty at the rates set forth in Section 5.3(a)[***] hereof, as applicable, for that portion of the Royalty Term during which such Valid Claim exists in such country.

(d) [***].

(e) [***].

(f) [***] Royalty Rate. Anything contained in this Agreement to the contrary notwithstanding, none of the [***] provided in Sections 5.3(b), 5.3(c) [***] hereof, shall, individually or in the aggregate, [***] the royalties payable with respect to Net Sales of any Licensed Product sold by Novartis, its Affiliates and its Sublicensees in any country during the Royalty Term [***].

5.4 [***].

5.5 Royalty Term. Novartis shall pay royalties with respect to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until the last of (a) [***] from the First Commercial Sale of such Licensed Product in such country or (b) the expiration of the last to expire Valid Claim within the Licensed Patent Rights which covers the Licensed Product (or its manufacture, use, sale, offer for sale or importation) in such country (the **"Royalty Term"**).

5.6 Payment Terms.

(a) Reserved.

(b) Payment of Royalties; Royalty Reports. Within [***] after each Calendar Quarter during the term of this Agreement following the First Commercial Sale of a Licensed Product, Novartis will provide to ImmunoGen a written report or reports showing each of: (i) the gross sales (if available) and the Net Sales in each country's currency of each Licensed Product in the Territory during the reporting period by Novartis and its Affiliates and Sublicensees; (ii) the applicable exchange rate to convert from each country's currency to U.S. Dollars under Section 5.6(c) hereof; (iii) the applicable royalty rate(s) under this Agreement, and (iv) the royalties payable, in U.S. Dollars, which shall have accrued hereunder with respect to such Net Sales. After receipt of such report, ImmunoGen shall submit an original invoice to Novartis substantially in the form of **Schedule B** attached hereto with respect to the royalty amount due to ImmunoGen. Novartis shall make any royalty payments owed to ImmunoGen in U.S. Dollars, quarterly within [***] following the receipt of the applicable invoice from ImmunoGen.

(c) Accounting. All payments hereunder shall be made in U.S. dollars. Royalties shall be calculated based on Net Sales in U.S. Dollars, with conversion of Net Sales in each country to U.S. Dollars according to the Novartis Standard Exchange Rate Methodology.

(d) No Set-Off; Tax Withholding. All payments made by Novartis 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. Novartis 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 [***] after such payment is remitted to the proper authority. Any withheld tax remitted by Novartis to the proper authority shall be treated as having been paid by Novartis 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.

(e) 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 in the invoice for such payments; provided, however, that payment by means of a [***] and delivered to the address for ImmunoGen provided in accordance with Section 11.1 hereof shall not be deemed a breach of this Section 5.4(b); and provided, further, that the date of payment by [***] shall be the date of ImmunoGen's [***].

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 on the number of days such payments are paid after the date such payments are due; provided, that with respect to any disputed payments, no interest payment shall be due until such dispute is resolved and the interest which 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, Novartis and its Affiliates and Sublicensees shall keep for at least [***] from [***] complete and accurate records of sales by Novartis or its Affiliates or Sublicensees, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the royalties to be confirmed.

(b) Audit. Subject to the other terms of this Section 5.8(b), at the request of ImmunoGen, upon at least [***] prior written notice to Novartis, 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), Novartis shall permit an internationally recognized independent accounting firm reasonably selected by ImmunoGen and reasonably acceptable to Novartis 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 Novartis 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 [***] of Novartis' records solely for purposes of verifying the items set forth in Section 5.8(a) hereof. Before beginning its 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 with the limitation that the independent accounting firm shall have the right to disclose to ImmunoGen only its conclusions regarding any payments owed under this Agreement. The independent accounting firm shall provide its audit report and basis for any determination to Novartis at the time such report is provided to ImmunoGen. Novartis 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 [***] 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 [***] 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 Novartis' records under this Section 5.8(b) as Confidential Information of Novartis subject to the terms of Section 6 hereof. If any such audit reveals a deficiency in the calculations resulting from any underpayment by Novartis, Novartis shall [***] pay to ImmunoGen the amount remaining to be paid [***], and if such underpayment is by [***], Novartis shall pay the reasonable costs and expenses of the of the independent accounting firm in conducting the audit. In addition, if an audit reveals that Novartis has overpaid, ImmunoGen shall [***] refund the amount overpaid.

6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidentiality.

