IMMUNOGEN INC

FORM 10-Q
(Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2017

OR

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

For the transition period from to

Commission file number 0-17999

ImmunoGen, Inc.

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

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

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

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

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

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

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

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

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

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

Shares of common stock, par value $.01 per share: 89,597,770 shares outstanding as of August 1, 2017.

IMMUNOGEN, INC.
FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2017
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ITEM 1. ***Financial Statements***

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

	June 30, 2017	December 31, 2016
ASSETS		
Cash and cash equivalents	$ 150,337	$ 159,964
Accounts receivable	1,024	2,026
Unbilled revenue	1,807	6,778
Inventory	3,482	2,192
Prepaid and other current assets	4,758	5,386
Total current assets	161,408	176,346
Property and equipment, net of accumulated depreciation	16,821	19,498
Other assets	3,148	3,020
Total assets	$ 181,377	$ 198,864
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Accounts payable	$ 5,152	$ 7,895
Accrued compensation	7,212	6,946
Other accrued liabilities	12,332	11,150
Current portion of deferred lease incentive	784	784
Current portion of liability related to the sale of future royalties, net of deferred financing costs of $812 and $850, respectively	15,678	14,470
Current portion of deferred revenue	26,192	14,531
Total current liabilities	67,350	55,776
Deferred lease incentive, net of current portion	5,521	5,914
Deferred revenue, net of current portion	18,912	19,086
Convertible 4.5% senior notes, net of deferred financing costs of $2,701 and $3,035, respectively	97,299	96,965
Liability related to the sale of future royalties, net of current portion and deferred financing costs of $2,750 and $3,144, respectively	161,339	169,858
Other long-term liabilities	4,185	4,115
Total liabilities	354,606	351,714
Commitments and contingencies (Note H)		
Shareholders' deficit:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $0.01 par value; authorized 150,000 shares; issued and outstanding 89,597 and 87,301 shares as of June 30, 2017 and December 31, 2016, respectively	896	873
Additional paid-in capital	784,657	778,847
Accumulated deficit	(958,782)	(932,570)
Total shareholders' deficit	(173,229)	(152,850)
Total liabilities and shareholders' deficit	$ 181,377	$ 198,864

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Revenues:				
License and milestone fees	$ 31,080	$ 76	$ 49,810	$ 10,153
Non-cash royalty revenue related to the sale of future royalties	6,439	5,944	14,052	13,324
Research and development support	902	1,335	2,380	2,394
Clinical materials revenue	599	53	1,277	1,251
Total revenues	39,020	7,408	67,519	27,122
Operating Expenses:				
Research and development	35,319	38,652	68,207	74,746
General and administrative	8,836	9,298	16,955	20,533
Restructuring charge	—	—	386	—
Total operating expenses	44,155	47,950	85,548	95,279
Loss from operations	(5,135)	(40,542)	(18,029)	(68,157)
Investment income, net	143	106	258	214
Non-cash interest expense on liability related to the sale of future royalties and convertible senior notes	(3,501)	(4,956)	(7,076)	(9,928)
Interest expense on convertible senior notes	(1,125)	(138)	(2,250)	(138)
Other income, net	751	(392)	885	159
Net loss	$ (8,867)	$ (45,922)	$ (26,212)	$ (77,850)
Basic and diluted net loss per common share	$ (0.10)	$ (0.53)	$ (0.30)	$ (0.89)
Basic and diluted weighted average common shares outstanding	87,174	87,062	87,167	87,029
Total comprehensive loss	$ (8,867)	$ (45,922)	$ (26,212)	$ (77,850)

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

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

	Six Months Ended June 30,	
	2017	2016
Cash flows from operating activities:		
Net loss	$ (26,212)	$ (77,850)
Adjustments to reconcile net loss to net cash used for operating activities:		
Non-cash royalty revenue related to sale of future royalties	(14,052)	(13,324)
Non-cash interest expense on liability related to sale of future royalties and convertible senior notes	7,076	9,928
Depreciation and amortization	2,934	2,940
Loss on sale/disposal of fixed assets and impairment charges	180	5
Stock and deferred share unit compensation	5,801	11,862
Deferred rent	49	105
Change in operating assets and liabilities:		
Accounts receivable	1,002	(80)
Unbilled revenue	4,971	(524)
Inventory	(1,290)	630
Prepaid and other current assets	628	1,737
Other assets	(128)	(487)
Accounts payable	(2,394)	(525)
Accrued compensation	266	5,269
Other accrued liabilities	802	1,900
Deferred revenue	11,487	(716)
Proceeds from landlord for tenant improvements	—	144
Net cash used for operating activities	(8,880)	(58,986)
Cash flows from investing activities:		
Purchases of property and equipment	(779)	(5,249)
Net cash used for investing activities	(779)	(5,249)
Cash flows from financing activities:		
Proceeds from stock options exercised	32	370
Proceeds from issuance of convertible 4.5% notes, net of $3,392 of transaction costs	—	96,608
Net cash provided by financing activities	32	96,978
Net change in cash and cash equivalents	(9,627)	32,743
Cash and cash equivalents, beginning of period	159,964	212,283
Cash and cash equivalents, end of period	$ 150,337	$ 245,026

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

IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2017

A. Nature of Business and Plan of Operations

ImmunoGen, Inc. (the Company) was incorporated in Massachusetts in 1981 and is focused on the development of antibody-drug conjugates, or ADCs, for the treatment of cancer.

In August 2014, the FASB issued ASU 2014-15, *Presentation of Financial Statements-Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern. (ASU 2015-14).* Under the new standard, management must evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued. This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented as of the date the financial statements are issued. When substantial doubt exists under this methodology, management evaluates whether the mitigating effect of its plans sufficiently alleviates substantial doubt about the Company's ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued. Generally, to be considered probable of being effectively implemented, the plans must have been approved before the date that the financial statements are issued. This standard was adopted by the Company at December 31, 2016.

The Company has incurred operating losses and negative cash flows from operations since inception, incurred a net loss of approximately $26.2 million during the six months ended June 30, 2017, and has an accumulated deficit of approximately $958.8 million as of June 30, 2017. The Company has primarily funded these losses through payments received from its collaborations and equity and convertible debt financings. To date, the Company has no product revenue and management expects operating losses to continue for the foreseeable future. At June 30, 2017, the Company had $150.3 million of cash and cash equivalents on hand. The Company anticipates that its current capital resources and expected future collaborator payments will enable it to meet its operational expenses and capital expenditures (operating plan) into the third quarter of calendar year 2018. Without such collaborator payments, the Company's existing capital resources at June 30, 2017 would not be sufficient to support the current operating plan through August 4, 2018, which is twelve months after the date that the June 2017 financial statements were issued. Management expects to seek additional funds from collaboration partners through a combination of upfront license payments, milestone payments, royalty payments, research funding, and clinical material reimbursement or from equity or debt financings. Because those plans have not been finalized, receipt of additional funding is not considered probable under the new standard. If the Company does not obtain sufficient funds when needed, the Company expects it would scale back its operating plan by deferring or limiting some or all of its research, development or clinical projects, or initiate further reductions to its workforce. Because such contingency plans have not been finalized (because the specifics would depend on the situation at the time), such actions also are not considered probable for purposes of the new standard. Because, under the new standard, neither receipt of future collaboration payments, nor management's contingency plans to mitigate the risk and extend cash resources through August 4, 2018, are considered probable, substantial doubt is deemed to exist about the Company's ability to continue as a going concern.

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

B. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements at June 30, 2017 and December 31, 2016 and for the three and six months ended June 30, 2017 and 2016 include the accounts of ImmunoGen, Inc., or the Company, and its wholly owned subsidiaries, ImmunoGen Securities Corp., ImmunoGen Europe Limited and Hurricane, LLC. The consolidated financial statements include all of the adjustments, consisting only of normal recurring adjustments, which management considers necessary for a fair presentation of the Company's financial position in accordance with accounting principles generally accepted in the U.S. for interim financial information. The December 31, 2016 condensed consolidated balance sheet data presented for comparative purposes was derived from our audited financial statements but certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. The preparation of interim financial statements requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenditures during the reported periods. The results of the interim periods are not necessarily indicative of the results for the entire year. Accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Transition Report on Form 10-K for the six months ended December 31, 2016.

Subsequent Events

The Company has evaluated all events or transactions that occurred after June 30, 2017 up through the date the Company issued these financial statements. The Company did not have any material recognizable or unrecognizable subsequent events during this period.

Revenue Recognition

The Company enters into licensing and development agreements with collaborative partners for the development of ADC therapeutics. The terms of these agreements contain multiple deliverables which may include (i) licenses, or options to obtain licenses, to the Company's antibody-drug conjugate, or ADC, technology, (ii) rights to future technological improvements, (iii) research activities to be performed on behalf of the collaborative partner, (iv) delivery of cytotoxic agents and (v) the manufacture of preclinical or clinical materials for the collaborative partner. Payments to the Company under these agreements may include upfront fees, option fees, exercise fees, payments for research activities, payments for the manufacture of preclinical or clinical materials, payments based upon the achievement of certain milestones and royalties on product sales. The Company follows the provisions of the Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or 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 whether 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 June 30, 2017, the Company had the following two material types of agreements with the parties identified below:

- Development and commercialization licenses, which provide the party with the right to use the Company's ADC technology and/or certain other intellectual property to develop compounds to a specified antigen target:

  Amgen (two exclusive single-target licenses – one of which has been sublicensed to Oxford BioTherapeutics Ltd.)

  Bayer (one exclusive single-target license)

Biotest (one exclusive single-target license)

CytomX (one exclusive single-target license)

Fusion Pharmaceuticals (one exclusive single-target license)

Lilly (three exclusive single-target licenses)

Novartis (five exclusive single-target licenses and one license to two related targets: one target on an exclusive basis and the second target on a non-exclusive basis)

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

Sanofi (five fully-paid, exclusive single-target licenses)

Takeda, through its wholly owned subsidiary, Millennium Pharmaceuticals, Inc. (one exclusive single-target license)

Debiopharm (one exclusive single-target license)

CytomX (one exclusive single-target license)

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

  Takeda, through its wholly owned subsidiary, Millennium Pharmaceuticals, Inc.

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

Development and Commercialization Licenses

The deliverables under a development and commercialization license agreement generally include the license to the Company's ADC technology with respect to a specified antigen target, and may also include 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, development and commercialization licenses contain non-refundable terms for payments and, depending on the terms of the agreement, provide that the Company will (i) at the collaborator's request, provide research services at negotiated prices which are generally consistent with what other third parties would charge, (ii) at the collaborator's request, manufacture and provide 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 Kadcyla®, however, the minimum royalty term is 10 years and the maximum royalty term is 12 years on a country-by-country basis, regardless of patent protection. Royalty rates may vary over the royalty term depending on the Company's intellectual property rights and/or the presence of comparable competing products. In the case of Sanofi, their licenses are fully-paid and no further milestones or royalties will be received. In the case of Debiopharm, no royalties will be received. The Company may provide technical assistance and share any technology improvements with its collaborators during the term of the collaboration agreements. The Company does not directly control when or whether any collaborator will request research or manufacturing services, achieve milestones or become liable for royalty payments. As a result, the Company cannot predict when or if it will recognize revenues in connection with any of the foregoing.

In determining the units of accounting, management evaluates whether the 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 ADC 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 ADC technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, and, if made, will be used by the Company's collaborators and the nature of the research services to be performed on behalf of its collaborators and market rates for similar services.

Upfront payments on development and commercialization licenses may be recognized upon delivery of the license if facts and circumstances dictate that the license has stand-alone 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. During the six months ended June 30, 2017 and 2016, the difference between the Company's full cost to manufacture preclinical and clinical materials on behalf of its collaborators as compared to total amounts received from collaborators for the manufacture of preclinical and clinical materials was $929,000 and $2.8 million, respectively. The majority of the Company's costs to produce these preclinical and clinical materials are fixed and then allocated to each batch based on the number of batches produced during the period. Therefore, the Company's costs to produce these materials are significantly affected by the number of batches produced during the period. The volume of preclinical and clinical materials the Company produces is directly related to the scale and scope of preclinical activities and the number of clinical trials the Company and its collaborators are preparing for or currently have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period such trials last. Accordingly, the volume of preclinical and clinical materials produced, and therefore the Company's per-batch costs to manufacture these preclinical and clinical materials, may vary significantly from period to period.

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

At the inception of each 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 license period 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 significant effort to the achievement of such milestones are recognized as revenue upon achievement of the milestone, as long as there are no undelivered elements remaining and no continuing performance obligations, assuming all other revenue recognition criteria are met.

Under the Company's development and commercialization license agreements, except for the Sanofi and Debiopharm licenses, the Company receives royalty payments based upon its licensees' net sales of covered products. Generally, under these agreements the Company is to receive royalty reports and payments from its licensees approximately one quarter in arrears, that is, generally in the second or third month of the quarter after the licensee has sold the royalty bearing product or products. The Company recognizes royalty revenues when it can reliably estimate such amounts and collectability is reasonably assured. As such, the Company generally recognizes royalty revenues in the quarter reported to the Company by its licensees, or one quarter following the quarter in which sales by the Company's licensees occurred.

Right-to-Test Agreements

The Company's right-to-test agreements provide collaborators the right to (a) test the Company's ADC technology for a defined period of time through a research, or right-to-test, 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. None of the Company's right to test agreements entered into subsequent to the adoption of Accounting Standards Update, or ASU, No. 2009 13, "Revenue Arrangements with Multiple Deliverables" on July 1, 2010 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 ADC 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. 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.

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

Financial Instruments and Concentration of Credit Risk

Cash and cash equivalents are primarily maintained with three financial institutions in the U.S. Deposits with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and, therefore, bear minimal risk. The Company's cash equivalents consist of money market funds with underlying investments primarily being U.S. Government issued securities and high quality, short term commercial paper. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents and marketable securities. The Company held no marketable securities as of June 30, 2017 and December 31, 2016. The Company's investment policy, approved by the Board of Directors, limits the amount it may invest in any one type of investment, thereby reducing credit risk concentrations.

Cash and Cash Equivalents

All highly liquid financial instruments with maturities of three months or less when purchased are considered cash equivalents. As of June 30, 2017 and December 31, 2016, the Company held $150.3 million and $160.0 million, respectively, in cash and money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper which were classified as cash and cash equivalents.

Non-cash Investing Activities

The Company had approximately $14,000 and $356,000 of accrued capital expenditures as of June 30, 2017 and December 31, 2016, respectively, which have been treated as a non-cash investing activity and, accordingly, are not reflected in the consolidated statement of cash flows.

Fair Value of Financial Instruments

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

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

As of June 30, 2017, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of June 30, 2017 (in thousands):

	Fair Value Measurements at June 30, 2017 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 131,469	$ 131,469	$ —	$ —

As of December 31, 2016, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of December 31, 2016 (in thousands):

	Fair Value Measurements at December 31, 2016 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 144,176	$ 144,176	$ —	$ —

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

The carrying amounts reflected in the consolidated balance sheets for accounts receivable, unbilled revenue, prepaid and other current assets, accounts payable, accrued compensation, and other accrued liabilities approximate fair value due to their short-term nature. The gross carrying amount and estimated fair value of the convertible 4.5% senior notes was $100.0 million and $181.5 million, respectively, as of June 30, 2017 compared to $100.0 million and $79.0 million, respectively, as of December 31, 2016. The increase in estimated fair value as of June 30, 2017 compared to December 31, 2016 is due primarily to an increase in the Company's stock price. The fair value of the Convertible Notes is influenced by interest rates, the Company's stock price and stock price volatility and is determined by prices for the Convertible Notes observed in a market which is a Level 2 input for fair value purposes.

Unbilled Revenue

The majority of the Company's unbilled revenue at June 30, 2017 represents research funding earned prior to that date based on actual resources utilized under the Company's agreements with various collaborators. In addition to that type of unbilled revenue, also included in unbilled revenue at December 31, 2016 was a $5 million partner milestone achieved in December 2016 which was subsequently invoiced and paid in the first quarter of 2017.

Inventory

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

Inventory at June 30, 2017 and December 31, 2016 is summarized below (in thousands):

	June 30, 2017	December 31, 2016
Raw materials	$ 124	$ 357
Work in process	3,358	1,835
Total	$ 3,482	$ 2,192

Raw materials inventory consists entirely of proprietary cell-killing agents the Company developed as part of its ADC technology. All raw materials inventory is currently procured from two suppliers. The Company considers more

than a twelve month supply of raw materials that is not supported by firm, fixed orders and/or projections from its collaborators to be excess and establishes a reserve to reduce to zero the value of any such excess raw material inventory with a corresponding charge to research and development expense. In accordance with this policy, the Company recorded $403,000 of expense related to excess inventory in the six months ended June 30, 2017 as a result of inventory purchased in the current period in order to manufacture drug product to supply the Company's mirvetuximab soravtansine studies. There were no expenses recorded for excess inventory during the three month period ended June 30, 2017 and the three and six-month periods ended June 30, 2016.

Work in process inventory consists of conjugate manufactured for sale to the Company's collaborators to be used in preclinical and clinical studies. All conjugate is made to order at the request of the collaborators and subject to the terms and conditions of respective supply agreements. Based on historical reprocessing or reimbursement required for conjugate that did not meet specification and status of current conjugate on hand or conjugate shipped to collaborators but not yet released per the terms of the respective supply agreements, no reserve for work in process inventory was determined to be required at June 30, 2017. As discussed above, the Company's costs to manufacture conjugate on behalf of its partners are greater than the supply prices charged to partners, and therefore costs are capitalized into inventory at the supply prices which represents 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 during the period. During periods of income, participating securities are allocated a proportional share of income determined by dividing total weighted average participating securities by the sum of the total weighted average common shares and participating securities (the "two-class method"). Shares of the Company's restricted stock participate in any dividends declared by the Company and are therefore considered to be participating securities. Participating securities have the effect of diluting both basic and diluted earnings per share during periods of income. During periods of loss, no loss is allocated to participating securities since they have no contractual obligation to share in the losses of the Company. Diluted (loss) income per share is computed after giving consideration to the dilutive effect of stock options and restricted stock that are outstanding during the period, except where such non-participating securities would be anti-dilutive.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Options outstanding to purchase common stock and unvested restricted stock	15,588	11,919	15,588	11,919
Common stock equivalents under treasury stock method for options	1,224	232	463	297
Shares issuable upon conversion of convertible notes	23,878	23,878	23,878	23,878
Common stock equivalents under if-converted method for convertible notes	23,878	2,886	23,878	1,443

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 June 30, 2017, the Company is authorized to grant future awards under one employee share‑based compensation plan, which is the ImmunoGen, Inc. 2016 Employee, Director and Consultant Equity Incentive Plan, or the 2016 Plan. At the annual meeting of shareholders on December 9, 2016, the 2016 Plan was approved and provides for the issuance of Stock Grants, the grant of Options and the grant of Stock‑Based Awards for up to 5,500,000 shares of the

Company's common stock, as well as up to 14,250,000 shares of common stock which represent awards granted under the previous stock option plan, the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan, or the 2006 Plan, that forfeit, expire, or cancel without delivery of shares of common stock or which resulted in the forfeiture of shares of common stock back to the Company subsequent to December 9, 2016. At the annual meeting of shareholders on June 13, 2017, the 2016 Plan was amended to increase the number of shares authorized for issuance thereunder by 1,000,000. Option awards are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Options vest at various periods of up to four years and may be exercised within ten years of the date of grant.

The stock-based awards are accounted for under ASC Topic 718, "Compensation—Stock Compensation." Pursuant to Topic 718, the estimated grant date fair value of awards is charged to the statement of operations and comprehensive loss over the requisite service period, which is the vesting period. Such amounts have been reduced by an estimate of forfeitures of all unvested awards. The fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model with the 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 June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Dividend	None	None	None	None
Volatility	68.17 %	64.13 %	67.10 %	64.06 %
Risk-free interest rate	1.90 %	1.40 %	2.01 %	1.46 %
Expected life (years)	6.0	6.3	6.0	6.3

Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during the three months ended June 30, 2017 and 2016 were $2.86 and $3.44 per share, respectively, and $1.75 and $4.10 per share for options granted during the six months ended June 30, 2017 and 2016, respectively.

A summary of option activity under the 2006 and 2016 Plans as of June 30, 2017, and changes during the six month period then ended is presented below (in thousands, except weighted-average data):

	Number of Stock Options	Weighted-Average Exercise Price
Outstanding at December 31, 2016	13,679	$ 10.70
Granted	1,428	$ 2.84
Exercised	(10)	3.30
Forfeited/Canceled	(1,916)	$ 10.47
Outstanding at June 30, 2017	13,181	$ 9.89

During the six months ended June 30, 2017, holders of options issued under the Company's equity plans exercised their rights to acquire an aggregate of approximately 10,000 shares of common stock at price of $3.30 per share. The total proceeds to the Company from these option exercises were approximately $32,000.

In August 2016, February 2017 and June 2017, the Company granted 117,800, 529,830 and 239,000 shares of restricted common stock with grant date fair values of $3.15, $2.47 and $4.71, respectively, to certain officers of the Company. These restrictions will lapse in three equal installments upon the achievement of specified performance goals

within the next five years. The Company determined it is not currently probable that these performance goals will be achieved, and therefore, no expense has been recorded to date.

A summary of restricted stock activity under the 2006 and 2016 Plans (inclusive of the performance awards noted above) as of June 30, 2017 and changes during the six month period ended June 30, 2017 is presented below (in thousands except weighted-average data):

	Number of Restricted Stock Shares
Unvested at December 31, 2016	199
Awarded	2,253
Vested	(25)
Forfeited	(20)
Unvested at June 30, 2017	2,407

Stock compensation expense related to stock options and restricted stock awards granted under the 2016 and 2006 Plans was $3.1 million and $5.7 million during the three and six months ended June 30, 2017, respectively, compared to stock compensation expense of $4.5 million and $11.6 million for the three and six months ended June 30, 2016, respectively. During the six months ended June 30, 2016, the Company recorded $3.1 million of stock compensation cost related to the modification of certain outstanding common stock options with the former Chief Executive Officer's succession plan. The decrease in expense is also attributable to lower fair values associated with awards expensed in the current period, level of forfeitures experienced since the prior year due to the restructuring disclosed in Note G and greater forfeitures recorded in the current period substantially resulting from the departure of certain senior-level employees. As of June 30, 2017, the estimated fair value of unvested employee awards was $15.0 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately two years. Also included in stock compensation expense for the three and six months ended June 30, 2017 and 2016 is expense recorded for directors' deferred share units, the details of which are discussed in Note F.

Segment Information

During the six months ended June 30, 2017, the Company continued to operate in one operating segment which is the business of discovery of monoclonal antibody-based anticancer therapeutics.

The percentages of revenues recognized from significant customers of the Company in the six months ended June 30, 2017 and 2016 are included in the following table:

	Three Months Ended June 30,		Six Months Ended June 30,	
Collaborative Partner:	2017	2016	2017	2016
Bayer	— %	— %	— %	37 %
CytomX	3 %	10 %	22 %	5 %
Roche	17 %	80 %	21 %	49 %
Sanofi	77 %	— %	53 %	— %

There were no other customers of the Company with significant revenues in the six months ended June 30, 2017 and 2016.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-9, *Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"),* to clarify the principles for recognizing revenue. This update provides a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. In August 2015,

the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date* , which delayed the effective date of the new standard from January 1, 2017 to January 1, 2018. The FASB also agreed to allow entities to choose to adopt the standard as of the original effective date. In March 2016, the FASB issued ASU No. 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations* , which clarifies the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing* , which clarifies certain aspects of identifying performance obligations and licensing implementation guidance. In May 2016, the FASB issued ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* related to disclosures of remaining performance obligations, as well as other amendments to guidance on collectability, non-cash consideration and the presentation of sales and other similar taxes collected from customers. These standards have the same effective date and transition date of January 1, 2018. The new revenue standard allows for either full retrospective or modified retrospective application. The Company anticipates using the modified retrospective approach to implement this standard. The Company is in the process of analyzing its existing revenue agreements to evaluate the impact of adoption. The Company has less than twenty contracts that have remaining performance obligations that will need to be evaluated under the provisions of the new standard as of January 1, 2018. In performing this assessment, the Company noted that we will be required to recognize royalty income in the same period as the related sales occur on Kadcyla rather than one quarter in arrears, which is the point in which the amount is fixed and determinable. This will require the Company to make an estimate of the royalties as the information is not provided to the Company until 90 days after the end of the quarter. Additionally, some partner milestones, depending on the probability of occurring, may be recognized sooner and at different values than they currently would be under the current accounting standards. The Company is in the process of estimating the impact of adopting the new standard on its consolidated financial statements, however, the Company expects to record a material adjustment upon adoption, which will be recorded as a cumulative effect of initially applying the standard to opening accumulated deficit as of January 1, 2018. The Company will continue to provide disclosures under the legacy accounting for the year ended December 31, 2018.

In July 2015, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory (Topic 330).* To simplify the principles for subsequent measurement of inventory, this new standard requires inventory measured using any method other than LIFO or the retail method shall be measured at the lower of cost and net realizable value, rather than lower of cost or market. This guidance is effective for annual reporting beginning after December 15, 2016, including interim periods within the year of adoption, and calls for prospective application, with early application permitted. Accordingly, the standard was adopted by the Company on January 1, 2017. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

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

In February 2016, the FASB issued ASU 2016-2, *Leases (Topic 842)* that primarily requires lessees to recognize most leases on their balance sheets but record expenses on their income statements in a manner similar to current accounting. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. The guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, and calls for retrospective application, with early adoption permitted. Accordingly, the

standard is effective for the Company on January 1, 2019. The Company is currently evaluating the impact of this guidance on our financial statements and the timing of adoption.

In March 2016, the FASB issued ASU 2016-9, *Improvements to Employee Share-Based Payment Accounting (Topic 718)* that changes the accounting for certain aspects of share-based payments to employees. The guidance requires the recognition of the income tax effects of awards in the income statement when the awards vest or are settled, thus eliminating additional paid in capital pools. The guidance also allows for the employer to repurchase more of an employee's shares for tax withholding purposes without triggering liability accounting. In addition, the guidance allows for a policy election to account for forfeitures as they occur rather than on an estimated basis. The guidance is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods with early adoption permitted. Accordingly, the standard was adopted by the Company on January 1, 2017. As a result of the adoption of this guidance, the net operating loss deferred tax assets for federal and state purposes increased by $9.2 million and $1.2 million, respectively, and will be offset by corresponding increases in the valuation allowance. The adoption of the guidance has no impact on the Company's consolidated financial statements. The Company elected not to adopt the provision that would allow actual forfeitures to be recognized in lieu of maintaining a forfeitures reserve. As such, the Company will continue to estimate forfeitures.

C. Agreements

Significant Collaborative Agreements

Roche

In 2000, the Company granted Genentech, now a unit of Roche, an exclusive license to use the Company's maytansinoid ADC technology with antibodies, such as trastuzumab, or other proteins that target HER2. Under the terms of this agreement, Roche has exclusive worldwide rights to develop and commercialize maytansinoid ADC compounds targeting HER2. In 2013, the HER2-targeting ADC compound, Kadcyla, was approved for marketing in the U.S., Japan and the European Union, or EU. Roche has also received marketing approval in various other countries around the world. Roche is responsible for the manufacturing, product development and marketing of any products resulting from 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 Kadcyla or any other resulting products. Total milestones are categorized as follows: development milestones—$13.5 million; and regulatory milestones—$30.5 million. Through June 30, 2017, the Company has received and recognized $13.5 million and $20.5 million in development and regulatory milestone payments, respectively, related to Kadcyla. The next potential milestone the Company will be entitled to receive will be a $5 million regulatory milestone for marketing approval of Kadcyla for a first extended indication as defined in the agreement. Based on an evaluation of the effort contributed towards the achievement of this future milestone, the Company determined this milestone is not substantive.

The Company receives royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with the Company's revenue recognition policy, $14.1 million of non-cash royalties on net sales of Kadcyla for the six-month period ended March 31, 2017 were recorded and included in non-cash royalty revenue for the six-month period ended June 30, 2017 and $13.3 million of non-cash royalties on net sales of Kadcyla for the six-month period ended March 31, 2016 is included in non-cash royalty revenue for the six-month period ended June 30, 2016. Kadcyla sales occurring after January 1, 2015 are covered by a royalty purchase agreement whereby the associated cash is remitted to Immunity Royalty Holdings, L.P, or IRH, as discussed further in Note E.

