SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

Alexion Pharmaceuticals, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

015351-10-9

(CUSIP Number)

Samuel D. Isaly
Viren Mehta
PHARMA/wHEALTH
M and I Investors, Inc.
Caduceus Capital, L.P.
Caduceus Capital Management, Inc.
Worldwide Health Sciences Portfolio
Mehta and Isaly Asset Management, Inc.
41 Madison Avenue, 40th Floor
New York, NY 10010
Telephone: (212) 685-0800

(Name, Address and Telephone Number of
Person Authorized to Receive Notices and
Communications)

Copy to:

Paul S. Schreiber, Esq.
Shearman & Sterling
599 Lexington Avenue
New York, New York 10022
Telephone: (212) 848-4000

January 6, 1997

(Date of Event which Requires Filing of this Statement)

.....

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d- 1(b)(3) or (4), check the following box |_|.

Check the following box if a fee is being paid with this Statement |_|.

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

Samuel D. Isaly

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

|-|

(6) Citizenship or Place of Organization United States

Number of Shares Beneficially Owned by Each Reporting Person With			
	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) IN

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

Viren Mehta

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

|-|

(6) Citizenship or Place of Organization United States

Number of Shares Beneficially Owned by Each Reporting Person With			
	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13)	Percent of Class Represented by Amount in Row (11)	6.1%
(14)	Type of Reporting Person (See Instructions)	IN

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

PHARMA/wHEALTH

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

|-|

(6) Citizenship or Place of Organization Luxembourg

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) OO

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

M and I Investors, Inc.

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

|-|

(6) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With			
	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) CO

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

Caduceus Capital, L.P.

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

|-|

(6) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) PN

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

Caduceus Capital Management, Inc.

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

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(6) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) CO

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

Worldwide Health Sciences Portfolio

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

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(6) Citizenship or Place of Organization New York

Number of Shares Beneficially Owned by Each Reporting Person With			
	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) IV

CUSIP No. 015351-10-9

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

Mehta and Isaly Asset Management, Inc.

(2) Check the Appropriate Box if a Member of a Group (See Instructions)

|_| (a)

|_| (b)

(3) SEC Use Only

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e).

|-|

(6) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With			
	(7)	Sole Voting Power	
	(8)	Shared Voting Power	450,500
	(9)	Sole Dispositive Power	
	(10)	Shared Dispositive Power	450,500

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 450,500

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

|-|

(13) Percent of Class Represented by Amount in Row (11) 6.1%

(14) Type of Reporting Person (See Instructions) IA

Item 1. Security and Issuer.

The class of equity securities to which this Statement on Schedule 13D relates is the Common Stock, par value $0.0001 per share (the "Securities"), of Alexion Pharmaceuticals, Inc. (the "Issuer"), a Delaware corporation, with its principal executive offices located at 25 Science Park, New Haven, Connecticut 06511.

Item 2. Identity and Background.

(a) This statement is being filed by Samuel D. Isaly, an individual, ("Isaly"), Viren Mehta, an individual, ("Mehta"), PHARMA/wHEALTH, an unincorporated coproprietorship organized under the laws of the Grand-Duchy of Luxembourg, M and I Investors, Inc., a corporation organized under the laws of Delaware ("M and I"), Caduceus Capital, L.P., a limited partnership organized under the laws of Delaware ("CCLP"), Caduceus Capital Management, Inc., a corporation organized under the laws of Delaware ("CCMI"), Worldwide Health Sciences Portfolio, a trust organized under the laws of New York ("Worldwide") and Mehta and Isaly Asset Management, Inc., a corporation organized under the laws of Delaware ("MIAMI" and together with Isaly, Mehta, PHARMA/wHEALTH, M and I, CCLP, CCMI and Worldwide, the "Reporting Persons").

(b)-(c) PHARMA/wHEALTH is an unregistered foreign investment fund that is not making, nor does it propose to make, any public offering of its securities in the United States or to U.S. resident investors and currently has no U.S. resident investors. PHARMA/wHEALTH has its principal offices at 31 Allee Scheffer, L-2520, Luxembourg. M and I acts as the investment adviser to PHARMA/wHEALTH pursuant to an Advisory Agreement dated October 14, 1993 (the "PHARMA/wHEALTH Advisory Agreement") and, as such, has full discretionary investment management authority with respect to the assets of PHARMA/wHEALTH. M and I is an unregistered investment adviser and does not hold itself out to the general public as an investment adviser. During the preceding 12 months, M and I has acted as the investment adviser to fewer than 15 clients, none of which were investment companies required to be registered under the Investment Company Act of 1940, as amended. M and I has its principal offices at 41 Madison Avenue, 40th Floor, New York, NY 10010.

CCLP is an unregistered fund that has less than 100 investors and is not making, nor does it propose to make, any public offering of its securities. CCLP has its principal offices at 41 Madison Avenue, 40th Floor, New York, NY 10010. Caduceus Management Partners, L.P. ("CMPLP") is the general partner of CCLP and, pursuant to the Limited Partnership Agreement of CCLP dated January 1, 1994 (the "CCLP Limited Partnership Agreement"), CMPLP has full discretionary investment management authority with respect to the assets of CCLP. CCMI is the general partner of CMPLP and, pursuant to the Limited Partnership Agreement of CMPLP dated July 1, 1994 (the "CMPLP Limited Partnership Agreement"), CCMI has full control over the management and operation of CMPLP. Thus, CCMI has full discretionary investment management authority with respect

to the assets of CCLP by virtue of its control over the management and operation of CMPLP. CCMI is an unregistered investment adviser and does not hold itself out to the general public as an investment adviser. During the preceding 12 months, CCMI has only acted as an investment adviser to CCLP. CCMI has its principal offices at 41 Madison Avenue, 40th Floor, New York, NY 10010.

Worldwide is a registered open-end management investment company that has its principal offices at 24 Federal Street, Boston, MA 02110. MIAMI, formerly known as "G/A Capital Management, Inc," is a registered investment adviser that has its principal offices at 41 Madison Avenue, 40th Floor, New York, NY 10010. MIAMI acts as the investment adviser to Worldwide pursuant to an Investment Management Agreement dated June 24, 1996 (the "Worldwide Advisory Agreement"). As such, MIAMI has full discretionary management investment authority with respect to the assets of Worldwide.

Mehta and Isaly, each a natural person, together own all of the outstanding stock of, and jointly control the management and operation of, M and I, CCMI and MIAMI. Mehta and Isaly each have as their business address the following: 41 Madison Avenue, 40th Floor, New York, NY 10010.

The directors and executive officers of PHARMA/wHEALTH, M and I, CCLP, CCMI, Worldwide and MIAMI are set forth on Schedule I, Schedule II, Schedule III, Schedule IV, Schedule V and Schedule VI respectively, attached hereto. Schedule I, Schedule II, Schedule III, Schedule IV, Schedule V and Schedule VI set forth the following information with respect to each such person:

(i) name;

(ii) business address (or residence address where indicated);

(iii) present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted; and

(iv) citizenship.

(d)-(e) During the last five years, neither the Reporting Persons nor any person named in Schedule I, Schedule II, Schedule III, Schedule IV, Schedule V or Schedule VI attached hereto has been (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) a party to a civil proceeding of a judicial or

administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Both Mehta and Isaly are citizens of the United States.

Item 3. Source and Amount of Funds or Other Consideration.

On January 6, 1997, MIAMI, pursuant to its authority under the Worldwide Advisory Agreement, caused Worldwide to use $437,500 of its working capital to purchase 50,000 shares of Securities of the Issuer (the "January 6 Transaction"). As of the date of the January 6 Transaction, the Reporting Persons were the beneficial owners of 405,500 shares of Securities, representing approximately 5.5% of the outstanding Securities of the Issuer.

On January 17, 1997, M and I, pursuant to its authority under the PHARMA/wHEALTH Advisory Agreement, caused PHARMA/wHEALTH to use $455,625 of its working capital to purchase 45,000 shares of Securities of the Issuer (the "January 17 Transaction"). As of the date of the January 17 Transaction, the Reporting Persons were the beneficial owners of 450,500 shares of Securities, representing approximately 6.1% of the outstanding Securities of the Issuer.

None of the Reporting Persons have acquired any additional shares of Securities of the Issuer since January 17, 1997.

Item 4. Purpose of Transaction.

As described more fully in Item 3 above, this statement relates to the acquisition of 95,000 shares of Securities by the Reporting Persons. The Securities acquired by the Reporting Persons have been acquired for the purpose of making an investment in the Issuer and not with the present intention of acquiring control of the Issuer's business.

The Reporting Persons from time to time intend to review their investment in the Issuer on the basis of various factors, including the Issuer's business, financial condition, results of operations and prospects, general economic and industry conditions, the securities markets in general and those for the Issuer's securities in particular, as well as other developments and other investment opportunities. Based upon such review, the Reporting Persons will take such actions in the future as the Reporting Persons may deem appropriate in light of the circumstances existing from time to time. If the Reporting Persons believe that further investment in the Issuer is attractive, whether because of the market price of the Issuer's securities or otherwise, they may acquire shares of common stock or other securities of the Issuer either in the open market or in privately negotiated transactions. Similarly, depending on market and other factors, the Reporting Persons may determine to dispose of

some or all of the Securities currently owned by the Reporting Persons or otherwise acquired by the Reporting Persons either in the open market or in privately negotiated transactions.