(a) Confidentiality Obligations. ImmunoGen and Novartis each recognizes that the other Party's Confidential Information constitutes highly valuable assets of such other Party. ImmunoGen and Novartis each agrees that, subject to Section 6.1(b) hereof, during the Term and for an additional [***] thereafter, (i) it will not disclose, and will cause its Affiliates (and, in the case of Novartis, 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 Novartis, 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 Novartis, 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 employees, consultants, subcontractors and

Affiliates of the Receiving Party (and, in the case of Novartis, 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 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 Novartis each hereby represents and warrants that all of its employees, consultants and subcontractors, and all of the employees, consultants and subcontractors 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 (and, in the case of Novartis, 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; provided that ImmunoGen shall not disclose the identity of the Licensed Target under this clause (b) and ImmunoGen shall not disclose the amount of the Upfront Fee, the specific milestone events, the milestone payments (individually or in the aggregate), or the royalty rates set forth in Section 5 hereof (except to the extent any of the foregoing have been previously disclosed as otherwise permitted under this Agreement) under clause (b)(ii) above; 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 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, the Parties 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 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) Novartis 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. ImmunoGen 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 and Commercialization of a Licensed Product to the extent such results refer to, derive from or otherwise relate to the Licensed Intellectual Property without the prior review by and approval of Novartis. Novartis shall provide ImmunoGen the opportunity to review each of Novartis' proposed abstracts, manuscripts

or presentations (including, without limitation, information to be presented verbally) that contain ImmunoGen's Confidential Information or disclose any unpatented Licensed Technology at least [***] prior to its intended presentation or submission for publication, and Novartis agrees, upon written request from ImmunoGen given within such [***], not to submit such abstract or manuscript for publication or to make such presentation until ImmunoGen is given up to [***] from the date of such written request to seek appropriate patent protection for any unpatented Licensed Technology disclosed in such publication or presentation that it reasonably believes may be patentable. Once such abstracts, manuscripts or presentations have been reviewed and, where applicable, 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 or 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 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) Novartis shall be the sole owner of Novartis Improvements and any Patent Rights claiming Novartis Improvements.

(b) Jointly-Owned Technology. All Joint Program Technology and Joint Improvements shall be jointly owned by ImmunoGen and Novartis. 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 [***] 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) Novartis Inventions. Novartis, 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 specifically claiming any Antibody Controlled by Novartis or its Affiliates, a Specific Ab-Cytotoxic Product or any other Novartis inventions (including Novartis Improvements but excluding any Licensed Patent Rights).

(c) Joint Program Technology and Joint Improvements.

(i) Novartis, 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 claiming 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 preparation, filing, prosecution and maintenance of all Patent Rights claiming Joint Improvements.

(iii) The Party undertaking the responsibility for the filing, prosecution and maintenance of any Patent Rights claiming 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, 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.

7.3 Abandonment.

(a) Licensed Patent Rights; Joint Improvements. If ImmunoGen decides to abandon or allow to lapse, or otherwise determines to not prosecute, 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)(ii) hereof in any country or region in the Territory, ImmunoGen shall inform Novartis of such decision promptly and, in any event, so as to provide Novartis a reasonable amount of time to meet any applicable deadline to establish or preserve such Patent Rights in such country or region. Novartis 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 Novartis' sole expense and through patent counsel or agents of its choice.

Novartis 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 Novartis 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 Novartis to assume such prosecution, maintenance and defense.

(b) Novartis Improvements; Joint Program Technology. If Novartis decides to abandon or allow to lapse, or otherwise determines to not prosecute, any of the Patent Rights claiming Novartis Improvements or Patent Rights claiming Joint Program Technology for which Novartis is the filing party under Sections 7.2(b) and 7.2(c)(i) hereof in any country or region in the Territory, Novartis 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 Novartis' interest in such Patent Rights claiming Novartis Improvements or Joint Program Technology as a result of its assumption of such responsibility. Upon transfer of Novartis' responsibility for prosecuting, maintaining and defending any of the Patent Rights claiming Novartis Improvements or Joint Program Technology, Novartis 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 of such Novartis Improvements or Joint Program Technology.

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 Novartis 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 within [***] from any Infringement Notice (or [***] in the case of an Infringement under the Hatch-Waxman Act), then Novartis 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, such [***]) period, then ImmunoGen shall have an additional [***] (or in the case of an infringement under the Hatch-Waxman Act, [***]) to conclude its negotiations before Novartis may take steps to eliminate such Infringement.

(c) Novartis shall have the first right and option, but not the obligation, to eliminate such Infringement with respect to Patent Rights claiming 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 Novartis. If Novartis does not take commercially reasonable steps to eliminate the Infringement within [***] from any Infringement Notice (or [***] 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 Novartis has commenced negotiations with an alleged infringer for elimination of such Infringement within such [***] (or, if applicable, such [***]) period, then Novartis shall have an additional [***] (or in the case of an infringement under the Hatch-Waxman Act, [***]) 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 hereof, whether by settlement or judgment, shall be first applied [***], in connection therewith; provided that [***] may cause any such amounts, or proportionate percentages thereof, to be applied [***] to the extent required by the terms of any written agreement with [***]. Any remainder which is allocable to the Licensed Product will be shared as follows: [***] shall be paid an amount equal to [***], and the [***] portion of such recovery which is [***] shall be paid to [***].