Sanofi

On May 30, 2017, the Company and an affiliate of Sanofi amended the license agreements covering all compounds in development by Sanofi using the Company's technology. Under the terms of the amended 2003 collaboration and license agreement, the Company granted Sanofi a fully-paid, exclusive license to develop, manufacture, and commercialize four experimental compounds in development. The Company and Sanofi also amended a separate 2013 exclusive license to grant Sanofi a fully-paid, exclusive license to develop, manufacture and commercialize another experimental compound being studied for the treatment of solid tumors. As consideration for

these amendments, the Company received a $30 million payment and agreed to forego a limited co-promotion option in the U.S. with respect to the compounds covered by the 2003 agreement, as well as future milestones or royalties under both license agreements.

In accordance with ACS-605-25 (as amended by ASU No. 2009-13), the Company determined that there were no remaining deliverables upon execution of the amendments, and accordingly, the $30 million has been recognized as revenue and is included in license and milestone fee revenue for the three and six months ended June 30, 2017.

Bayer

In 2008, the Company granted Bayer an exclusive development and commercialization license to the Company's maytansinoid ADC technology for use with antibodies or other proteins that target mesothelin. Bayer HealthCare is responsible for the research, development, manufacturing, and marketing of any products resulting from the license. The Company received a $4 million upfront payment upon execution of the agreement which was recognized as revenue ratably over the Company's estimated period of substantial involvement which concluded in September 2012. For each compound developed and marketed by Bayer under this collaboration the Company is entitled to receive a total of $170.5 million in milestone payments, plus tiered royalties between 4 - 7% 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 June 30, 2017, the Company has received and recognized an aggregate of $13 million in milestone payments under this agreement. In January 2016, Bayer initiated a Phase 2 clinical study designed to support registration of its ADC product candidate, anetumab ravtansine, triggering a $10 million development milestone payment to the Company which is included in license and milestone fee revenue for the six months ended June 30, 2016. The next potential milestone the Company will be entitled to receive will be a development milestone for commencement of a pivotal clinical trial for a second indication for anetumab ravtansine, 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 these 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.

CytomX

In January 2014, we entered into a reciprocal right-to-test agreement with CytomX. The agreement provides CytomX with the right to test our payload agents and linkers with CytomX antibodies that utilize their proprietary antibody-masking technology, termed Probodies ™ for a specified number of targets and to subsequently take an exclusive, worldwide license to use our technology to develop and commercialize Probody-drug conjugates directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. We received no upfront cash payment in connection with the execution of the right-to-test agreement. Instead, we received reciprocal rights to test our payload agents and linkers with ImmunoGen antibodies masked using CytomX technology to create Probody-drug conjugates directed to a specified number of targets and to subsequently take exclusive, worldwide licenses to develop and commercialize such conjugates directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require us and CytomX to each take its respective development and commercialization licenses by the end of the term of the research license. In addition, both we and CytomX are required to perform specific research activities under the right-to-test agreement on behalf of the other party for no monetary consideration.

In February 2016, CytomX took its development and commercialization license for a specified target. An amendment of the agreement executed simultaneously with that license granted CytomX the right, for a specified period of time, to substitute the specified target with another as yet unspecified target. Accordingly, the revenue associated with this license was deferred until the expiration of that substitution right in January 2017, whereupon we recognized $12.7 million of the $13 million of arrangement consideration allocated to the development and commercialization license, which is included in license and milestone fee revenue for the six months ended June 30, 2017. With respect to the development and commercialization license taken by CytomX, the Company is entitled to receive up to a total of $160 million in milestone payments plus royalties on the commercial sales of any resulting product. The total milestones are categorized as follows: development milestones—$10 million; regulatory milestones—$50 million; and sales milestones—$100 million. In June 2017, CytomX enrolled its first patient in a Phase 1 clinical trial for its product

candidate, CX-2009, triggering a $1 million development milestone payment which is included in license and milestone fee revenue for the three and six months ended June 30, 2017. The next payment the Company could receive would be a $3 million development milestone payment with commencement of a Phase 2 clinical trial. At the time of execution of the right-to-test agreement, there was significant uncertainty as to whether the milestone related to the Phase 2 clinical trial would be achieved. In consideration of this, as well as the Company's expected involvement in the research and manufacturing of any product candidate, this milestone was deemed substantive. CytomX is responsible for the manufacturing, product development and marketing of any product resulting from the development and commercialization license taken by CytomX under this collaboration.

Debiopharm

On May 24, 2017, Debiopharm International SA (Debiopharm) acquired the Company's IMGN529 program, a clinical-stage anti-CD37 ADC for the treatment of patients with B-cell malignancies, such as non-Hodgkin lymphomas (NHL). Under the terms of the Exclusive License and Asset Purchase agreement, the Company received a $25 million upfront payment for specified assets related to IMGN529 and a paid-up license to the Company's ADC technology, and is entitled to a $5 million milestone payment to be paid after substantial completion of the transfer of ImmunoGen technologies related to the program (technology transfer), which the parties expect to achieve by the end of 2017. In addition, ImmunoGen is eligible for a second success-based milestone payment of $25 million upon IMGN529 entering a Phase 3 clinical trial. The milestone payment will be significantly reduced if a Phase 3 trial using the Company's technology but not the IMGN529 antibody commences prior to IMGN529 entering a Phase 3 trial. The Company does not believe this scenario is likely to occur.

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 agreement. The significant deliverables were determined to be the license, the tech transfer and certain related physical materials. Since the technology being used is no longer the focus of the Company's research efforts, and IMGN529 is already in clinical trials which significantly lessens the probability that it would be changed, the value of the rights to future technological improvements which was granted in the agreement was considered immaterial.

The Company has determined that the license, together with the technology transfer, represent one unit of accounting as the license does not have standalone value from the Company's responsibility tro complete the technology transfer because 1) there are no other vendors selling similar licenses on a standalone basis, 2) the transfer can only be performed by the Company and 3) Debiopharm is unable to use the license for its intended purpose without the technology transfer. The related physical materials have stand-alone value as these items could be produced by other vendors.

The estimated selling price for the license/technology transfer is the Company's best estimate of selling price and was determined based on market conditions, similar arrangements entered into by third parties, including the Company's understanding of pricing terms offered by its competitors for single-target licenses that utilize the Company's ADC technology, the clinical stage of the product being sold, and entity-specific factors such as the pricing terms of the Company's previous single target licenses, recent preclinical and clinical testing results of therapeutic products that use the Company's ADC technology, and the Company's pricing practices and pricing objectives. The estimated selling price of the related materials was based on third party evidence given the nature of the items and the market rates for similar items.

The total arrangement consideration of $30 million (which comprises the $25 million upfront payment and the transfer fee of $5 million) was allocated to the units of accounting based on the relative selling price method as follows: $29.7 million to the license/technology transfer and $300,000 to the physical materials. The Company will record $29.7 million of revenue as outlined above when the technology transfer work is substantially complete, which is the final item delivered in the unit of accounting and the value of the physical materials will be recorded as revenue when delivered. As of June 30, 2017, $25 million was recorded in short-term deferred revenue, which represents the full amount of the upfront payment received.

For additional information related to these agreements, as well as the Company's other significant collaborative agreements, please read Note C, *Agreements,* to the consolidated financial statements included within the Company's 2016 Transition Report on Form 10-K

D. Convertible 4.5% Senior Notes

In June 2016, the Company issued Convertible 4.5% Senior Notes with an aggregate principal amount of $100 million. The Company received net proceeds of approximately $96.6 million from the sale of the Convertible Notes, after deducting fees and expenses of approximately $3.4 million.

The Convertible Notes are governed by the terms of an indenture between the Company, as issuer, and Wilmington Trust, National Association, as the trustee. The Convertible Notes are senior unsecured obligations and bear interest at a rate of 4.5% per year, payable semi-annually in arrears on January 1 and July 1 of each year, commencing on January 1, 2017. The Company recorded approximately $2.3 million and $138,000 of interest expense in the six months ended June 30, 2017 and 2016, respectively. The Convertible Notes will mature on July 1, 2021, unless earlier repurchased or converted. Holders may convert their notes at their option at any time prior to the close of business on the business day immediately preceding the stated maturity date. Upon conversion, the Company will deliver for each $1,000 principal amount of converted notes a number of shares equally to the conversion rate, which will initially be 238.7775 shares of common stock, equivalent to an initial conversion price of approximately $4.19. The conversion rate will be subject to adjustment in some circumstances, but will not be adjusted for any accrued and unpaid interest. In addition, if a "make-whole fundamental change" (as defined in the offering memorandum) occurs prior to the stated maturity date, the Company will increase the conversion rate for a holder who elects to convert its notes in connection with such make-whole fundamental change in certain circumstances. If the Company undergoes a fundamental change, subject to certain conditions, holders may require the Company to repurchase for cash all or part of their notes at a purchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change purchase date. In addition, upon an event of default, the holders may require the Company to repurchase for cash all of their notes at a purchase price equal to 100% of the principal amount, plus accrued and unpaid interest. Upon bankruptcy, this becomes an automatic repurchase obligation. Also, if the Company fails to comply with certain reporting requirements as described in the indenture it will constitute an event of default, however the Company may elect to pay additional interest at an annual rate equal to 0.5% of the principal amount for the 90 days following such event as a remedy for the default. Subsequent to the 90 days, if still in default, the principal amount of the notes and accrued interest may become immediately due and payable. If a "restricted event" occurs as described in the indenture that causes the notes not to become freely tradable by holders other than our affiliates after the first anniversary of the original issuance date of the notes, the Company would also become obligated to pay additional interest at an annual rate equal to 0.5% of the principal amount. The combined additional interest rate under these two circumstances, however, cannot exceed 0.5%.

The Company analyzed the terms of the Convertible Notes and determined that under current accounting guidance the notes would be entirely accounted for as debt and none of the terms of the notes require separate accounting. As part of the issuance of the Convertible Notes, the Company incurred $3.4 million of transaction costs, which are netted against the Convertible Notes in the accompanying consolidated balance sheet and are being amortized to interest expense ratably over the term of the Convertible Notes.

E. Liability Related to Sale of Future Royalties

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

Company will continue to account for these royalties as revenue and recorded the $200 million in proceeds from this transaction as a liability related to sale of future royalties (Royalty Obligation) that will be amortized using the interest method over the estimated life of the royalty purchase agreement.

The following table shows the activity within the liability account during the six-month period ended June 30, 2017 (in thousands):

	Period from December 31, 2016 to June 30, 2017
Liability related to sale of future royalties, net — beginning balance	$ 184,328
Non-cash Kadcyla royalty revenue	(14,052)
Non-cash interest expense recognized	6,741
Liability related to sale of future royalties, net — ending balance	$ 177,017

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

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

F. Capital Stock

2001 Non-Employee Director Stock Plan

During the three and six months ended June 30, 2017, the Company recorded approximately $21,000 and $32,000 in expense related to stock units outstanding under the Company's 2001 Non-Employee Director Stock Plan, or the 2001 Plan, compared to $(35,000) and $(67,000) in expense reduction recorded during the three and six months ended June 30, 2016. The value of the stock units are classified as a liability and adjusted to market value at each reporting period as the redemption amount of stock units for this plan will be paid in cash. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004.

Compensation Policy for Non-Employee Directors

On December 9, 2016 the Board amended the Compensation Policy for Non-Employee Directors to create a transition period due to the change in the year-end. Effectively, one-half of the annual compensation awards described

below was awarded to the directors on December 9, 2016 and a full-year's compensation was awarded at the subsequent annual meeting held in June 2017.

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

During the three and six months ended June 30, 2017, the Company recorded approximately $47,000 and $85,000 in compensation expense, respectively, related to deferred share units issued and outstanding under the Company's Compensation Policy for Non-Employee Directors, compared to $108,00 and $215,000 in compensation expense recorded during the three and six months ended June 30, 2016, respectively. Pursuant to the Compensation Policy for Non-Employee Directors, in January 2017, the Company issued a retiring director 53,248 shares of common stock of the Company to settle outstanding deferred share units.

In addition to the deferred share units, the Non-Employee Directors are also entitled to receive a fixed number of stock options 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 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 80,000 stock options in November of 2015, 40,000 options in December 2016, and 80,000 options in June 2017, and the related compensation expense for the six months ended June 30, 2017 and 2016 is included in the amounts discussed in the "Stock-Based Compensation" section of footnote B above.

G. Restructuring Charge

On September 26, 2016, the Board of Directors approved a plan to reengineer the business, resulting in a reduction of the workforce by approximately 17%, or 65 positions, which included the separation of 60 employees at the time of plan approval. Communication of the plan to the impacted employees was substantially completed on September 29, 2016. All of the workforce reduction was completed as of December 31, 2016. As a result of the workforce reduction, in the six months ended December 31, 2016, the Company recorded a restructuring charge totaling $4.4 million related to termination benefits and other related charges, of which $2.8 million was recorded as a one-time termination benefit, and $593,000 recorded as a benefit under an ongoing benefit plan. The related cash payments initiated in October 2016 and were substantially paid out by June 30, 2017. Additionally, approximately 762,000 stock options forfeited in connection with the workforce reduction, and as a result, the Company recorded an approximate $837,000 credit to stock compensation expense in September 2016, which was included in research and development expense and general and administrative expense in that period.

In addition to the termination benefits and other related charges, the Company is seeking to sub-lease 10,281 square feet of unoccupied office space in Waltham that was leased in February 2016. As of September 30, 2016, based on an estimate of the potential time it would take to find a tenant of approximately nine months, the anticipated sub-lease terms, and consideration of the tenant allowance that was given to the Company to build out the space, the Company determined it did not need to record a loss on the sub-lease. The Company also evaluated the balance of the leasehold improvements for potential impairment as of September 30, 2016. In performing the recoverability test, the Company concluded that a substantial portion of the leasehold improvements were not recoverable. The Company recorded an impairment charge of $970,000 related to these assets after comparing the fair value (using probability weighted scenarios with discounted cash flows) to the leasehold improvements' carrying value, leaving a $193,000 remaining cost basis. As of March 31, 2017, based on further evaluation of the prospects for sub-leasing the space, the Company determined that additional time would be required to find a tenant. Accordingly, the calculation for the potential sub-lease loss was updated and it was determined that the remaining balance of the leasehold improvements was impaired. Also, due to the additional time that is expected to secure a tenant, a lease loss was recorded based on the change in estimate of the sub-lease assumption. The total of these charges was $386,000. There has been no change to this estimate at June 30, 2017.

A summary of activity against the restructuring charge related to the employee terminations during the six-month period ended June 30, 2017 is as follows (in thousands):

	Period from December 31, 2016 to June 30, 2017
Balance December 31, 2016	$ 1,751
Payments for the period	(1,573)
Balance June 30, 2017	$ 178

In September 2016, the Compensation Committee of the Board of Directors approved cash and stock option retention incentive awards for certain remaining eligible employees who continue employment with the Company in order to execute the Company's strategic priorities. The cash awards will be payable to these employees in either October 2017 or March 2018 based on continued employment and services performed during these periods. Stock option awards covering 750,000 shares granted, that remain outstanding, will vest annually in equal installments over three years from the date of grant, and the related compensation expense for the six months ended June 30, 2017 is included in the amounts discussed in the "Stock-Based Compensation" section of footnote B above .

H. Commitments and Contingencies

Leases

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

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

The Company also leases manufacturing and office space at 333 Providence Highway, Norwood, MA under an agreement through 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.

Effective April 2013, the Company entered into a lease agreement with River Ridge Limited Partnership for the rental of 7,507 square feet of additional office space at 100 River Ridge Drive, Norwood, MA. The initial term of the lease is for five years and two months commencing in July 2013 with an option for the Company to extend the lease for an additional term of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount. The Company entered into a sublease in December 2014 for this space, effective from January 2015 through July 2018. Due to past payment delinquency, the short span of time remaining on the lease and the estimated amount of time it would take to find another sub-tenant, the remainder of this lease was accrued as a charge in the amount of $169,000 in the first quarter of 2017.

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

2017 (six months remaining)	$ 3,973
2018	7,736
2019	7,235
2020	7,283
2021	7,107
Thereafter	30,794
Total minimum lease payments	$ 64,128

There are no obligations under capital leases as of June 30, 2017, as all of the capital leases were single payment obligations which have all been made.

Collaborations

The Company is contractually obligated to make potential future success-based development, regulatory or sales milestone payments in conjunction with certain collaborative agreements. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when, if ever, the Company may be required to pay such amounts. Further, the timing of any future payment is not reasonably estimable. As of June 30, 2017, the maximum amount that may be payable in the future under the Company's current collaborative agreements is $160.0 million.

The Company is party to a license agreement covering the manufacture of the antibodies used in certain of product candidates which, under certain circumstances, requires periodic payments once the product reaches a specified stage of clinical development, and royalties on commercial sales of the product. The Company believes that the license agreement, by its terms, does not obligate it to make any further payments thereunder and accordingly, has not accrued a potential payment of £300,000 for one of its product candidates that has reached this stage.

Manufacturing Commitments

As of June 30, 2017, the Company has noncancelable obligations under several agreements related to in-process and future manufacturing of antibody and cytotoxic agents required for clinical supply of the Company's product candidates totaling $3.3 million, of which $2.0 million will be paid in 2017 and $1.3 million will be paid in 2018.

In February 2017, the Company executed a letter agreement with one of its antibody manufacturers to reserve capacity through calendar 2021. The total commitment over the five-year term of the agreement is €46.2 million, however only €8.4 million euros is noncancelable as of June 30, 2017.

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

OVERVIEW

ImmunoGen is a biotechnology company that is progressing toward becoming a fully-integrated company delivering innovative antibody-drug conjugate, or ADC, therapies that meaningfully improve the lives of people with cancer. An ADC with our proprietary technology comprises an antibody that binds to a target found on tumor cells and is conjugated to one of our potent anti-cancer agents as a "payload" to kill the tumor cell once the ADC has bound to its target. ADCs are an expanding approach to the treatment of cancer, with two approved products and the number of agents in development more than doubling during the last five years.

We have established a leadership position in ADCs. Our proprietary portfolio is led by mirvetuximab soravtansine, a first-in-class ADC targeting folate-receptor alpha, or FRα. In late 2016, we initiated a Phase 3 registration

trial, FORWARD I, with mirvetuximab soravtansine for use as single-agent therapy to treat patients with platinum-resistant ovarian cancer whose tumors express high or medium levels of FRα and who have received up to three prior treatment regimens. In June 2017 we reported data on 113 ovarian cancer patients treated with mirvetuximab soravtansine from three Phase 1 expansion cohorts. From this pooled analysis, in the subset of 36 patients meeting the key eligibility criteria for FORWARD I, the confirmed overall response rate, or ORR, was 47 percent (95% CI 30, 65) and median progression-free survival, or mPFS, was 6.7 months (95% CI 4.1, 8.3). The safety profile of this pooled population was consistent with data previously reported (ASCO 2016), consisting of low grade, manageable adverse events. The Phase 3 FORWARD I trial is ongoing with sites enrolling in the United States, Canada and Europe.

Additionally, we are accruing patients in a companion study, FORWARD II, to evaluate mirvetuximab soravtansine in combination regimens to expand the number of patients with ovarian cancer eligible for treatment with the ADC. FORWARD II consists of cohorts assessing mirvetuximab soravtansine in combination with, in separate doublets, Avastin® (bevacizumab), pegylated liposomal doxorubicin, or PLD, carboplatin, and Keytruda® (pembrolizumab) for evaluation in combination with mirvetuximab soravtansine as part of the FORWARD II study. Based on the encouraging profile of these combinations, we have advanced expansion cohorts for the Avastin and Keytruda combinations to Phase 2 testing. We reported the first clinical data from FORWARD II in June 2017 demonstrating that mirvetuximab soravtansine may complement currently available therapies in a range of treatment settings, including earlier lines of therapy.

We have built a productive platform that continues to generate innovative and proprietary ADCs, including IMGN779, our CD33-targeting product candidate for acute myeloid leukemia, or AML. IMGN779 combines a high-affinity, humanized anti-CD33 antibody with one of our novel indolino-benzodiazepine payloads, called IGNs, which alkylate DNA without crosslinking, resulting in potent anti-leukemia activity with relative sparing of normal hematopoietic progenitor cells. We reported the first clinical data from this trial in June 2017 demonstrating a favorable safety profile with repeat dosing, no dose-limiting toxicities and dose-dependent biological and anti-leukemia activity. IMGN779 is progressing through dose escalation in a Phase 1 trial in AML. We also are advancing IMGN632, a preclinical CD123-targeting ADC that uses an even more potent IGN payload agent with a new engineered linker and novel antibody, which we are developing for hematological malignancies. We expect to file an Investigational New Drug, or IND, application for IMGN632 in the third quarter of 2017.

In addition to fueling our organic growth, we also selectively license limited rights to use of our ADC technology to other companies. These collaborations allow us to generate revenue, mitigate expenses, enhance our capabilities and extend the reach of our proprietary platform. The most advanced partner program is Roche's marketed product, Kadcyla ® (ado-trastuzumab emtansine), the first ADC to demonstrate superiority over standard of care in a randomized pivotal trial, EMILIA, and gain FDA approval. Our ADC platform is used in candidates in clinical development with Amgen, Bayer, Biotest, CytomX, Debiopharm, Lilly, Novartis, and Sanofi. We also have a partnership with Takeda, which is in the preclinical stage. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements. In addition to the discussion below for agreements with activity in the periods presented, details for all of our significant agreements can be found in our 2016 Transition Report on Form 10-K.

Roche —In May 2000, we granted Genentech, now a unit of Roche, an exclusive license to use our maytansinoid ADC technology with antibodies, such as trastuzumab, or other proteins that target HER2. Pursuant to this agreement, Roche developed and received marketing approval for its HER2-targeting ADC compound, Kadcyla, in the U.S., Europe, Japan and numerous other countries. We receive royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with our revenue recognition policy, $14.1 million of non-cash royalties on net sales of Kadcyla for the six-month period ended March 31, 2017 were recorded and included in non-cash royalty revenue for the six months ended June 30, 2017 and $13.3 million of non-cash royalties on net sales of Kadcyla for the six-month period ended March 31, 2016 were included in non-cash royalty revenue for the six months ended June 30, 2016. Kadcyla sales occurring after January 1, 2015 are covered by a royalty purchase agreement whereby the associated cash is remitted to Immunity Royalty Holdings, L.P, or IRH, as discussed further in Note E to the consolidated financial statements.

Sanofi — On May 30, 2017, we and an affiliate of Sanofi amended the license agreements covering all compounds in development by Sanofi using our technology. Under the terms of the amended 2003 collaboration and license agreement, we granted Sanofi a fully-paid, exclusive license to develop, manufacture, and commercialize four experimental compounds in development. We also amended a separate 2013 exclusive license to grant Sanofi a fully-paid, exclusive license to develop, manufacture and commercialize another experimental compound being studied for the treatment of solid tumors. As consideration for these amendments, we received a $30 million payment and agreed to forego a limited co-promotion option in the U.S. with respect to the compounds covered by the 2003 agreement, as well as future milestones or royalties under both license agreements.

In accordance with ACS 605 25 (as amended by ASU No. 2009 13), we determined that there were no remaining deliverables upon execution of the amendments, and accordingly, the $30 million has been recognized as revenue and is included in license and milestone fee revenue for the three and six months ended June 30, 2017.

Bayer —In October 2008, we granted Bayer an exclusive development and commercialization license to our ADC technology for use with antibodies or other proteins that target mesothelin. We received a $4 million upfront payment upon execution of the agreement, and—for each compound developed and marketed by Bayer under this collaboration—we are entitled to receive 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 June 30, 2017, we have recognized an aggregate of $13 million in milestone payments under this agreement, including a $10 million development milestone related to initiation of a Phase 2 clinical study designed to support registration of its ADC product candidate, anetumab ravtansine, which is included in license and milestone fee revenue for the six months ended June 30, 2016.

CytomX — In January 2014, we entered into a reciprocal right-to-test agreement with CytomX. The agreement provides CytomX with the right to test our payload agents and linkers with CytomX antibodies that utilize their proprietary antibody-masking technology, termed Probodies ™ for a specified number of targets and to subsequently take an exclusive, worldwide license to use our technology to develop and commercialize Probody-drug conjugates directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. We received no upfront cash payment in connection with the execution of the right-to-test agreement. Instead, we received reciprocal rights to test our payload agents and linkers with ImmunoGen antibodies masked using CytomX technology to create Probody-drug conjugates directed to a specified number of targets and to subsequently take exclusive, worldwide licenses to develop and commercialize such conjugates directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require us and CytomX to each take its respective development and commercialization licenses by the end of the term of the research license. In addition, both we and CytomX are required to perform specific research activities under the right-to-test agreement on behalf of the other party for no monetary consideration.

In February 2016, CytomX took its development and commercialization license that targets CD166. An amendment of the agreement executed simultaneously with that license granted CytomX the right, for a specified period of time, to substitute the specified target with another as yet unspecified target. Accordingly, the revenue associated with this license was deferred until the expiration of that substitution right in January 2017, whereupon we recognized $12.7 million of the $13 million of arrangement consideration allocated to the development and commercialization license, which is included in license and milestone fee revenue for the six months ended June 30, 2017. With respect to the development and commercialization license taken by CytomX, we are entitled to receive up to a total of $160 million in milestone payments plus royalties on the commercial sales of any resulting product. The total milestones are categorized as follows: development milestones—$10 million; regulatory milestones—$50 million; and sales milestones—$100 million. In June 2017, CytomX enrolled its first patient in a Phase 1 clinical trial for its product candidate, CX-2009, triggering a $1 million development milestone payment which is included in license and milestone fee revenue for the three and six months ended June 30, 2017.

To date, we have not generated revenues from commercial sales of internal products and we expect to incur significant operating losses for the foreseeable future. As of June 30, 2017, we had approximately $150.3 million in cash and cash equivalents compared to $160.0 million in cash and cash equivalents as of December 31, 2016.

We anticipate that future cash expenditures will be partially offset by collaboration-derived proceeds, including milestone payments and upfront fees. Accordingly, period-to-period operational results may fluctuate dramatically based upon the timing of receipt of the proceeds. We believe that our established collaborative agreements, while subject to specified milestone achievements, will provide funding to assist us in meeting obligations under our collaborative agreements while also assisting in 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 secure alternative financing arrangements, find additional partners 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 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, clinical trial accruals, inventory and stock-based compensation. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates.

There were no significant changes to our critical accounting policies from those disclosed in our Transition Report on Form 10-K for the six months ended December 31, 2016.

RESULTS OF OPERATIONS

Comparison of Three Months ended June 30, 2017 and 2016

Revenues

Our total revenues for the three months ended June 30, 2017 and 2016 were $39.0 million and $7.4 million, respectively. The $31.6 million increase in revenues in the three months ended June 30, 2017 from the same period in the prior year is attributable to increases in license and milestone fees, non-cash royalty revenue and clinical materials revenue, partially offset by a decrease in research development support revenue, all of which are discussed below.

License and milestone fees

The amount of license and milestone fees we earn is directly related to the number of our collaborators, the collaborators' advancement of the product candidates, and the overall success in the clinical trials of the product candidates. As such, the amount of license and milestone fees may vary significantly from quarter to quarter and year to

year. Total revenue from license and milestone fees recognized from each of our collaborative partners in the three-month periods ended June 30, 2017 and 2016 is included in the following table (in thousands):

	Three Months Ended June 30,	
License and Milestone Fees	**2017**	**2016**
Collaborative Partner:		
Amgen	$ 5	$ 4
CytomX	1,004	—
Lilly	5	6
Novartis	45	45
Sanofi	30,000	—
Takeda	21	21
Total	$ 31,080	$ 76

Revenues from license and milestone fees for the three months ended June 30, 2017 increased $31.0 million to $31.1 million from $76,000 in the same period ended June 30, 2016. Included in license and milestone fees for the three months ended June 30, 2017 is a $30 million paid-up license fee related to an amendment to our collaboration and license agreement with Sanofi and a $1 million development milestone achieved under our license agreement with CytomX.

Deferred revenue of $45.1 million as of June 30, 2017 includes a $25 million upfront payment related to the exclusive license and asset purchase agreement executed with Debiopharm in May 2017, with the remainder of the balance primarily representing consideration received from our collaborators pursuant to our license agreements, which we have yet to earn pursuant to our revenue recognition policy.

Royalty revenue

Kadcyla is an ADC marketed product resulting from one of our development and commercialization licenses with Roche, through its Genentech unit. We receive royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with our revenue recognition policy, $6.4 million of non-cash royalties on net sales of Kadcyla for the three-month period ended March 31, 2017 were recorded and included in revenue for the three months ended June 30, 2017 and $5.9 million of royalties on net sales of Kadcyla for the three-month period ended March 31, 2016 is included in revenue for the three months ended June 30, 2016. In April 2015, we consummated a royalty purchase transaction relating to the royalty payments on commercial sales of Kadcyla — see Liquidity and Capital Resources below for further details.