Except as set forth above, the Reporting Persons have not formulated any plans or proposals which relate to or would result in: (a) the acquisition by any person of additional securities of the Issuer or the disposition of securities of the Issuer, (b) an extraordinary corporate transaction involving the Issuer or any of its subsidiaries, (c) a sale or transfer of a material amount of the assets of the Issuer or any of its subsidiaries, (d) any change in the present board of directors or management of the Issuer, (e) any material change in the Issuer's capitalization or dividend policy, (f) any other material change in the Issuer's business or corporate structure, (g) any change in the Issuer's charter or bylaws or other or instrument corresponding thereto or other action which may impede the acquisition of control of the Issuer by any person, (h) causing a class of the Issuer's securities to be deregistered or delisted, (i) a class of equity securities of the Issuer becoming eligible for termination of registration or (j) any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer.

(a)-(b) As a result of the January 6 Transaction and the January 17 Transaction, the Reporting Persons may be deemed to be the beneficial owners of 450,500 shares of Securities. Based upon information contained in the most recent available filing by the Issuer with the SEC, such Securities constitute approximately 6.1% of the issued and outstanding Securities. As described above in Item 2, Isaly and Mehta together own all of the outstanding stock of each of M and I, CCMI and MIAMI. M and I, CCMI and MIAMI have full discretionary investment management authority with respect to the assets of PHARMA/wHEALTH, CCLP and Worldwide, respectively. As a result, the Reporting Persons share power to direct the vote and to direct the disposition of the 450,500 shares of Securities.

(c) Except as disclosed in Item 3, neither the Reporting Persons, nor, to the knowledge of the Reporting Persons, any person named in Schedule I, Schedule II, Schedule III, Schedule IV, Schedule V or Schedule VI, has effected any transaction in the Securities during the past 60 days.

(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Pursuant to the PHARMA/wHEALTH Advisory Agreement, M and I has full discretionary investment management authority with respect to the assets of

PHARMA/wHEALTH. Such authority includes the power to vote and otherwise dispose of securities purchased by M and I on behalf of PHARMA/wHEALTH.

Pursuant to the CCLP Limited Partnership Agreement, CMPLP has full discretionary investment management authority with respect to the assets of CCLP. Pursuant to the CMPLP Limited Partnership Agreement, CCMI, has full control over the management and operation of CMPLP. Through its control of CMPLP, CCMI thus possesses full discretionary investment management authority with respect to the assets of CCLP. Such authority includes the power to vote and otherwise dispose of securities purchased by CCMI on behalf of CCLP.

Pursuant to the Worldwide Investment Advisory Agreement, MIAMI has full discretionary investment management authority with respect to the assets of Worldwide. Such authority includes the power to vote and otherwise dispose of securities purchased by MIAMI on behalf of Worldwide.

Mehta and Isaly together own all of the outstanding stock of, and jointly control the management and operation of, M and I, CCMI and MIAMI.

Other than the investment management agreements and the relationships mentioned above, to the best knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 and between such persons and any persons with respect to any securities of the Issuer, including, but not limited to, transfer or voting of any of the Securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving of withholding of proxies.

Item 7. Material to Be Filed as Exhibits.

Exhibit	Description
A.	Advisory Agreement between PHARMA/wHEALTH and M and I Investors, Inc. dated October 14, 1993.
B.	Limited Partnership Agreement of Caduceus Capital, L.P. dated January 1, 1994.
C.	Limited Partnership Agreement of Caduceus Management Partners, L.P. dated July 1, 1994.
D.	Investment Advisory Agreement between Worldwide Health Sciences Portfolio and Mehta and Isaly Asset Management, Inc. dated June 24, 1996.
E.	Joint Filing Agreement among Samuel D. Isaly, Viren Mehta, PHARMA/wHEALTH, M and I Investors, Inc., Caduceus Capital, L.P., Caduceus Capital Management, Inc., Worldwide Health Sciences Portfolio and Mehta and Isaly Asset Management, Inc.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

SAMUEL D. ISALY

By: /s/ Samuel D. Isaly

Name:
Title:

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

VIREN MEHTA

By: /s/ Viren Mehta

Name:
Title:

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

PHARMA/wHEALTH

By: /s/ Mirko von Restorff

Name: Mirko von Restorff
Title: Chairman

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

M AND I INVESTORS, INC.

By: /s/ Samuel D. Isaly

Name: Samuel D. Isaly
Title: President

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

CADUCEUS CAPITAL, L.P.

By: /s/ Samuel D. Isaly

Name: Samuel D. Isaly
Title:

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

CADUCEUS CAPITAL
MANAGEMENT, INC.

By: /s/ Samuel D. Isaly

Name: Samuel D. Isaly
Title: President

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

WORLDWIDE HEALTH
SCIENCES PORTFOLIO

By: /s/ Eric G. Woodbury

Name: Eric G. Woodbury
Title: Assistant Secretary

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

January 28, 1997

MEHTA AND ISALY ASSET MANAGEMENT, INC.

By: /s/ Samuel D. Isaly

Name: Samuel D. Isaly
Title: President

Schedule I

The name and present principal occupation of each of the executive officers and directors of PHARMA/wHEALTH are set forth below.

Name and Citizenship	Position with Reporting Person	Principal Occupation and Business Address
Mirko von Restorff German citizen	Chairman	General Manager Bank Sal. Oppenheim jr. & Cie. Luxembourg S.A. 31 Allee Scheffer L-2520 Luxembourg
Rene Braginsky Swiss citizen	Director	Senior Vice President Bank Sal. Oppenheim jr. & Cie. (Schweiz) AG Uraniastrasse 28 CH 8022 Zurich, Switzerland
Paul Helminger Luxembourg citizen	Director	President Serie S.A. 55 Rue Michel Rodange L-2430 Luxembourg
Samuel D. Isaly United States citizen	Director	Partner Mehta and Isaly 41 Madison Avenue 40th Floor New York, NY 10010
Joel R. Mesznik United States citizen	Director	President Mesco Ltd. 122 East 42nd Street Suite 4906 New York, NY 10168

Georg von Richter	Director	General Manager Bank Sal. Oppenheim jr. & Cie. (Schweiz) AG Uraniastrasse 28 CH 8022 Zurich, Switzerland
German citizen		

Schedule II

The name and present principal occupation of each of the executive officers and directors of M and I Investors, Inc. are set forth below. Unless otherwise noted, each of these persons are United States citizens and have as their business address 41 Madison Avenue, 40th Floor, New York, NY 10010.

Name	Position with Reporting Person	Principal Occupation
Samuel D. Isaly	President, Director	Partner Mehta and Isaly
Viren Mehta	Secretary, Treasurer, Director	Partner Mehta and Isaly

Schedule III

The name and present principal occupation of each of the general partner of Caduceus Capital, L.P. are set forth below. Caduceus Capital Management, Inc. is a Delaware corporation and has as its business address 41 Madison Avenue, 40th Floor, New York, NY 10010.

Name	Position with Reporting Person	Principal Occupation
Caduceus Capital Management, Inc.	General Partner	Investment advisory services

Schedule IV

The name and present principal occupation of each of the executive officers and directors of Caduceus Capital Management, Inc. are set forth below. Unless otherwise noted, each of these persons are United States citizens and have as their business address 41 Madison Avenue, 40th Floor, New York, NY 10010.

Name	Position with Reporting Person	Principal Occupation
Samuel D. Isaly	President, Director	Partner Mehta and Isaly
Viren Mehta	Treasurer, Director	Partner Mehta and Isaly

Schedule V

The name and present principal occupation of each of the executive officers and directors of Worldwide Health Sciences Portfolio are set forth below. Unless otherwise noted, each of these persons are United States citizens.

Name	Position with Reporting Person	Principal Occupation
Donald R. Dwight	Trustee	President Dwight Partners, Inc. Clover Mill Lane Lyme, NH 03768
James B. Hawkes	Trustee, President	President, CEO Eaton Vance Corp. 24 Federal Street Boston, MA 02110
Samuel L. Hayes, III	Trustee	Professor Harvard University Graduate School of Business Administration Soldiers Field Road Boston, MA 02163
Samuel D. Isaly	Vice President	Partner Mehta and Isaly 41 Madison Avenue, 40th Floor New York, NY 10010
James L. O'Connor	Treasurer	Vice President Eaton Vance Management, Inc. 24 Federal Street Boston, MA 02110
Thomas Otis	Secretary	Vice President Eaton Vance Management, Inc. 24 Federal Street Boston, MA 02110

Norton H. Reamer	Trustee	President, Director United Asset Management Corp. One International Plaza Boston, MA 02110
John L. Thorndike	Trustee	Director Fiduciary Company Incorporated 175 Federal Street Boston, MA 02110
Jack L. Treynor	Trustee	Investment Adviser, Consultant 504 Via Almar Palos Verdes Estates, CA 90274

Schedule VI

The name and present principal occupation of each of the executive officers and directors of Mehta and Isaly Asset Management, Inc. are set forth below. Unless otherwise noted, each of these persons are United States citizens and have as their business address 41 Madison Avenue, 40th Floor, New York, NY 10010.

Name	Position with Reporting Person	Principal Occupation
Samuel D. Isaly	Director, President, Secretary	Partner Mehta and Isaly
Thomas F. Tarpey	Director, Vice President, Treasurer	Marketing Representative Marshall and Sullivan 1907 Selby Avenue Suite 5 Los Angeles, CA 90025

EXHIBIT INDEX

Exhibit	Description	Page No.
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C.	Limited Partnership Agreement of Caduceus Management Partners, L.P. dated July 1, 1994.	82
D.	Investment Management Agreement between Worldwide Health Sciences Portfolio and Mehta and Isaly Asset Management, Inc. dated June 24, 1996.	120
E.	Joint Filing Agreement among Samuel D. Isaly, Viren Mehta, PHARMA/wHEALTH, M and I Investors, Inc., Caduceus Capital, L.P., Caduceus Capital Management, Inc., Worldwide Health Sciences Portfolio and Mehta and Isaly Asset Management, Inc.	125

ADVISORY AGREEMENT

Exhibit A.