7.5 Response to Biosimilar Applicants.

(a) Notice; Preliminary Discussions. In the event Novartis receives notice or a copy of any application, submission or notice (a **"Biosimilar Notice"**), whether or not under any Applicable Laws (including under the Biologics Price Competition and Innovation Act of 2009 (the **"BPCIA"**) and/or the United States Patient Protection and Affordable Care Act) applicable to the approval or manufacture of any biosimilar or follow-on biologic product for which a Licensed Product is a "reference product," as such term is used in the BPCIA (a **"Proposed Biosimilar Product"**), including any notification of an intent to commercially market a Proposed Biosimilar Product, Novartis shall promptly provide ImmunoGen with written

notice, which notice shall identify the Third Party applicant (the **"Applicant"**), and include a copy of the Biosimilar Notice.

(b) Preparation of Proposed Patent List. Not later than [***] from the date of receipt by Novartis of the Biosimilar Notice, Novartis shall prepare and provide ImmunoGen with a list (the **"Proposed Patent List"**) of (i) those patents within the Licensed Patent Rights, if any, that Novartis reasonably believes would be infringed by the manufacture and/or sale of the Proposed Biosimilar Product and (ii) those patents within the Licensed Patent Rights, if any, that Novartis would be willing to sublicense to such Applicant in accordance with the terms of this Agreement, and with such other information pertaining to the Licensed Patent Rights as would be required to be provided to the Applicant under the BPCIA or other Applicable Law (the **"Other Required Information"**). Within [***] following the date of receipt by ImmunoGen of the Proposed Patent List and Other Required Information, ImmunoGen and Novartis shall discuss in good faith the Proposed Patent List and the Other Required Information and Novartis shall consider in good faith ImmunoGen's proposals for changes to the Proposed Patent List and the Other Required Information. Within [***] following Novartis' receipt of the Biosimilar Notice, Novartis shall provide the Applicant with a copy of the Proposed Patent List and the Other Required Information; provided, however, that the Proposed Patent List provided to Applicant shall include any patent within the Licensed Patent Rights specified in writing by ImmunoGen for inclusion, absent manifest error.

(c) Disclosure of Applicant's Response. Within [***] from the date of receipt by Novartis of a response relating to the Licensed Patent Rights, if any, from the Applicant to the Proposed Patent List and Other Required Information, including any response required by the BPCIA (the **"Applicant Response"**), Novartis shall provide ImmunoGen with a copy of the portions of such Applicant Response pertaining to the Licensed Patent Rights, if any.

(d) Preparation of Novartis Response. Not later than [***] from the date of receipt by Novartis of an Applicant Response for which Novartis is required to provide notice to ImmunoGen pursuant to Section 7.5(c), Novartis shall prepare and provide ImmunoGen with a draft of the portions of a response pertaining to the Licensed Patent Rights (the **"Novartis Response"**) that (i) 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 Proposed Biosimilar

Product, and (ii) responds to Applicant's claims that the patents within the Licensed Patent Rights on the Proposed Patent List are invalid or unenforceable. As soon as practicable following the date of receipt by ImmunoGen of the Novartis Response, ImmunoGen and Novartis shall discuss in good faith Novartis' statements in the Novartis Response and Novartis shall consider in good faith ImmunoGen's proposals for changes to the Novartis Response. As soon as possible following such good faith discussions, and in any event not later than [***] following Novartis' receipt of the Applicant Response, Novartis shall provide the Applicant with a copy of the portions of the Novartis Response relating to the Licensed Patent Rights; provided, however, that the Novartis

Response provided to Applicant shall include responsive information with respect to any patent within the Licensed Patent Rights specified in writing by ImmunoGen for inclusion, absent manifest error.

(e) Negotiation; ImmunoGen Rights. As soon as possible following the date on which Novartis provides Applicant with a copy of the Novartis Response for which Novartis is required to provide a copy pursuant to Section 7.5(d), Novartis shall commence good faith negotiations with Applicant for a period of not more than [***] (the **"Negotiation Period"**) in an effort to reach agreement on the patents on the Proposed Patent List that will be the subject of a patent infringement litigation (the **"Infringed Patent List"**); provided, however, that if the Proposed Patent List [***], then Novartis shall [***].