Research and development support revenue

The amount of research and development support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of development fees may vary widely from quarter to quarter and year to year. Research and development support revenue was $902,000 for the three months ended June 30, 2017 compared with $1.3 million for the three months ended June 30, 2016.

Clinical materials revenue

The amount of clinical materials revenue we earn, and the related cost of clinical materials charged to research and development expense, is directly related to the number of clinical trials our collaborators who use us to manufacture clinical materials are preparing or have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and the demand our collaborators have for clinical-grade material for process development and analytical purposes. As such, the amount of clinical materials revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year. Clinical materials revenue

increased by $546,000 during the three months ended June 30, 2017 to $599,000 compared to $53,000 during the three months ended June 30, 2016. During the periods presented, we shipped clinical materials in support of certain collaborators' clinical trials. We are compensated at negotiated prices which are generally consistent with what other third-parties would charge.

Research and Development Expenses

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

Research and development expense for the three months ended June 30, 2017 decreased $3.4 million to $35.3 million from $38.7 million for the three months ended June 30, 2016. 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 June 30,	
Research and Development Expense	**2017**	**2016**
Research	$ 5,668	$ 6,566
Preclinical and Clinical Testing	14,321	18,934
Process and Product Development	2,635	3,516
Manufacturing Operations	12,695	9,636
Total Research and Development Expense	$ 35,319	$ 38,652

Research

Research includes expenses primarily associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, contract services, research licensing fees, facilities and lab supplies. Research expenses for the three months ended June 30, 2017 decreased $898,000 compared to the three months ended June 30, 2016. This decrease is principally due to a decrease in salaries and related expenses driven primarily by a decrease in personnel and lower stock compensation expense, as well as marginal decreases in contract services and lab supplies.

Preclinical and Clinical Testing

Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the three months ended June 30, 2017 decreased $4.6 million to $14.3 million compared to $18.9 million for the three months ended June 30, 2016. This decrease is primarily the result of: (i) a decrease in salaries and related expenses driven substantially by a decrease in personnel and lower stock compensation expense; (ii) a decrease in clinical trial costs driven by the Phase 1 mirvetuximab and IMGN529 studies winding down, partially offset by increased costs related to the Phase 3 mirvetuximab soravtansine study; and (iii) a decrease in contract services and consulting fees due to timing of certain activities.

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 June 30, 2017, total development expenses decreased $881,000 compared to the three months ended June 30, 2016. This decrease is principally due to a decrease in salaries

and related expenses driven primarily by a decrease in personnel and lower stock compensation expense, as well as marginal decreases in contract services and lab supplies.

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 June 30, 2017, manufacturing operations expense increased $3.1 million to $12.7 million compared to $9.6 million in the same period last year. This increase is principally the result of: (i) an increase in antibody costs driven primarily by commercial-readiness activities for mirvetuximab soravtansine; (ii) an increase in cost of clinical materials revenue charged to research and development expense due to timing of orders of such clinical materials from our partners; (iii) an increase in cytotoxic costs to supply Phase 1 testing of IMGN632; (iv) an increase in fill/finish costs driven by IMGN779 and IMGN632 activities in the current period; and, (v) an increase in mirvetuximab soravtansine third-party conjugation costs driven by timing. Partially offsetting these increases, salaries and related expenses decreased due primarily to a decrease in personnel and lower stock compensation expense and an increase in costs capitalized into inventory due to a greater number of manufactured batches of conjugated materials on behalf of our collaborators in the period.

General and Administrative Expenses

General and administrative expenses for the three months ended June 30, 2017 decreased $462,000 compared to the same period last year. This decrease is primarily due to a decrease in salaries and related expenses driven primarily by a decrease in personnel and lower stock compensation expense.

Investment Income, net

Investment income for the three months ended June 30, 2017 and 2016 was $143,000 and $106,000, respectively.

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

In April 2015, Immunity Royalty Holdings, L.P. (IRH) purchased our right to receive 100% of the royalty payments on commercial sales of Kadcyla subsequent to March 31, 2014, arising under our development and commercialization license with Genentech, until IRH has received aggregate royalties equal to $235 million or $260 million, depending on when the aggregate royalties received by IRH reach a specified milestone. As described in Note E to our Consolidated Financial Statements, this royalty sale transaction has been recorded as a liability that amortizes over the estimated royalty payment period as Kadcyla royalties are remitted directly to the purchaser. During the three months ended June 30, 2017, we recorded $3.3 million of non-cash interest expense which includes amortization of deferred financing costs. We impute interest on the transaction and record interest expense at the effective interest rate, which we currently estimate to be 6.8%. There are a number of factors that could materially affect the estimated interest rate, in particular, the amount and timing of royalty payments from future net sales of Kadcyla, and we will assess this estimate on a periodic basis. As a result, future interest rates could differ significantly and any such change in interest rate will be adjusted prospectively.

Interest Expense on Convertible Senior Notes

In June 2016, the Company issued Convertible 4.5% Senior Notes with an aggregate principal amount of $100 million. The Convertible Notes are senior unsecured obligations and bear interest at a rate of 4.5% per year, payable semi-annually in arrears on January 1 and July 1 of each year, commencing on January 1, 2017. The Company recorded approximately $1.1 million and $138,000 of interest expense in the three months ended June 30, 2017 and 2016, respectively.

Other Income (Expense), net

Other income (expense), net for the three months ended June 30, 2017 and 2016 was $751,000 and $(392,000), respectively. We incurred $751,000 and $(384,000) in foreign currency exchange gains (losses) related to obligations with non-U.S. dollar-based suppliers and Euro cash balances maintained to fulfill them during the three months ended June 30, 2017 and 2016, respectively.

Comparison of Six Months ended June 30, 2017 and 2016

Revenues

Our total revenues for the six months ended June 30, 2017 and 2016 were $67.5 million and $27.1 million, respectively. The $40.4 million increase in revenues in the six months ended June 30, 2017 from the same period in the prior year is attributable to increases in license and milestone fees, non-cash royalty revenue and clinical materials revenue, partially offset by a decrease in research and development support revenue, all of which are discussed below.

License and milestone fees

The amount of license and milestone fees we earn is directly related to the number of our collaborators, the collaborators' advancement of the product candidates, and the overall success in the clinical trials of the product candidates. As such, the amount of license and milestone fees may vary significantly from quarter to quarter and year to year. Total revenue from license and milestone fees recognized from each of our collaborative partners in the six-month periods ended June 30, 2017 and 2016 is included in the following table (in thousands):

	Six Months Ended June 30,	
License and Milestone Fees	**2017**	**2016**
Collaborative Partner:		
Amgen	$ 9	$ 8
Bayer	—	10,000
CytomX	13,658	—
Lilly	11	12
Novartis	90	90
Sanofi	36,000	1
Takeda	42	42
Total	$ 49,810	$ 10,153

Revenues from license and milestone fees for the six months ended June 30, 2017 increased $39.6 million to $49.8 million from $10.2 million in the same period ended June 30, 2016. Included in license and milestone fees for the six months ended June 30, 2017 is a $30 million paid-up license fee related to an amendment to our collaboration and license agreement with Sanofi, $6 million of development milestones achieved under the collaboration and license agreement with Sanofi prior to amendment, $12.7 million of non-cash license revenue earned upon the expiration of the right to replace the target specified under the development and commercialization license with CytomX and a $1 million development milestone achieved under said license agreement with CytomX. Included in license and milestone fees for the six months ended June 30, 2016 is a $10 million development milestone achieved under a license agreement with Bayer.

Royalty revenue

Kadcyla is an ADC marketed product resulting from one of our development and commercialization licenses with Roche, through its Genentech unit. We receive royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with our revenue recognition policy, $14.1 million of non-cash royalties on net sales of Kadcyla for the six-month period ended March 31, 2017 were recorded and included in revenue for the six months ended June 30, 2017 and $13.3 million of royalties on net sales of Kadcyla for the six-month period ended March 31, 2016 is included in revenue for the six months ended June 30, 2016. In April 2015, we consummated a

royalty purchase transaction relating to the royalty payments on commercial sales of Kadcyla — see Liquidity and Capital Resources below for further details.

Research and development support revenue

The amount of research and development support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of development fees may vary widely from quarter to quarter and year to year. Research and development support revenue was $2.4 million in each of the six months ended June 30, 2017 and 2016.

Clinical materials revenue

The amount of clinical materials revenue we earn, and the related cost of clinical materials charged to research and development expense, is directly related to the number of clinical trials our collaborators who use us to manufacture clinical materials are preparing or have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and the demand our collaborators have for clinical-grade material for process development and analytical purposes. As such, the amount of clinical materials revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year. Clinical materials revenue was $1.3 million in each of the six months ended June 30, 2017 and 2016. During the periods presented, we shipped clinical materials in support of certain collaborators' clinical trials. We are compensated at negotiated prices which are generally consistent with what other third-parties would charge.

Research and Development Expenses

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

Research and development expense for the six months ended June 30, 2017 decreased $6.5 million to $68.2 million from $74.7 million for the six months ended June 30, 2016. 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):

	Six Months Ended June 30,	
Research and Development Expense	**2017**	**2016**
Research	$ 11,302	$ 12,851
Preclinical and Clinical Testing	31,171	35,324
Process and Product Development	5,578	6,953
Manufacturing Operations	20,156	19,618
Total Research and Development Expense	$ 68,207	$ 74,746

Research

Research includes expenses primarily associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, contract services, research licensing fees, facilities and lab supplies. Research expenses for the six months ended June 30, 2017 decreased $1.5 million compared to the six months ended June 30, 2016. This decrease is principally due to a decrease in salaries and related expenses driven primarily by a decrease in personnel and lower stock compensation expense, as well as a decrease in lab supplies.

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 six months ended June 30, 2017 decreased $4.1 million to $31.2 million compared to $35.3 million for the six months ended June 30, 2016. This decrease is primarily the result of a decrease in salaries and related expenses driven substantially by a decrease in personnel and lower stock compensation expense, as well as a decrease in contract services and consulting fees due to timing of certain activities.

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 six months ended June 30, 2017, total development expenses decreased $1.4 million compared to the six months ended June 30, 2016. This decrease is principally due to a decrease in salaries and related expenses driven substantially by a decrease in personnel and lower stock compensation expense, a decrease in contract services driven by decreased development activities related to our IGN cytotoxic agents in the current period, and to a lesser extent, a decrease in lab supplies.

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 six months ended June 30, 2017, manufacturing operations expense increased $538,000 to $20.2 million compared to $19.6 million in the same period last year. This increase is principally the result of: (i) an increase in antibody costs driven primarily by commercial-readiness activities for mirvetuximab soravtansine; (ii) an increase in cytotoxic costs to supply Phase 1 testing of IMGN632; and, (iii) an increase in fill/finish costs driven by IMGN779 and IMGN632 activities in the current period. Partially offsetting these increases: (i) salaries and related expenses decreased due primarily to a decrease in personnel, lower stock compensation expense and lower sign-on bonuses; (ii) an increase in costs capitalized into inventory due to a greater number of manufactured batches of conjugated materials on behalf of our collaborators in the period; (iii) a decrease in mirvetuximab soravtansine third-party conjugation costs driven by timing; and (iv) a decrease in contract services due primarily to DMx development activities conducted in the prior year period.

General and Administrative Expenses

General and administrative expenses for the six months ended June 30, 2017 decreased $3.6 million compared to the same period last year. This decrease is primarily due to a $3.1 million non-cash stock compensation charge in the prior period resulting from the CEO transition, as well as decreased recruiting and patent fees in the current period. Partially offsetting these decreases, legal fees increased related to new partner agreements executed during the current period.

Restructuring Charge

At the end of the first quarter of 2017, based on further evaluation of the prospects for sub-leasing our unoccupied office space in Waltham due to the restructuring activities highlighted in Note G, "Restructuring Charge" of the consolidated financial statements, we determined that additional time would be required to find a tenant. Accordingly, the calculation for the potential sub-lease loss was updated and it was determined that the remaining balance of the leasehold improvements was impaired. Also, due to the additional time expected to take to secure a tenant, a lease loss was recorded in the first quarter based on the change in estimate of the sub-lease assumption. The total of these charges was $386,000. There has been no change to this estimate at June 30, 2017.

In September 2016, the Compensation Committee of the Board of Directors approved cash and stock option retention incentive awards for certain remaining eligible employees who continue employment with the Company in order to execute the Company's strategic priorities. The cash awards will be payable to these employees in either October 2017 or March 2018 based on continued employment and services performed during these periods. Stock option awards covering 750,000 shares granted, that remain outstanding, will vest annually in equal installments over three years from the date of grant and the related compensation expense for the six months ended June 30, 2017 is included in the amounts discussed in Note B, "Stock-Based Compensation" of the consolidated financial statements .

Investment Income, net

Investment income for the six months ended June 30, 2017 and 2016 was $258,000 and $214,000, respectively.

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

In April 2015, Immunity Royalty Holdings, L.P. (IRH) purchased our right to receive 100% of the royalty payments on commercial sales of Kadcyla subsequent to March 31, 2014, arising under our development and commercialization license with Genentech, until IRH has received aggregate royalties equal to $235 million or $260 million, depending on when the aggregate royalties received by IRH reach a specified milestone. As described in Note E to our Consolidated Financial Statements, this royalty sale transaction has been recorded as a liability that amortizes over the estimated royalty payment period as Kadcyla royalties are remitted directly to the purchaser. During the six months ended June 30, 2017, we recorded $6.7 million of non-cash interest expense which includes amortization of deferred financing costs. We impute interest on the transaction and record interest expense at the effective interest rate, which we currently estimate to be 6.8%. There are a number of factors that could materially affect the estimated interest rate, in particular, the amount and timing of royalty payments from future net sales of Kadcyla, and we will assess this estimate on a periodic basis. As a result, future interest rates could differ significantly and any such change in interest rate will be adjusted prospectively.

Interest Expense on Convertible Senior Notes

In June 2016, the Company issued Convertible 4.5% Senior Notes with an aggregate principal amount of $100 million. The Convertible Notes are senior unsecured obligations and bear interest at a rate of 4.5% per year, payable semi-annually in arrears on January 1 and July 1 of each year, commencing on January 1, 2017. The Company recorded approximately $2.3 million and $138,000 of interest expense in the six months ended June 30, 2017 and June 30, 2016.

Other Income (Expense), net

Other income (expense), net for the six months ended June 30, 2017 and 2016 was $885,000 and $159,000, respectively. We incurred $887,000 and $164,000 in foreign currency exchange gains related to obligations with non-U.S. dollar-based suppliers and Euro cash balances maintained to fulfill them during the six months ended June 30, 2017 and 2016, respectively.

LIQUIDITY AND CAPITAL RESOURCES

	As of	
	June 30, 2017	**December 31, 2016**
Cash and cash equivalents	$ 150,337	$ 159,964
Working capital	94,058	120,570
Shareholders' deficit	(173,229)	(152,850)

	Six Months Ended June 30,	
	2017	2016
	(In thousands)	
Cash used for operating activities	$ (8,880)	$ (58,986)
Cash used for investing activities	(779)	(5,249)
Cash provided by financing activities	32	96,978

Cash Flows

We require cash to fund our operating expenses, including the advancement of our own clinical programs, and to make capital expenditures. Historically, we have funded our cash requirements primarily through equity financings in public markets, payments from our collaborators, including license fees, milestones, research funding, and royalties, and more recently, convertible debt. We have also sold our rights to receive royalties on Kadcyla for up-front consideration. As of June 30, 2017, we had approximately $150.3 million in cash and cash equivalents. Net cash used for operations was $8.9 million and $59.0 million for the six months ended June 30, 2017 and 2016, respectively. The principal use of cash for operating activities for both periods presented was to fund our net loss, with the current period benefiting from a $30 million paid-up license fee received from Sanofi pursuant to amending its collaboration and license agreements with us, as well as a $25 million upfront payment received from Debiopharm pursuant to an exclusive license and asset purchase agreement executed during the current period.

Net cash used for investing activities was $779,000 and $5.2 million for the six months ended June 30, 2017 and 2016, respectively, and represents cash outflows for capital expenditures, primarily for the purchase of new equipment and leasehold improvements.

Net cash provided by financing activities was $32,000 and $97.0 million for the six months ended June 30, 2017 and 2016, respectively, which represents proceeds from the exercise of approximately 10,000 and 94,000 stock options, respectively. Additionally, in June 2016, we issued Convertible 4.5% Senior Notes with an aggregate principal amount of $100 million. We received net proceeds of approximately $96.6 million from the sale of the Convertible Notes after deducting fees and expenses of approximately $3.4 million. See Note E to our Consolidated Financial Statements for further details regarding the terms of the transaction.

We anticipate that our current capital resources and expected future collaborator payments will enable us to meet our operational expenses and capital expenditures into the third quarter of 2018. However, we cannot provide assurance that such collaborative agreement funding will, in fact, be received. Should we or our partners not meet some or all of the terms and conditions of our various collaboration agreements or if we are not successful in securing future collaboration agreements, we may be required to secure alternative financing arrangements, and/or defer or limit some or all of our research, development and/or clinical projects. See Note A of the financial statements for further discussion.

Contractual Obligations

There have been no material changes to our contractual obligations during the current period from those disclosed in our Transition Report on Form 10-K for the six months ended December 31, 2016.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-9, *Revenue from Contracts with Customers (Topic 606),* to clarify the principles for recognizing revenue. This update provides a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date* , which delayed the effective date of the new standard from January 1, 2017 to January 1, 2018. The FASB also agreed to allow entities to choose to adopt the standard as of the original effective date. In March 2016, the FASB issued ASU No. 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations* , which clarifies the

implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing* , which clarifies certain aspects of identifying performance obligations and licensing implementation guidance. In May 2016, the FASB issued ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* related to disclosures of remaining performance obligations, as well as other amendments to guidance on collectability, non-cash consideration and the presentation of sales and other similar taxes collected from customers. These standards have the same effective date and transition date of January 1, 2018. The new revenue standard allows for either full retrospective or modified retrospective application. We anticipate using the modified retrospective approach to implement this standard. We are in the process of analyzing our existing revenue agreements to evaluate the impact of adoption. We have less than twenty contracts that have remaining performance obligations that will need to be evaluated under the provisions of the new standard as of January 1, 2018. In performing this assessment, we noted that we will be required to recognize royalty income in the same period as the related sales occur on Kadcyla rather than one quarter in arrears, which is the point in which the amount is fixed and determinable. This will require us to make an estimate of the royalties as the information is not provided to us until 90 days after the end of the quarter. Additionally, some partner milestones, depending on the probability of occurring, may be recognized sooner and at different values than they currently would be under the current accounting standards. We are in the process of estimating the impact of adopting the new standard on our consolidated financial statements, however, we expect to record a material adjustment upon adoption, which will be recorded as a cumulative effect of initially applying the standard to opening accumulated deficit as of January 1, 2018. We will continue to provide disclosures under the legacy accounting for the year ended December 31, 2018.

In July 2015, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory (Topic 330)*. To simplify the principles for subsequent measurement of inventory, this new standard requires inventory measured using any method other than LIFO or the retail method shall be measured at the lower of cost and net realizable value, rather than lower of cost or market. This guidance is effective for annual reporting beginning after December 15, 2016, including interim periods within the year of adoption, and calls for prospective application, with early application permitted. Accordingly, we adopted the standard on January 1, 2017. The adoption of this guidance did not have a material impact on our consolidated financial statements.

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

In February 2016, the FASB issued ASU 2016-2, *Leases (Topic 842)* that primarily requires lessees to recognize most leases on their balance sheets but record expenses on their income statements in a manner similar to current accounting. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. The guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, and calls for retrospective application, with early adoption permitted. Accordingly, the standard is effective for us on January 1, 2019. We are currently evaluating the impact of this guidance on our financial statements and the timing of adoption.

In March 2016, the FASB issued ASU 2016-9, *Improvements to Employee Share-Based Payment Accounting (Topic 718)* that changes the accounting for certain aspects of share-based payments to employees. The guidance requires the recognition of the income tax effects of awards in the income statement when the awards vest or are settled,

thus eliminating additional paid in capital pools. The guidance also allows for the employer to repurchase more of an employee's shares for tax withholding purposes without triggering liability accounting. In addition, the guidance allows for a policy election to account for forfeitures as they occur rather than on an estimated basis. The guidance is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods with early adoption permitted. Accordingly, we adopted the standard on January 1, 2017. As a result of the adoption of this guidance, the net operating loss deferred tax assets for federal and state purposes increased by $9.2 million and $1.2 million, respectively, and will be offset by corresponding increases in the valuation allowance. The adoption of the guidance has no impact on our consolidated financial statements. We elected not to adopt the provision that would allow actual forfeitures to be recognized in lieu of maintaining a forfeitures reserve. As such, we will continue to estimate forfeitures.

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. These statements also relate to our future prospects, developments and business strategies.

These forward-looking statements can be identified by their use of terms and phrases, such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will" and other similar terms and phrases, including references to assumptions. They may also use words such as "will," "would," "should," "could" or "may". These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those contemplated by our forward-looking statements. These known and unknown risks, uncertainties and other factors are described in detail in the "Risk Factors" section and in other sections of our Transition Report on Form 10-K for the six months ended December 31, 2016. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Avastin®, Kadcyla® and Keytruda® are registered trademarks of their respective owners
Probody™ is a trademark of CytomX Therapeutics, Inc.

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 Transition Report on Form 10-K for the six months ended December 31, 2016. 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 June 30, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. *Risk Factors*

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Item 1A. (Risk Factors) in our Transition Report on Form 10-K for the six months ended December 31, 2016. There have been no material changes from the factors disclosed in our 2016 Transition Report on Form 10-K, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission (the "Commission").

ITEM 6. *Exhibits*

Exhibit No.	Description
3.1	Articles of Amendment
10.1*	Exclusive License and Asset Purchase Agreement dated as of May 23, 2017 by and between the Registrant and Debiopharm International, S.A.
10.2*	Amendment No. 4, dated as of May 26, 2017, t the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC
10.3	Form of Restricted Stock Agreement for employees under the 2016 Employee, Director and Consultant Equity Incentive Plan
10.4	Form of Performance-Based Restricted Stock Agreement dated February 21, 2017 and June 14, 2017 under the 2016 Employee, Director and Consultant Equity Incentive Plan
31.1	Certification of Principal Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002
32†	Certifications of Principal Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

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

† *Furnished, not filed.*

SIGNATURES

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

ImmunoGen, Inc.

Date: August 4, 2017

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

Date: August 4, 2017

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

D
PC

The Commonwealth of Massachusetts

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

FORM MUST BE TYPED **Articles of Amendment** FORM MUST BE TYPED
(General Laws Chapter 156D, Section 10.06; 950 CMR 113.34)

(1) Exact name of corporation: ImmunoGen, Inc. 04277691

(2) Registered office address: 830 Winter Street, Waltham, MA 02451
(number, street, city or town, state, zip code)

(3) These articles of amendment affect article(s): 3
(specify the number(s) of article(s) being amended (I-VI))

(4) Date adopted: June 13, 2017
(month, day, year)

(5) Approved by:

(check appropriate box)

- ☐ the incorporators.
- ☐ the board of directors without shareholder approval and shareholder approval was not required.
- ☑ the board of directors and the shareholders in the manner required by law and the articles of organization.

(6) State the article number and the text of the amendment. Unless contained in the text of the amendment, state the provisions for implementing the exchange, reclassification or cancellation of issued shares.

4

P.C.

To change the number of shares and the par value, * if any, of any type, or to designate a class or series, of stock, or change a designation of class or series of stock, which the corporation is authorized to issue, complete the following:

Total authorized prior to amendment:

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
		Common	150,000,000	$.01
		Preferred	5,000,000	$.01

Total authorized after amendment:

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
		Common	200,000,000	$.01
		Preferred	5,000,000	$.01

(7) The amendment shall be effective at the time and on the date approved by the Division, unless a later effective date not more than 90 days from the date and time of filing is specified: _____

G.L. Chapter 156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. Chapter 156D, Section 6.21, and the comments relative thereto.

Signed by: _____,
(signature of authorized individual)

- ☐ Chairman of the board of directors,
- ☑ President,
- ☐ Other officer,
- ☐ Court-appointed fiduciary,

on this 13th day of June, 2017.

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

1293504

Q07982

Articles of Amendment

(General Laws Chapter 156D, Section 10.06; 950 CMR 113.34)

I hereby certify that upon examination of these articles of amendment, it appears that the provisions of the General Laws relative thereto have been complied with, and the filing fee in the amount of $50.00 having been paid, said articles are deemed to have been filed with me this 18 day of July, 2017, at 2:35 a.m./(p.m.)
time

Effective date: _____
(must be within 90 days of date submitted)

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

Filing fee: Minimum filing fee $100 per article amended, stock increases $100 per 100,000 shares, plus $100 for each additional 100,000 shares or any fraction thereof.

SB
Examiner

Name approval

C

M

TO BE FILLED IN BY CORPORATION
Contact Information:

Craig Barrows

ImmunoGen, Inc.

830 Winter Street, Waltham, MA 02451-1477

Telephone: (781) 895-0600

Email: craig.barrrows@immunogen.com

Upon filing, a copy of this filing will be available at www.sec.state.ma.us/cor. If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

SECRETARY OF THE COMMONWEALTH
2017 JUL 18 PM 2:35
CORPORATIONS DIVISION

Exhibit 10.1

Execution Copy

EXCLUSIVE LICENSE AND ASSET PURCHASE AGREEMENT

THIS EXCLUSIVE LICENSE AND ASSET PURCHASE AGREEMENT (this " **Agreement** ") is made effective as of May 23, 2017 (the " **Effective Date** ") by and between Debiopharm International, S.A., a Swiss limited company (" **Debiopharm** ") having a place of business at Forum "après-demain," Chemin Messidor 5-7, Case Postale 5911, CH-1002 Lausanne, Switzerland, and ImmunoGen, Inc., a Massachusetts corporation (" **ImmunoGen** ") having a place of business at 830 Winter Street, Waltham, MA 02451-1477, U.S.A. ImmunoGen and Debiopharm are sometimes each hereinafter referred to as a " **Party** " and collectively as the " **Parties** ".

Recitals

WHEREAS , the Parties desire to transfer ImmunoGen's anti-CD37 antibody-drug conjugate program (the " **Program** ") to Debiopharm on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE , in consideration of the mutual representations, warranties and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1

Definitions

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

1.1 " **Acquired Assets** " has the meaning set forth in Section 3.1.

1.2 " **Acquired CD37 Antibody** " means an Antibody having a sequence that is identified or disclosed in the Patent Rights included in the Acquired Intellectual Property.

1.3 " **Acquired Contracts** " has the meaning set forth in Section 3.1(b).

1.4 " **Acquired Intellectual Property** " has the meaning set forth in Section 3.1(d).

1.5 " **Acquisition Date** " has the meaning set forth in Section 2.2.

1.6 " **Affiliate** " means with respect to a Party, an entity that, directly or indirectly through one (1) or more intermediaries, controls, is controlled by or is under common control with such Party. In this definition, " **control** " means: (a) in the case of corporate entities, direct or indirect ownership of at least fifty percent (50%) of the stock or shares having the right to vote for the election of directors; and (b) in the case of non-corporate entities, direct or indirect ownership of at least fifty percent (50%) of the equity interest with the power to direct the management and policies of such entities.

1.7 " **Aggregate Consideration** " has the meaning set forth in Section 4.1.

1.8 " **Agreement** " has the meaning set forth in the preamble.

1.9 " **Ancillary Agreements** " means the Bill of Sale, the Assignment and Assumption Agreement, and the IP Assignment Agreement, in the forms of Exhibit A , Exhibit B , and Exhibit C , respectively, and the Technology Transfer Plan and the Clinical Regulatory Transfer Plan.

1.10 " **Anti-Trust Laws** " means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, and any approvals or filings required under, and compliance with other applicable requirements of any non-U.S. Laws intended to prohibit, restrict or regulate actions or transactions having the purpose or effect of monopolization, restraint of trade, harm to competition or effectuating foreign investment.

1.11 " **Antibody** " means a polypeptide that Targets an antigen, which polypeptide comprises: (a) one or more immunoglobulin variable domains; or (b) fragments, variants, modifications or derivatives of such immunoglobulin variable domains irrespective of origin or source, 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, monospecific antibodies, bispecific antibodies, multi-specific antibodies, diabodies and other polypeptides, any of which contain at least a portion of an immunoglobulin that is sufficient to confer specific antigen binding to the polypeptide; and (c) in each case (a) and (b) above, humanized or fully human versions thereof.

1.12 " **Assignment and A ssumption Agreement** " has the meaning set forth in Section 4.2(a)(ii).

1.13 " **Assumed Liabilities** " has the meaning set forth in Section 3.3.

1.14 " **Bankruptcy Code** " has the meaning set forth in Section 2.4.

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

1.16 " **Bill of Sale** " has the meaning set forth in Section 4.2(a)(i).