ADVISORY AGREEMENT, dated as of this 14th day of October, 1993 (the "Agreement"), by and between PHARMA/wHEALTH Management Company S.A., a company incorporated under the laws of Grand Duchy of Luxembourg (the "Management Company"), and M and I Investors, Inc., a Delaware corporation, which will make available the services of Messrs. Mehta and Isaly and their whole professional organisation and its resources (the "Advisor").

PHARMA/wHEALTH, organized under the laws of the Grand Duchy of Luxembourg as a mutual investment fund (fond commun de placement) (the "Fund"), has retained the Management Company to manage the Fund's assets and appoint such advisors in so doing, and the Management Company desires to engage the Advisor in rendering such services to the Fund.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the parties hereto agree as follows:

1. Appointment. The Management Company hereby appoints the Advisor to provide investment advice and other services to it on behalf of the Fund during the period of this Agreement and on the terms and conditions contained herein, and the Advisor hereby accepts such appointment.

2. Duties of the Advisor. The Management Company may at any time give the Advisor guidelines and/or directions relating to the Advisor's duties hereunder, both in regard to the general policy of the Fund and in regard to specific matters and, subject to the foregoing:

(a) The Advisor shall manage, under the supervision and responsibility of the Management Company, the investment and reinvestments of the Fund's assets and sell, redeem or exchange the same, without any rights to custody or possession of such assets, provided that the Advisor shall observe and comply with the Management Regulations of the Fund, all investment policies and restrictions and other limitations set out in the Prospectus of the Fund as amended or supplemented from time to time (the "Prospectus") and all laws and regulations applicable to the Fund and the public sale of its shares (the "Shares");

(b) The Advisor may enter into such contracts in the name of the Fund as may be necessary to carry out its duties hereunder. All records relating to the Fund's portfolio transactions maintained by the Advisor shall be made available for inspection or audit by the Fund and the Management Company, or by a qualified public accountant acting on their behalf or a duly appointed representative of the Fund, both before and after termination of the Agreement.

(c) The Advisor shall, in the event the availability of any particular security is limited and investment in that security is in keeping with the investment policies, guidelines and objectives of the Fund and also with the investment policies, guidelines and objectives of one or more other funds or client accounts for which the Advisor is responsible, treat the Fund's requirements on a fair and equitable basis.

3. Allocation of Charges and Expenses. Each party shall bear its own costs and expenses (including the fees and disbursements of counsel and accountants) incurred in connection with the negotiation, preparation and execution of this Agreement, and all matters incident thereto.

4. Compensation of Advisor. For the services rendered by the Advisor, the Management Company shall pay to the Advisor at the end of each quarter a fee based upon the average of the net assets of the Fund on the Valuation Dates (as defined in the Prospectus) of the relevant quarter, as determined and computed in accordance with the description of the determination of the net asset value contained in the Prospectus, at the annual rate of five-eighths of one percent (the "Fixed Fee"). Such fee will be calculated on each Valuation Date of each quarter.

The Advisor is also entitled to receive sixty-two and one-half percent of the twenty percent annual performance fee (the "Performance Fee") received by the Management Company if the Fund's performance is in excess of eight percent in any year and the Advisor shall receive seventy percent of the portion of the

Performance Fee earned for performance in excess of twenty percent in any year and the amount, if any, payable to the Advisor shall be paid no later than 7 days after receipt by the Management Company of its Performance Fee, which will be paid after the end of each fiscal year of the Fund.

Moreover, the Performance Fee is only paid when and if the Net Asset Value per Share reaches a new high compared to the previous high and only on the new excess appreciation over the previous high for the Net Asset Value per Share. The Net Asset Value per Share will also be adjusted to reflect dividends and other distributions.

All matters relating to the Fixed Fee and Performance Fee shall be determined in accordance with the Prospectus.

The Management Company and the Advisor intend to enter into a deferred fee agreement pursuant to which the Advisor may elect to defer the receipt of all or any portion of the Fixed Fee and Performance Fee that shall become payable to it for any year pursuant to this Section (4). To the extent such fees are not deferred, the Management Company shall pay the Advisor's Fixed Fee and Performance Fee to a bank account as designated in writing by and in accordance with the instructions of the Advisor. At the option of the Advisor, such payment shall be made to a bank account outside of the U.S. in currency other than

U.S. dollars. The first such payments may reflect partial periods, in which case payments with respect thereto shall be calculated on a pro rata basis in accordance with the number of Valuation Dates occurring therein.

If this Agreement is terminated prior to the end of a calendar quarter, the Fixed Fee to which the Advisor shall be entitled in respect of such quarter shall be calculated on a pro rata basis in accordance with the number of Valuation Dates in the quarter during which the Agreement was in effect. The Performance Fee to which the Advisor shall be entitled during any such period shall be commensurate to the contribution, as calculated by the Management Company in its absolute discretion, of the Advisor to the total Performance Fee for the complete year, with the exception of termination caused by paragraph 11(d) below, in which case the Advisor shall be entitled to the Performance Fee accrued at the last Valuation Date of this Agreement and such Performance Fee shall be paid to the Advisor after the completion of the Fiscal Year during which the termination occurred.

5. Use of Securities Broker. The Advisor may utilize the services of whatever independent securities brokerage firm or firms it deems appropriate to the extent that such firms are competitive with respect to price and timeliness of execution.

6. Limitation on Liability of the Advisor. The Advisor shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in the management of the Fund, except where such error or loss results from the Advisor's willful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of the reckless disregard of its obligations and duties hereunder.

7. Indemnities. The Advisor agrees to indemnify the Management Company and the Fund, and their respective directors, officers, agents, employees and affiliates and any person who controls such persons or entities from, and to hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any investigation, litigation or other proceeding brought or threatened, relating to any breach or alleged breach of the Advisor's obligations, duties, representations and warranties as set forth in this Agreement; including, without limitation, amounts paid in settlement, court costs, and reasonable fees and disbursements of counsel incurred in connection with any such pending or threatened investigation, litigation or other proceedings.

The Management Company agrees to indemnify the Advisor and its directors, officers, agents, employees and affiliates and any person who controls the Advisor from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any investigation, litigation or other proceeding brought or threatened, relating to the offering and distribution of shares

of the Funds ("Shares") and the Advisor's obligations and duties set forth in this Agreement with respect to such offering and distribution of Shares (excluding any losses, liabilities, claims, damages or expenses incurred by reason of the breach by the Advisor of its obligations, duties, representations or warranties hereunder or the gross negligence, bad faith or willful misconduct of the Advisor); including, without limitation, amounts paid in settlement, court costs, and reasonable fees and disbursements of counsel incurred in connection with any such pending or threatened investigation, litigation or other proceedings.

8. Representations and Warranties. (a) The Management Company hereby represents and warrants to the Advisor as follows: the Management Company is a company duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, has the power and authority under its Articles of Incorporation to transact the business herein contemplated and is duly qualified and in good standing under the laws of each jurisdiction where the conduct of its business requires, or the performance of its obligations under this Agreement would require, and has the power and authority to execute, deliver and perform this Agreement and all obligations required of it hereunder. No consent of any other person including, without limitation, creditors of the Management Company, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, is required by the Management Company in connection with the execution, delivery, performance, validity or enforceability of this Agreement. This Agreement constitutes, and each instrument or document required hereunder when executed and delivered will constitute, the legal, valid and binding obligation of the Management Company enforceable against the Management Company in accordance with its terms.

(b) The Advisor hereby represents and warrants to the Management Company as follows:

(i) The Advisor is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has the power and authority under its Certificate of Incorporation to own its assets and to transact the business in which it is presently engaged and is duly registered or exempt from registration under applicable securities laws and has all necessary qualifications to carry out its duties hereunder, and the Advisor covenants to use its best efforts to maintain the same at all times to the extent required for purposes of carrying out its duties hereunder, and shall immediately notify the Management Company if such registration and/or qualification should lapse or terminate for any reason whatsoever; and the Advisor has the power and authority under its Certificate of Incorporation to execute, deliver and perform this Agreement and all obligations required of it hereunder. This Agreement constitutes, and each instrument or document required hereunder when executed and delivered will constitute, the legal, valid and binding obligation of the Advisor enforceable against the Advisor in accordance with its

terms. No consent of any other person including, without limitation, stockholders or creditors of the Advisor, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, other than those which have been obtained or will be obtained in connection with this Agreement, is required by the Advisor in connection with the execution, delivery, performance, validity or enforceability of this Agreement.

(ii) All of the information provided by the Advisor, including the information provided by it for use in the Prospectus and related documents in connection with the sale of Shares of the Fund, is and will continue to be accurate in all material respects and does not and will not omit any material facts necessary in order to make the statements made, in light of the circumstances under which they were made or shall be made, not misleading. The Advisor agrees to provide such of the foregoing information as may be required from time to time by the Management Company, and all such information shall also be subject to the foregoing representation and warranty regarding the continuous accuracy of information provided by the Advisor.

(iii) The execution, delivery and performance of this Agreement and the documents or instruments required hereunder will not violate any provision of any existing law or regulation binding on the Advisor, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Advisor or its Certificate of Incorporation or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Advisor is a party or by which the Advisor or any of its assets are bound, the violations of which, taken as a whole, would have a material adverse affect on the business operations, assets or financial condition of the Advisor, and will not result in or require the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

9. Exclusivity. Messrs. Viren Mehta and Samuel D. Isaly, the Advisor and its affiliates, partners, associates, and employees (together, for purposes of this Section 9, the "Advisor") do not presently and will not act as an investment adviser, subadviser and/or portfolio manager to any European fund other than the Fund until the later of (a) three full fiscal years of the Fund following the date hereof or (b) for one full fiscal year of the Fund after the date of termination hereof; provided, that (i) if the Management Company terminates this Agreement at any time for any reason other than a beach by the Advisor or its nonperformance of its duties and obligations hereunder, or (ii) if the Management Company is unable to perform its duties under this Agreement for any reason other than such a beach or nonperformance by the Advisor, the terms of this Section 9 shall not limit the activities of the Advisor after the effective date of such termination.