(f) Claims, Suits and Proceedings. If Novartis and Applicant reach agreement on the Infringed Patent List and such list includes a patent within the Licensed Patent Rights, Novartis shall have the first right and option, but not the obligation, to file a claim for Infringement with respect to such Licensed Patent Rights against the Applicant within [***] thereafter; provided, that Novartis hereby acknowledges and agrees that if Novartis does not file a claim for Infringement with respect to such Licensed Patent Rights within such [***] period, ImmunoGen shall have the right and option, but not the obligation, to take such actions as it determines to be reasonable necessary to preserve its rights in the Licensed Patent Rights and eliminate the infringement thereof threatened by Applicant, including, without limitation, by initiating an infringement action against Applicant. If Novartis and Applicant fail to reach agreement on the Infringed Patent List, Novartis shall (i) provide Applicant with a copy of the patents within the Licensed Patent Rights, if any, on the Proposed Patent List that will be the

subject of a patent Infringement litigation and (ii) have the first right and option, but not the obligation, to file a claim for Infringement of such Licensed Patent Rights against the Applicant within [***] thereafter; provided, however, that if the Proposed Patent List [***], then Novartis shall [***]; and provided further, that Novartis hereby acknowledges and agrees that if Novartis does not file a claim for Infringement within such [***] period, ImmunoGen shall have the right and option, but not the obligation, to take such actions as it determines to be reasonable necessary to preserve its rights in the Licensed Patent Rights and eliminate the infringement of such Licensed Patent Rights threatened by Applicant, including, without limitation, by initiating an infringement action against Applicant to eliminate such Infringement. Solely with respect to patents within the Licensed Patent Rights, all costs, including, without limitation, attorneys' fees, relating to such legal proceedings or other action shall be borne by (A) ImmunoGen if such legal proceeding or other action is brought by ImmunoGen and (B) Novartis if such legal proceeding or other action is brought by Novartis. Novartis shall not be permitted to settle any claim, suit or proceeding with the Applicant under this Section 7.5 with respect to the Licensed Patent Rights without the prior written consent of ImmunoGen, which consent shall not be unreasonably withheld, conditioned or delayed. 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 7.5 by the other Party. If a Party with the right to initiate legal proceedings under this Section 7.5 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. In any action, suit or proceeding instituted under this Section 7.5, 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. Any amounts recovered by either Party pursuant to this Section 7.5(f) with respect to the Licensed Patent Rights, whether by settlement or judgment, shall be allocated in accordance with the provisions of Section 7.4(g) hereof.

(g) Compliance with Applicable Law. Without limiting the foregoing, Novartis agrees to take such actions with respect to Licensed Patent Rights as may required under the BPCIA and regulations thereunder, and any other Applicable Laws pertaining to the

approval or sale of biosimilars or follow-on biologic products, as are permitted to persons having rights to a reference product in order to object to or prevent the sale of a Proposed Biosimilar Product.

(h) 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 Novartis or an Affiliate or Sublicensee of the Licensed Intellectual Property in the Development 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 selected and owned by Novartis or its Affiliates and their respective Sublicensees in the Territory. As between the Parties, Novartis or its Affiliates shall control the preparation (including, but not limited to name creation, clearance and filing), selection, adoption, prosecution, enforcement and maintenance of applications related to all such trademarks in the Territory, at its sole cost and expense and at its sole discretion. ImmunoGen shall notify Novartis or its Affiliates promptly upon learning of any actual, alleged or threatened infringement of a trademark 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 Novartis or its Affiliates and their respective Sublicensees hereunder, and any damages or other recovery, shall be Novartis' or its Affiliates sole responsibility, and taken in Novartis' or its Affiliates' sole discretion.

8. TERM AND TERMINATION

8.1 Term; Expiration. 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 applicable to a Licensed Product in each such country, subject to earlier termination in accordance with Section 8.2 hereof (the **"Term"**). Provided this Agreement has not been terminated prior thereto by ImmunoGen under Section 8.2(b) or 8.2(c) hereof or by Novartis under Section 8.2(a) hereof, following the expiration of the Royalty Term applicable to a Licensed Product in a country in accordance with Section 5.5 hereof, Novartis and its Affiliates shall 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.

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

(a) Voluntary Termination by Novartis. Novartis shall have the right to terminate this Agreement at any time upon not less than [***] prior 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 [***] ([***] if the breach is a failure by [***] to [***]) 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 [***] are reasonably required to cure, then the cure period shall be extended for a period not to exceed [***] 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 hereof, and the Party asserting the breach may not terminate this Agreement until it has been determined under Section 11.12 hereof that the allegedly breaching Party is in Material Breach of this Agreement, and such breaching Party

further fails to cure such breach within [***] (or such [***] period as determined by [***]) after the conclusion of the dispute resolution procedure; provided, however, that the foregoing shall not apply to any breach for [***]. 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 Laws, 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 [***] 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.