1.17 " **Calendar Year** " means a period of time commencing on January 1 and ending on the following December 31.

1.18 " **CD37** " means the antigen described by UniProtKB/Swiss Prot accession number P11049, and all fragments, mutations and splice variants thereof.

1.19 " **[***]** " has the meaning set forth in [***] .

1.20 " **[***]** " has the meaning set forth in [***].

1.21 " **cGMP** " means all good manufacturing practices as defined under Title 21 of the United States Code of Federal Regulations or the corresponding applicable Legal Requirements of the European Union.

1.22 " **Claim Notice** " means written notification which contains (a) a description of the Damages incurred or reasonably expected to be incurred by the Indemnified Party and the claimed amount of such Damages, to the extent then known, (b) a statement that the Indemnified Party is entitled to

indemnification under ARTICLE 8 for such Damages and a reasonable explanation of the basis therefor, and (c) a demand for payment in the amount of such Damages.

1.23 " **Clinical Regulatory Transfer Plan** " has the meaning set forth in Section 7.1(b).

1.24 " **Commercially Reasonable Efforts** " means exerting such efforts and employing such resources on a consistent basis as would normally be exerted or employed by a biopharmaceutical entity with expertise in developing similar products for a product of similar market potential, profit potential and strategic value at a similar stage of its product life, taking into account the competitiveness of the relevant marketplace, the patent, intellectual property and development positions of Third Parties, the applicable regulatory situation, the commercial viability of the product and other relevant development and commercialization factors based upon then-prevailing conditions, and as if Debiopharm is not developing a product competitive to a Licensed Product, and excluding from consideration any financial obligation of Debiopharm to ImmunoGen.

1.25 " **Confidential Information** " means, subject to the exclusions set forth in Section 7.4(a), any and all confidential or proprietary information or material that, at any time before, on or after the Effective Date, has been or is provided or communicated to a Party by or on behalf of the other Party pursuant to or in connection with the transactions contemplated hereby, and any discussions or negotiations with respect thereto.

1.26 " **Contingent Payment** " has the meaning set forth in Section 4.1(b).

1.27 " **Consent** " has the meaning set forth in Section 4.3(a)

1.28 " **Contract** " means any agreement, contract or similar instrument, arrangement or commitment, whether oral or written.

1.29 " **Control** " or " **Controlled** " means, with respect to an item or right and a Person, the possession, whether by ownership or license (in each case other than pursuant to this Agreement), by such Person of the right to grant a license to or under each such item or right as provided in this Agreement without violating any agreement or other arrangement with any Third Party.

1.30 " **CPR** " has the meaning set forth in Section 9.16.

1.31 " **Damages** " has the meaning set forth in Section 8.2.

1.32 " **Dispute** " means the dispute resulting if the Indemnifying Party disputes its liability for all or part of the claimed amount of Damages.

1.33 " **Debiopharm** " has the meaning set forth in the preamble.

1.34 " **Effective Date** " has the meaning set forth in the preamble.

1.35 " **Encumbrance** " means any charge, claim, community property interest, easement, covenant, condition, equitable interest, lien, option, pledge, security interest, right of first refusal or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, but for the avoidance of doubt does not include any claims or charges that any [***], or its [***] or [***],[***] any [***] of any [***].

1.36 " **Excluded Assets** " has the meaning set forth in Section 3.2.

1.37 " **Excluded Liabilities** " has the meaning set forth in Section 3.4

1.38 " **FDA** " means the U.S. Food and Drug Administration, or any successor entity thereto.

1.39 " **Field** " means all pharmaceutical, therapeutic, prophylactic, prognostic and diagnostic uses in humans and/or animals.

1.40 " **FTE** " means [***] hours of work devoted to or in support of applicable activities carried out by one or more qualified employees or contract personnel of ImmunoGen or its Affiliates, as measured in accordance with ImmunoGen's normal time allocation practices.

1.41 " **FTE Rate** " means a rate of [***] per FTE per Calendar Year (pro-rated for the period beginning on the Effective Date and ending at the end of [***], and if applicable, thereafter [***] or [***] by the [***] or [***] in [***] as of [***] of the [***]the [***] of the [***]; the [***] to [***] on [***], if applicable. The FTE Rate is [***] and will [***] and [***] and [***] and [***] and [***] including [***] from [***] of [***] as they may [***].

1.42 " **Governmental Authorization** " means any approval, consent, license, permit, waiver, registration or other authorization issued, granted, given, made available or otherwise required by any Governmental Entity or pursuant to law.

1.43 " **Governmental Entity** " means any federal, state, local, foreign, international or multinational entity or authority exercising executive, legislative, judicial, regulatory, administrative or taxing functions of or pertaining to government.

1.44 " **Governmental Order** " means any judgment, injunction, writ, order, ruling, award or decree by any Governmental Entity or arbitrator.

1.45 " **IMGN529** " has the meaning set forth in Section 1.63.

1.46 " **ImmunoGen** " has the meaning set forth in the preamble.

1.47 " **ImmunoGen Acquirer** " has the meaning set forth in Section 7.5(b).

1.48 " **Initiation** " or " **Initiate** " means, with respect to the Phase III Trial of a Licensed Product, the date that the first human subject is dosed in such clinical trial.

1.49 " **Infringement** " has the meaning set forth in Section 7.7(b).

1.50 " **Intellectual Property** " means all intellectual property and industrial property rights of any kind or nature throughout the world, including all (a) Patent Rights; (b) registered and unregistered marks, trade names, trade dress rights, logos, taglines, slogans, Internet domain names, web addresses, and other indicia of origin, together with the goodwill associated with any of the foregoing, and all applications, registrations, extensions and renewals thereof; (c) all works of authorship and any and all other registered and unregistered copyrights and copyrightable works, and all applications, registrations, extensions, and renewals thereof; (d) Know-How ; (e) all rights in the foregoing and in other similar intangible assets; and (f) all applications and registrations for the foregoing.

1.51 " **Inventories** " has the meaning set forth in Section 3.1(a).

1.52 " **[***]** " and [***] between [***] and [***] dated [***].

1.53 " **Indemnified Party** " has the meaning set forth in Section 8.4(a).

1.54 " **Indemnifying Party** " has the meaning set forth in Section 8.4(a).

1.55 " **IP Assignment Agreement** " has the meaning set forth in Section 4.2(a)(iii).

1.56 " **Know-How** " means, collectively, all inventions, discoveries, improvements, trade secrets and proprietary methods or materials, whether or not patentable, including sequences, data, technical information, designs, models, plans, designs, formulations, assays, processes, procedures, methods, techniques, know-how, reports and results (including negative results).

1.57 " **Knowledge** " of ImmunoGen means the actual knowledge of any of the following ImmunoGen employees: (a) any [***], and (b) any [***].

1.58 **"Legal Requirement"** means any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, statute or treaty.

1.59 " **Liability** " means any liability or obligation whether accrued, absolute, contingent, unliquidated or otherwise, whether due or to become due, whether known or unknown, and regardless of when asserted.

1.60 " **Licensed Know-How** " means any and all Know-How that (a) is [***] for Debiopharm to develop, have developed, make, have made, use, have used, sell, have sold, offer for sale, have offered for sale, register, have registered, package, have packaged, label, have labeled, distribute, have distributed, import, have imported or otherwise exploit or have exploited the Licensed Products in the Field and the Territory, and (b) is, on the Effective Date, or thereafter becomes, [***] Controlled by ImmunoGen or any of its Affiliates.

1.61 " **Licensed Patent Rights** " means any and all Patent Rights that (a) are [***] for Debiopharm to develop, have developed, make, have made, use, have used, sell, have sold, offer for sale, have offered for sale, register, have registered, package, have packaged, label, have labeled, distribute, have distributed, import, have imported or otherwise exploit or have exploited the Licensed Products in the Field and the Territory, and (b) are, on the Effective Date, or thereafter become, [***] Controlled by ImmunoGen or any of its Affiliates.

1.62 " **Licensed Intellectual Property** " means all Licensed Patent Rights and Licensed Know-How.

1.63 " **Licensed Product** " means any product that incorporates, contains or is comprised of (a) the pharmaceutical product known as naratuximab emtansine (" **IMGN529** ") or (b) any SMCC-DM1 Conjugate of any other Acquired CD37 Antibody.

1.64 " **Litigation** " means any claim, action, arbitration, mediation, audit, hearing, investigation, proceeding, litigation or suit (whether civil, criminal, administrative, investigative or informal)

commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Entity or arbitrator or mediator.

1.65 " **Marketing Approval** " means, with respect to a Licensed Product in a country or region, approval by the applicable Governmental Entity of an application for approval to market and sell such Licensed Product in such country or region.

1.66 " **Material Adverse Effect** " means any material adverse change, event, circumstance or development with respect to, or material adverse effect on, the [***], including with respect to the [***]; provided, however, that, the following shall not be deemed to constitute a Material Adverse Effect unless they have a materially disproportionate effect on the subject Party as compared to any of the other companies in the industry in which such Party operates: (a) changes in general economic conditions or markets, generally, or affecting the industry in which such Party operates; (b) acts of war or terrorism; (c) acts of any governmental entity or changes in political conditions; (d) changes in legal, tax or regulatory laws, rules or conditions; or (e) failure to meet plans, estimates or projections.

1.67 " **MAY Compound** " means any and all maytansinoid compounds (including maytansinol, ansamitocins, DM1 and DM4), whether produced by a botanical source, natural fermentation, chemical synthesis or otherwise, and shall include all variants, fragments or derivatives of any of the foregoing, in each case owned or Controlled by ImmunoGen or any of its Affiliates.

1.68 " **Non-Assignable Right** " has the meaning set forth in Section 4.3(a).

1.69 " **Organizational Documents** " has the meaning set forth in Section 5.1 with respect to ImmunoGen, and Section 6.1 with respect to Debiopharm.

1.70 " **[***]** " means the [***].

1.71 " **Party** " and " **Parties** " have the meanings set forth in the preamble.

1.72 " **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, extensions or restorations by existing or future extension or restoration mechanisms, including patent term extension, supplementary protection certificates or the equivalent, 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.

1.73 " **Permitted Recipient** " has the meaning set forth in Section 7.4(a).

1.74 " **Person** " means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, Governmental Entity or other entity.

1.75 " **Phase III Trial** " means, with respect to the United States, the third phase of human clinical trials of a product, which are large-scale trials designed to gain evidence of efficacy and safety in a number of human subjects sufficient to support registration for such Licensed Product with the United

States Food and Drug Administration, as described in 21 C.F.R. §312.21(c), as may be amended, or, with respect to any other country or jurisdiction, the equivalent of such a clinical trial in such other country or jurisdiction. "Phase III Trial" also includes any other clinical study in humans prospectively designed as a pivotal study to demonstrate whether the product is safe and effective for use in the indication under investigation in a manner sufficient to file a drug approval application for such indication in the United States or with the European Medicines Agency or any successor entity thereto, whether or not such trial is called a "Phase III" trial. Without limiting the generality of the foregoing, a clinical study will be deemed to be a "Phase III Trial" 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).

1.76 " **Program** " has the meaning set forth in the preamble.

1.77 " **Regulatory Documentation** " means any and all applications, registrations, licenses, authorizations and approvals (including all Governmental Authorizations), and non-clinical and clinical study authorization applications or notifications (including all supporting files, writings, data, correspondence, studies and reports) prepared for submission to a Governmental Entity or research ethics committee with a view to the granting of any Governmental Authorizations, and any correspondence to or with the FDA or any other Governmental Entity (including minutes and official contact reports relating to any communications therewith), and all data contained in any of the foregoing, including regulatory drug lists, advertising and promotion documents, adverse event files, complaint files and manufacturing records.

1.78 " **Restricted Employee** " mean, with respect to [***], any person who was an employee of [***] and [***]. With respect to [***], "Restricted Employee" means any person who is an employee of [***] and [***].

1.79 " **Return** " means any return, declaration, report, estimate, information return or statement pertaining to any Taxes, including any schedule or attachment thereto, and including any amendment thereof.

1.80 **"SMCC-DM1 Conjugate"** means a conjugate comprising the chemical linker, N-succinimidyl 4-(maleimidomethyl) cyclohexanecarboxylate (SMCC) and the cytotoxic agent, N(2')-deacetyl-N(2')-(3-mercapto-1-oxopropyl)-maytansine (DM1).

1.81 " **Sublicensee** " means an entity to which Debiopharm grants a sublicense under Debiopharm's rights under Section 2.3.

1.82 " **Substantial Completion,** " has the meaning set forth in the Technology Transfer Plan with respect thereto, or the Clinical Regulatory Transfer Plan with respect thereto, as applicable.

1.83 **"Target"** means, when used as a verb to describe the relationship between a molecule and an antigen, that the molecule's primary intended mechanism of action functions such that it specifically binds to the antigen (or a portion thereof).

1.84 " **Taxes** " means (i) all taxes, charges, fees, levies or other assessments, including all net income, gross income, gross receipts, sales, use, ad valorem, transfer, unclaimed property, escheat, franchise, profits, license, withholding, payroll, employment, social security, unemployment, excise, estimated, severance, stamp, occupation, property or other taxes, customs duties, fees, assessments or

charges of any kind whatsoever, including all interest and penalties thereon, and additions to tax or additional amounts imposed by any Governmental Entity, any Liability for the payment of any amounts of the type described in clause (i) of this sentence as a result of being a member of a consolidated, combined, unitary or similar group for any Tax period, and (iii) any Liability for the payment of any amounts of the type described in clause (i) or (ii) of this sentence as a result of being a transferee of or successor to any Person or as a result of any express or implied obligation to indemnify any other Person, by contract or otherwise.

1.85 " **Technology Transfer Plan** " has the meaning set forth in Section 7.1(a).

1.86 " **Territory** " means all the countries of the world.

1.87 " **Third Party** " means any entity other than ImmunoGen or Debiopharm or their respective Affiliates.

1.88 " **Third Party Action** " means any suit or proceeding by a Third Party for which indemnification is sought by an Indemnified Party under ARTICLE 8.

1.89 " **Transfer Taxes** " has the meaning set forth in Section 7.8.

1.90 " **Upfront Payment** " has the meaning set forth in Section 4.1(a).

ARTICLE 2
Grant of rights

2.1 License Grant to Debiopharm . Subject to the terms and conditions of this Agreement, ImmunoGen and its Affiliates (subject to Section 2.2 below) grants to Debiopharm an exclusive, perpetual, irrevocable, royalty-free license, with the right to grant sublicenses subject to Section 2.3, under and to use the Licensed Intellectual Property to develop, have developed, make, have made, use, have used, sell, have sold, offer for sale, have offered for sale, register, have registered, package, have packaged, label, have labeled, distribute, have distribute, import, have imported and otherwise exploit and have exploited Licensed Products in the Field in the Territory.

2.2 Exceptions . The license grant set forth in Section 2.1 excludes the following Intellectual Property: (a) Intellectual Property owned or Controlled by an [***] such Person became [***]; and (b) Intellectual Property that [***] owned or Controlled by the [***] (excluding [***] as of [***] other than [***].

2.3 Sublicenses . Debiopharm will be entitled to grant sublicenses of its rights under Section 2.1 to its Affiliates and to Third Parties, *provided, that* : (a) each such sublicense will be consistent with the terms and conditions of this Agreement; (b) Debiopharm will provide ImmunoGen with the identity of each such Sublicensee with rights to commercialize any Licensed Product [***]; and (c) Debiopharm will not be relieved of its obligations (including any obligations delegated to its Affiliates or Sublicensees) under this Agreement.

2.4 U.S. Bankruptcy Code . All licenses granted under or pursuant to this Agreement by ImmunoGen to Debiopharm are, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code (the " **Bankruptcy Code** "), licenses of rights to "intellectual property" as defined under Section 101(35A) of the Bankruptcy Code. The Parties agree that Debiopharm, as a licensee

of such rights under this Agreement, will retain and may fully exercise all of its rights and elections under the Bankruptcy Code and comparable Legal Requirements outside of the United States.

2.5 No Implied Licenses or Rights . Except as expressly set forth in this Agreement, neither Party grants any licenses under its intellectual property rights to the other Party.

ARTICLE 3
Purchase of Acquired Assets

3.1 Purchase and Sale of Acquired Assets . Subject to the terms and conditions of this Agreement, ImmunoGen agrees to sell or assign to Debiopharm, and Debiopharm agrees to buy or assume from ImmunoGen, free and clear of all Encumbrances, all of ImmunoGen's and its Affiliates' right, title and interest in and to the following assets (the " **Acquired Assets** ") (but excluding the Excluded Assets):

(a) all inventories of the Program that are described on Schedule 3.1(a) , wherever located, including the finished goods, drug product, drug substance, drug substance components and intermediates, linkers, rituximab drug product, starting materials, metabolites, reference standards, stability and retain samples, radiolabeled active pharmaceutical ingredient and impurities, hybridomas, cell lines, reagents, and other clinical trial material work in process described on such schedule (the " **Inventories** "), subject to Section 4.3(c)(iii), (iv) and (v).

(b) the Contracts pertaining to the Program to which ImmunoGen or any of its Affiliates is a party that are listed on Schedule 3.1(b) (the " **Acquired Contracts** "), subject to Section 4.3;

(c) all Governmental Authorizations held by ImmunoGen or any of its Affiliates, all pending applications for or renewals of Governmental Authorizations, and any Regulatory Documentation, in each case pertaining to the Program, that are listed on Schedule 3.1(c) , and subject to the applicable Governmental Entity transfer requirements relating thereto (the " **Acquired Governmental Authorizations** ");

(d) the Intellectual Property listed on Schedule 3.1(d) and all rights that ImmunoGen or any of its Affiliates may have to institute or maintain any action to protect the same and recover damages for any infringement thereof (the " **Acquired Intellectual Property** ");

(e) any and all claims, suits, demands, causes of action, rights of recovery or rights of set-off of whatever kind or description of ImmunoGen or any of its Affiliates against any Person to the extent relating to the Acquired Assets or Assumed Liabilities, to the extent assignable; and

(f) the other assets pertaining to the Program that are listed on Schedule 3.1(f) .

3.2 Excluded Assets . Notwithstanding anything to the contrary contained herein or in any Ancillary Agreement, any item not explicitly identified as an Acquired Asset in Section 3.1 and the related Schedules hereto shall be excluded from the Acquired Assets (the " **Excluded Assets** ") and will be retained by ImmunoGen and remain the property of ImmunoGen following the Effective Date. For the avoidance of doubt, Excluded Assets include (a) the [***] listed on Schedule 3.2 , and (b) [***].

3.3 Assumed Liabilitie s . Debiopharm agrees to assume and to pay, perform and discharge all Liabilities of ImmunoGen arising on or after the Effective Date under the Acquired Contracts (other than any Liabilities under the Acquired Contracts arising from, or accruing or relating to any of the covenants,

obligations, representations, warranties or other provisions of any Acquired Contract that relates to periods prior to the Effective Date) (the " **Assumed Liabilities** "), subject to Section 5.8.

3.4 Excluded Liabilities . The parties specifically acknowledge that Debiopharm is not agreeing to assume any Liability of ImmunoGen, except the Assumed Liabilities, whether related to the Acquired Assets or otherwise (the " **Excluded Liabilities** "), which Excluded Liabilities include (a) any liabilities under the agreements listed in Schedule 3.2 , (b) patent and other legal costs and fees relating to the Acquired Intellectual Property that have become due or accrue, arise from or relate to periods prior to the Effective Date, and (c) any Liability for (i) Taxes of ImmunoGen (or any stockholder or Affiliate of ImmunoGen) or, with respect to a taxable period or portion thereof ending prior to the Effective Date, relating to the Acquired Assets, (ii) Taxes that arise out of the consummation of the transactions contemplated hereby, except as otherwise provided in Section 4.1(d) and Section 7.9 or (iii) other Taxes of ImmunoGen (or any stockholder or Affiliate of ImmunoGen) of any kind or description (including any Liability for Taxes of ImmunoGen (or any stockholder or Affiliate of the ImmunoGen) that becomes a Liability of Debiopharm under any common law doctrine of de facto merger or transferee or successor liability or otherwise by operation of contract or Law.

ARTICLE 4

Payment and Delivery Terms

4.1 Payments to ImmunoGen . In consideration of the rights granted to Debiopharm under ARTICLE 2 and the purchase or assignment of the Acquired Assets under ARTICLE 3 (the " **Aggregate Consideration** "), Debiopharm hereby agrees to assume the Assumed Liabilities and to pay ImmunoGen as follows:

(a) Upfront Payment . Debiopharm shall pay to ImmunoGen an upfront payment (the " **Upfront Payment** ") in the amount of Twenty-Five Million U.S. Dollars (US $25,000,000), payable on the Effective Date by wire transfer of immediately available funds to an account designated in writing by ImmunoGen; and

(b) Contingent Payment . As additional consideration for the rights granted to Debiopharm under ARTICLE 2 and for the purchase or assignment of the Acquired Assets under ARTICLE 3, following the completion or achievement of each milestone in the schedule below, Debiopharm shall pay to ImmunoGen the amount associated with such milestone (each, a " **Contingent Payment** ") by wire transfer of immediately available funds to an account designated in writing by ImmunoGen.

Milestone	Contingent Payment
(1) Both (i) ImmunoGen's Substantial Completion of its obligations under the Technology Transfer Plan, and (ii) ImmunoGen's Substantial Completion of its obligations under the Clinical Regulatory Plan	US $5,000,000
(2) Initiation of the first Phase III Trial of IMGN529	US $25,000,000
(3) Initiation of the first Phase III Trial of a Licensed Product other than IMGN529	[***]

If the milestone event described in (2) above occurs prior to the milestone event described in (3) above, then the milestone described in (3) above shall thereafter not be payable. If the milestone described in (3) above occurs prior to the milestone event described in (2) above, then the milestone described in (2) above shall thereafter not be payable.

(a) Notifications . Debiopharm shall provide ImmunoGen with prompt written notice of the occurrence of any event giving rise to an obligation to make a Contingent Payment to ImmunoGen under Section 4.1(b), which shall in any event be no later than [***] after the occurrence of such event. Upon achievement of each milestone event, ImmunoGen shall issue an invoice to Debiopharm for the applicable Contingent Payment, and Debiopharm shall pay the applicable Contingent Payment within [***] of the date of receipt of such invoice.

(b) Withholding Taxes . The amounts payable under this Agreement are based on the Parties' mutual understanding that no non-U.S. withholding tax should apply to payments from Debiopharm to ImmunoGen. Therefore, if non-U.S. withholding tax does apply to any amount due to ImmunoGen under this Agreement or the Ancillary Agreements, such amount due will be [***].

3.2 Deliveries .

(a) ImmunoGen . On the Effective Date, ImmunoGen shall have delivered to Debiopharm:

(i) a bill of sale for the Acquired Assets that are tangible personal property in the form of Exhibit A , duly executed by ImmunoGen (the " **Bill of Sale** "); provided that Inventory that is part of the Acquired Assets will be made available to Debiopharm [***], and except as otherwise contemplated by the Technology Transfer Plan in accordance with Section 7.1(a), the Clinical Regulatory Transfer Plan in accordance with Section 7.1(b), or [***] and [***] of ImmunoGen in accordance with Section 7.1(d), or Section 4.3(c)(iii), Section 4.3(c)(vi) or Section 4.3(c)(vii), Debiopharm shall be responsible for storage or transfer of any such Inventory after the Effective Date;

(ii) an assignment of Acquired Assets that are intangible rights and property (including Contracts) in the form of Exhibit B , duly executed by ImmunoGen (the " **Assignment and A ssumption Agreement** ");

(iii) assignments of the Acquired Intellectual Property rights, duly executed by ImmunoGen in the form of Exhibit C (the " **IP Assignment Agreement** ");

(iv) documentation that is described in the Clinical Regulatory Transfer Plan for submission to the applicable Governmental Entity by Debiopharm in order to transfer to Debiopharm each Acquired Governmental Authorization, in a form reasonably acceptable to Debiopharm;

(v) documentation associated with the Acquired Assets included in Schedules 3.1(a) though 3.1(f) , which will be deemed to have been delivered to Debiopharm upon ImmunoGen providing Debiopharm with updated access codes as may be necessary for Debiopharm to be able to continue to access, download and print such information located at: [***] ; and until [***] or such longer period as the Parties may agree in writing, ImmunoGen shall: (i) keep such access available, and (ii) maintain the materials located on such site as they are on the Effective Date, and for the avoidance of doubt, without any additions, deletions or changes thereto;

(vi) an invoice for the Upfront Payment; and

(vii) other instruments of transfer reasonably requested by Debiopharm, duly executed by ImmunoGen.

(b) Debiopharm . On the Effective Date, Debiopharm shall have delivered to ImmunoGen:

(i) the Upfront Payment;

(ii) the Assignment and Assumption Agreement, duly executed by Debiopharm; and

(iii) documentation that is described in the Clinical Regulatory Transfer Plan for submission to the applicable Governmental Entity by Debiopharm in order for Debiopharm to assume all of ImmunoGen's obligations under each Acquired Governmental Authorization, in a form reasonably acceptable to ImmunoGen.

3.3 Delayed Transfers; Novations; and Other Contract Arrangements .

(a) If any property or right (other than Governmental Authorizations) included in the Acquired Assets is not assignable or transferable to Debiopharm either by virtue of the provisions thereof or under applicable law without the consent of one or more Third Parties (each, a " **Non-Assignable Right** "), and any required Third Party consent to such assignment or transfer (a " **Consent** ") has not been obtained prior on or prior to the Effective Date, then, notwithstanding anything to the contrary in this Agreement or any Ancillary Agreements, (i) this Agreement and the Ancillary Agreements shall not constitute an assignment or transfer of the Non-Assignable Right, and (ii) ImmunoGen shall use its commercially reasonable efforts to obtain such Consent as soon as possible after the Effective Date, provided that [***], and (iii) Debiopharm shall cooperate, to the extent commercially reasonable, with ImmunoGen in its efforts to obtain such Consent, provided that [***]; and (iv) ImmunoGen shall use [***] to obtain for Debiopharm [***] of such Non-Assignable Right, including by (A) [***], and (B) subject to the consent and control of Debiopharm, [***], of any and all rights of ImmunoGen or any of its Affiliates against the other party thereto arising out of [***] or otherwise, provided that [***].

(b) If any of the Governmental Authorizations included in the Acquired Assets are not assignable or transferable without obtaining a replacement Governmental Authorization, then, notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, this Agreement and the related instruments of transfer shall not constitute an assignment or transfer of any such Governmental Authorization, and ImmunoGen shall cooperate with Debiopharm in its efforts to obtain a replacement Governmental Authorization issued in Debiopharm's name.