Notwithstanding the foregoing, if after a period of 24 months from the initial Valuation Date of the Fund (the "Period") (1) the Net Asset Value per Share of the Fund has increased by more than (a) the percentage increase, if any, of the Mehta and Isaly Pharma Index ("Index") during the Period plus (b) an increase of 3% of the Net Asset Value per Share at the Fund at the end of the Period compared to its Net Asset Value per Share at the commencement of the Period and (2) the Fund has achieved an annualized performance in excess of 20% above its initial Net Asset Value per Share, then the Management Company, upon notification by the Advisor within 60 days after the end of the Period, shall be given a period of 12 months to use its best efforts to raise an additional $50 million in assets for the Fund or an amount which would bring total assets of the Fund to $150 million, whichever is less. If the Management Company is unable for any reason to raise such additional assets within such 12-month period, the terms of this Section 9 shall not preclude the Advisor from acting as an investment adviser, subadviser and/or portfolio manager on behalf of any European funds other than the Fund; provided that, until December 31, 1999, the Advisor may so act on behalf of such other European funds only if the portion of the combined assets thereof that is invested in companies with a capitalization of under $500 million ("smaller capitalization companies"), when added to the assets of the Fund that are invested in smaller capitalization companies, does not exceed $150 million.

10. Assignment. This Agreement may not be assigned by the Advisor. The Advisor shall not delegate in any manner whatsoever its responsibilities hereunder not engage other investment counsel in connection therewith.

11. Term and Termination. This Agreement shall be in full force and effect for two years from the date hereof and may not be terminated by either party during such initial two year period, except that the Management Company may terminate this Agreement at any time, without notice or upon such notice as is reasonable in the circumstances (in the sole discretion of the Management Company), in the event of:

(a) a breach by the Advisor of any of its representations and warranties contained herein or the nonperformance of its duties and obligations hereunder; or bad faith, gross negligence or willful misconduct, of the Advisor:

(b) with respect to either the Advisor [or Mehta and Isaly], its bankruptcy or insolvency, the passing of a resolution for its dissolution or the issuance of an order for dissolution, the making of a general assignment for the benefit of its creditors, or the failure of either Messrs. Mehta or Isaly to continue to be available and participate on substantially the same basis as currently in the activities of each such entity;

(c) in the event the Advisor fails to obtain or maintain any necessary registration or qualification in any jurisdiction required to effect the purposes of this Agreement; or

(d) the failure of the Advisor for any consecutive twenty-four month period to cause the net asset value per share of the Fund to increase by more than (a) the increase, if any, of the Index in that period plus (b) 3% of the closing value of the Index at the end of the period, as indicated by the Fund's performance as calculated net of dividends on a pre-tax basis.

After the expiration of the initial two year period, this Agreement may be terminated at any time by either the Management Company or the Advisor by giving the other party 60 days' prior written notice of termination. Upon termination of this Agreement, the Advisor shall not be entitled to any further fees except those which have accrued up to the date of such termination. Notwithstanding any termination, (i) the Advisor shall up-date and reconcile all books and records maintained by it and submit the same and all final financial reports relating to the management and investment of the Fund's assets promptly to the Management Company and (ii) the provisions of Section 9 shall remain in effect.

12. Notice. Any notice contemplated hereunder shall be in writing and may be given by personal delivery or by sending the same by electronic or computer communication to the party for whom it is intended. Any notice so delivered or sent shall be effective on the date of delivery or sending, as the case may be. Any party may give written notice of change of address in the same manner, in which event, any notice shall thereafter be given to it, as herein provided, at such changed address. Until changed, the addresses for notice of the parties shall be:

if to the Management Company, at:	with a copy to:
PHARMA/wHEALTH Management Company S.A. [Address] Attention: Fax No.:	Kramer, Levin, Naftalis, Nessen, Kamin & Frankel 919 Third Avenue New York, NY 10022 Attn: Paul S. Schreiber
and	
if to the Advisor, at:	with a copy to:
[Name of Entity] [Address] Attention: Fax No.:	[Name of Firm] [Address] Attention: Fax No.:

13. Miscellaneous.

(a) Governing Law This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the principles of the conflicts of laws thereof.

(b) Entire Agreement/Amendments This Agreement contains the entire understanding of the parties with respect to the retention of the Advisor by the Management Company. This Agreement may not be altered, modified, or amended except by written instrument signed by each of the parties hereto.

(c) No Waiver The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

(d) Severability In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

(e) Arbitration: Choice of Forum Any dispute between the parties to this Agreement arising from or relating to the terms of this Agreement or the retention of the Advisor by the Management Company shall be submitted to arbitration in the City of New York under the auspices of the American Arbitration Association. Subject to the preceding sentence, the forum of any legal action or proceeding arising from or relating to this Agreement or such retention shall be the State of New York and, in the case of legal actions, the United Stares federal district court for the Southern District of New York. Any award rendered in any arbitration pursuant to this Section 13(e) may be enforced in any such forum. By execution and delivery of this Agreement, each of the parties to this Agreement accepts for himself or itself the non-exclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. The Advisor and the Management Company, agree within 30 days of the date hereof, to appoint irrevocably respective agents as their agents to receive service of process on their behalf in any such proceeding in any such court in the State of New York. The foregoing consents to jurisdiction and appointments of agents to receive service of process shall not constitute general consents to service of process in the State of New York for any purpose except as provided above and shall not be deemed to confer rights on any person other than the respective parties to this Agreement.

(f) Other Arrangements It is recognized by the parties hereto that the Bank Sal. Oppenheim jr. & Cie. Schweiz AG, the Advisor, Messrs. Mehta and Isaly, Mr.

Joel R. Mesznik and their respective affiliates and employees have had and will continue to have business relationships amongst themselves which may be expanded in the future.

(g) Counterparts This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument. This Agreement shall be effective when each of the parties has executed and delivered at least one counterpart thereof.

(h) Headings The headings of the paragraphs and subparagraphs of this Agreement are inserted for convenience of reference only and shall not constitute a part hereof and shall not affect the interpretation hereof.

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

M AND I INVESTORS, INC.	PHARMA/wHEALTH MANAGEMENT COMPANY S.A.
By: /s/ Samuel D. Isaly	By: /s/ Joel R. Mesznik
Title: President	Title: Director
ATTEST:	ATTEST:
/s/ Stephen E. Elliott	/s/ Stephen E. Elliott
As to Section 9 only.	As to Section 9 only.
/s/ Viren Mehta	/s/ Samuel D. Isaly
Mr. Viren Mehta	Mr. Samuel D. Isaly
ATTEST:	ATTEST:
/s/ Stephen E. Elliott	/s/ Stephen E. Elliott

LIMITED PARTNERSHIP AGREEMENT Exhibit B.
OF
CADUCEUS CAPITAL, L.P.

(Amended and Restated as of January 1, 1994)

AGREEMENT OF LIMITED PARTNERSHIP, dated as of _____, by and among Caduceus Management Partners, L.P. as general partner (the "General Partner") and all the parties who sign copies of this agreement to become Limited Partners. (The General Partner and the persons who sign as Limited Partners are sometimes collectively referred to as the "Partners").

ARTICLE I

General Provisions

Section 1.01 Formation. The original parties hereto formed Caduceus Capital, L.P. as a limited partnership (the "Partnership") pursuant to the provisions of the Delaware Revised Uniform Limited Partnership Act. The existence of the Partnership commenced upon the filing with the Secretary of State of Delaware of a Certificate of Limited Partnership in accordance with the provisions of such law.

Section 1.02 Partnership Name. The name of the Partnership is Caduceus Capital, L.P.

Section 1.03 Purpose. The primary purpose of the Partnership is to invest, reinvest and trade in securities, other financial instruments and rights and options relating thereto.

Section 1.04 Registered Office and Agent for Service of Process. The registered office of the Partnership is at 1209 Orange Street Wilmington, Delaware 19801 and the registered agent for service of process at such office is The Corporation Trust Company.

Section 1.05 Place of Business. The principal place of business of the Partnership shall be at 41 Madison Avenue, New York, New York 10010 or such other place as the General Partner shall determine from time to time.

Section 1.06. Fiscal Year and Fiscal Periods. The fiscal year of the Partnership shall end on December 31 of each year, subject to change by the General Partner from time to time. A new fiscal period ("Fiscal Period") shall commence on the first day of each fiscal year, on each date of any capital contribution to the Partnership and on each date next following the date of any withdrawal of capital or retirement of any Partner from the Partnership, and the prior Fiscal Period shall end on the date immediately preceding such date of commencement of a new Fiscal Period.

Section 1.07 Liability of Limited Partners. The Limited Partners shall not be liable for any liabilities, or for the payment of any debts and obligations, of the Partnership unless such Limited Partner, in addition to the exercise of his rights and powers as a Limited Partner, participates in the control of the Partnership or knowingly permits his name to be used in the name of the Partnership.

Section 1.08 Assignability of the Interest of a Limited Partner. The limited partnership interest of any Limited Partner in the Partnership, in whole or in part, or any beneficial interest therein, may not be assigned without the prior written consent of the General Partner, which consent may be withheld in the General Partner's sole discretion. Upon such an assignment of a limited partnership interest, the assignee shall become a Limited Partner upon the execution of such agreements and other documents as shall be required by the General Partner.