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) or 8.2(c) or by Novartis under Section 8.2(a). If this Agreement is terminated by ImmunoGen under Section 8.2(b) or 8.2(c) hereof or by Novartis under Section 8.2(a) hereof, then (i) the license granted by ImmunoGen to Novartis and its Affiliates pursuant to Section 2.1 hereof shall immediately terminate; (ii) Novartis 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 and (B) any Confidential Information of the other

Party contained in laboratory notebooks or databases. 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 [***] after the effective date of such termination to assume all obligations of Novartis under this Agreement, and (2) Novartis, its Affiliates and Sublicensees shall have the right, for [***] 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, Novartis 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 Novartis under Section 8.2(b) and 8.2(c). If this Agreement is terminated by Novartis under Section 8.2(b) or 8.2(c) hereof, then (i) the license granted by ImmunoGen to Novartis 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 [***] with respect thereto, provided, however, that Novartis shall [***] be obligated to pay to ImmunoGen [***] each milestone and royalty payment otherwise due under Section 5 hereof as they become due from and after the date of termination; 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 and (B) any Confidential Information of the other Party contained in its laboratory notebooks or databases. Notwithstanding the foregoing and subject to Section 6 hereof, Novartis 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.

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, 2.5, 5.2, 5.6, 5.7, 5.8, 6, 7, 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, Novartis 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 Novartis 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; and

(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.

Except as set forth in a written disclosure letter (the **"Disclosure Letter"**) delivered by ImmunoGen to Novartis within [***] after the Effective Date (which shall be deemed Confidential Information of ImmunoGen), ImmunoGen also represents and warrants to Novartis that:

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

(ii) to ImmunoGen's knowledge (without having conducted, or having any duty to conduct, any inquiry), as of the Effective Date, use of the Licensed Intellectual

Property pursuant to the license granted to Novartis and its Affiliates hereunder does not infringe the issued patents of any Third Party;

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

(iv) 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 Novartis and its Affiliates would infringe or misappropriate any intellectual property rights of any Third Party.

9.2 Novartis Representations. Novartis 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 Novartis corporate action; and

(b) this Agreement is a legal and valid obligation binding upon Novartis 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 Novartis 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 (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 the 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.

9.4 [***].

10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Novartis Indemnity. Novartis 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"**), 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) the Material Breach of this Agreement by Novartis; (ii) the Development or Commercialization (including, without limitation, the production, manufacture, promotion, import, sale or use by any Person) of any Licensed Product by Novartis or any of its Affiliates, Sublicensees, distributors or agents; or (iii) the gross negligence or willful misconduct of Novartis; except in each case to the extent any such Third Party 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 Third Party Claim for which ImmunoGen also has an obligation to any Novartis Indemnitee pursuant to Section 10.1(b) hereof, Novartis shall indemnify each ImmunoGen Indemnitee for its Losses to the extent of Novartis' 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 Novartis, its Affiliates, their respective directors, officers, employees, consultants and agents, and their respective successors, heirs and assigns (the **"Novartis Indemnitees"**), from and against any Losses incurred by or imposed upon the Novartis 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 gross negligence or willful misconduct of ImmunoGen; except in each case to the extent any such Third Party Claim or Losses result from a Material Breach of this Agreement by, or the gross negligence or willful misconduct of, Novartis, or the Development or Commercialization of any Licensed Product by Novartis or any of its Affiliates, Sublicensees, distributors or agents; provided that with respect to any such Third Party Claim for which Novartis also has an obligation to any ImmunoGen Indemnitee pursuant to Section 10.1(a) hereof, ImmunoGen shall indemnify each Novartis Indemnitee for its Losses to the extent of ImmunoGen's responsibility, relative to Novartis (or to Persons for whom Novartis 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.

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 (1) ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM LOSS OF PROFITS OR LOSS OF BUSINESS), OR (2) COSTS 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.

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 Novartis:
Novartis Institutes for BioMedical Research, Inc.
250 Massachusetts Avenue
Cambridge, MA 02139
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 Commonwealth of Massachusetts 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 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 Novartis, 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 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, 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 Novartis: 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.

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 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 Reserved.

11.16 Reserved.

11.17 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.

11.18 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.

11.19 Privacy of Personal Information.

(a) In the course of performance of this Agreement, ImmunoGen may acquire the Personal Information of individuals from various sources and countries. ImmunoGen will, and will cause its Affiliates and agents to, process all Personal Information it acquires under or in connection with this Agreement in compliance with all applicable data protection laws, including but not limited to the data protection laws of the European Union, European Economic Area, Switzerland, the United States and various localities therein. ImmunoGen acknowledges that the requirements under such data protection laws may exceed the requirements applicable to confidential information set forth in Section 6 hereof. Novartis may, on reasonable prior notice, audit ImmunoGen's compliance with such data protection laws.