(c) From and after the Effective Date, each of the Parties shall do the following:

(i) Debiopharm shall cooperate with ImmunoGen's efforts to obtain, and shall agree to, [***] with ImmunoGen and the Third Parties thereto, whether such Acquired Contracts are assigned as of the Effective Date or subject to assignment thereafter under Section 4.3 (a), if agreed to by ImmunoGen and the applicable Third Parties [***]. Debiopharm shall not be required to [***] or make any [***] in order to [***], and Debiopharm shall not be [***] ; and

(ii) at Debiopharm's request, ImmunoGen shall use commercially reasonable efforts, at no further cost to either Party, to transfer the statements of work identified on Schedule 4.3 (c)(ii) to Debiopharm; and

(iii) ImmunoGen shall use commercially reasonable efforts to [***] in accordance with [***] until [***], and, at Debiopharm's written request on or before [***], to [***] to Debiopharm (or its designated [***])[***], provided that ImmunoGen shall not be required to [***] unless and until [***] identified in [***] and, upon obtaining such [***], ImmunoGen agrees to [***] to Debiopharm, [***]; provided that, subject to any representations or warranties as of the Effective Date, or covenants expressly set forth in this subsection, ImmunoGen shall have no liability to Debiopharm for the [***] at the time of [***] and disclaims all implied warranties; and

(iv) If requested in writing by Debiopharm on or before [***], ImmunoGen agrees to authorize the [***] to [***] to Debiopharm, provided that [***], such [***] provides [***] with a [***] or [***] provides [***] with [***], in each case reasonably satisfactory to [***], relating to [***], there is [***], and [***] shall have [***] for the [***] from and after the Effective Date and disclaims all implied warranties. For the avoidance of doubt, the Parties acknowledge that the [***], the [***] and [***] are neither an Acquired Assets nor part of the Licensed Intellectual Property; and

(v) ImmunoGen shall [***], and, at Debiopharm's written request on or before [***], to [***], payment [***], up to the [***] for the [***] identified on such schedule, and pursuant to the services agreement referenced in Section 7.1(d) below; and

(vi) With respect to the [***] identified in Sections 5, 6 and 7 of Schedule 3.1(a) :

(A) that were obtained from [***] , ImmunoGen agrees to [***] , each such [***] to Debiopharm upon Debiopharm providing evidence reasonably satisfactory to ImmunoGen that Debiopharm has become the sponsor of such study. Debiopharm agrees that each such [***] , as provided by ImmunoGen to Debiopharm prior to the Effective Date, and in accordance with applicable Legal Requirements. In addition, for the [***] , Debiopharm agrees to [***] ; and

(B) that were obtained [***] , ImmunoGen will [***] to determine [***] following the Effective Date [***] , and upon its reasonable determination that [***] , it

will, at Debiopharm's written election on or before [***] , [***] to Debiopharm and such [***] shall become part of the Acquired Assets; and Debiopharm agrees that each such [***] . In the event that a [***] , ImmunoGen shall inform Debiopharm and the Parties will discuss how to [***] . ImmunoGen confirms that it [***] and that it will [***] until the earliest of (x) [***] Debiopharm, (y) Debiopharm's decision not to have them [***] , and (z) [***] ; and

(i) ImmunoGen shall [***] to [***] in the [***] , and, on or before such date, Debiopharm shall, at its expense, cause such materials to be removed from the premises of ImmunoGen; and

(ii) With respect to any Acquired Assets in the possession of a Third Party or ImmunoGen on the Effective Date that will continue to be stored by such Third Party or ImmunoGen pursuant to the terms of this Agreement or the services agreement contemplated by Section 7.1(d) for a period of time following the Effective Date, ImmunoGen shall [***] to continue to have such assets stored (by such Third Party or ImmunoGen, as the case may be) in the same manner as such assets are stored on the Effective Date, provided that ImmunoGen shall have no liability to Debiopharm for the condition of such assets and it disclaims all implied warranties. Notwithstanding anything else to the contrary, to the extent any Third Party continues to store any Acquired Assets, then Debiopharm shall reimburse ImmunoGen, payment [***] , for any and all Third Party costs associated therewith including storage and maintenance from the Effective Date until the earlier of (x) Debiopharm has notified ImmunoGen in writing of its decision to take possession, or not take possession, of such asset as the case may be, or (y) the occurrence of any applicable deadline that is specifically set forth in this Agreement with respect to such asset. Notwithstanding anything in this Agreement to the contrary, ImmunoGen shall not be required to store [***] past [***] .

(d) Capitalized terms used in this Section 4.3 (d), but not otherwise defined in this Agreement shall have the meanings ascribed to them in the [***] . ImmunoGen shall provide Debiopharm with a copy of any [***] relating solely to IMGN529 that are received by ImmunoGen pursuant to the [***] ; provided, that (i) [***] consents to such disclosure to Debiopharm and (ii) Debiopharm agrees with ImmunoGen and [***] to treat such [***] and any other Confidential Information of [***] as confidential, consistent with the confidentiality and non-use obligations pertaining to [***] Confidential Information as set forth in the [***] . Subject to the preceding sentence, ImmunoGen shall provide Debiopharm with a copy of any [***] by [***] received by ImmunoGen pursuant to [***] within [***] days of receipt by ImmunoGen thereof. If Debiopharm notifies ImmunoGen within [***] days of its receipt of said copy of the [***] pursuant to the preceding sentence, that Debiopharm [***] or any Confidential Information of Debiopharm in such [***] that [***] , then ImmunoGen will [***] to notify [***] of such [***] or Confidential Information, as the case may be within the [***] notice period set forth in [***] . ImmunoGen shall promptly notify Debiopharm of any disclosure by [***] to ImmunoGen of any [***] . Any such [***] that is [***] shall be [***] , subject to the terms of the [***] . If Debiopharm notifies ImmunoGen in writing that Debiopharm desires ImmunoGen to [***] , then ImmunoGen will [***] within the [***] . However, if such [***] , then ImmunoGen and Debiopharm will discuss in good faith and must mutually agree upon the strategy and terms under which [***] . For the sake of clarity, for any notifications of ImmunoGen to Debiopharm hereabove mentioned, ImmunoGen shall indicate to Debiopharm the notification period set forth in the [***] enabling Debiopharm to respond to ImmunoGen before the expiration of the [***] .

(e) Capitalized terms used in this Section 4.3(e), but not otherwise defined in this Agreement shall have the meanings ascribed to them in the [***] . ImmunoGen has provided Debiopharm with a copy of any [***] relating solely to IMGN529 that were received by ImmunoGen pursuant to the

[***] . ImmunoGen shall provide Debiopharm with a copy of any [***] by [***] received by ImmunoGen pursuant to [***] within [***] days of receipt by ImmunoGen thereof . If Debiopharm notifies ImmunoGen within [***] days of its receipt of said copy of the [***] pursuant to the preceding sentence, that Debiopharm [***] or any Confidential Information of Debiopharm in such [***] that [***] , then ImmunoGen will [***] to notify [***] of such [***] or Confidential Information, as the case may be within the [***] notice period set forth in [***] .

2.4 Further Assurances . On and after the Effective Date, and without further consideration, Debiopharm and ImmunoGen will take all appropriate action, and execute any documents, instruments or conveyances of any kind, that may be reasonably requested by the other party to carry out any of the provisions of this Agreement. Additionally, and without limiting the generality of the foregoing, if, after the Effective Date, either Party identifies (a) Acquired Assets not previously transferred to Debiopharm or (b) Licensed Know-How not previously transferred or otherwise made available to Debiopharm, which Licensed Know-How is reasonably necessary for Debiopharm to develop, have developed, make, have made, use, have used, sell, have sold, offer for sale, have offered for sale, register, have registered, package, have packaged, label, have labeled, distribute, have distributed, import, have imported or otherwise exploit or have exploited the Licensed Products in the Field and the Territory, then ImmunoGen shall take appropriate action, and execute such documents, licenses, instruments or conveyances, that may be reasonably requested to transfer such Acquired Assets or transfer or otherwise make available such assets or Licensed Know-How to Debiopharm. The Parties acknowledge that the immediately preceding sentence is subject to the conditions set forth in Sections 4.3(a), (b), and (c).

ARTICLE 5
R epresentations and Warranties of ImmunoGen

ImmunoGen represents and warrants to Debiopharm that, as of the Effective Date and except as set forth in the Disclosure Letter, the following representations and warranties are true and correct .

5.1 Organization; Power and Authority . ImmunoGen is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all necessary power and authority necessary to own, lease and operate its assets and to carry on its business as conducted and proposed to be conducted. ImmunoGen has all necessary power and authority to execute, deliver and perform this Agreement and the Ancillary Agreements to which it is a party. ImmunoGen is in material compliance with all provisions of its Articles of Organization and by-laws, each as amended to date (the " **Organizational Documents** ").

5.2 Authority; Binding Agreement . The execution, delivery and performance of this Agreement and the Ancillary Agreements to which it is a party by ImmunoGen have been duly and validly authorized by all necessary corporate action on behalf of ImmunoGen. This Agreement has been duly executed and delivered by ImmunoGen and constitutes the valid and binding obligation of ImmunoGen, enforceable in accordance with its terms, subject to the extent enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by general equitable principles. Each Ancillary Agreement to which ImmunoGen is a party, when executed and delivered by ImmunoGen, will constitute the valid and binding obligation of ImmunoGen, enforceable against ImmunoGen in accordance with its terms, subject to the extent enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by general equitable principles.

5.3 Conflicts; Consents . The execution, delivery and performance of this Agreement and the Ancillary Agreements to which ImmunoGen is a party will not (a) contravene any material provision of the Organizational Documents of ImmunoGen; (b) subject to compliance with Anti-Trust Laws (other than those of the United States), violate or conflict with any law, Governmental Order or Governmental Authorization, the violation of which would have a Material Adverse Effect; (c) subject to obtaining the consents and approvals set forth in the Disclosure Letter or the Clinical Regulatory Transfer Plan, result in any breach of, or constitute a default under, increase the burdens under, result in the termination, amendment, suspension, modification, abandonment or acceleration of payment, or require any authorization, consent, approval, filing, waiver, exemption or other action by or notice to any Person under any Acquired Contract that is either binding upon or enforceable against ImmunoGen or any of its Affiliates; (d) require any authorization, consent, approval, filing, waiver, exemption or other action to be obtained, given or made, as applicable, by ImmunoGen, which could reasonably be expected to have a Material Adverse Effect; (e) result in the creation of any Encumbrance upon the Acquired Assets; or (f) subject to obtaining the consents and approvals set forth in the Disclosure Letter or the Clinical Regulatory Transfer Plan, violate any order, writ, injunction, decree, statute, rule or regulation applicable to ImmunoGen, any of its Affiliates or the Acquired Assets.

5.4 Litigation . There is no Litigation to which ImmunoGen or any of its Affiliates is party which is pending or has been threatened in writing, or, to ImmunoGen's Knowledge orally or by other means, against ImmunoGen or any of its Affiliates which (a) in any manner challenges or seeks to prevent, enjoin, alter or delay the transactions contemplated by this Agreement or any of the Ancillary Agreements, or (b) may affect any of the Acquired Assets or the Assumed Liabilities or may conflict with or limit Debiopharm's rights under ARTICLE 2 of this Agreement. There are no material judgments or Governmental Orders outstanding against ImmunoGen or any of its Affiliates that could reasonably be expected to affect the transactions contemplated by this Agreement or the Ancillary Agreements, the Acquired Assets, the Assumed Liabilities or the Licensed Intellectual Property.

5.5 Brokerage . No agent, broker investment banker, firm or other Person acting on behalf, or under the authority, of ImmunoGen or any of its Affiliates is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from ImmunoGen or any of its Affiliates in connection with any of the transactions contemplated hereby.

5.6 Solvency . ImmunoGen is not now insolvent, and will not be rendered insolvent by any of the transactions contemplated by, or the performance of any of the obligations under, this Agreement or the Ancillary Agreements. In addition, immediately after giving effect to the consummation of the transactions contemplated hereby, (a) ImmunoGen will be able to pay its debts as they become due, (b) ImmunoGen will not have unreasonably small capital with which to conduct its present or proposed business, (c) ImmunoGen will have assets (calculated at fair market value) that exceed its liabilities, (d) taking into account all pending and threatened litigation, final judgments against ImmunoGen in actions for money damages are not reasonably anticipated to be rendered at a time when, or in amounts such that, ImmunoGen will be unable to satisfy any such judgments promptly in accordance with their terms (taking into account the maximum probable amount of such judgments in any such actions and the earliest reasonable time at which such judgments might be rendered) as well as all other obligations of ImmunoGen and (e) the cash available to ImmunoGen, after taking into account all other anticipated uses of the cash, will be sufficient to pay all such debts and judgments promptly in accordance with their terms .

5.7 Title to Acquired Assets and Licensed Intellectual Property; Sufficiency . (a) ImmunoGen is (i) the sole, true and lawful owner of, and has good title to, the Acquired Assets and (ii) the owner or

licensee of the Licensed Intellectual Property, free and clear of all Encumbrances, except, with respect to the Licensed Intellectual Property, any Encumbrances which do not conflict with or limit Debiopharm's rights under ARTICLE 2 of this Agreement; (b) neither ImmunoGen nor any of its Affiliates is, and has not been, bound by any policies or agreements under which the Acquired Assets have been or will be assigned to anyone other than Debiopharm; (c) ImmunoGen and each of its Affiliates has the right to sell and transfer to Debiopharm good, clear record and title to the Acquired Assets, free and clear of all Encumbrances of any kind; and (d) upon execution and delivery to Debiopharm of this Agreement, Debiopharm will become the sole, true and lawful owner of, and receive good and marketable title to, the Acquired Assets, free and clear of all Encumbrances. Except for the property, plant, equipment and other general operating assets of ImmunoGen, the Acquired Assets and the Licensed Intellectual Property constitute all of the assets and properties owned or Controlled by ImmunoGen or any of its Affiliates necessary or useful for the development, manufacture and commercialization of Licensed Product in its form as of the Effective Date.

5.8 Assumed Liabilities. ImmunoGen has satisfied, or will satisfy within the terms of the agreement with the relevant Third Party as of the Effective Date, any payment and other obligations under the Assumed Liabilities that have become due or accrue, arise from or relate to periods prior to the Effective Date.

5.9 Contracts; Acquired Contracts. The Contracts identified in Schedule 3.1(b) (Acquired Contracts), Schedule 3.2 (Excluded Assets), and Schedule 4.3(c)(ii) (SOWs to be transferred) are all Contracts, to which ImmunoGen or any of its Affiliates is a party or by which it or any of its Affiliates are bound that pertain to Licensed Product or its manufacture, development or commercialization. Each Acquired Contract is valid, binding and enforceable against ImmunoGen, and, to ImmunoGen's Knowledge, the other parties thereto, in accordance with its terms, and is in full force and effect. To ImmunoGen's Knowledge, no event or condition has occurred or is alleged to have occurred that constitutes or (with notice or the passage of time or both) would constitute a material default by ImmunoGen or any of its Affiliates or a basis of force majeure or other claim of any other party thereto of excusable delay, termination, nonperformance or accelerated or increased rights under any of the Acquired Contracts. To ImmunoGen's Knowledge, no event or condition has occurred or exists or is alleged to have occurred or to exist that constitutes or (with notice or the passage of time or both) would constitute a material default by any Person (other than ImmunoGen) or a basis of force majeure or other claim of ImmunoGen or any of its Affiliates of excusable delay, termination, nonperformance or accelerated or increased rights under such Acquired Contracts.

5.10 Manufacturing Standards. To ImmunoGen's Knowledge, all the IMGN529 drug substance and drug product included in the Acquired Assets was and has continued to be through the Effective Date, manufactured, tested, stored, and shipped in material compliance with cGMP, and in accordance with the specifications for such drug supply, in each case that were in effect at the time of such manufacture, testing, storage or shipment, as the case may be.

5.11 Regulatory Compliance. Schedule 3.1(c) lists all Governmental Authorizations held by ImmunoGen or any of its Affiliates and all pending applications for or renewals of Governmental Authorizations pertaining to the Program, except for such Governmental Authorizations that relate to the property, plant, equipment and other general operating assets and activities of ImmunoGen. To ImmunoGen's Knowledge, there is no actual or threatened enforcement action or investigation by any Governmental Entity relating to the Acquired Assets, including IMGN529 or its manufacture, use or development, or which may conflict with or limit Debiopharm's rights under ARTICLE 2 of this Agreement. ImmunoGen does not have any reason to believe that any Governmental Entity is considering

such action. ImmunoGen and each of its Affiliates is, and at all times has been, in material compliance with all applicable Legal Requirements with respect to Licensed Product and the other Acquired Assets, and the research, development, manufacture and use of Licensed Product, except where failure to do so would not have a Material Adverse Effect. Neither ImmunoGen nor any of its Affiliates has been served with or received any written search warrant, subpoena, civil investigative demand or contract letter from any Governmental Entity pertaining to Licensed Product or any of the other Acquired Assets or with respect to the research, development, manufacture or use of Licensed Product. The only Regulatory Documentation related to Licensed Product in ImmunoGen's possession or Control relates to IMGN529. ImmunoGen has provided to Debiopharm a complete copy of the Investigational New Drug application in the United States and the Clinical Trial Applications in EU and in Switzerland (including all communication with FDA, AFMPS and SwissMedic pertaining to the relevant Investigational New Drug application or Clinical Trial Application, as the case may be) has been provided to Debiopharm.

5.12 Debarment. None of ImmunoGen or any of its Affiliates or, any of their respective officers, employees or agents, or any Person involved in the manufacture or development of IMGN529, has been debarred under applicable law, including, 21 U.S.C. §335a, or excluded from participation in government programs, including 42 U.S.C. §1320a-7. None of ImmunoGen or any of its Affiliates, or to ImmunoGen's Knowledge, any of their respective officers, employees or agents, or any Person involved in the manufacture or development of Licensed Product has been charged or convicted of any crime or engaged in any conduct that would reasonably be expected to result, in debarment under applicable law, including, 21 U.S.C. §335a, or exclusion from participation in government programs, including 42 U.S.C. §1320a-7. No claims, actions or proceedings or, to ImmunoGen's Knowledge, investigations, that would reasonably be expected to result in such a debarment or exclusion of ImmunoGen or any of its Affiliates are pending or, to ImmunoGen's Knowledge, threatened, against ImmunoGen or any of its Affiliates, to ImmunoGen's Knowledge, any of their respective officers, employees or agents or any Person involved in the manufacture or development of Licensed Product.

5.13 Affiliates. Set forth on Schedule 5.13 is a list of all Affiliates of ImmunoGen. None of ImmunoGen's Affiliates are, or has been, involved in the research, development or commercialization of Licensed Product.

5.14 Intellectual Property.

(a) Set forth on Schedule 5.14 is a list of all Patent Rights included in the Licensed Intellectual Property as of the Effective Date. Neither ImmunoGen nor its Affiliates Control any trademark rights with respect to Licensed Product. The Acquired Intellectual Property and Licensed Intellectual Property constitutes all Intellectual Property owned or Controlled by ImmunoGen or any of its Affiliates as is necessary or useful for Debiopharm to develop, have developed, make, have made, use, have used, sell, have sold, offer for sale, have offered for sale, register, have registered, package, have packaged, label, have labeled, distribute, have distributed, import, have imported or otherwise exploit or have exploited the Licensed Products in the Field and the Territory. Neither ImmunoGen nor any of its Affiliates has granted any license or other permission to use, exploit, transfer or assert (i) any Acquired Intellectual Property, or (ii) any Licensed Intellectual Property that conflicts with or limits Debiopharm's rights under ARTICLE 2 of this Agreement. Neither ImmunoGen nor any of its Affiliates has granted any other rights to (x) the Acquired Intellectual Property, or (y) the Licensed Intellectual Property that conflicts with or limits Debiopharm's rights under ARTICLE 2 of this Agreement. Neither ImmunoGen nor any of its Affiliates has taken any action, or failed to take any action, that may have the effect of estopping or otherwise limiting the right of (A) Debiopharm to enforce the Acquired Intellectual Property against any Person, or (B) subject

to Section 7.7, ImmunoGen to enforce the Licensed Intellectual Property against any Person. [***] The Acquired Intellectual Property is not subject to any obligation to make payment, or the obligation to grant rights, to any Person in exchange. Neither ImmunoGen nor any of its Affiliates is bound by, or party to, any Contract that would prevent, prohibit or otherwise interfere with the ability of Debiopharm to use or otherwise exploit (I) the Acquired Intellectual Property or (II) the Licensed Intellectual Property pursuant to the terms of Section 2.1.

(b) [***]

(c) [***] There are no claims, challenges, oppositions, nullity actions, interferences, *inter-partes* reexaminations, *inter-partes* reviews, post-grant reviews, derivation proceedings or other proceedings pending or, to ImmunoGen's Knowledge, threatened, involving the patents or patent applications within the Acquired Intellectual Property or the Licensed Intellectual Property. [***] ImmunoGen and its Affiliates have taken commercially reasonable actions to maintain and protect each item of the Acquired Intellectual Property. All application, registration, maintenance and renewal fees in respect of the Acquired Intellectual Property have been paid and to ImmunoGen's knowledge, all necessary documents and certificates have been filed with the relevant agencies for the purpose of maintaining such Acquired Intellectual Property.

5.15 Taxes . ImmunoGen has timely filed all Returns required to have been filed by or with respect to ImmunoGen with respect to the Acquired Assets (and all such Returns were true, complete, accurate and correct in all material respects) and has paid to the appropriate Governmental Authority all Taxes due with respect to the Acquired Assets (whether or not shown on any Return); no deficiencies have been asserted with respect to Taxes with respect to the Acquired Assets that have not been settled or otherwise paid; and there are no ongoing or pending disputes, audits, requests for information, investigations, examinations, claims, litigation, proceedings, controversies, assessments or collections by a Governmental Authority relating to Taxes or any Return of ImmunoGen with respect to the Acquired Assets (including claims or assertions made in writing by a Governmental Authority in a jurisdiction where ImmunoGen does not file that it is or may be subject to taxation in that jurisdiction).

5.16 Disclosures. [***]

5.17 Disclaimer . Except as expressly set forth in this Agreement, nothing in this Agreement is or will be construed as a warranty or representation by ImmunoGen (a) as to the validity or scope of any patent application or patent within the Acquired Intellectual Property or the Licensed Patent Rights, or (b) that anything made, used, sold or otherwise disposed through the use or practice of the Acquired Assets or any license granted under this Agreement is or will be free from infringement of any Third Party Intellectual Property. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, IMMUNOGEN DOES NOT MAKE ANY REPRESENTATION OR EXTEND ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY TECHNOLOGY, GOODS, SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT, AND HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

ARTICLE 6
Representations and Warranties of Debiopharm

Debiopharm represents and warrants to ImmunoGen that, as of the Effective Date the following representations and warranties are true and correct :

6.1 Organization; Power and Authority . Debiopharm is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all necessary power and authority necessary to own, lease and operate its assets and to carry on its business as conducted and proposed to be conducted. Debiopharm has all necessary power and authority to execute, deliver and perform this Agreement and the Ancillary Agreements to which it is a party. Debiopharm is in material compliance with all provisions of its organizational documents and by-laws, each as amended to date (the " **Organizational Documents** ").

6.2 Authority; Binding Agreements . The execution, delivery and performance of this Agreement and the Ancillary Agreements to which it is a party by Debiopharm have been duly and validly authorized by all necessary corporate action on behalf of Debiopharm. This Agreement has been duly executed and delivered by Debiopharm and constitutes the valid and binding obligation of Debiopharm, enforceable in accordance with its terms, subject to the extent enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by general equitable principles. Each Ancillary Agreement to which Debiopharm is a party, when executed and delivered by Debiopharm, will constitute the valid and binding obligation of Debiopharm, enforceable against Debiopharm in accordance with its terms, subject to the extent enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by general equitable principles.

6.3 Conflicts; Consents . The execution, delivery and performance of this Agreement and the Ancillary Agreements to which Debiopharm is a party will not (a) contravene any material provision of the Organizational Documents of Debiopharm; (b) violate or conflict with any law, Governmental Order or Governmental Authorization, the violation of which would have a Material Adverse Effect; (c) require any authorization, consent, approval, filing, waiver, exemption or other action to be obtained, given or made, as applicable, by Debiopharm, which could reasonably be expected to have a Material Adverse Effect; or (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Debiopharm.

6.4 Litigation . There is no Litigation to which Debiopharm is party which is pending or has been threatened in writing against Debiopharm which in any manner challenges or seeks to prevent, enjoin, alter or delay the transactions contemplated by this Agreement or any of the Ancillary Agreements. There are no material judgments or Governmental Orders outstanding against Debiopharm that could reasonably be expected to affect the transactions contemplated by this Agreement or the Ancillary Agreements.

6.5 Brokerage . No agent, broker investment banker, firm or other Person acting on behalf, or under the authority, of Debiopharm is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from Debiopharm in connection with any of the transactions contemplated hereby.

6.6 Solvency . Debiopharm is not now insolvent, and will not be rendered insolvent by any of the transactions contemplated by, or the performance of any of the obligations under, this Agreement or the Ancillary Agreements. In addition, immediately after giving effect to the consummation of the transactions

contemplated hereby, (a) Debiopharm will be able to pay its debts as they become due, (b) Debiopharm will not have unreasonably small capital with which to conduct its present or proposed business, (c) Debiopharm will have assets (calculated at fair market value) that exceed its liabilities, (d) taking into account all pending and threatened litigation, final judgments against Debiopharm in actions for money damages are not reasonably anticipated to be rendered at a time when, or in amounts such that, Debiopharm will be unable to satisfy any such judgments promptly in accordance with their terms (taking into account the maximum probable amount of such judgments in any such actions and the earliest reasonable time at which such judgments might be rendered) as well as all other obligations of Debiopharm and (e) the cash available to Debiopharm, after taking into account all other anticipated uses of the cash, will be sufficient to pay all such debts and judgments promptly in accordance with their terms .

ARTICLE 7
Agreements of ImmunoGen and Debiopharm

7.1 Transfer Plans; Safety Data Agreement; Testing .

(a) Technology Transfer Plan . Following the Effective Date, ImmunoGen shall [***] to effect the technology transfer plan agreed between the Parties (the " **Technology Transfer Plan** ") [***] in order to make available to Debiopharm the information, technology, documents, materials, tangible know-how, and processes reasonably necessary or useful for the manufacture of Licensed Product in the form of each such product that exists on the Effective Date.

(b) Clinical Regulatory Transfer Plan . Following the Effective Date, the Parties shall [***] to effect the clinical regulatory transfer plan agreed between the Parties (the " **Clinical Regulatory Transfer Plan** ") [***].

(c) Safety Data Exchange Agreement . Following the Effective Date, (i) ImmunoGen agrees to promptly provide to Debiopharm any safety data or information that it or any of its Affiliates receives relating to Licensed Product, and (ii) the Parties shall [***] to enter into a safety data exchange agreement pursuant to which the Parties will share and protect safety data developed or obtained by them that relates to MAY Compounds.

(d) Stability Testing and Reference Standards . Following the Effective Date, at Debiopharm's request the Parties shall [***] to enter into a services agreement pursuant to which ImmunoGen would [***], for which ImmunoGen would be entitled to be paid [***].

(e) Quality Agreement . Following the Effective Date, the Parties shall [***] to enter into a Quality Agreement with respect to the drug product manufactured by ImmunoGen and transferred to Debiopharm, and which Debiopharm will use in clinical trials.

(f) Access to Additional Data . Following the Effective Date, ImmunoGen will [***] efforts to provide to Debiopharm data, results and information in ImmunoGen's possession or Control (including, without limitation, information contained in [***]) that has not theretofore been provided pursuant to Section 4, the Technology Transfer Plan or the Clinical Regulatory Transfer Plan (i) [***], or (ii) [***], Debiopharm may request such information, and ImmunoGen will [***] to retrieve such information and provide it to Debiopharm [***]. Such request will [***], as well as [***].

7.2 ImmunoGen Support Services .

(a) Without limiting ImmunoGen's obligations under Section 7.1, from the Effective Date until the earlier of (i) the completion of the Technology Transfer Plan and the Clinical Regulatory Plan, or (ii) [***] (or such longer period as the Parties may agree in writing), ImmunoGen shall make available to Debiopharm, at Debiopharm's request and at no further cost to Debiopharm, members of ImmunoGen's personnel (up to [***], pro-rated for periods that are less than a full Calendar Year based on the number of days services are provided hereunder in such Calendar Year) in order to perform activities as described in the Technology Transfer Plan or the Clinical Regulatory Transfer Plan, provided that half of the FTE services described in this subsection shall be dedicated to antibody manufacturing.

(b) From and after the support period contemplated by Section (a) above until the earlier of (i) [***], or (ii) [***] years after the Effective Date, ImmunoGen shall make available to Debiopharm, at Debiopharm's request at the FTE Rate, members of ImmunoGen's personnel (up to [***], pro-rated for periods that are less than a full Calendar Year based on the number of days services are provided hereunder in such Calendar Year) in order to provide consulting services with respect to manufacturing or development of Licensed Product, provided that ImmunoGen may, but shall not be required to, provide more than [***] per week pursuant to this subsection.

7.3 Due Diligence and Other Obligations regarding the Program .

(a) The parties acknowledge and agree that as from the Effective Date and so long as Debiopharm has obligations outstanding under Section 4.1, Debiopharm shall, upon ImmunoGen's written request but no more than [***] year, provide, a written report to ImmunoGen in reasonable detail regarding the status of the development program in respect of IMGN529.

(b) Debiopharm, itself or through its Affiliates or one or more licensees or Sublicensees of rights to IMGN529, must use Commercially Reasonable Efforts to Initiate the Phase III Trial of a Licensed Product within [***] years after the Effective Date.

(c) If Debiopharm shall transfer, assign, sell, license, convey or dispose of Acquired Assets, or sublicense Licensed Intellectual Property, or rights in or to any of the foregoing (whole or partial), to any Third Party, Debiopharm shall in all cases remain primarily responsible for the payment and other obligations in this Agreement including, without limitation, payment of the Contingent Payments.

(d) ImmunoGen shall provide written notice to Debiopharm upon Substantial Completion of its obligations under the Technology Transfer Plan and the Clinical Regulatory Transfer Plan (as described therein). Debiopharm shall have [***] to provide written notice of any objections. If there is no objection within such period, the Technology Transfer Plan and the Clinical Regulatory Transfer Plan shall be deemed complete for all purposes. If there is any objection, then Debiopharm shall work together with ImmunoGen to schedule an in-person meeting, if reasonably feasible, at a mutually acceptable location or will schedule one or more conference calls to address the disagreement over Substantial Completion, and the Parties and shall endeavor in good faith to resolve any dispute. If Debiopharm and ImmunoGen are unable to resolve the concerns pursuant to the process set out in this Section 7.3(d), the parties shall resolve such dispute in accordance with the provisions of Section 9.16.