ARTICLE II

Composition and Admissions

Section 2.01 Partners. The names and addresses of the General

Partner and of each of the Limited Partners shall be set forth in a schedule of the Partnership to be kept on file at all times at the principal place of business of the Partnership. A Partner may change his or its address for purposes of this Agreement upon 5 days prior written notice to the General Partner.

Section 2.02 Admission of Partners. With the prior consent of the General Partner, additional Limited Partners may be admitted to the Partnership on any date selected by the General Partner. The General Partner may admit additional or substitute General Partners to the Partnership on the first day of any fiscal quarter, provided that the General Partner shall, not less than 45 days prior to the proposed admission of any additional or substitute General Partner, give notice of such admission to all of the Limited Partners. Contributions to the capital of the Partnership shall be made in cash or, at the discretion of the General Partner, in securities acceptable to the General Partner or partly in cash and partly in securities acceptable to the General Partner, such securities to be valued in accordance with the provisions of Section 8.02(b). Each Partner who has contributed or may contribute securities to the Partnership shall, prior to the date of any such contribution, furnish to the Partnership evidence, satisfactory to the General Partner, as to his dates of acquisition of such securities, his unencumbered ownership thereof and his adjusted basis thereof for federal income tax purposes. Each Partner who contributes securities to the Partnership shall consent and agree to pay to the Partnership, concurrently with such contribution, or, alternatively, to have deducted from such contribution, en' amount as the General Partner, in its sole discretion, may determine to cover the costs of selling such securities and investing the proceeds. In connection with the admission of a Partner to the Partnership, such Partner shall, in advance of such admission and as a condition thereto,

sign a copy of this Agreement or a supplement hereto pursuant to which he agrees to be bound by the terms of this Agreement.

ARTICLE 111

Management of Partnership

Section 3.01 Actions of the General Partner. The Partnership shall be managed by its General Partner, Caduceus Management Partners, L.P. The General Partner may appoint such agents of the Partnership as it deems necessary who shall hold such offices and shall, under the direction of the General Partner, exercise such powers of the General Partner in the management of the Partnership and perform such duties in connection therewith as shall be determined from time to time by the General Partner. The General Partner shall devote so much of its time and efforts to the affairs of the Partnership as may, in its judgment, be necessary to accomplish the purposes of the Partnership. Nothing herein contained shall prevent the General Partner, its partners and affiliates, or any employee, officer or shareholder thereof from conducting any other business, including any business with respect to securities. Without limiting the generality of the foregoing, the General Partner, its partners, affiliates, or any employee, officer or shareholder thereof, from conducting any other buisness, including any business with respect to securities. Without limiting the generality of the foregoing, the General Partner, its partners, affiliates, and any employee, officer or shareholder thereof, may act as investment advisers or investment managers for others, may manage funds or capital for others, may have, make and maintain investments in their own name or through other entities, and may serve as officers, directors, consultants, partners or stockholders of one or more investment funds, partnerships, securities firms or advisory firms. It is recognized that in effecting transactions, it may not always be possible, or consistent with the investment objectives of the various persons described above and of the Partnership, to take or liquidate the same investment positions at the same time or at the same prices.

Section 3.02 Powers of the General Partner. The General Partner, subject to the restrictions herein contained, shall have the power on behalf of the Partnership:

(a) to purchase, hold and sell securities of any sort and rights therein, on margin or otherwise;

(b) to sell short securities of any sort and rights therein, on margin or otherwise, and to cover such short sales;

(c) to write, purchase, hold, sell and otherwise deal in put and call options and any combination thereof on stocks, bonds and stock market indices;

(d) to purchase, hold, sell and otherwise deal in commodities, commodity contracts, commodity futures and options in respect thereof (but the General Partner will

not do so until, to the extent required, it has registered as a commodity pool operator with the Commodity Futures Trading Commission);

(e) to purchase, hold, sell and otherwise deal in financial futures and contracts relating to stock indices (and options thereon) (but the General Partner will not do so until, to the extent required, it has registered as a commodity pool operator with the Commodity Futures Trading Commission);

(f) to purchase, hold, sell and otherwise deal in foreign currencies and futures contracts relating thereto (and options thereon) (but the General Partner will not do so until, to the extent required, it has registered as a commodity pool operator with the Commodity Futures Trading Commission);

(g) to conduct margin accounts with brokers; to open, maintain and close bank accounts and draw checks or other orders for the payment of moneys; to pledge securities for loans, and, in connection with any such pledge, to effect borrowings from brokers, banks and other financial institutions,

(h) to enter into, make and perform any other contracts, agreements or other undertakings it may deem advisable in conducting the business of the Partnership, including but not limited to contracts, agreements or other undertakings with persons, firms or corporations with which the General Partner, or any of its officers or employees, or any other Partner is affiliated; and

(i) to act for the Partnership in all other matters.

Section 3.03 Restrictions on the General Partner. The General Partner shall not on behalf of the Partnership (a) invest more than 15% of its net assets (computed at the time the investment is made) in the securities of any one company, (b) invest more than 10% of its assets (computed at cost at the time of the investment) in non-marketable or illiquid securities; or (c) invest in real estate.

Section 3.04 Limitation of Liability; Indemnification.

(a) Neither the General Partner, its partners, affiliates, any employee, officer or shareholder thereof, nor any person or persons designated pursuant to Section 6.02 shall be liable for any loss or cost arising out of, or in connection with, or any act or activity undertaken (or omitted to be undertaken) in fulfillment of any obligation or responsibility under this Agreement, including any such loss sustained by reason of any investment or the sale or retention of any security or other asset of the Partnership, except that any person exculpated from liability under this Section shall not be exculpated from any liability arising from losses caused by his, her or its gross negligence or willful malfeasance.

(b) The Partnership shall indemnify the General Partner, its partners, affiliates and any employee, officer or shareholder thereof, from and against any and all losses or costs suffered or sustained by the General Partner, its partners or affiliates or any officer or employee thereof, arising out of or in connection with any act or activities undertaken (or omitted to be undertaken) in fulfillment of any obligation or responsibility under this Agreement, including, without limitation, any judgment, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action or proceeding, except that any person entitled to be indemnified under this Section shall not be indemnified for any loss or expense arising out of his, her or its gross negligence or willful malfeasance.

ARTICLE IV

Expenses of Partnership, Organizational Expenses and Fee to the General Partner

Section 4.01 Expenses of Partnership Generally. The General Partner shall be authorized to incur all expenses on behalf of the Partnership which it deems necessary or desirable. All expenses incurred in connection with the operation of the Partnership. shall be the responsibility of, and be borne by, the Partnership. To the extent the General Partner pays expenses for which the Partnership is responsible, it shall be entitled to be reimbursed by the Partnership for such amounts. The General Partner shall be empowered to reduce the expenses of the Partnership through the use of "soft" or commission dollars to the extent legally permissible. The General Partner (or an affiliate of the General Partner) will bear overhead expenses of the Partnership, including salaries of administrative personnel and research assistants, travel and research related expenses.

Section 4.02 Organizational Expenses. The General Partner shall be authorized to incur on behalf of the Partnership the organizational expenses of the Partnership, including all expenses incurred in connection with the offer and sale of interests in the Partnership ("Organizational Expenses"). Organizational Expenses shall be paid by the Partnership and shall be amortized over a period of 60 months from the formation of the Partnership.

Section 4.03 Management Fee Payable to the General Partner. In consideration for the General Partner bearing certain expenses and providing other services, each Limited Partner shall pay the General Partner (or any person or entity designated by it) a quarterly management fee (the "Management Fee") of 1.25% per annum of their Capital Accounts. Limited Partners who have made net capital contributions to the Partnership of $5,000,000 or more will be charged a Management Fee of 1.00% per annum of their Capital Accounts. Limited Partners who are partners of the General Partner, or who are employees or partners of any entities affiliated with partners of the General Partner, and their respective family members ("Sponsor Affiliates") and certain partners who became Limited Partners prior to November 1, 1993 may, at the discretion of the General Partner, be charged a reduced Management Fee. The

Management Fee will be debited to the Capital Account of each Limited Partner, based on the amount of the Capital Account of each Limited Partner at the end of each quarter (adjusted for any contributions or withdrawals made during the quarter). The Management Fee will be paid to the General Partner (or any person or entity designated by the General Partner) within 10 days after the end of each quarter and prorated for periods less than a full fiscal quarter.

ARTICLE V

Withdrawals from Capital Accounts and Retirements

Section 5.01 Permissible Withdrawals. A Partner may withdraw all or any part of his Capital Account (as defined in Section 7.01) in the manner and to the extent provided in Section 5.02.

Section 5.02 Withdrawal Procedure.

(a) A Limited Partner may withdraw all or any part of his Capital Account as of the last day of any fiscal quarter; provided, however, that a Limited Partner may not withdraw all or any part of his Capital Account until one year following the date of his admission to the Partnership (or until December 31, 1993 in the case of a Limited Partner admitted in connection with the initial offering of the Partnership); provided further that any partial withdrawal by a Limited Partner must be at least 25% of such Limited Partner's Capital Account at the time of the withdrawal; and provided further that a Limited Partner may not, without the consent of the General Partner, make a partial withdrawal which would reduce his Capital Account to less than $1,000,000. Any Limited Partner desiring to make a withdrawal from his Capital Account shall, not less than 30 days before the end of such fiscal quarter, give written notice of (i) such Limited Partner's intention to make such withdrawal and (ii) the amount thereof or the basis on which the amount thereof is to be determined.