(b) This Agreement contains the Personal Information of one or more individuals. This Agreement, and the Personal Information contained herein, from time to time may be transferred to, stored or otherwise processed in the United States or other countries that have privacy and data protection laws that differ from, or are not as stringent as, those where the Agreement was executed or where the individual(s) resides. The Personal Information disclosed in this Agreement will be used for the purposes of administration and enforcement of this Agreement and/or other actual or potential legal and business transactions involving the Parties. Storage or processing of Personal Information disclosed in this Agreement may be electronic and/or off line. Execution and delivery of this Agreement constitutes the representation by each Party to this Agreement that if required by the privacy laws applicable to such individuals, the individuals identified herein by such Party have been notified of and have consented to, the transfer, storage, and processing of such Personal Information, as described in this paragraph.

(c) Anything contained in this Agreement to the contrary notwithstanding, Novartis acknowledges and agrees that any breach by ImmunoGen of the representations, warranties and covenants set forth in this Section 11.19 shall not constitute a Material Breach.

11.20 Corporate Citizenship. Novartis gives preference to third parties who share Novartis' societal and environmental values, as set forth in the Novartis Policy on Corporate Citizenship and Novartis Corporate Citizenship Guideline #5, both of which are attached as **Schedule D** and incorporated herein by reference. Accordingly, ImmunoGen represents and warrants that this Agreement will be performed in material compliance with all Applicable Laws and regulations, including, without limitation, laws and regulations relating to health, safety and

the environment, fair labor practices and unlawful discrimination. Anything contained in this Agreement to the contrary notwithstanding, Novartis acknowledges and agrees that any breach by ImmunoGen of the representations, warranties and covenants set forth in this Section 11.20 shall not constitute a Material Breach, and that Novartis' sole remedy in connection with any such breach shall be its right to terminate this Agreement pursuant to Section 8.2(a) hereof.

[Remainder of page intentionally left blank.]

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

IMMUNOGEN, INC.	**NOVARTIS INSTITUTES FOR BIOMEDICAL RESEARCH, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Date: _____ Date: _____

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

SCHEDULE A

LICENSED TARGET

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

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; 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 [***].

1.9 [***].

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 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 [***] 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.

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 [***] 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).

1.27 [***].

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 [***] (an **"ImmunoGen Proprietary Antibody"**), or (b) the [***], but only, in the case of clauses (a) and (b) above, to the extent such Technology (and associated Patent Rights) [***], and not to the extent such Technology (and associated Patent Rights) [***]. For purposes of clarity, "ImmunoGen Proprietary Antibody Rights" does not include any Program Technology that relates to Antibodies specifically binding to Program Targets or any Patent Rights claiming such Program Technology.

1.29 **"Improvements"** means [***] any enhancement, improvement or modification to the Licensed Intellectual Property that is [***].

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 [***] 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.

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 [***] in the conduct of [***].

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.

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. [***]. 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 [***], 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 [***] 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 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 [***] of any [***] directed to Holding Option Targets and/or Reserve Option Targets and the manufacture of Ab-MAY Product solely for use in such [***]. Notwithstanding the foregoing, the Research Program shall not include [***] as to the particular [***] 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 [***] with respect to [***], as applicable, including: [***].

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

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

Dispute	11.12
Effective Date	Recitals
Exclusive License	3.2(a)
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
[***]	[***]
Receiving Party	1.10

Representatives	1.10
Reserve Option Grant Date	3.1(b)
Reserve Option Period	3.2(a)
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

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

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 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) [***] 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 [***] for any use in [***] while the [***].

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 [***] 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 Holding Option Request is an Excluded Target. If ImmunoGen timely provides a Holding Option Response to

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

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 [***] 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 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 [***] 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 [***] 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 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 [***] 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 [***] 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 [***] 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 [***] of Lilly's receipt of the Disclosure Letter. Any failure by ImmunoGen to deliver a

Disclosure Letter to Lilly within the applicable [***] period described above shall be deemed a waiver of ImmunoGen's right to qualify its representations and warranties in the applicable 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 [***] 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 [***] 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 [***] (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 [***] 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 [***] 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 [***] 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 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 [***] 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 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 [***] 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;

(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 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 [***] (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 [***] (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 [***] 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 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 [***] 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 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 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 [***] 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 [***] 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 [***] 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.

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 [***] 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 [***] from [***] complete and accurate records of the FTE Cost for ImmunoGen Activities performed 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 [***] 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 [***] 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 [***] 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 [***] 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 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 [***] 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 [***] 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 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 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 [***] prior to its intended presentation or submission for publication, and such submitting Party agrees, upon written request from the other Party given within such [***] period, not to submit such abstract or manuscript for publication or to make such presentation until the other Party is given up to [***] 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.