(e) If ImmunoGen in good faith believes that Debiopharm is breaching its obligations under this Section 7.3, then ImmunoGen may provide Debiopharm with written notice thereof and provide

reasonable detail regarding such alleged breaches. If such notice is properly given, Debiopharm shall designate representatives, including at least one officer with operating responsibility for IMGN529 with appropriate expertise, to meet with ImmunoGen within [***] from the date of such notice to address in good faith ImmunoGen's belief that Debiopharm is breaching one or more obligations under this Section 7.3. Debiopharm shall work together with ImmunoGen to schedule an in- person meeting, if reasonably feasible, at a mutually acceptable location or will schedule one or more conference calls to address the asserted breach of obligations, and the Parties and shall endeavor in good faith to resolve any dispute. If Debiopharm and ImmunoGen are unable to resolve the concerns pursuant to the process set out in this Section 7.3(e), the Parties shall resolve such dispute in accordance with the provisions of Section 9.16.

7.4 Confidentiality and Non-use .

(a) Each Party agrees (i) to take such steps as are reasonable and necessary to maintain the confidentiality of the Confidential Information of the other Party, (ii) not to disclose the other Party's Confidential Information to any Third Party without the prior written consent of such other Party, and (iii) to use such Confidential Information only as necessary to fulfill its obligations or in the reasonable exercise of rights granted to it under this Agreement; provided, however, that the foregoing obligations will not apply to information that (and such information shall not constitute Confidential Information) (A) is in possession of the receiving Party at the time of disclosure, as reasonably demonstrated by written records and without obligation of confidentiality, (B) later becomes part of the public domain through no fault of the receiving Party, (C) is received by the receiving Party without obligation of confidentiality from a Third Party with a right to such information, or (D) is developed independently by the receiving Party without use of, reference to, or reliance upon the disclosing Party's Confidential Information by individuals who did not have access to such Confidential Information. From and after the Effective Date, the Acquired Intellectual Property shall be deemed the Confidential Information of Debiopharm, and this Agreement, the Ancillary Agreements, and all schedules and exhibits thereto shall be deemed the Confidential Information of both Parties. The Licensed Intellectual Property shall remain the Confidential Information of ImmunoGen, subject to the exceptions set forth in (A) through (D) above. A Party may disclose Confidential Information of the other Party to (x) its Affiliates, and to its and their directors, employees, consultants, contractors and agents in each case who have a specific need to know such Confidential Information and who are bound by a like obligation of confidentiality and restriction on use, and any bona fide actual or prospective collaborators, (sub)licensees, underwriters, investors, lenders or other financing sources who are obligated to keep such information confidential and not to use such information, to the extent reasonably necessary to enable such actual or prospective collaborators, underwriters, investors, lenders or other financing sources to determine their interest in, and to perform obligations and exercise rights in connection with, any collaboration with, underwriting or making an investment in, or otherwise providing financing to, the receiving Party (a " **Permitted Recipient** "), and (y) the extent such disclosure is required to comply with applicable law or regulation or the order of a court of competent jurisdiction, to defend or prosecute litigation or to comply with the rules of the U.S. Securities and Exchange Commission, any stock exchange or listing entity; provided, however, that the receiving Party provides prior written notice of such disclosure to the disclosing Party, takes reasonable and lawful actions to avoid or minimize the degree of such disclosure, and cooperates with the disclosing Party at the disclosing Party's request in any efforts to obtain a protective order, confidentiality treatment or the like. The receiving Party shall be liable for its Permitted Recipient's compliance with this Agreement as if such Permitted Recipient is the receiving Party. Notwithstanding any other provision of this Agreement, each Party may disclose and use Confidential Information of the other Party as necessary to prosecute or defend litigation or otherwise enforce obligations under this Agreement.

(b) Each Party acknowledges that Confidential Information of the other Party constitutes a unique and valuable asset and represents a substantial investment of time and expense. Each Party agrees that the agreements contained in this Section 7.4 are reasonable and necessary to protect the legitimate interests of the other Party and that any violation or breach of this Section 7.4 may result in irreparable injury to the other Party for which no adequate remedy would exist at law. Accordingly, in addition to any relief at law that may be available to a Party for such violation or breach and regardless of any other provision contained in this Agreement, each Party will be entitled to seek injunctive and other equitable relief restraining such violation or breach (without any requirement that such Party provide any bond or other security).

(c) As to the subject matter of this Agreement, this Section 7.4 supersedes any confidential disclosure agreements between the Parties, including that certain Mutual Confidential Disclosure Agreement, dated as of [***]. 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 7.4.

7.5 Covenant Not to Compete; Certain Rights to Retain and Use Information .

(a) As an inducement for Debiopharm to enter into this Agreement and for the consideration to be paid to ImmunoGen under this Agreement, until the earliest of (i) the [***] of a Licensed Product in any of the [***], (ii) [***] from the Effective Date, and (iii) such time as Debiopharm has abandoned the development, manufacture and commercialization of all Licensed Products, none of ImmunoGen or any of its Affiliates will, directly or indirectly, including with or through any Third Party, conduct any research, development or commercialization activities for any Antibody product Targeting CD37 (whether or not drug-conjugated).

(b) Notwithstanding the foregoing, in the event that ImmunoGen undergoes a merger, consolidation, sale of all or substantially all of its assets, or similar acquisition transaction with or by a Third Party (a " **ImmunoGen Acquirer** ") pursuant to which the holders of its capital stock immediately prior to such transaction own, in the aggregate, less than 50% of the total combined voting power of the capital stock of the successor or surviving entity after such transaction or a majority of the members of its Board of Directors immediately prior to such transaction cease to be members of such successor or surviving entity's Board of Directors after such transaction, and such ImmunoGen Acquirer [***], then such ImmunoGen Acquirer and its Affiliates shall be [***] provided ImmunoGen Acquirer [***]. Once a Person has become an ImmunoGen Acquirer, Debiopharm shall thereafter be released from all of its obligations to inform ImmunoGen of the development of the Licensed Products and to strictly limit such communication to the notifications related to the achievement of Milestones and safety issues relating to Licensed Products.

(c) ImmunoGen shall have the right to retain, for archival purposes and in order to comply with Legal Requirements, copies of all data and other information that is included within (i) the Acquired Intellectual Property and (ii) the other assets transferred to Debiopharm pursuant to Section 3.1(e) , provided, in either case, that ImmunoGen shall keep such data and other information in a secure file (or in a computer locked with a password), not readily accessible and always clearly marked as "confidential," and otherwise confidential in accordance with its obligations under Section 7.4 .

7.6 Non-Solicitation . For a period of [***] years after the Effective Date, neither Party shall, either directly or indirectly (including through an Affiliate), (a) solicit or attempt to induce any Restricted

Employee of the other Party to terminate his or her employment with the other Party or (b) hire or attempt to hire any Restricted Employee, provided that this clause (b) shall not apply to any individual whose employment with the other Party has been terminated for a period of six months or longer. Nothing in this Section shall prevent or be meant to prohibit any Restricted Employee from one Party directly contacting the other Party for employment or employment opportunities or from responding to published employment advertisements, and, under these limited circumstances, this restriction shall not prevent either Party from interviewing hiring or attempting to hire such Restricted Employee.

7.7 Patent Rights: Prosecution; Infringement .

(a) Prosecution of Patent Rights . ImmunoGen, acting through patent counsel or agents of its choice, will have exclusive responsibility, at its sole cost and expense and in its sole discretion, for the preparation, filing, prosecution and maintenance of all Licensed Patent Rights. Upon Debiopharm's written request, but not more frequently than once per calendar year, ImmunoGen will provide Debiopharm with an update on the status of the prosecution and maintenance of such Licensed Patent Rights. Any such update shall be ImmunoGen's Confidential Information and subject to Section 7.4.

(b) Infringement of Licensed Patent Rights by Third Parties . Each Party will promptly notify the other Party in writing of any alleged or threatened infringement of the Licensed Patent Rights of which it becomes aware in each case only to the extent relevant to the development, manufacture or commercialization of the Licensed Products (" **Infringement** "). ImmunoGen has the exclusive right, in its sole discretion, to initiate an appropriate suit anywhere in the world against any Third Party who at any time is suspected of infringing all or any portion of the Licensed Patent Rights or using without proper authorization all or any portion of the Licensed Know-How, and will control any such action for which it exercises such right. ImmunoGen will consider in good faith any reasonable request from Debiopharm to initiate an infringement or other appropriate suit against any Third Party with respect to an Infringement, however, ImmunoGen will not be required to initiate any such suit. If necessary, in any action brought pursuant to this Section 7.7(b), Debiopharm agrees to be joined as a party plaintiff and to give reasonable assistance and any needed authority to control, file and to prosecute such action.

(c) Infringement of Third Party Rights . If any Licensed Product that is manufactured, used or sold by or for Debiopharm becomes the subject of a Third Party's claim or assertion of infringement of Patent Rights controlled by such Third Party, the Party first having notice of the claim or assertion will promptly notify the other Party in writing, and the Parties will promptly meet to consider in good faith the claim or assertion and the appropriate course of action. Nothing in this Section 7.7(c) will be deemed to relieve either Party of its indemnification obligations under ARTICLE 8.

(d) Covenant Not to Enforce . In partial consideration for the rights and obligations contained herein, ImmunoGen and its Affiliates agrees not to enforce against Debiopharm, its Affiliates or, Sublicensees any Licensed Patent Rights which Debiopharm or its Affiliates may infringe in practicing the license granted in Section 2.1.

(e) Covenant Not to Contest or Challenge . Neither ImmunoGen nor any of its Affiliates will contest or challenge, either directly or indirectly through any Third Party, in any patent office, court, or other forum, the validity and enforceability of the Acquired Intellectual Property.

(f) Patent Marking . Debiopharm agrees to comply with the patent marking statutes in each country in which a Licensed Product is sold by Debiopharm or its Affiliates, licensees or Sublicensees.

7.8 Tax Filings and Assistance . Subject to Section 7.4 and otherwise to the extent not inconsistent with this Agreement, ImmunoGen and Debiopharm will (a) each provide the other with such assistance as may reasonably be requested by the other in connection with the preparation of any Return, audit or other examination by any taxing authority or judicial or administrative proceedings relating to liability for Taxes, (b) each retain and provide the other with any records or other information that may be relevant to such Return, audit or examination, proceeding or determination, and (iii) each provide the other with any final determination of any such audit or examination, proceeding or determination that affects any amount required to be shown on any Return of the other for any period.

7.9 Transfer Taxes . All excise, transfer, documentary, sales, use, stamp, registration and other such similar Taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement or any Ancillary Agreement (collectively, " **Transfer Taxes** ") shall be borne one-hundred percent (100%) by Debiopharm. For the avoidance of doubt, Transfer Taxes shall not include franchise Taxes or Taxes based on income or gross receipts. Debiopharm shall file all necessary Returns and other documentation with respect to all such Transfer Taxes. If required by applicable law, ImmunoGen shall join in the execution of any Returns and other documentation pertaining to Transfer Taxes and shall use commercially reasonable efforts to minimize the incidence and magnitude of any Transfer Taxes.

7.10 Straddle Periods All property and ad valorem taxes and assessments on the Acquired Assets for any taxable period that begins on or before and ends after the Effective Date (a " **Straddle Period** ") shall be prorated between the Debiopharm and ImmunoGen, as of the close of business on the Effective Date based on the best information then available, with (a) ImmunoGen being liable for such Taxes attributable to any portion of a Straddle Period ending prior to the Effective Date and such Taxes shall be allocable to the Pre-Closing Tax Period and (b) Debiopharm being liable for such Taxes attributable to any portion of a Straddle Period beginning on or after the Effective Date. Information available after the Effective Date that alters the amount of property taxes due with respect to the Straddle Period will be taken into account and any change in the amount of such taxes shall be prorated between Debiopharm and ImmunoGen. All prorations under this Section 7.10 shall be allocated so that items relating to the portion of a Straddle Period ending on or prior to the Effective Date shall be allocated to ImmunoGen based upon the number of days in the Straddle Period on or prior to the Effective Date and items related to the portion of a Straddle Period beginning after the Effective Date shall be allocated to Debiopharm based upon the number of days in the Straddle Period after the Effective Date. The amount of all such prorations shall, if able to be calculated on or prior to the Effective Date, be paid on the Effective Date or, if not able to be calculated on or prior to the Effective Date, be calculated and paid as soon as practicable thereafter.

ARTICLE 8
Indemnification; limitations

8.1 Survival; Expiration . Notwithstanding any investigation made by or on behalf of any party hereto prior to, on or after the Effective Date, the representations and warranties contained in this Agreement (including the Schedules hereto) and in any Ancillary Agreement shall survive for a period of one (1) year following the Effective Date, except that the representations and warranties contained in Sections 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.14, 5.15, 6.1, 6.2, 6.3, 6.4, 6.5 and 6.6 shall survive for the applicable statute of limitations period. The covenants, agreements and obligations of the parties shall survive until fully performed and discharged, unless otherwise expressly provided herein. Each Party shall give prompt written notice to the other Party of (a) any event, circumstance or condition that constitutes a

breach of, or makes inaccurate, any representation and warranty of such Party hereunder, or (b) the non-fulfillment of any covenant, agreement or obligation of such Party hereunder.

8.2 Indemnification by ImmunoGen . ImmunoGen shall indemnify Debiopharm, its Affiliates, its and their respective directors, officers, employees, consultants and agents, and its and their respective successors, heirs and assigns, in respect of, and hold each of them harmless and defend them against, all liabilities, judgments, claims, settlements, losses, damages, fees, Taxes, penalties, obligations and expenses (including reasonable attorneys' fees and expenses and costs and expenses of investigation) (collectively, " **Damages** ") incurred or suffered by them resulting from, relating to or constituting:

(a) any breach of any representation or warranty of ImmunoGen contained in this Agreement or any Ancillary Agreement; or

(b) any failure to perform any covenant or agreement of ImmunoGen contained in this Agreement or any Ancillary Agreement; or

(c) any Excluded Liabilities; or

(d) with respect to Third Party Actions only, to the extent relating to use of the Acquired Assets or the development or commercialization (including the manufacture, promotion, import, use or sale by any Person) of any Licensed Product by or on behalf of ImmunoGen or its Affiliates, or their respective licensees, contractors, distributors or agents, or their respective heirs, successors or assigns, prior to the Effective Date.

8.3 Indemnification by Debiopharm . Debiopharm shall indemnify ImmunoGen, its Affiliates, its and their respective directors, officers, employees, consultants and agents, and its and their respective successors, heirs and assigns, in respect of, and hold each of them harmless and defend them against, all Damages incurred or suffered by them thereof resulting from, relating to or constituting:

(a) any breach of any representation or warranty of Debiopharm contained in this Agreement or any Ancillary Agreement;

(b) any failure to perform any covenant or agreement of Debiopharm contained in this Agreement or any Ancillary Agreement; or

(c) any Assumed Liabilities; or

(d) with respect to Third Party Actions only, to the extent relating to use of the Acquired Assets or the development or commercialization (including the manufacture, promotion, import, use or sale by any Person) of any Licensed Product by or on behalf of Debiopharm or its Affiliates, or their respective licensees, contractors, distributors or agents, or their respective heirs, successors or assigns, on or after the Effective Date, except to the extent such Third Party Action results from, relates to or constitutes any of the items set forth above in Section 8.2(a) through (d), but including for the avoidance of doubt any such Third Party Actions (including involving a Governmental Entity) relating to any clinical studies referred to in Section 3.1(c) that are performed on or after the Effective Date, including while ImmunoGen remains the nominal sponsor thereunder (other than to the extent such Third Party Action arises from, or accrues or relates to the period prior to the Effective Date).

8.4 Indemnification Claims and Dispute Resolution .

(a) Third Party Actions . A Person seeking indemnification under Article 8 (the " **Indemnified Party** ") shall give written notification to the Party from which recovery is sought (the " **Indemnifying Party** ") of the commencement of any Third Party Action. Such notification shall be given within twenty (20) days after receipt by the Indemnified Party of notice of such Third Party Action, and shall describe in reasonable detail (to the extent known by the Indemnified Party) the facts constituting the basis for such Third Party Action and the amount of the claimed damages; provided, however, that no delay or failure on the part of the Indemnified Party in so notifying the Indemnifying Party shall relieve the Indemnifying Party of any liability or obligation hereunder except to the extent of any damage or liability caused by or arising out of such failure. Within twenty (20) days after delivery of such notification, the Indemnifying Party may, upon written notice thereof to the Indemnified Party, assume control of the defense of such Third Party Action with counsel reasonably satisfactory to the Indemnified Party; provided that (i) the Indemnifying Party may only assume control of such defense if (A) it acknowledges in writing to the Indemnified Party that any damages, fines, costs or other liabilities that may be assessed against the Indemnified Party in connection with such Third Party Action constitute Damages for which the Indemnified Party shall be indemnified pursuant to this ARTICLE 8 and (B) the *ad damnum* is less than or equal to the amount of Damages for which the Indemnifying Party is liable under this ARTICLE 8 and (ii) the Indemnifying Party may not assume control of the defense of Third Party Action involving criminal liability or in which equitable relief is sought against the Indemnified Party. If the Indemnifying Party does not, or is not permitted under the terms hereof to, so assume control of the defense of a Third Party Action, the Indemnified Party shall control such defense. The non-controlling Party may participate in such defense at its own expense. The controlling Party shall keep the non-controlling Party advised of the status of such Third Party Action and the defense thereof and shall consider in good faith recommendations made by the non-controlling Party with respect thereto. The non-controlling Party shall furnish the controlling Party with such information as it may have with respect to such Third Party Action (including copies of any summons, complaint or other pleading which may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and shall otherwise cooperate with and assist the controlling Party in the defense of such Third Party Action. The reasonable fees and expenses of counsel to the Indemnified Party with respect to a Third Party Action shall be considered Damages for purposes of this Agreement if the Indemnified Party controls the defense of such Third Party Action pursuant to the terms hereof. The Indemnifying Party shall not agree to any settlement of, or the entry of any judgment arising from, any Third Party Action without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed; provided that the consent of the Indemnified Party shall not be required if the Indemnifying Party agrees in writing to pay any amounts payable pursuant to such settlement or judgment and such settlement or judgment includes a complete release of the Indemnified Party from further liability and has no other adverse effect on the Indemnified Party. The Indemnified Party shall not agree to any settlement of, or the entry of any judgment arising from, any such Third Party Action without the prior written consent of the Indemnifying Party, which shall not be unreasonably withheld, conditioned or delayed.

(b) Other Claims .

(a) In order to seek indemnification under this ARTICLE 8 other than in connection with a Third Party Action, an Indemnified Party shall deliver a Claim Notice to the Indemnifying Party. Within twenty (20) days after delivery of a Claim Notice, the Indemnifying Party shall deliver to the Indemnified Party a response, in which the Indemnifying Party shall: (A) agree that the Indemnified Party is entitled to receive all of the claimed amount (in which case the response shall be accompanied by a

payment by the Indemnifying Party to the Indemnified Party of the claimed amount, by check or by wire transfer), (B) agree that the Indemnified Party is entitled to receive part, but not all, of the claimed amount, or (C) dispute that the Indemnified Party is entitled to receive any of the claimed amount.

(b) During the thirty (30)-day period following the delivery of the response that reflects a Dispute, the Indemnifying Party and the Indemnified Party shall use good faith efforts to resolve the Dispute. If the Dispute is not resolved within such thirty (30)-day period, the Indemnifying Party and the Indemnified Party shall resolve the Dispute in accordance with Section 9.16.

8.5 Limitations .

(a) Anything contained in this Agreement to the contrary notwithstanding, except as otherwise set forth in Section 8.5(b), (i) the aggregate liability of a Party for Damages (excluding Damages resulting from Third Party Actions indemnifiable under this Agreement) under Section 8.2(a) or Section 8.2(b) shall not exceed [***] of the Aggregate Consideration actually paid to ImmunoGen, and (ii) except for payments due under ARTICLE IV, a Party shall not be liable under this ARTICLE 8 unless and until the aggregate Damages (excluding Damages incurred resulting from Third Party Actions indemnifiable under this Agreement) for which it would otherwise be liable under this ARTICLE 8 exceeds [***] (at which point such Party shall become liable for the [***] under this ARTICLE 8).

(b) Anything contained in this Agreement to the contrary notwithstanding, except for Damages resulting from Third Party Actions indemnifiable under this Agreement, the aggregate liability of a Party for Damages under this ARTICLE 8 for breach of any representation or warranty by such Party contained in Sections [***] shall not exceed [***] of the Aggregate Consideration actually paid to ImmunoGen.

(c) Notwithstanding anything herein to the contrary, ImmunoGen shall have no liability for Damages arising from a breach of [***], if such breach is the result of the fact that an ImmunoGen agent or a Person involved in the manufacture or development of IMGN529 other than an officer or employee, [***], and ImmunoGen did not [***].

(d) EXCEPT FOR EITHER PARTY'S BREACH OF SECTION 7.4 OR IMMUNOGEN'S BREACH OF SECTION 7.5, 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 (i) ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING ANY DAMAGES RESULTING FROM LOSS OF PROFITS, LOSS OF BUSINESS OR LOSS OF GOODWILL), OR (ii) 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. 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 PUNITIVE OR EXEMPLARY DAMAGES. For purposes of clarity, an Indemnified Party's monetary liability under a Third Party Action 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 Indemnified Party for purposes of this ARTICLE 8. No breach by ImmunoGen hereunder shall permit Debiopharm the right to rescind this Agreement or any of the transactions contemplated hereby.

(e) No limitation or condition of liability provided in this Section 8.5 shall apply to any Damages resulting from fraud.

(f) Each Party shall (and shall cause its Affiliates to) [***] to take such actions, and pursue such legal rights and remedies available, in order to mitigate Damages (or potential Damages) for which indemnification is provided to it under this Agreement.

8.6 Right to Set-Off. Without limiting any other rights or remedies available to Debiopharm, Debiopharm may set-off the amount of any Damages for which indemnification has been finally determined or agreed pursuant to Section 8.4 against any Contingent Payments or other amounts payable by Debiopharm under this Agreement or any of the Ancillary Agreements. If any Contingent Payment becomes due and is not yet paid and Debiopharm submits a Claim Notice or there exists a Third Party Action pursuant to which Debiopharm is entitled to indemnification under Section 8.2, Debiopharm may pay such Contingent Payment, up to the amount of the Damages claimed in the Claim Notice or Third Party Action, into an escrow account pursuant to an escrow agreement reasonably acceptable to the Parties pending resolution of such Claim or Third Party Action.

8.7 [***] Remedy. Except as provided in [***], the rights of the Indemnified Parties under this ARTICLE 8 shall be [***] of the Parties with respect to claims resulting from or relating to this Agreement or the Ancillary Agreements .

ARTICLE 9
General

9.1 Entire Agreement; Amendment. This Agreement, the Ancillary Agreements, and the Exhibits attached hereto and thereto set forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties with respect to the subject matter of this Agreement and supersedes and terminates all prior agreements and understandings between the Parties with respect to such subject matter. No subsequent alteration, amendment, change or addition to this Agreement will be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party.

9.2 Governing Law. This Agreement will be construed in accordance with, and governed in all respects by, the laws of the State of New York (without giving effect to principles of conflicts of laws that would require the application of any other law). The provisions of the United Nations Convention on Contracts for the International Sale of Goods (Vienna 1980) and the Convention on the Limitation Period in the International Sale of Goods (New York 1974), as amended by that certain Protocol, done at Vienna on 11 April 1980, shall not apply to this Agreement or the Ancillary Agreements, or any subject matter hereof or thereof.

9.3 Notices. Any notice required or permitted to be given under this Agreement will be in writing, will specifically refer to this Agreement and will be deemed to have been sufficiently given for all purposes (a) as documented in a delivery receipt if sent by international express delivery service or (b) upon delivery if delivered personally. Unless otherwise specified in writing, the notice addresses of the Parties will be as described below.

For ImmunoGen: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451-1477
Attn: Vice President, Business Development

with a copy to: ImmunoGen, Inc.
830 Winter Street
Waltham, MA 02451-1477
Attn: Legal Department

For Debiopharm: Debiopharm International, S.A.
Forum "après-demain,"
Chemin Messidor 5-7,
Case Postale 5911,
CH-1002 Lausanne,
Switzerland
Attention: Chief Executive Officer

with a copy to: Debiopharm International, S.A.
Forum "après-demain,"
Chemin Messidor 5-7,
Case Postale 5911,
CH-1002 Lausanne,
Switzerland
Attention: Director, IP& Legal Affairs

9.4 No Strict Construction . This Agreement has been prepared jointly and will not be strictly construed against either Party.

9.5 Assignment . Neither Party may assign or transfer this Agreement or any rights or obligations under this Agreement without the prior written consent of the other Party, *except that* a Party may make such an assignment or transfer without the other Party's consent (a) to the assigning Party's Affiliates or (b) to the successor to all or substantially all of the business or assets of such Party (or with respect to Debiopharm only, all or substantially all of the business or assets to which this Agreement relates), whether by merger, sale of stock, sale of assets or other transaction. Any permitted successor or assignee of rights or obligations under this Agreement will, in a writing to the other Party, expressly assume performance of such rights or obligations, but the assigning Party will remain primarily liable and responsible for the performance of all of its obligations under this Agreement and for causing its assignees to act in a manner consistent with this Agreement. Any permitted assignment will be binding on the successors of the assigning Party. Any assignment or attempted assignment by either Party in violation of the terms of this Section 9.5 will be null and void. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns.

9.6 Independent Contractors . It is understood and agreed that the relationship between the Parties is that of independent contractors and that nothing in this Agreement will be construed as authorization for either Party to act as the agent for the other Party.

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

9.8 Severability . Each provision in this Agreement is independent and severable from the others, and no provision will be rendered unenforceable because any other provision may be invalid or unenforceable in whole or in part. If the scope of any restrictive provision in this Agreement is too broad to permit enforcement to its full extent, then such restriction will be reformed to the maximum extent permitted by law.

9.9 Headings . The headings for each Article and Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Article or Section.

9.10 No Waiver . Any delay in enforcing a Party's rights under this Agreement, or any waiver as to a particular default or other matter, will not constitute a waiver of such Party's rights to the future enforcement of its rights under this Agreement, except with respect to an express written and signed waiver relating to a particular matter for a particular period of time.

9.11 Counterparts . This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which together will constitute one (1) and the same instrument. For purposes of executing this Agreement, a facsimile copy of this Agreement, or .pdf copy, including the signature pages, will be deemed an original.

9.12 Public Announcements . Either Party may make any public disclosure relating to the subject matter of this Agreement that it believes in good faith is required by applicable law, regulation or stock market rule; provided that such Party shall use commercially reasonable efforts to provide the other Party with notice of the contents of each such public disclosure at least ten (10) days prior to issuing such public disclosure, and shall consider in good faith any comments provided by the other Party prior to making such public disclosure. Except as contemplated by the prior sentence, each Party must get the prior approval of the other Party, which approval shall not be unreasonably withheld, conditioned or delayed, prior to making any public announcement, or issuance of a press release, relating to the transactions contemplated by this Agreement.

9.13 No Third Party Beneficiaries . Except as set forth in ARTICLE 8 hereof, this Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns.

9.14 Amendments and Waivers . No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each of the Parties. No waiver by either Party of any right or remedy hereunder shall be valid unless the same shall be in writing and signed by the Party giving such waiver. No waiver by either Party with respect to any default, misrepresentation, or breach of warranty or covenant hereunder shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9.15 Expenses . Except as set forth in ARTICLE 8, each Party shall bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

9.16 Dispute Resolution . Each Party shall provide the other Party with written notice of any claim of breach under this Agreement or any Ancillary Agreement and such other Party shall have a reasonable period of time (of not less than 30 days) to cure such breach if curable. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise relating to either Party's rights or obligations hereunder or under the Ancillary Agreement, or otherwise relating to the validity, enforceability or performance of this Agreement or the Ancillary Agreements, including claims for indemnification under this Agreement. 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 Debiopharm: Chief Executive Officer; and

For ImmunoGen: Chief Executive Officer.

If the designated senior officials are not able to resolve such dispute within 60 days following delivery of the notice referring the dispute to the Parties' respective senior officers designated above, then such dispute shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution (" **CPR** ") Rules for Administered Arbitration by three independent arbitrators, of whom each Party shall designate one, with the third arbitrator to be designated by the two Party-designated arbitrators. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§1 *et seq.* , and judgment upon the award rendered by the arbitrators may be entered by any court having competent jurisdiction thereof. The place of arbitration shall be the Borough of Manhattan, City of New York, New York, and all proceedings shall be conducted in English.