(b) The General Partner may withdraw all or any part of its Capital Account as of the end of any fiscal quarter; provided, however, no such withdrawal may be made by the General Partner prior to December 31, 1993; and provided, further, that if the amount so proposed to be withdrawn by the General Partner as of any withdrawal date would reduce his Capital Account to less than his original capital contribution, the General Partner shall, not less than 45 days before the end of such fiscal quarter, give notice to the other Partners of (i) its intention to make such withdrawal and (ii) the amount of such withdrawal or the manner in which the amount of such withdrawal is to be determined.

(c) A Partner withdrawing his entire Capital Account as of the end of any fiscal quarter pursuant to this Section 5.02 shall be deemed to have retired as of the date of such withdrawal.

Section 5.03 Payment on Retirement. Retirement of a Partner, whether by (a) withdrawal of such Partner's entire Capital Account or (b) action of the General Partner under Section 5.04, shall be subject to the provisions of Article X.

Section 5.04 Mandatory Retirement of a Limited Partner. If the General Partner, in its sole discretion, deems it to be in the best interests of the Partnership or the General Partner, it may require any Limited Partner to retire from the Partnership on the last day of any fiscal quarter on not less than 20 days notice. A Limited Partner who dies or becomes bankrupt or incapacitated may, in the sole discretion of the General Partner, be retired from the Partnership at the end of the fiscal year during which such event occurs. If the General Partner, in its sole discretion, deems it to be in the best assets of the Partnership to do so because the continued participation of any Limited Partner in the Partnership might cause the Partnership to violate any law, the General Partner may on 5 days notice require the retirement of such Limited Partner at any time, such retirement to be effective on the date specified in such notice. A Limited Partner who is so required to retire pursuant to this Section 5.04 shall be entitled to receive the value of his liquidating Share (as defined in Section 10.01) computed as of the date on which such Limited Partner's retirement shall become effective.

Section 5.05 Distributions in Cash or in Kind. All distributions to a Partner by reason of withdrawals or retirements from the Partnership shall be made in cash or, in the discretion of the General Partner, in securities selected by the General Partner or partly in cash and partly in securities selected by the General Partner.

ARTICLE VI

Term and Dissolution of Partnership

Section 6.01 Term of Partnership. Unless dissolved as hereinafter provided, the Partnership shall continue until December 31, 1993 and thereafter from year to year.

Section 6.02 Dissolution of Partnership. The Partnership may be dissolved at any time by the General Partner, and thereupon the affairs of the Partnership shall be wound up by the General Partner. The bankruptcy or dissolution of the General Partner shall dissolve the Partnership provided, however, that, in such event, if the Limited Partners unanimously select a general partner who agrees to continue the Partnership, the Partnership shall not be dissolved. In the event of the dissolution of the Partnership, the affairs of the Partnership shall be promptly wound up by the person or persons previously designated by the General Partner or, if the General Partner has made no such designation, by the person or persons designated by Limited Partners owning a majority in interest of the Capital Accounts of all the Limited Partners as of the date of dissolution of the Partnership. Such person or persons shall take all steps necessary or appropriate to wind up the affairs of the Partnership as promptly as practicable thereafter. Such person or persons is hereinafter referred to as the "Liquidator". Neither the admission of

Partners nor the retirement, bankruptcy, dissolution, death or incapacity of a Limited Partner shall dissolve the Partnership.

Section 6.03 Procedure on Winding Up.

(a) Upon the winding up of the Partnership, a full accounting of the assets and liabilities of the Partnership shall be taken and the assets of the Partnership shall be liquidated to the extent determined by the General Partner (or the Liquidator) and, as promptly as practicable, the cash proceeds thereof shall be applied in the following order of priority:

(i) to the payment of all debts to non-Partners, taxes, obligations and liabilities of the Partnership including the expenses of liquidation;

(ii) to the payment of all debts to Partners; and

(iii) to the payment to Partners of their remaining Capital Accounts in proportion to the amounts thereof.

(b) In the winding up of the Partnership, the General Partner (or the Liquidator) may establish reserves for contingent liabilities of the Partnership in an amount (including estimated expenses, if any, in connection therewith) determined by the General Partner (or the Liquidator) and, upon the satisfaction of such contingent liabilities, the amounts, if any, remaining in such reserves shall be (distributed as provided in subparagraph (a)(iii) of this Section 6.03.

(c) Distributions to a Partner pursuant to subsection (a)(iii) may be made in installments and shall be made in cash or, in the discretion of the General Partner (or the Liquidator), in securities selected by the General Partner (or the Liquidator), or partly in cash and partly in securities selected by the General Partner (or the Liquidator).

(d) Upon the winding up of the Partnership, the name of the Partnership and its goodwill shall not be appraised, sold or otherwise liquidated but shall remain the exclusive property of the General Partner.

(e) As promptly as possible after the completion of the winding up of the Partnership, the General Partner (or the Liquidator) shall cause to be prepared and forwarded to each Partner a final statement and report of the Partnership.

(f) If the Partnership is wound up by the Liquidator, the Liquidator shall be entitled to reasonable compensation for his services in winding up the Partnership.

ARTICLE VII

Capital Accounts and Capital Contributions

Section 7.01 Capital Accounts. A Partner's "Capital Account" as of a particular date shall consist of the following:

(a) an amount equal to such Partner's original capital contribution;

(b) any additional capital contributions made on or before such date; and

(c) the adjustments, if any, to such account in accordance with the provisions of Section 7,03, Article VII and Section 1.01.

Section 7.02 Capital Contributions. Each Limited Partner must make a minimum contribution of $1,000,000 to the Partnership, unless the General Partner exercise its discretion to waive this minimum requirement. Contributions to the capital of the Partnership shall be made in cash or, at the discretion of the General Partner, in securities acceptable to the General Partner, such securities to be valued in accordance with the provisions of Section 8.02(b). The General Partner shall at all times maintain its Capital Account equal to at least 1% of the total capital of the Partnership.

Section 7.03 Adjustments to Capital Accounts for Withdrawals. The amount of withdrawals, if any, made by a Partner shall be deducted from such Partner's Capital Account as of the date of such withdrawal.

Section 7.04 Additional Contributions to Capital. A Partner may, with the consent of the General Partner, make additional contributions to the capital of the Partnership on any date or dates selected by the General Partner.

ARTICLE VIII

Allocation of Net Profits and Net Losses and
Determination of Net Profits and Net Losses

Section 8.01 Allocation of Net Profits and Net Losses.

(a) Except as otherwise provided in Section 8.03 regarding the treatment of the "Hot Issues Account" (as defined therein), any Net Profits or Net Losses (as defined in Section 8.02) during any Fiscal Period shall be allocated as of the end of such Fiscal Period to the Capital Accounts of all the Partners in the proportions which (i) each Partner's Capital Account as of the beginning of such Fiscal Period bore to (ii) the sum of the Capital Accounts of all the Partners as of the beginning of such Fiscal Period.

(b) If in any fiscal year ("Current Year") the Net Profits allocated to a particular Limited Partner's Capital Account (except for employees, family members or affiliates of the General Partner) pursuant to Section 8.01 (a) exceed the Net Losses so allocated to such Limited Partner's Capital Account, there shall be reallocated to the General Partner as of the end of the Current Year an amount equal to 20% of such excess, provided, however, that this reallocation will be subject to a loss carryforward provision such that the amount so reallocated to the General Partner for the Current Year may not exceed 20% of the excess of the Net Profits for the Current Year over the loss carryforward amount, if any, applicable to the Current Year and, provided, however, the amount reallocated to the General Partner shall not exceed the Net Profits of the Partnership for the fiscal year. For purposes of the first proviso of the preceding sentence, the loss carryforward amount applicable to the Current Year shall be the sum of all prior year Net Losses allocated to the Limited Partner and not subsequently offset by prior year Net Profits. The loss carryforward amount shall be reduced proportionately to reflect any net withdrawals made by such Limited Partner subsequent to any such prior year Net Losses.

The total amount so reallocated pursuant to this Section 8.01 (b) shall be credited as of the end of the fiscal year to the Capital Account of the General Partner (and to the Capital Accounts of such Limited Partners as may from time to time be designated by the General Partner in its sole discretion); provided that the portion, if any, of such Net Profit that has been reallocated to the Capital Account of the General Partner pursuant to this subsection (b) which is represented by net unrealized gains may not be withdrawn by the General Partner from its Capital Account until such gains are realized.

Sponsor Affiliates and certain partners who became Limited Partners prior to November 1, 1993 may be charged a lower incentive allocation.

(c) In the event of the retirement of a Partner at anytime other than the end of a fiscal year, the allocation and/or deduction provided for in Section 8.01 (b) shall be made with respect to such Partner for the Fiscal Period ending on such date as though the last day of such Fiscal Period was the last day of a fiscal year. The amount so deducted from the Capital Accounts of all Partners who so retire shall be held in a "Suspense Account" until the end of such fiscal year at which time the total of such amounts shall be credited to the Capital Accounts of the General Partner up to the amount by which the Net Profit of the Partnership for such fiscal year exceeds the amount reallocated from the Limited Partners under Section 8.01 (b) or such fiscal year, and the balance, if any, of such amount shall be credited to the Capital Accounts of the Partners as of the last day of such fiscal year.

Section 8.02 Determination of Net Profits and Net Losses. "Net Profits" or "Net Losses" of the Partnership shall mean the net operating profits or net operating losses, as the case may be, for a Fiscal Period determined on the accrual basis of accounting in accordance with generally accepted accounting principles consistently applied and further in accordance with the following:

(a) Net Profits and Net Losses shall include realized and unrealized profits and losses with respect to all securities positions. In such computation, realized and unrealized profits and losses shall mean for each position held in a security during any Fiscal Period, the realized or unrealized appreciation or the realized or unrelated depreciation, as the case may be, with respect to such position, determined by comparing the net proceeds from the closing or deemed closing of such position or the market value of such position at the end of such Fiscal Period with (i) the cost of such position if established during such Fiscal Period or (ii) if such position was established during a prior Fiscal Period, the market value of such position at the end of the last preceding Fiscal Period.