(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 [***] 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 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 [***] 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) [***].

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 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.

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 [***] 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 [***] ([***] if the breach is a failure by [***] to [***]) 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 [***] are reasonably required to cure, then the cure period shall be extended for a period not to exceed [***] 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 [***] (or such [***] period as determined by [***]) after the conclusion of the dispute resolution procedure; provided, however, that the foregoing shall not apply to any breach for [***]. 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 [***] 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) [***].

(e) [***].

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 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) [***] 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) [***]. If this Agreement is terminated by Lilly under Section 8.2(b), 8.2(c) [***] hereof, then: (i) the license granted by ImmunoGen to Lilly pursuant to Section 2.1 hereof shall survive until [***] 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 [***], provided that no Holding Option Period or Reserve Option Period shall extend beyond the [***]; (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;

(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.

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 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 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.

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.

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

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, 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

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

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.

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 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 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.

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 [***] 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 the ImmunoGen Activities hereunder. [***].

(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 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.]

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:	12/19/11

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

SCHEDULE 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.

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

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 **"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 [***].

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, 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 [***].

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 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: [***].

1.22 [***].

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 [***] (an **"ImmunoGen Proprietary Antibody"**), or (b) the [***], and not to the extent such Technology (and associated Patent Rights) [***]. 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 [***] any enhancement, improvement or modification to the Licensed Intellectual Property that is [***].

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, [***].

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) [***] 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, [***],[***] shall [***] a [***] that [***] which shall be [***] by [***] and provided to [***] and in any event [***] upon [***]. Such [***] shall be [***].

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.

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 [***].

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 [***].

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 [***].

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 [***] sales prices charged for all Licensed Products sold by Licensee or its Affiliates or Sublicensees to Third Parties throughout the Territory [***], 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) [***] and [***] allowed or taken;

(b) [***] and any other [***] allowed or given which effectively reduce the net selling price;

(c) [***] or [***] given or made for [***] Licensed Products;

(d) the [***] of [***] used for [***] the Licensed Product, or the [***] if such [***] are not [***] from the Licensed Products which are [***] the Licensed Product and included in the [***] sales price;

(e) any [***] imposed on the [***] or [***] of the Licensed Product, including, without limitation, [***] and [***] thereof, other than [***], or the portion of the [***];

(f) [***];

(g) [***] for [***] 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[***], consistently applied.

In the event a Licensed Product is sold as a [***] that consists of a Licensed Product together with another [***], or [***], for the [***] (a **"Combination"**), the Net Sales 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 [***] of the Licensed Product when sold separately [***] in the country in which the Combination is sold in [***], and B is the [***] of the other product(s) included in the Combination when sold separately [***] in the country in which the Combination is sold in [***].

In the event that the [***] of the Licensed Product can be determined but the [***] 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 [***] of the Licensed Product when sold separately [***] in the country in which the Combination is sold [***], and C is the [***] of the Combination.

In the event that the [***] of the other product(s) included in the Combination can be determined but the [***] of the Licensed Product [***] 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 [***] of the other product(s) included in the Combination when sold separately [***] in the country in which the Combination is sold [***] and C is the [***] of the Combination.

In the event that such [***] 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 [***].

The [***] 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 [***]. When determining the [***] of a Licensed Product, other product(s), or Combination, the [***] 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 [***] (or the number of [***] 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 [***] 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, 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.

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 [***] 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 [***], 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 using [***] as [***] 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 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 [***].

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 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)
[***]	[***]
Biosimilar Application	7.5(a)
BPCIA	7.5(a)
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

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
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)
[***]	[***]
Party/Parties	Recitals
Permitted Third Party Service Providers	2.1(a)
[***]	[***]

Pre-Market Notice	7.5(d)(ii)
Proposed Biosimilar Product	7.5(a)
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Receiving Party	1.12
[***]	[***]
[***]	[***]
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[***]	[***]
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Third Party Claims	10.1(a)
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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

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

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 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 [***] that [***] 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 (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 [***].

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

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

(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) [***] ([***] 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 [***]. 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;

(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 [***] 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 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 [***] 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 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[***]. Anything contained in this Agreement to the contrary notwithstanding, the obligations under this Section 3.3(b) shall [***] by the applicable [***] for any [***] in [***].

(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 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 [***] 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 [***] period, and any they reasonably expect to make, seek or attempt to obtain in the following [***] 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 [***] 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 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 [***] 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 [***] 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. 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 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 [***], 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)][(2)] payable in accordance with Section 5.6(d) hereof within [***] after the Effective Date, which Upfront Fee shall be non-refundable and non-creditable.