9.17 Equitable Relief; Submission to Jurisdiction . Anything contained in this Agreement to the contrary notwithstanding, if a Party reasonably requires relief on a more expedited basis that would be possible pursuant to the procedures set forth in Section 9.16, 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 9.16. Solely with respect to a Party seeking a temporary injunction or other equitable relief, each Party (a) submits to the jurisdiction of any state or federal court sitting in the Southern District of the State of New York in any such action or proceeding arising out of or relating to this Agreement or the Ancillary Agreements, (b) waives any claim of inconvenient forum or other challenge to venue in such court, (c) agrees not to bring any such action or proceeding arising out of or relating to this Agreement or the Ancillary Agreements in any other court, and (d) waives any right it may have to a trial by jury with respect to any such action or proceeding arising out of or relating to this Agreement or the Ancillary Agreements. The Parties agree that with respect to any arbitration of a Dispute, the arbitrators shall resolve all threshold issues relating to the validity and applicability of the arbitration provisions of this Agreement, contract validity, applicability of statutes of limitations and issue preclusion, and such threshold issues shall not be heard or determined by such court. Each party agrees to accept service of any summons, complaint or other initial pleading made in the manner provided for the giving of notices in this Agreement, provided that nothing in this Section 9.17 shall affect the right of either Party to serve such summons, complaint or other initial pleading in any other manner permitted by law.

9.18 Interpretation . Words such as "herein," "hereinafter," "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a Section or paragraph in which such words appear, unless the context otherwise requires. The singular shall include the plural, and each masculine, feminine and neuter reference shall include and refer also to the others, unless the context otherwise requires. The word "or" is used in the inclusive sense typically associated with the phrase "and/or", unless the context otherwise requires. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation" and shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it irrespective of the use of the phrase "without limitation" or similar phrases in any provision of this Agreement. The word "will" shall be construed to have the same meaning and effect as the word "shall." All references herein to Articles, Sections, Schedules or Exhibits shall be construed to refer to Articles, Sections, Schedules and Exhibits of this Agreement, and references to this Agreement include all Schedules and Exhibits hereto.

[Signature page follows]

IN WITNESS WHEREOF , Debiopharm and ImmunoGen have executed this Exclusive License and Asset Purchase Agreement as of the date first above written

DEBIOPHARM INTERNATIONAL, S.A.	**IMMUNOGEN, INC.**
By: /s/ Thierry Mauvernay	By: /s/ Peter Williams
Name: Thierry Mauvernay	Name: Peter Williams
Title: Delegate of the Board	Title: Vice President, Business Development

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

Exhibit 10.2

Execution Copy

AMENDMENT NO. 4 TO THE
COLLABORATION AND LICENSE AGREEMENT

This Amendment No. 4 to the Collaboration and License Agreement (this "Fourth Amendment") is effective as of May 26, 2017 (the "Fourth Amendment Effective Date") by and between ImmunoGen, Inc., a Massachusetts corporation with a principal office at 830 Winter Street, Waltham, Massachusetts 02451 ("ImmunoGen"), and sanofi-aventis U. S. LLC, a Delaware limited liability company with a offices at 55 Corporate Drive, Bridgewater, NJ 08807 ("Sanofi"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Collaboration and License Agreement (the "Agreement") dated as of July 30, 2003 (the "Agreement Effective Date") by and between ImmunoGen and Aventis Pharmaceuticals, Inc. ("Aventis"), as amended August 31, 2006, October 11, 2007 and August 31, 2008.

WHEREAS, on the Agreement Effective Date, ImmunoGen and Aventis, the predecessor-in-interest to Sanofi, entered into the Agreement for the purpose of collaborating on the identification and validation of targets for use in the discovery of antibodies and antibody-drug conjugates in the Collaborative Focus Area and in the development and commercialization of such antibodies and antibody-drug conjugates; and

WHEREAS, the Parties hereto desire to amend the Agreement as set forth herein and to set forth certain additional terms applicable to the Agreement, as so amended; and

WHEREAS, the Parties are entering into a first amendment of even date herewith to that certain License Agreement dated as of December 16, 2013 by and between ImmunoGen and Sanofi (the "12/16/2013 License Agreement"), providing for, among other things, an exclusive (even as to ImmunoGen and its Affiliates), worldwide, fully paid up, royalty-free, perpetual, irrevocable license, with the right to grant sublicenses in multiple tiers, under certain of ImmunoGen's intellectual property to research, develop, and commercialize Licensed Products (as defined in the 12/16/2013 License Agreement").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the Parties hereto, intending to be legally bound, hereby agree as follows:

1. Amendments to Agreement .

(a) The following articles and sections of the Agreement are hereby deleted in their entirety:
Articles 6, and 13, and Sections 2.14, 2.15, 3.3, 3.5.1, 3.6, 3.7, 3.8.1, 3.8.2, 3.8.3, 3.8.4, 4.1.2, 4.1.3, 4.2, 4.3, 4.5, 5.3, 7.1.6, 7.1.8, 7.2.3, 8.1, 8.2, 8.3, 8.4, 10.8.2, 10.8.3, 10.8.4, 12.1.2, 12.2.2, 12.2.3, 12.2.4, 12.2.5, 12.2.6, 12.2.7, 12.3, and 15.6.

(b) Section 1.10 of the Agreement is hereby amended by deleting the last sentence thereof in its entirety.

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

(c) Section 1.20 of the Agreement is hereby deleted in its entirety and replaced with the following:

"1.20 "Collaboration Product" means each of (a) isatuximab (SAR650984), an unconjugated anti-CD38 Antibody, (b) SAR408701, an anti-CEACAM5 TAP Antibody conjugated to DM4, (c) SAR566658, an anti-CA6 TAP Antibody conjugated to DM4, and (d) [***]. The Targets to which the Collaboration Products are directed are referred to in this Agreement as the " Collaboration Targets ." For purposes of clarity, any product other than the foregoing compounds (i) comprising the Antibody incorporated into any of the foregoing compounds, either conjugated or unconjugated, or (ii) otherwise directed to CD38, CEACAM5, CA6 or [***], shall not be deemed to be a Collaboration Product."

(d) Section 3.9 of the Agreement is hereby deleted in its entirety and replaced with the following:

"3.9 Use of Affiliates and Third Parties. Sanofi may Develop the Collaboration Products through its Affiliates or one or more Third Parties."

(e) Section 4.4 of the Agreement is hereby deleted in its entirety and replaced with the following:

"4.4 Use of Affiliates and Third Parties . Sanofi may use the services of its Affiliates or one or more Third Parties in connection with the manufacture and supply of the Collaboration Products."

(f) Section 5.4.1(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

"(a) Sanofi agrees to provide ImmunoGen with (i) Serious Adverse Event information and product complaint information relating to Collaboration Products comprising a TAP Antibody as compiled and prepared by Sanofi in the normal course of business in connection with the Development, Commercialization or sale of any such Collaboration Product, within time frames consistent with reporting obligations under applicable laws and regulations and (ii) upon ImmunoGen's reasonable request, all other Adverse Event information relating to Collaboration Products comprising a TAP Antibody and all other safety data and information relevant to an analysis or investigation of such Adverse Event; provided , however , that the foregoing shall not require Sanofi to violate any agreements with or confidentiality obligations owed to any Third Party."

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

(g) Section 7.1.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.1.2 Development Licenses . ImmunoGen hereby grants to Sanofi and its Affiliates, an exclusive (even as to ImmunoGen and its Affiliates), worldwide, fully paid up, royalty-free, perpetual, irrevocable license, with the right to grant sublicenses in multiple tiers, under the ImmunoGen Intellectual Property, to Develop Collaboration Products."

(h) Section 7.1.3 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.1.3 Commercialization Licenses . ImmunoGen hereby grants to Sanofi and its Affiliates, an exclusive (even as to ImmunoGen and its Affiliates), worldwide, fully paid up, royalty-free, perpetual, irrevocable license, with the right to grant sublicenses in multiple tiers, under the ImmunoGen Intellectual Property, to Commercialize Collaboration Products in the Field in the Territory."

(i) Section 7.1.4 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.1.4 Manufacturing License . ImmunoGen hereby grants to Sanofi and its Affiliates, an exclusive (even as to ImmunoGen and its Affiliates), worldwide, fully paid up, royalty-free, perpetual, irrevocable license, with the right to grant sublicenses in multiple tiers, under the ImmunoGen Intellectual Property, to make and have made Collaboration Products, including but not limited to any active pharmaceutical ingredients, Antibodies, TAP Antibodies, Effector Molecules, Linkers and pharmaceutical dosage forms that comprise such Collaboration Product as well as the finished Collaboration Product."

(j) Section 7.1.5 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.1.5 Research License . ImmunoGen hereby grants to Sanofi and its Affiliates a non-exclusive, perpetual, worldwide, royalty-free license, without any right to grant sublicenses, under the ImmunoGen Intellectual Property, to conduct research on compounds directed to [***] for internal purposes only."

(k) Section 7.2.5 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.2.5 Exclusive License for Dropped Products . Subject to the rights of Aventis under Section 3.8.5, Sanofi hereby grants to ImmunoGen and its Affiliates a worldwide, exclusive (even as to Sanofi and its Affiliates) license, with the right to grant sublicenses in multiple tiers, under the Aventis Intellectual Property, to the extent required to research, develop, and commercialize Dropped Products. For purposes of this Agreement, "Dropped Products" means any of the following Lead Antibodies: [***]."

(l) Section 7.4.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

" **7.4.1** Sanofi Retained Rights . With respect to this Agreement, any rights of Sanofi not expressly granted to ImmunoGen under the provisions of this Agreement shall be retained by Sanofi. Without limiting the foregoing, Sanofi retains the right to use the Aventis Intellectual Property and the Program Intellectual Property (i) to perform its work hereunder, (ii) to Develop and Commercialize Collaboration Products hereunder and (iii) to research, have researched, develop, have developed, make, have made, use, have used, sell, offer for sale, have sold, imported and have imported, for any and all purposes, both alone and together with any Third Party, any product that is not a Collaboration Product.

(m) Section 7.4.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

" **7.4.2** ImmunoGen Retained Rights . With respect to this Agreement, any rights of ImmunoGen not expressly granted to Aventis hereunder under the provisions of this Agreement shall be retained by ImmunoGen. Without limiting the foregoing, subject to the other terms of this Agreement including without limitation Section 7.5, ImmunoGen retains the right to use the ImmunoGen Intellectual Property (i) to perform its work hereunder and to manufacture and supply Pre-Clinical Materials, Clinical Materials and Products to Aventis and (ii) to research, have researched, develop, have developed, make, have made, use, have used, sell, offer for sale, have sold, import and have imported, for any and all purposes, both alone and together with any Third Party, any product that is not a Collaboration Product.

(n) Section 7.5 of the Agreement is hereby deleted in its entirety and replaced with the following:

" **7.5** Exclusivity . ImmunoGen hereby agrees that, from and after the Fourth Amendment Effective Date, it shall not, alone or

with a Third Party, research, develop, manufacture or commercialize any Antibody or TAP Antibody that is included in a Collaboration Product or that is directed to a Collaboration Target. The foregoing notwithstanding, if ImmunoGen [***]."

(o) Section 10.4.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

" **10.4.2** Except with respect to Aventis Intellectual Property, with respect to which ImmunoGen shall not have any rights under this Section, if the prosecuting Party elects not to continue pursuing Patent Prosecution with respect to any rights within Patent Rights (and the other Party has rights under such Patent Right), then the prosecuting Party shall notify the other Party in writing of such election at least thirty (30) days prior to the last available date for action to preserve such Patent Rights. If such other Party elects to continue Patent Prosecution, such other Party may do so at its sole expense."

(p) Section 12.4.7 of the Agreement is hereby deleted in its entirety and replaced with the following:

" **12.4.7** In addition to the provisions of Section 12.1.3, the licenses granted pursuant to Sections 7.1.2, 7.1.3, 7.1.4, 7.1.7, 7.2.4, 7.2.5, and 7.3 shall survive."

(q) Section 15.4 of the Agreement is hereby deleted in its entirety and replaced with the following:

" **15.4** Assignment . Neither ImmunoGen nor Sanofi may assign this Agreement in whole or in part without the consent of the other, except if such assignment occurs in connection with the sale or transfer (by merger or otherwise) of all or substantially all of the business and assets of ImmunoGen or Sanofi to which the subject matter of this Agreement pertains, provided that the acquirer confirms to the other Party in writing its agreement to be bound by all of the terms and conditions of this Agreement. Notwithstanding the foregoing, either Party may assign this Agreement to an Affiliate, provided that such Party shall guarantee the performance of such Affiliate."

2. Additions to Agreement .

(a) Objectives for Commercialization of Products . Sanofi will have the sole discretion and exclusive right to promote, sell and distribute Collaboration Products in the Territory.

(b) Paid-Up License Fee . In consideration of the changes to the Agreement set forth in this Fourth Amendment, and to the 12/16/2013 License Agreement set forth in the first amendment thereto, Sanofi shall pay ImmunoGen, within thirty (30) days of the execution of this Fourth Amendment, a paid-up license fee in the amount of Thirty Million U.S. Dollars ($30,000,000), by wire transfer of immediately available funds to an account designated by ImmunoGen, which amount shall be non-refundable and non-creditable.

(c) [***]

(i) From and after the Fourth Amendment Effective Date, **[***]** including, without limitation, any and all milestones, royalties, indemnification obligations, damages, patent prosecution and maintenance costs, and other payments and obligations of any kind **[***]**

(ii) [***]including without limitation any rights with respect to milestones, royalties or other payments or performance, indemnification with respect to [***] ImmunoGen shall be entitled to seek indemnification from Sanofi under Section 15.1 of the Agreement for any losses, costs, damages, fees or expenses incurred or suffered by ImmunoGen arising out of any such claim.

(iii) ImmunoGen represents and warrants, as of the Fourth Amendment Effective Date, that to its knowledge, no event or condition has occurred or is alleged to have occurred that constitutes or, with notice and passage of time, would constitute, **[***]**

(iv) This Section 2(c) of this Fourth Amendment shall survive the expiration or termination of this Agreement until **[***]**

3. Miscellaneous . The Parties hereby confirm and agree that, except as amended hereby, the Agreement remains in full force and effect and is a binding obligation of the Parties hereto. References in the Agreement to "Agreement" mean the Agreement as amended by this Fourth Amendment. This Fourth Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows]

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

IMMUNOGEN, INC. **SANOFI-AVENTIS U.S. LLC**

By: /s/ Peter Williams By: /s/ Michael D. Alexander
Name: Peter Williams Name: Michael D. Alexander
Title: Vice President, Bus. Dev. Title: Vice President & General Counsel, US R&D Division

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

RESTRICTED STOCK AGREEMENT

IMMUNOGEN, INC.

AGREEMENT made as of the _____ day of _____, 201__ (the "Grant Date"), between ImmunoGen, Inc. (the "Company"), a Massachusetts corporation, and _____ (the "Participant").

WHEREAS, the Company has adopted the ImmunoGen, Inc. 2016 Employee, Director and Consultant Equity Incentive Plan, as amended (the "Plan") to promote the interests of the Company by providing an incentive for employees, directors and consultants of the Company or its Affiliates;

WHEREAS, pursuant to the provisions of the Plan, the Company desires to offer to the Participant shares of the Company's common stock, $.01 par value per share ("Common Stock"), in accordance with the provisions of the Plan, all on the terms and conditions hereinafter set forth;

WHEREAS, Participant wishes to accept said offer; and

WHEREAS, the parties hereto understand and agree that any terms used and not defined herein have the meanings ascribed to such terms in the Plan.

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

1. Terms of Grant . The Participant hereby accepts the offer of the Company to issue to the Participant, in accordance with the terms of the Plan and this Agreement, _____ **(**_____**)** Shares of the Company's Common Stock (such shares, subject to adjustment pursuant to Section 25 of the Plan and Subsection 2.1(h) hereof, the "Granted Shares") at a purchase price per share of $.01 (the "Purchase Price"), receipt of which is hereby acknowledged by the Participant's prior service to the Company and which amount will be reported as income on the Participant's W-2 for this calendar year.

2.1. Forfeiture Provisions .

(a) Lapsing Forfeiture Right . Except as otherwise set forth in Sections 2(b),(c) and (d) below, in the event that for any reason the Participant is no longer an employee, director or consultant of the Company or an Affiliate (such event being the "Termination") prior to _____, the Participant (or the Participant's Survivor) shall, on the date of Termination, immediately forfeit to the Company (or its designee) all of the Granted Shares which have not yet lapsed in accordance with the schedule set forth below (the "Lapsing Forfeiture Right").

The Company's Lapsing Forfeiture Right is as follows:

(i) If the Participant's Termination is prior to **[the first anniversary of the Grant Date]** , all of the Granted Shares shall be forfeited to the Company.

(ii) If the Participant's Termination is on or after **[the first anniversary of the Grant Date]** but prior to _____, __% of the Granted Shares shall be forfeited to the Company (rounded up to the next highest whole number of shares).

[Continue from (ii) for additional vesting periods.]

(b) Effect of Termination for Disability or upon Death . The following rules apply if the Participant's Termination is by reason of Disability or death: to the extent the Company's Lapsing Forfeiture Right has not lapsed as of the date of Disability or death, as case may be, the Participant shall forfeit to the Company any or all of the Granted Shares subject to such Lapsing Forfeiture Right; provided, however, that the Company's Lapsing Forfeiture Right shall be deemed to have lapsed to the extent of a pro rata portion of the Granted Shares through the date of Disability or death, as would have lapsed had the Participant not become Disabled or died, as the case may be. The proration shall be based upon the number of days accrued in such current vesting period prior to the Participant's date of Disability or death, as the case may be.

(c) Effect of a For Cause Termination . Notwithstanding anything to the contrary contained in this Agreement, in the event the Company or an Affiliate terminates the Participant's employment or service for Cause (as defined in the Plan) or in the event the Administrator determines, within one year after the Participant's termination, that either prior or subsequent to the Participant's termination the Participant engaged in conduct that would constitute Cause, all of the Granted Shares then held by the Participant shall be forfeited to the Company immediately as of the time the Participant is notified that he or she has been terminated for Cause or that he or she engaged in conduct which would constitute Cause.

(d) Effect of Change of Control . Except as otherwise provided in Subsection 2.1(c) above, if within a period of 2 years from the date of a Change of Control (as defined in the Plan) that is not a Corporate Transaction where stock grants are terminated in exchange for a cash payment in accordance with Section 25(b) of the Plan, the Participant is terminated by the Company other than for Cause or has left the Company for Good Reason (as defined below), then upon such termination date the Company's Lapsing Forfeiture Right shall terminate, and the Participant's ownership of all Granted Shares then owned by the Participant shall become vested . "Good Reason" shall mean the occurrence of one or more of the following without the Participant 's consent: (i) a change in the principal location at which the Participant performs his duties for the Company to a new location that is at least forty (40) miles from the prior location; (ii) a material change in the Participant 's authority, functions, duties or responsibilities as an employee of or consultant to the Company, which would cause the Participant 's position with the Company to become of less responsibility, importance or scope than the highest position held by the Participant immediately prior to the Change of Control, provided, however, that such material change is not in connection with the termination of the Participant's service by the Company for Cause or death or Disability and further provided that it shall not be considered a material change if the Company becomes a subsidiary of another entity and the Participant continues to hold the same position in the subsidiary that is at least as high (in both title and responsibilities) as the highest position held by the Participant with the Company at any time from the Grant Date to immediately prior to the Change of Control; (iii) a material reduction in the Participant 's annual base salary or fee ; or (iv) a material reduction in the Participant 's target annual bonus as compared to the target annual bonus set for the previous fiscal year; provided that any definition in an agreement between the Participant and the Company or an Affiliate, which contains a conflicting definition of "Good Reason" for termination and which is in effect at the time of such termination, shall supersede the definition in this Plan with respect to that Participant .

Notwithstanding the foregoing, t he Company's Lapsing Forfeiture Right shall terminate, and the Participant's ownership of all Granted Shares then owned by the Participant shall become vested upon a

Corporate Transaction where all stock grants are terminated in exchange for a cash payment in accordance with Section 25(b) of the Plan .

(e) Escrow . The certificates representing all Granted Shares acquired by the Participant hereunder which from time to time are subject to the Lapsing Forfeiture Right shall be delivered to the Company and the Company shall hold such Granted Shares in escrow as provided in this Subsection 2.1(e). The Company shall promptly release from escrow and deliver to the Participant the whole number of Granted Shares, if any, as to which the Company's Lapsing Forfeiture Right has lapsed and without the legend set forth in Section 5. In the event of forfeiture to the Company of Granted Shares subject to the Lapsing Forfeiture Right, the Company shall release from escrow and cancel a certificate for the number of Granted Shares so forfeited. Any securities distributed in respect of the Granted Shares held in escrow, including, without limitation, shares issued as a result of stock splits, stock dividends or other recapitalizations, shall also be held in escrow in the same manner as the Granted Shares.

(f) Prohibition on Transfer . The Participant recognizes and agrees that all Granted Shares which are subject to the Lapsing Forfeiture Right may not be sold, transferred, assigned, hypothecated, pledged, encumbered or otherwise disposed of, whether voluntarily or by operation of law, other than to the Company (or its designee). However, the Participant, with the approval of the Administrator, may transfer the Granted Shares for no consideration to or for the benefit of the Participant's Immediate Family (including, without limitation, to a trust for the benefit of the Participant's Immediate Family or to a partnership or limited liability company for one or more members of the Participant's Immediate Family), subject to such limits as the Administrator may establish, and the transferee shall remain subject to all the terms and conditions applicable to this Agreement prior to such transfer and each such transferee shall so acknowledge in writing as a condition precedent to the effectiveness of such transfer. The term "Immediate Family" shall mean the Participant's spouse, former spouse, parents, children, stepchildren, adoptive relationships, sisters, brothers, nieces and nephews and grandchildren (and, for this purpose, shall also include the Participant.) The Company shall not be required to transfer any Granted Shares on its books which shall have been sold, assigned or otherwise transferred in violation of this Subsection 2.1(f), or to treat as the owner of such Granted Shares, or to accord the right to vote as such owner or to pay dividends to, any person or organization to which any such Granted Shares shall have been so sold, assigned or otherwise transferred, in violation of this Subsection 2.1(f).

(g) Failure to Deliver Granted Shares to be Forfeited . In the event that the Granted Shares to be forfeited to the Company under this Agreement are not in the Company's possession pursuant to Subsection 2.1(e) above or otherwise and the Participant or the Participant's Survivor fails to deliver such Granted Shares to the Company (or its designee), the Company may immediately take such action as is appropriate to transfer record title of such Granted Shares from the Participant to the Company (or its designee) and treat the Participant and such Granted Shares in all respects as if delivery of such Granted Shares had been made as required by this Agreement. The Participant hereby irrevocably grants the Company a power of attorney which shall be coupled with an interest for the purpose of effectuating the preceding sentence.

(h) Adjustments . The Plan contains provisions covering the treatment of Shares in a number of contingencies such as stock splits and mergers. Provisions in the Plan for adjustment with respect to the Granted Shares and the related provisions with respect to successors to the business of the Company are hereby made applicable hereunder and are incorporated herein by reference.

2.2 General Restrictions on Transfer of Granted Shares .

(a) The Participant agrees that in the event the Company proposes to offer for sale to the public any of its equity securities and such Participant is requested by the Company and any underwriter engaged

by the Company in connection with such offering to sign an agreement restricting the sale or other transfer of Shares, then it will promptly sign such agreement and will not transfer, whether in privately negotiated transactions or to the public in open market transactions or otherwise, any Shares or other securities of the Company held by him or her during such period as is determined by the Company and the underwriters, not to exceed 90 days following the closing of the offering, plus such additional period of time as may be required to comply with Marketplace Rule 2711 of the National Association of Securities Dealers, Inc. or similar rules thereto (such period, the "Lock-Up Period"). Such agreement shall be in writing and in form and substance reasonably satisfactory to the Company and such underwriter and pursuant to customary and prevailing terms and conditions. Notwithstanding whether the Participant has signed such an agreement, the Company may impose stop-transfer instructions with respect to the Shares or other securities of the Company subject to the foregoing restrictions until the end of the Lock-Up Period.

(b) The Participant acknowledges and agrees that neither the Company nor, its shareholders nor its directors and officers, has any duty or obligation to disclose to the Participant any material information regarding the business of the Company or affecting the value of the Shares before, at the time of, or following a Termination, including, without limitation, any information concerning plans for the Company to make a public offering of its securities or to be acquired by or merged with or into another firm or entity.

3. Securities Law Compliance. The Participant specifically acknowledges and agrees that any sales of Granted Shares shall be made in accordance with the requirements of the Securities Act of 1933, as amended.

4. Rights as a Stockholder. The Participant shall have all the rights of a stockholder with respect to the Granted Shares, including voting and dividend rights, subject to the transfer and other restrictions set forth herein and in the Plan.

5. Legend. In addition to any legend required pursuant to the Plan, all certificates representing the Granted Shares to be issued to the Participant pursuant to this Agreement shall have endorsed thereon a legend substantially as follows:

> "The shares represented by this certificate are subject to restrictions set forth in a Restricted Stock Agreement dated as of _____ with this Company, a copy of which Agreement is available for inspection at the offices of the Company or will be made available upon request."

6. Incorporation of the Plan. The Participant specifically understands and agrees that the Granted Shares issued under the Plan are being sold to the Participant pursuant to the Plan, a copy of which Plan the Participant acknowledges he or she has read and understands and by which Plan he or she agrees to be bound. The provisions of the Plan are incorporated herein by reference.

7. Tax Liability of the Participant and Payment of Taxes. The Participant acknowledges and agrees that any income or other taxes due from the Participant with respect to the Granted Shares issued pursuant to this Agreement, including, without limitation, the Lapsing Forfeiture Right, shall be the Participant's responsibility. Without limiting the foregoing, the Participant agrees that, to the extent that the lapsing of restrictions on disposition of any of the Granted Shares or the declaration of dividends on any such shares before the lapse of such restrictions on disposition results in the Participant's being deemed to be in receipt of earned income under the provisions of the Code, the Company shall be entitled to immediate payment from the Participant of the amount of any tax required to be withheld by the Company.

Upon execution of this Agreement, the Participant may file an election under Section 83 of the Code in substantially the form attached as Exhibit B . The Participant acknowledges that if he does not file such an election, as the Granted Shares are released from the Lapsing Forfeiture Right in accordance with Section 2.1, the Participant will have income for tax purposes equal to the fair market value of the Granted Shares at such date, less the price paid for the Granted Shares by the Participant. The Participant has been given the opportunity to obtain the advice of his or her tax advisors with respect to the tax consequences of the purchase of the Granted Shares and the provisions of this Agreement.

The Participant shall be required to deposit with the Company an amount of cash equal to the amount determined by the Company to be required with respect to the statutory minimum of the Participant's estimated total federal, state and local tax obligations associated with the termination of the Lapsing Forfeiture Right with respect to the Granted Shares. In connection with the foregoing, a ny taxes or other amounts required to be withheld by the Company by applicable law or regulation shall be paid, at the option of the Company as follows:

(i) requiring the Participant to deposit with the Company an amount of cash equal to the amount determined by the Company to be required to be withheld with respect to the statutory minimum amount of the Participant's total tax and other withholding obligations due and payable by the Company or otherwise withholding from the Participant's paycheck an amount equal to such amounts due and payable by the Company; or

(ii) if the Company believes that the sale of shares can be made in compliance with applicable securities laws, authorizing, at a time when the Participant is not in possession of material nonpublic information, the sale by the Participant on the date that the Granted Shares shall be released from the Lapsing Forfeiture Right such number of Granted Shares as the Company instructs a broker to sell to satisfy the Company's withholding obligation, after deduction of the broker's commission, and the broker shall remit to the Company the cash necessary in order for the Company to satisfy its withholding obligation. To the extent the proceeds of such sale exceed the Company's withholding obligation the Company agrees to pay such excess cash to the Participant as soon as practicable. In addition, if such sale is not sufficient to pay the Company's withholding obligation the Participant agrees to pay to the Company as soon as practicable, including through additional payroll withholding, the amount of any withholding obligation that is not satisfied by the sale of shares of Common Stock. The Participant agrees to hold the Company and the broker harmless from all costs, damages or expenses relating to any such sale. The Participant acknowledges that the Company and the broker are under no obligation to arrange for such sale at any particular price. In connection with such sale of Granted Shares, the Participant shall execute any such documents requested by the broker in order to effectuate the sale of Granted Shares and payment of the withholding obligation to the Company. The Participant acknowledges that this paragraph is intended to comply with Section 10b5-1(c)(1)(i)(B) under the Exchange Act.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

8. Equitable Relief . The Participant specifically acknowledges and agrees that in the event of a breach or threatened breach of the provisions of this Agreement or the Plan, including the attempted transfer of the Granted Shares by the Participant in violation of this Agreement, monetary damages may not be adequate to compensate the Company, and, therefore, in the event of such a breach or threatened breach, in addition to any right to damages, the Company shall be entitled to equitable relief in any court having competent jurisdiction. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any such breach or threatened breach.