(b) The market value of positions in securities shall be as follows: securities that are listed on the consolidated tape and are freely transferable shall be valued at their last sales price on the consolidated tape on the date of determination or, if no sales occurred on such day, at the "bid" price on the consolidated tape at the close of business on such day and if sold short at the "asked" price at the close of business on such day. Securities traded over the counter which are freely transferable shall be valued at the last sales price on the date of determination, or, if no sales occurred on such day, at the "bid" price at the close of business on such day and if sold short at the "asked" price at the close of business on such day. Notwithstanding the foregoing, if the securities to be valued constitute a block which, in the judgment of the General Partner, could not be liquidated in a reasonable time without depressing the market, such block shall then be valued by the General Partner but not at a unit value in excess of the quoted market price for such security. All other assets of the Partnership shall be valued in the manner determined by the General Partner.

(c) There shall be deducted in computing Net Profits and Net Losses estimated expenses, including accounting and legal services in respect of the particular Fiscal Period (whether performed therein or to be performed thereafter), and such reserves for contingent liabilities of the Partnership, including related expenses, if any, in connection therewith, as the General Partner shall determine. There shall be separately charged to each Limited Partner, the fee described in Section 4.03 to the General Partner.

(d) In computing the Net Profits and Net Losses of the Partnership, the Organizational Expenses of the Partnership incurred pursuant to Section 4.02 shall be amortized over a period of 60 months from the formation of the Partnership and the amortizable portion of the Organizational Expenses shall be deducted in computing Net Profits and Net Losses.

Section 8.03 Hot Issues. In the event the General Partner decides to invest in securities which are the subject of a public distribution and which the General Partner, in its sole discretion, believes may become a "hot issue" as that term is defined in Article 111, Section 1 of the Rules of Fair Practice of the National Association of Securities Dealers, Inc. (the "Association"), such investment shall be made in accordance with the following provisions:

(a) any such investment made in a particular Fiscal Period shall be made in a special account (the "Hot Issues Account");

(b) only those Partners who do not fall within the proscription of Article 111, Section 1 of said Rules of Fair Practice ("Unrestricted Partners") shall have any beneficial interest in the Hot Issues Account;

(c) each Unrestricted Partner shall have a beneficial interest in the Hot Issues Account for any Fiscal Period in the proportion which (i) such Unrestricted Partner's Capital Account as of the beginning of the Fiscal Period bore to (ii) the sum of the Capital Accounts of all Unrestricted Partners as of the beginning of such Fiscal Period;

(d) funds required to make a particular investment shall be referred to the Hot Issues Account from the regular account of the Partnership; securities involved in the public distribution shall be purchased in the Hot Issues Account, held in the Hot Issues Account and eventually sold from the Hot Issues Account or transferred to the regular account at fair market value as of the day of transfer as determined by the General Partner with such transfer being treated as a sale; if such securities are sold from the Hot Issues Account, the proceeds of the sale shall be transferred from the Hot Issues Account to the regular account of the Partnership;

(e) as of the last day of each Fiscal Period in which a particular investment or investments are held in the Hot Issues Account: (A) interest shall be debited to the Capital Accounts of the Unrestricted Partners in accordance with their beneficial interests in the Hot Issues Account at the interest rate being paid by the Partnership from time to time for borrowed funds during the period in that Fiscal Period that funds from the regular account have been held in or made available to the particular Hot issues Account or, if no such funds are being borrowed during such period, the interest rate that the General Partner determines would have been paid if funds had been borrowed by the Partnership during such period and such interest shall be credited to the Capital Accounts of all the Partners, both General and Limited, in the proportions which (i) each Partner's Capital Account as of the beginning of such Fiscal Period bore to (ii) the sum of the Capital Accounts of all Partners as of the beginning of such Fiscal Period and (B) any Net Profits or Net Losses during such Fiscal Period with respect to the Hot Issues Account shall be allocated to the Capital Accounts of the Unrestricted Partners in accordance with their beneficial interests in the Hot Issues Account during such Fiscal Period; and

(f) the determination of the General Partner as to whether a particular Partner falls within the proscription of Article 111, Section 1 of said Rules of Fair Practice shall be final.

Section 8.04 Allocation of Prior Fiscal Period Items. Anything herein to the contrary notwithstanding, any item of income, gain, loss or deduction for a Fiscal Period

attributable to any Partnership matter or transaction occurring during a prior Fiscal Period (such items of income, gain, loss or deduction are referred to herein as "Prior Fiscal Period items") which shall exceed the lesser of (a) $ 100,000 or (b) one percent of the Capital Accounts of all Partners as of the beginning of the current Fiscal Period may, in the discretion of the General Partner, be allocated among the Partners (including persons who have ceased to be Partners) in proportion to their Capital Accounts as of the beginning of such prior Fiscal Period. In the case of a person who is a Partner during the Current Fiscal Period, the Prior Fiscal Period Items shall be considered an item of Net Profit or Net Loss for the Current Fiscal Period for purposes of Section 8-01 (b). In the case of a person who has ceased to be a Partner, the Prior Fiscal Period Items shall be considered an Item of Net Profit or Net Loss in the last fiscal period in which such person was a Partner for purposes of computing the allocation of such Prior Fiscal Period Items between the person who ceased to be a Partner and the General Partner.

ARTICLE IX

Allocation of Income For Tax Purposes

Section 9.01 Ordinary Deductions and Ordinary Income. For Federal income tax purposes, all items of deduction other than realized capital losses, and all items of income other than capital gains, shall be allocated, as nearly as is practicable, in accordance with the manner in which such items of deduction or income affected the amounts which were either deducted from or added to the Capital Accounts of the Partners.

Section 9.02 Capital Gains and Losses. For Federal income tax purposes, capital gains and capital losses (short-term and long-term, as the case may be) recognized by the Partnership shall be allocated, as nearly as is practicable, in accordance with the manner in which the aggregate of the increase or decrease in the value of the securities positions giving rise to such gains or losses was added to or deducted from the Capital Accounts of the Partners.

Section 9.03 Allocation of Capital Gains to Retiring Partners. Notwithstanding Section 9.02 above, in the event a Partner withdraws all of his Capital Account from the Partnership, the General Partner in its sole discretion may make a special allocation to said Partner for Federal income tax purposes in the last year that such Partner participates in the Partnership's operations of the net capital gains recognized by the Partnership in such a manner as will reduce the amount, if any, by which such Partner's Liquidating Share (as defined in Section 10.01) exceeds his Federal income tax basis in his interest in the Partnership before such allocation. For example, if a Partner retires at a time when his Capital Account reflects significant unrealized gains which should be appropriately taxed to such retiring Partner rather than the remaining Partners in the Partnership, the General Partner may, in its sole discretion, employ the provisions of this Section 9.03 in order to fairly apportion the realized gains for the fiscal year such Partner retires between such retiring Partner and the remaining Partners.

ARTICLE X

Payments to and by a Person Who Has Ceased to be a Partner

Section 10.01 Payments on Retirement, Death, Bankruptcy, Insanity or Disability of any Partner. Within thirty days after (a) the date of retirement of a Partner in accordance with the terms of this Agreement or (b) in the discretion of the General Partner, the day of the fiscal year during which a Partner died or became bankrupt or legally incapacitated, there shall be paid or distributed to such Partner or to the legal representative of such Partner, an amount in cash or, as determined by the General Partner, securities selected by the General Partner or in cash and securities selected by the General Partner, equal in value to not less than 95% of the estimated amount of the Liquidating Share (as hereinafter defined) of such Partner. Promptly after the General Partner has determined the Capital Accounts of the Partners as of such date and, if such date is the last day of a fiscal year and the independent public accountants have completed its examination thereof required by Section 11.03, the Partnership shall pay to such Partner or its representative, in cash or such securities or cash and such securities, as determined by the General Partner, the amount of the excess, if any, of the Liquidating Share of such Partner over the amount so paid, or such Partner or representative shall pay to the Partnership the amount of the excess, if any, of the amount so paid over such Liquidating Share, in each case together with interest thereon, to the extent permitted by applicable law, from the applicable date referred to in clauses (a) or (b) above to the date of the payment at an annual rate equal to 1/2 of 1% above the brokers' call rate charged by the Partnership's principal broker. The term "Liquidating Share", when used with respect to any retiring, deceased, bankrupt or legally incapacitated Partner, shall mean the Capital Account of such Partner on the date in question after giving effect to all adjustments thereto.

Section 10.02 Reserve for Liability and Payments of Prior Fiscal Period Items by Person Who Has Ceased to be a Partner.

(a) The right of any retired, deceased, bankrupt or legally incapacitated Partner (or his legal representative) to have distributed the Liquidating Share of such Partner shall in all instances be subject to retention by the Partnership of a reserve, in such amount as shall be determined by the General Partner, in its sole discretion, for Partnership liabilities and for other contingencies. Commencing on the applicable date referred to in clauses (a) and (b) of Section 10.01, the reserve shall bear interest, payable on each December 31 after such date, at an annual rate equal to 1/2 of 1% above the brokers' call rate charged by the Partnership's principal broker. Upon the determination of the General Partner that such reserve (or portion thereof) is no longer required there shall be distributed to such Partner his proportionate share of the reserve which is no longer required together with interest thereon.