5.2 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 [***] 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
[***]	[***](3)

(2) Insert Zero U.S. Dollars ($0.00) in the first Exclusive License taken under the Multi-Target Agreement. Insert Two Million U.S. Dollars ($2,000,000) in each of the [***] remaining Exclusive Licenses taken under the Multi-Target Agreement.

(3) Insert $[***] in the first Exclusive License taken under the Multi-Target Agreement. Insert $[***] in each of the [***] remaining Exclusive Licenses taken under the Multi-Target Agreement.

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 [***] above shall be increased from $[***] to [$[***]](4), and no milestone payment will be payable with respect to any [***]. It is hereby acknowledged and agreed that any milestone payment shall be [***], with respect to the [***], regardless of how many times [***]. 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 [***] 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

(4) Insert $[***] in the first Exclusive License taken under the Multi-Target Agreement. Insert $[***] in each of the [***] remaining Exclusive Licenses taken under the Multi-Target Agreement.

royalties otherwise due to ImmunoGen pursuant to Section 5.3(a) [***] 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 [***] 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 [***] 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), [***] 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), [***] 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 [***], as applicable, without giving effect to any [***] provided in Section [***] hereof, using the methodology

outlined in **Schedule B** attached hereto. The Parties hereby acknowledge and agree that such royalties shall be in consideration of 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), [***] 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), [***] 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, [***] 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 [***]; 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 [***] shall be deemed to be [***] and (B) any Valid Claim contained in [***] within the Licensed Patent Rights that has not been [***] shall be deemed to [***].

(d) [***].

(i) [***].

(ii) [***].

(e) [***].

(f) [***] Royalty Rate. Anything contained in this Agreement to the contrary notwithstanding, none of the [***] provided in Sections 5.3(b), 5.3(c) [***] 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 [***].

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. [***], 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) [***] 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 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 [***] shall be deemed to be [***], 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) [***].

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 [***] 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 [***] 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 [***] 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.

(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

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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 [***] from [***] 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 [***] 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), Lilly shall permit an 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 [***] 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 [***] 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

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the audit report and the independent accounting firm shall undertake to complete such further determination within [***] 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 [***] from the date of its receipt of such invoice.

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 [***] 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 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 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 [***] 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 [***] (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 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.

(c) Disclosure. Each Party shall provide to the other Party any invention disclosure related to any Joint Program Technology or Joint Improvements within [***] 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, 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) [***].

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 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 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 within [***] from any Infringement Notice (or [***] 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 [***] (or, if applicable, such [***]) period, then ImmunoGen shall have an additional [***] (or in the case of an infringement under the Hatch-Waxman Act, [***]) 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 [***] from any Infringement Notice (or [***] 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 Lilly has commenced negotiations with an alleged infringer for elimination of such Infringement within such [***] (or, if applicable, such [***]) period, then Lilly shall have an additional [***] (or in the case of an infringement under the Hatch-Waxman Act, [***]) 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;

(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 [***] 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 Patient Protection and Affordable Care Act or implementing FDA regulations 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

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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 [***] 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 [***] following Lilly's receipt of the Biosimilar Application 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 [***] 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"**).

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

(iii) Preparation of Lilly Response. Not later than [***] 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 [***] 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 [***] (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 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 [***] 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 [***] 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 [***] 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 [***] after agreement 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 [***] 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 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.

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 [***] 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) [***].

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 [***] 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 [***] ([***] if the breach is a failure by [***] to [***]) 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 [***] are reasonably required to cure, then the cure period shall be extended for a period not to exceed [***] 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 [***] (or such [***] period as determined by [***]) after the conclusion of the dispute resolution procedure; provided, however, that the foregoing shall not apply to any breach [***]. 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 [***] 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) [***].

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 by Lilly under Section 8.2(a). If this Agreement is terminated by ImmunoGen under Section 8.2(b), 8.2(c) [***] 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 [***]; (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 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 [***] 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 [***] 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 [***], provided, however, that Lilly shall [***] be obligated to pay to ImmunoGen [***] 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 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.

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

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

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 [***] 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.

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.

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

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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 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

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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.

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: [***]

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 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 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 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 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]

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:	_____

SCHEDULE A

LICENSED TARGET

EXHIBIT 31.1

CERTIFICATIONS

I, Daniel Junius, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

/s/ Daniel M. Junius

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

EXHIBIT 31.2

CERTIFICATIONS

I, Gregory D. Perry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

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

EXHIBIT 32

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of ImmunoGen, Inc., a Massachusetts corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report for the period ended March 31, 2012 (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 10, 2012

/s/ DANIEL M. JUNIUS

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

Dated: May 10, 2012

/s/ GREGORY D. PERRY

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