9. No Obligation to Maintain Relationship . The Company is not by the Plan or this Agreement obligated to continue the Participant as an employee, director or consultant of the Company or an Affiliate. The Participant acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the grant of the Shares is a one-time benefit which does not create any contractual or other right to receive future grants of shares, or benefits in lieu of shares; (iii) that all determinations with respect to any such future grants, including, but not limited to, the times when shares shall be granted, the number of shares to be granted, the purchase price, and the time or times when each share shall be free from a lapsing repurchase or forfeiture right, will be at the sole discretion of the Company; (iv) that the Participant's participation in the Plan is voluntary; (v) that the value of the Shares is an extraordinary item of compensation which is outside the scope of the Participant's employment contract, if any; and (vi) that the Shares are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

10. Notices . Any notices required or permitted by the terms of this Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

If to the Company:

ImmunoGen, Inc.
Attn: Finance
830 Winter Street
Waltham, MA 02451

If to the Participant:

EMPLOYEE NAME AND ADDRESS

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given on the earliest of receipt, one business day following delivery by the sender to a recognized courier service, or three business days following mailing by registered or certified mail.

11. Benefit of Agreement . Subject to the provisions of the Plan and the other provisions hereof, this Agreement shall be for the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

12. Governing Law . This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

13. Severability . If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such provision or provisions shall be modified to the extent necessary to make such provision valid and enforceable, and to the extent that this is impossible, then such provision shall be deemed to be excised from this Agreement, and the validity, legality and enforceability of the rest of this Agreement shall not be affected thereby.

14. Entire Agreement . This Agreement, together with the Plan, constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and

supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Agreement shall affect or be used to interpret, change or restrict the express terms and provisions of this Agreement provided, however, in any event, this Agreement shall be subject to and governed by the Plan.

15. Modifications and Amendments; Waivers and Consents . The terms and provisions of this Agreement may be modified or amended as provided in the Plan. Except as provided in the Plan, the terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

16. Consent of Spouse/Domestic Partner . If the Participant has a spouse or domestic partner as of the date of this Agreement, the Participant's spouse or domestic partner shall execute a Consent of Spouse/Domestic Partner in the form of Exhibit A hereto, effective as of the date hereof. Such consent shall not be deemed to confer or convey to the spouse or domestic partner any rights in the Granted Shares that do not otherwise exist by operation of law or the agreement of the parties. If the Participant subsequent to the date hereof, marries, remarries or applies to the Company for domestic partner benefits, the Participant shall, not later than 60 days thereafter, obtain his or her new spouse/domestic partner's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by having such spouse/domestic partner execute and deliver a Consent of Spouse/Domestic Partner in the form of Exhibit A.

17. Counterparts . This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. Data Privacy . By entering into this Agreement, the Participant: (i) authorizes the Company and each Affiliate, and any agent of the Company or any Affiliate administering the Plan or providing Plan record keeping services, to disclose to the Company or any of its Affiliates such information and data as the Company or any such Affiliate shall request in order to facilitate the grant of Shares and the administration of the Plan; (ii) waives any data privacy rights he or she may have with respect to such information; and (iii) authorizes the Company and each Affiliate to store and transmit such information in electronic form.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

IMMUNOGEN, INC.

By:_____
Name:
Title:

Participant:

Print Name:

CONSENT OF SPOUSE/DOMESTIC PARTNER

I, _____, spouse or domestic partner of _____, acknowledge that I have read the RESTRICTED STOCK AGREEMENT dated as of _____ (the "Agreement") to which this Consent is attached as Exhibit A and that I know its contents. Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Agreement. I am aware that by its provisions the Granted Shares granted to my spouse/domestic partner pursuant to the Agreement are subject to a Lapsing Forfeiture Right in favor of ImmunoGen, Inc. (the "Company") and that, accordingly, I may be required to forfeit to the Company any or all of the Granted Shares of which I may become possessed as a result of a gift from my spouse/domestic partner or a court decree and/or any property settlement in any domestic litigation.

I hereby agree that my interest, if any, in the Granted Shares subject to the Agreement shall be irrevocably bound by the Agreement and further understand and agree that any community property interest I may have in the Granted Shares shall be similarly bound by the Agreement.

I agree to the Lapsing Forfeiture Right described in the Agreement and I hereby consent to the forfeiture of the Granted Shares to the Company by my spouse/domestic partner or my spouse/domestic partner's legal representative in accordance with the provisions of the Agreement. Further, as part of the consideration for the Agreement, I agree that at my death, if I have not disposed of any interest of mine in the Granted Shares by an outright bequest of the Granted Shares to my spouse or domestic partner, then the Company shall have the same rights against my legal representative to exercise its rights to the Granted Shares with respect to any interest of mine in the Granted Shares as it would have had pursuant to the Agreement if I had acquired the Granted Shares pursuant to a court decree in domestic litigation.

I AM AWARE THAT THE LEGAL, FINANCIAL AND RELATED MATTERS CONTAINED IN THE AGREEMENT ARE COMPLEX AND THAT I AM FREE TO SEEK INDEPENDENT PROFESSIONAL GUIDANCE OR COUNSEL WITH RESPECT TO THIS CONSENT. I HAVE EITHER SOUGHT SUCH GUIDANCE OR COUNSEL OR DETERMINED AFTER REVIEWING THE AGREEMENT CAREFULLY THAT I WILL WAIVE SUCH RIGHT.

Dated as of the _____ day of _____, 201_.

Print name:

**Election to Include Gross Income in Year
of Transfer Pursuant to Section 83(b)
of the Internal Revenue Code of 1986, as amended**

In accordance with Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), the undersigned hereby elects to include in his gross income as compensation for services the excess, if any, of the fair market value of the property (described below) at the time of transfer over the amount paid for such property.

The following sets for the information required in accordance with the Code and the regulations promulgated hereunder:

1. The name, address and social security number of the undersigned are:

Name:
Address:
Social Security No.:

2. The description of the property with respect to which the election is being made is as follows:

_____ (___) shares (the "Shares") of Common Stock, $.01 par value per share, of ImmunoGen, Inc., a Massachusetts corporation (the "Company").

3. This election is made for the calendar year ____, with respect to the transfer of the property to the Taxpayer on _____.

4. Description of restrictions: The property is subject to the following restrictions:

In the event taxpayer's employment with the Company or an Affiliate is terminated, the taxpayer shall forfeit the Shares as set forth below:

A. If the termination takes place on or prior to _____ all of the Shares will be forfeited.

B. If the termination takes place after _____, 201_, the number of Shares forfeited shall be _____ (___) Shares less _____ (___) Shares for each full twelve (12) month period elapsed after _____, 201_ if the taxpayer is employed by the Company or an Affiliate.

5. The fair market value at time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made is: $[___] per Share x [____] Shares = $[_____]. was not more than $____ per Share.

6. The amount paid by taxpayer for said property was $[____] per Share x [____] Shares = $[____].

7. The amount to include in gross income is $[_____].

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. Additionally, the undersigned will include a copy of the election with his income tax return for

the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Signed this ____ day of _____, 201_.

_
Print Name:

Exhibit 10.4

PERFORMANCE BASED RESTRICTED STOCK AGREEMENT

IMMUNOGEN, INC.

AGREEMENT made as of the _____ day of _____, 20__ (the "Grant Date"), between ImmunoGen, Inc. (the "Company"), a Massachusetts corporation, and _____ (the "Participant").

WHEREAS, the Company has adopted the ImmunoGen, Inc. 2016 Employee, Director and Consultant Equity Incentive Plan (the "Plan") to promote the interests of the Company by providing an incentive for employees, directors and consultants of the Company or its Affiliates;

WHEREAS, pursuant to the provisions of the Plan, the Company desires to offer to the Participant shares of the Company's common stock, $.01 par value per share ("Common Stock"), in accordance with the provisions of the Plan, all on the terms and conditions hereinafter set forth;

WHEREAS, Participant wishes to accept said offer; and

WHEREAS, the parties hereto understand and agree that any terms used and not defined herein have the meanings ascribed to such terms in the Plan.

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

1. Terms of Grant . The Participant hereby accepts the offer of the Company to issue to the Participant, in accordance with the terms of the Plan and this Agreement, _____ **(**_____**)** Shares of the Company's Common Stock (such shares, subject to adjustment pursuant to Section 25 of the Plan and Subsection 2.1(f) hereof, the "Granted Shares") at a purchase price per share of $.01 (the "Purchase Price"), receipt of which is hereby acknowledged by the Participant's prior service to the Company and which amount will be reported as income on the Participant's W-2 for this calendar year.

2.1. Forfeiture Provisions .

(a) Lapsing Forfeiture Right . In the event that for any reason (i) the Participant is no longer an employee, director or consultant of the Company or an Affiliate (such event being the "Termination") prior to achievement of a performance goal listed below; or (ii) the Company does not achieve a performance goal set forth below by August 12, 2021 (the "Performance End Date"), the Participant (or the Participant's Survivor) shall, on the date of Termination or the Performance End Date, as applicable, immediately forfeit to the Company (or its designee) the number of Granted Shares which have not yet lapsed as set forth below (the "Lapsing Forfeiture Right"). The Lapsing Forfeiture Right shall lapse with respect to one-third of the Granted Shares upon achievement of each of the performance goals prior to the date of Termination or the Performance End Date, as applicable. The foregoing notwithstanding, if a performance goal is achieved prior to the first anniversary of the Grant Date, then the Lapsing Forfeiture Right as to the one-third of the Granted Shares applicable to such performance goal shall not lapse until the first anniversary of the Grant Date, and if a Termination occurs prior to such one-year anniversary, the Granted Shares shall be forfeited to the Company as if the performance goal had not been achieved as of the Termination date; provided, however, that if such Termination occurs due to the Participant's death or

Disability (as defined in the Plan), or there occurs a Change of Control (as defined in the Plan) prior to the first anniversary of the Grant Date, the Granted Shares applicable to such performance goal shall not be forfeited to the Company, and Lapsing Forfeiture Right with respect to such Granted Shares shall lapse as of such Termination date or immediately prior to the Change of Control transaction.

The Company's Lapsing Forfeiture Right shall lapse as to one-third of the Granted Shares upon achievement of each of the following performance goals prior to the Performance End Date (or earlier upon a Termination):

- Mirvetuximab soravtansine ("IMGN853") meeting its primary endpoint in a registration trial; i.e., a clinical trial designed to (A) ascertain efficacy and safety of IMGN853 that is needed to evaluate the overall benefit-risk relationship of the drug and to provide an adequate basis for physician labeling and (B) support the preparation and submission of a biologics license application ("BLA") for the indication under investigation in the study as and to the extent defined in 21 C.F.R. §312.21(c), or its successor regulation.

- Acceptance of a BLA for IMGN853 by the U.S. Food and Drug Administration (the "FDA").

- Receipt of marketing approval for IMGN853 from the FDA.

The determination of achievement of the performance goals shall be based on certification of achievement of a performance goal by the Compensation Committee, which certification date shall be deemed to be the vesting date and the date of termination of the Lapsing Forfeiture Right with respect to any of the Granted Shares for all purposes of this Agreement.

Any Granted Shares as to which the Company's Lapsing Forfeiture Right has not previously lapsed upon achievement of the above performance goals shall be forfeited to the Company on the Performance End Date (or earlier upon a Termination).

Notwithstanding the foregoing, t he Company's Lapsing Forfeiture Right shall terminate, and the Participant's ownership of all Granted Shares then owned by the Participant shall become vested upon a Corporate Transaction where all stock grants are terminated in exchange for a cash payment in accordance with Section 25(b) of the Plan .

(b) Effect of a For Cause Termination . Notwithstanding anything to the contrary contained in this Agreement, in the event the Company or an Affiliate terminates the Participant's employment or service for Cause (as defined in the Plan) or in the event the Administrator determines, within one year after the Participant's termination, that either prior or subsequent to the Participant's termination the Participant engaged in conduct that would constitute Cause, all of the Granted Shares then held by the Participant shall be forfeited to the Company immediately as of the time the Participant is notified that he or she has been terminated for Cause or that he or she engaged in conduct which would constitute Cause.

(c) Escrow . The certificates representing all Granted Shares acquired by the Participant hereunder which from time to time are subject to the Lapsing Forfeiture Right shall be delivered to the Company and the Company shall hold such Granted Shares in escrow as provided in this Subsection 2.1(c). The Company shall promptly release from escrow and deliver to the Participant the whole number of Granted Shares, if any, as to which the Company's Lapsing Forfeiture Right has lapsed and without the legend set forth in Section 5. In the event of forfeiture to the Company of Granted Shares subject to the Lapsing Forfeiture Right, the Company shall release from escrow and cancel a certificate for the number

of Granted Shares so forfeited. Any securities distributed in respect of the Granted Shares held in escrow, including, without limitation, shares issued as a result of stock splits, stock dividends or other recapitalizations, shall also be held in escrow in the same manner as the Granted Shares.

(d) Prohibition on Transfer . The Participant recognizes and agrees that all Granted Shares which are subject to the Lapsing Forfeiture Right may not be sold, transferred, assigned, hypothecated, pledged, encumbered or otherwise disposed of, whether voluntarily or by operation of law, other than to the Company (or its designee). However, the Participant, with the approval of the Administrator, may transfer the Granted Shares for no consideration to or for the benefit of the Participant's Immediate Family (including, without limitation, to a trust for the benefit of the Participant's Immediate Family or to a partnership or limited liability company for one or more members of the Participant's Immediate Family), subject to such limits as the Administrator may establish, and the transferee shall remain subject to all the terms and conditions applicable to this Agreement prior to such transfer and each such transferee shall so acknowledge in writing as a condition precedent to the effectiveness of such transfer. The term "Immediate Family" shall mean the Participant's spouse, former spouse, parents, children, stepchildren, adoptive relationships, sisters, brothers, nieces and nephews and grandchildren (and, for this purpose, shall also include the Participant.) The Company shall not be required to transfer any Granted Shares on its books which shall have been sold, assigned or otherwise transferred in violation of this Subsection 2.1(d), or to treat as the owner of such Granted Shares, or to accord the right to vote as such owner or to pay dividends to, any person or organization to which any such Granted Shares shall have been so sold, assigned or otherwise transferred, in violation of this Subsection 2.1(d).

(e) Failure to Deliver Granted Shares to be Forfeited . In the event that the Granted Shares to be forfeited to the Company under this Agreement are not in the Company's possession pursuant to Subsection 2.1(c) above or otherwise and the Participant or the Participant's Survivor fails to deliver such Granted Shares to the Company (or its designee), the Company may immediately take such action as is appropriate to transfer record title of such Granted Shares from the Participant to the Company (or its designee) and treat the Participant and such Granted Shares in all respects as if delivery of such Granted Shares had been made as required by this Agreement. The Participant hereby irrevocably grants the Company a power of attorney which shall be coupled with an interest for the purpose of effectuating the preceding sentence.

(f) Adjustments . The Plan contains provisions covering the treatment of Shares in a number of contingencies such as stock splits and mergers. Provisions in the Plan for adjustment with respect to the Granted Shares and the related provisions with respect to successors to the business of the Company are hereby made applicable hereunder and are incorporated herein by reference.

1.2 General Restrictions on Transfer of Granted Shares .

(a) The Participant agrees that in the event the Company proposes to offer for sale to the public any of its equity securities and such Participant is requested by the Company and any underwriter engaged by the Company in connection with such offering to sign an agreement restricting the sale or other transfer of Shares, then such Participant will promptly sign such agreement and will not transfer, whether in privately negotiated transactions or to the public in open market transactions or otherwise, any Shares or other securities of the Company held by him or her during such period as is determined by the Company and the underwriters, not to exceed 90 days following the closing of the offering, plus such additional period of time as may be required to comply with Marketplace Rule 2711 of the National Association of Securities Dealers, Inc. or similar rules thereto (such period, the "Lock-Up Period"). Such agreement shall be in writing and in form and substance reasonably satisfactory to the Company and such underwriter and pursuant to customary and prevailing terms and conditions. Notwithstanding whether the Participant has

signed such an agreement, the Company may impose stop-transfer instructions with respect to the Shares or other securities of the Company subject to the foregoing restrictions until the end of the Lock-Up Period.

(b) The Participant acknowledges and agrees that neither the Company nor, its shareholders nor its directors and officers, has any duty or obligation to disclose to the Participant any material information regarding the business of the Company or affecting the value of the Shares before, at the time of, or following a Termination, including, without limitation, any information concerning plans for the Company to make a public offering of its securities or to be acquired by or merged with or into another firm or entity.

3. Securities Law Compliance . The Participant specifically acknowledges and agrees that any sales of Granted Shares shall be made in accordance with the requirements of the Securities Act of 1933, as amended.

4. Rights as a Stockholder . The Participant shall have all the rights of a stockholder with respect to the Granted Shares, including voting and dividend rights, subject to the transfer and other restrictions set forth herein and in the Plan.

5. Legend . In addition to any legend required pursuant to the Plan, all certificates representing the Granted Shares to be issued to the Participant pursuant to this Agreement shall have endorsed thereon a legend substantially as follows:

> "The shares represented by this certificate are subject to restrictions set forth in a Performance Based Restricted Stock Agreement dated as of February 21, 2017 with this Company, a copy of which Agreement is available for inspection at the offices of the Company or will be made available upon request."

6. Incorporation of the Plan . The Participant specifically understands and agrees that the Granted Shares issued under the Plan are being sold to the Participant pursuant to the Plan, a copy of which Plan the Participant acknowledges he or she has read and understands and by which Plan he or she agrees to be bound. The provisions of the Plan are incorporated herein by reference.

7. Tax Liability of the Participant and Payment of Taxes . The Participant acknowledges and agrees that any income or other taxes due from the Participant with respect to the Granted Shares issued pursuant to this Agreement, including, without limitation, the Lapsing Forfeiture Right, shall be the Participant's responsibility. Without limiting the foregoing, the Participant agrees that, to the extent that the lapsing of restrictions on disposition of any of the Granted Shares or the declaration of dividends on any such shares before the lapse of such restrictions on disposition results in the Participant's being deemed to be in receipt of earned income under the provisions of the Code, the Company shall be entitled to immediate payment from the Participant of the amount of any tax required to be withheld by the Company.

Upon execution of this Agreement, the Participant may file an election under Section 83 of the Code in substantially the form attached as Exhibit B . The Participant acknowledges that if he or she files such an election, the Participant will have income for tax purposes equal to the fair market value of the Granted Shares on the Grant Date, less the price paid for the Granted Shares by the Participant. The Participant acknowledges that if he or she does not file such an election, as the Granted Shares are released from the Lapsing Forfeiture Right in accordance with Section 2.1, the Participant will have income for tax purposes equal to the fair market value of the Granted Shares at such date, less the price paid for the Granted Shares by the Participant. The Participant has been given the opportunity to obtain the advice of his or her tax advisors with respect to the tax consequences of the purchase of the Granted Shares and the provisions of this Agreement.

The Participant shall be required to deposit with the Company an amount of cash equal to the amount determined by the Company to be required with respect to the statutory minimum of the Participant's estimated total federal, state and local tax and other withholding obligations with respect to the Granted Shares. In connection with the foregoing, any taxes or other amounts required to be withheld by the Company by applicable law or regulation shall be paid, at the option of the Company as follows:

(i) requiring the Participant to deposit with the Company an amount of cash equal to the amount determined by the Company to be required to be withheld with respect to the statutory minimum amount of the Participant's total tax and other withholding obligations due and payable by the Company or otherwise withholding from the Participant's paycheck an amount equal to such amounts due and payable by the Company; or

(ii) if the Company believes that the sale of shares can be made in compliance with applicable securities laws, authorizing, at a time when the Participant is not in possession of material nonpublic information, the sale by the Participant on the date that the Granted Shares shall be released from the Lapsing Forfeiture Right such number of Granted Shares as the Company instructs a broker to sell to satisfy the Company's withholding obligation, after deduction of the broker's commission, and the broker shall remit to the Company the cash necessary in order for the Company to satisfy its withholding obligation. To the extent the proceeds of such sale exceed the Company's withholding obligation the Company agrees to pay such excess cash to the Participant as soon as practicable. In addition, if such sale is not sufficient to pay the Company's withholding obligation the Participant agrees to pay to the Company as soon as practicable, including through additional payroll withholding, the amount of any withholding obligation that is not satisfied by the sale of shares of Common Stock. The Participant agrees to hold the Company and the broker harmless from all costs, damages or expenses relating to any such sale. The Participant acknowledges that the Company and the broker are under no obligation to arrange for such sale at any particular price. In connection with such sale of Granted Shares, the Participant shall execute any such documents requested by the broker in order to effectuate the sale of Granted Shares and payment of the withholding obligation to the Company. The Participant acknowledges that this paragraph is intended to comply with Section 10b5-1(c)(1)(i)(B) under the Exchange Act.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

8. Equitable Relief . The Participant specifically acknowledges and agrees that in the event of a breach or threatened breach of the provisions of this Agreement or the Plan, including the attempted transfer of the Granted Shares by the Participant in violation of this Agreement, monetary damages may not be adequate to compensate the Company, and, therefore, in the event of such a breach or threatened breach, in addition to any right to damages, the Company shall be entitled to equitable relief in any court having competent jurisdiction. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any such breach or threatened breach.

9. No Obligation to Maintain Relationship . The Company is not by the Plan or this Agreement obligated to continue the Participant as an employee, director or consultant of the Company or an Affiliate. The Participant acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the grant of the Shares is a one-time benefit which does not create any contractual or other right to receive future grants of shares, or benefits in lieu of shares; (iii) that all determinations with respect to any such future grants, including, but not limited to, the times when shares shall be granted, the number of shares to be granted, the purchase price, and the time or times when each share shall be free from a lapsing repurchase or forfeiture right, will be at the sole discretion of the Company; (iv) that the Participant's participation in the Plan is voluntary; (v) that the value

of the Shares is an extraordinary item of compensation which is outside the scope of the Participant's employment contract, if any; and (vi) that the Shares are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

10. Notices . Any notices required or permitted by the terms of this Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

If to the Company:

ImmunoGen, Inc.
Attn: Finance
830 Winter Street
Waltham, MA 02451

If to the Participant:

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given on the earliest of receipt, one business day following delivery by the sender to a recognized courier service, or three business days following mailing by registered or certified mail.

11. Benefit of Agreement . Subject to the provisions of the Plan and the other provisions hereof, this Agreement shall be for the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

12. Governing Law . This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

13. Severability . If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such provision or provisions shall be modified to the extent necessary to make such provision valid and enforceable, and to the extent that this is impossible, then such provision shall be deemed to be excised from this Agreement, and the validity, legality and enforceability of the rest of this Agreement shall not be affected thereby.

14. Entire Agreement . This Agreement, together with the Plan, constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Agreement shall affect or be used to interpret, change or restrict the express terms and provisions of this Agreement provided, however, in any event, this Agreement shall be subject to and governed by the Plan.

15. Modifications and Amendments; Waivers and Consents . The terms and provisions of this Agreement may be modified or amended as provided in the Plan. Except as provided in the Plan, the terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver

or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

16. Consent of Spouse/Domestic Partner . If the Participant has a spouse or domestic partner as of the date of this Agreement, the Participant's spouse or domestic partner shall execute a Consent of Spouse/Domestic Partner in the form of Exhibit A hereto, effective as of the date hereof. Such consent shall not be deemed to confer or convey to the spouse or domestic partner any rights in the Granted Shares that do not otherwise exist by operation of law or the agreement of the parties. If the Participant subsequent to the date hereof, marries, remarries or applies to the Company for domestic partner benefits, the Participant shall, not later than 60 days thereafter, obtain his or her new spouse/domestic partner's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by having such spouse/domestic partner execute and deliver a Consent of Spouse/Domestic Partner in the form of Exhibit A.

17. Counterparts . This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. Data Privacy . By entering into this Agreement, the Participant: (i) authorizes the Company and each Affiliate, and any agent of the Company or any Affiliate administering the Plan or providing Plan record keeping services, to disclose to the Company or any of its Affiliates such information and data as the Company or any such Affiliate shall request in order to facilitate the grant of Shares and the administration of the Plan; (ii) waives any data privacy rights he or she may have with respect to such information; and (iii) authorizes the Company and each Affiliate to store and transmit such information in electronic form.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

IMMUNOGEN, INC.

By:_____
Name: Mark J. Enyedy
Title: President and Chief Executive Officer

Participant:

Print Name:

CONSENT OF SPOUSE/DOMESTIC PARTNER

I, _____, spouse or domestic partner of _____, acknowledge that I have read the PERFORMANCE BASED RESTRICTED STOCK AGREEMENT dated as of February 21, 2017 (the "Agreement") to which this Consent is attached as Exhibit A and that I know its contents. Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Agreement. I am aware that by its provisions the Granted Shares granted to my spouse/domestic partner pursuant to the Agreement are subject to a Lapsing Forfeiture Right in favor of ImmunoGen, Inc. (the "Company") and that, accordingly, I may be required to forfeit to the Company any or all of the Granted Shares of which I may become possessed as a result of a gift from my spouse/domestic partner or a court decree and/or any property settlement in any domestic litigation.

I hereby agree that my interest, if any, in the Granted Shares subject to the Agreement shall be irrevocably bound by the Agreement and further understand and agree that any community property interest I may have in the Granted Shares shall be similarly bound by the Agreement.

I agree to the Lapsing Forfeiture Right described in the Agreement and I hereby consent to the forfeiture of the Granted Shares to the Company by my spouse/domestic partner or my spouse/domestic partner's legal representative in accordance with the provisions of the Agreement. Further, as part of the consideration for the Agreement, I agree that at my death, if I have not disposed of any interest of mine in the Granted Shares by an outright bequest of the Granted Shares to my spouse or domestic partner, then the Company shall have the same rights against my legal representative to exercise its rights to the Granted Shares with respect to any interest of mine in the Granted Shares as it would have had pursuant to the Agreement if I had acquired the Granted Shares pursuant to a court decree in domestic litigation.

I AM AWARE THAT THE LEGAL, FINANCIAL AND RELATED MATTERS CONTAINED IN THE AGREEMENT ARE COMPLEX AND THAT I AM FREE TO SEEK INDEPENDENT PROFESSIONAL GUIDANCE OR COUNSEL WITH RESPECT TO THIS CONSENT. I HAVE EITHER SOUGHT SUCH GUIDANCE OR COUNSEL OR DETERMINED AFTER REVIEWING THE AGREEMENT CAREFULLY THAT I WILL WAIVE SUCH RIGHT.

Dated as of the _____ day of _____, 2017.

Print name:

**Election to Include Gross Income in Year
of Transfer Pursuant to Section 83(b)
of the Internal Revenue Code of 1986, as amended**

In accordance with Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), the undersigned hereby elects to include in his gross income as compensation for services the excess, if any, of the fair market value of the property (described below) at the time of transfer over the amount paid for such property.

The following sets for the information required in accordance with the Code and the regulations promulgated hereunder:

1. The name, address and social security number of the undersigned are:

Name:
Address:
Social Security No.:

2. The description of the property with respect to which the election is being made is as follows:

_____ (___) shares (the "Shares") of Common Stock, $.01 par value per share, of ImmunoGen, Inc., a Massachusetts corporation (the "Company").

3. This election is made for the calendar year ____, with respect to the transfer of the property to the Taxpayer on _____ (the "Grant Date").

4. Description of restrictions: The property is subject to the following restrictions:

In the event taxpayer's service with the Company or an Affiliate is terminated prior to the achievement of a performance goal set forth in the restricted stock agreement or a performance goal is not achieved by the fifth anniversary of the Grant Date, the taxpayer shall forfeit one-third of the Shares for each of the three performance goals not achieved by the applicable time.

5. The fair market value at time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made is: $[___] per Share x [____] Shares = $[_____]. was not more than $____ per Share.

6. The amount paid by taxpayer for said property was $[____] per Share x [____] Shares = $[____].

7. The amount to include in gross income is $[_____].

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. Additionally, the undersigned will include a copy of the election with his income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Signed this ____ day of _____, 201_.

_
Print Name:

EXHIBIT 31.1

CERTIFICATIONS

I, Mark Enyedy, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 4, 2017

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

EXHIBIT 31.2

CERTIFICATIONS

I, David B. Johnston, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 4, 2017

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

EXHIBIT 32

Certification

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

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

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

The Quarterly Report for the period ended June 30, 2017 (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: August 4, 2017

/s/MARK J. ENYEDY
Mark J. Enyedy
President, Chief Executive Officer
(Principal Executive Officer)

Dated: August 4, 2017

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