(b) A person who has ceased to be a Partner will be liable for his proportionate share of Prior Fiscal Period Items as provided in Section 804 in excess of

his share of the reserve established with respect to such person pursuant to Section 10.02(a) and such person shall pay his share of such amounts promptly on demand, but the amount to be paid shall not be in excess of his Capital Account at the time such Prior Fiscal Period Item arose.

ARTICLE XI

Miscellaneous Provisions

Section 11.01 Withholding Taxes. Any taxes, fees or other charges the Partnership is required to withhold under applicable law with respect to any Partner shall be withheld by the Partnership (and paid to the appropriate governmental authorities) and shall be deducted from the Capital Account of such Partner as of the last day of the Fiscal Period with respect to which such amount is required to be withheld.

Section 11.02 Maintaining Books of Account. Proper and complete books of account shall be kept at all times and shall be open to inspection by any Partner or their accredited representative at reasonable times during office hours.

Section 11.03 Audit of Books. The books of account and records of the Partnership shall be audited as of the end of each fiscal year by independent certified public accountants designated from time to time by the General Partner.

Section 11.04 Amendment of Agreement. This Agreement may be amended by the General Partner in any manner that does not adversely affect the rights of any Limited Partner. This Agreement may also be amended by action taken by both (a) the General Partner and (b) the Limited Partners owning a majority in interest of the Capital Accounts owned by the Limited Partners at the time of the amendment, provided that such amendment does not discriminate among the Limited Partners.

Section 11.05 Notices. All notices provided for under this Agreement shall be in writing and shall be deemed to have been duly given as of the date of postmark if sent by first class mail to such Partner's address as set forth in the schedule in the files of the Partnership as of the date of such notice.

Section 11.06 Reports to Partners. The Partnership shall furnish to the Partners reports with respect to the Partnership's activities after the end of each fiscal quarter and audited financial reports of the Partnership prepared by the Partnership's independent certified accountants promptly after the end of each fiscal year. In addition, as promptly as practicable after the end of each fiscal year, the Partnership shall send to each Partner a report indicating the amounts representing their respective share of net long-term capital gain or loss, net short-term capital gain or loss, operating profit or loss and dividends for purposes of reporting such amounts for income tax purposes.

Section 11.07 Binding Effect of Agreement. This Agreement, including Section 11.09 hereof, shall be binding on the successors, assigns and the legal representatives of each of the Partners.

Section 11.08 Counterparts. This Agreement may be executed in more than one counterpart with the same effect as if the Partners executing the several counterparts had all executed one document.

Section 11.09 Designation of Attorney. Each of the undersigned for himself or herself hereby irrevocably constitutes and appoints Samuel D. lsaly and Viren Mehta his true and lawful attorneys in his name, place and stead, to make, execute, sign and file:

(a) the Certificate of Limited Partnership and any amendment thereto or termination thereof which is or may be required by the laws of the State of Delaware;

(b) any certificate required by reason of the dissolution of the Partnership; and

(c) any application, certificate, report or similar instrument or document required to be submitted by or on behalf of the Partnership to any governmental or administrative agency or body, to any securities exchange, board of trade, clearing corporation or association or to any self-regulatory organization or trade association.

Said attorneys are not by this Section 11.09 granted any authority on behalf of the undersigned to amend this Agreement in any way that adversely affects a Limited Partner.

IN WITNESS WHEREOF, the undersigned has hereunto signed this Agreement as of the date first written above.

General Partner:	Limited Partner:
CADUCEUS MANAGEMENT PARTNERS, L.P.	/s/ Samuel D. Isaly Signature of Limited Partner
By: Caduceus Capital Management, Inc. General Partner	Samuel D. Isaly Type in Name of Limited Partner
By: /s/ Samuel D. Isaly	Date of Signature: 12/31/92
/s/ Nicholas G. Palevsky Signature of Limited Partner	/s/ Viren Mehta Signature of Limited Partner
Nicholas G. Palevsky Type in Name of Limited Partner	Viren Mehta Type in Name of Limited Partner
Date of Signature: 6/29/94	Date of Signature: 4/30/93

/s/ David Martin	/s/ Sven H. Borho
Signature of Limited Partner	Signature of Limited Partner
Croesus Investment Partners VI	Sven H. Borho
Type in Name of Limited Partner	Type in Name of Limited Partner
Date of Signature: 4/3/95	Date of Signature: 4/30/95
/s/ George Hibon	/s/ Stephen E. Elliott
Signature of Limited Partner	Signature of Limited Partner
George Hibon	Stephen E. Elliott
Type in Name of Limited Partner	Type in Name of Limited Partner
Date of Signature: 6/28/96	Date of Signature: 11/4/96
/s/ Steven A. Lisi	/s/ Michael B. Sheffery
Signature of Limited Partner	Signature of Limited Partner
Steveb A. Lisi	Michael B. Sheffery
Type in Name of Limited Partner	Type in Name of Limited Partner
Date of Signature: 11/4/96	Date of Signature: 11/4/96

/s/ Jane C. Brissette
- ------------------------------------
Signature of Limited Partner

The Pooled Employee Trust Funds of Carolina First Bank
- --
Type in Name of Limited Partner

Date of Signature: 10/31/96

/s/ Carl L. Gordon
- ---------------------------------
Signature of Limited Partner

Carl L. Gordon
- ---------------------------------
Type in Name of Limited Partner

Date of Signature: 11/1/96

/s/ Edmund A. Debler
- ---------------------------------
Signature of Limited Partner

Edmund A. Debler
- ---------------------------------
Type in Name of Limited Partner

Date of Signature: 4/30/96

- ---

CADUCEUS MANAGEMENT PARTNERS L.P.

LIMITED PARTNERSHIP AGREEMENT

Dated as of July 1, 1994

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CADUCEUS MANAGEMENT PARTNERS L.P.

LIMITED PARTNERSHIP AGREEMENT, dated as of November 1, 1993, by and among Caduceus Capital Management, Inc., a Delaware corporation ("CCM"), as general partner, and Blackstone Alternative Asset Management L.P., a Delaware limited partnership ("Blackstone"), Samuel D. Isaly and Viren Mehta, as limited partners (together, the "Limited Partners").

Preliminary Statement

The parties hereto are executing this Limited Partnership Agreement for the purpose of forming a limited partnership pursuant to the provisions of the Partnership Act (as defined herein). Accordingly, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.1. Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

"Affiliate" with respect to any Person means any other Person who controls, is controlled by or is under common control with such Person.

"Agreement" means this Limited Partnership Agreement of the Partnership, as it may be amended, supplemented, modified or restated from time to time.

"Asset Management Business" means the business of serving as the general partner of any investment vehicle, including the Private Fund, or serving as the investment manager or investment adviser of Separate Accounts or other similar capacity for investors sourced in the United States, in each case specializing in buying and selling Securities in the pharmaceutical, health care and biotechnology industries. Notwithstanding the foregoing, for purposes hereof the term "Asset Management Business" shall specifically not include the activities of the (i) Offshore Fund or (ii) Public Fund; provided, that the Partners acknowledge their intent to enter into separate business arrangements (directly or indirectly through Affiliates) relating to the Public Fund that satisfy applicable law and regulation.

"Blackstone Change of Control" means that none of Sheldon S. Gordon, Michael F. Holland or Mark J. Kenyon continues to be an officer of Blackstone.

"Blackstone Entity" means Blackstone and any Affiliate of Blackstone at any time in question.

"Blackstone Expenses" means (i) all costs and expenses (other than Organizational Expenses and Maintenance Expenses) incurred by Blackstone and its Affiliates in connection with the performance of their obligations and responsibilities under this Agreement, including costs and expenses of travel, staff, salary and office overhead.

"Blackstone Partner" means any Partner which is a Blackstone Entity.

"Business Day" shall mean any day which is not a Saturday, Sunday or a day on which the commercial banks in New York are required or authorized by applicable law to close.

"Buy/Sell Closing" has the meaning set forth in Section 8.1(c).

"Buy/Sell Closing Date" has the meaning set forth in Section 8.1(c).

"Buy/Sell Option Period" has the meaning set forth in Section 8.1(c).

"Buy/Sell Price" has the meaning set forth in Section 8.1(c).

"Buyer" has the meaning set forth in Section 8.1(c).

"Capital Account" has the meaning set forth in Section 5.2.

"Carrying Value" shall mean, with respect to any Partnership asset, the asset's adjusted basis for U.S. federal income tax purposes, except that the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in Regulations Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution, other than pursuant to the initial formation of the Partnership; (b) the date of the distribution of more than a de minimis amount of Partnership property to a Partner; (c) the date a Partnership interest is relinquished to the Partnership or (d) the date of the termination of the Partnership under Section 708(b)(i)(B) of the Code; provided, however, that adjustments pursuant to clauses (a), (b) and (c) above shall be made only if the General Partner determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately prior to such distribution to equal its fair market value. Depreciation shall be calculated by reference to Carrying Value, instead of tax basis once Carrying Value differs from tax basis.

"Cause" means the occurrence or existence of any of the following with respect to a Partner: (i) a material breach of the Partner's obligations under this

Agreement; (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership; or (iii) conviction of a felony or any crime involving moral turpitude.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

"Confidential Information" has the meaning set forth in Section 9.5.

"Deficient Performance" means (i) with respect to the General Partner, the failure of the Private Fund to achieve a gross return not less than the Mehta and Isaly Index for the Performance Period or, if that index is not available, any other similar industry index selected upon a Partner Consent, and (ii) with respect to Blackstone, the failure of the Partnership to obtain Funds Under Management of an amount greater than or equal to $50 million at the end of such period, which for this purpose shall include investments made through the Private Fund, other similar vehicles in which the Partnership serves as general partner or investment adviser (excluding the Offshore Fund), the Public Fund and the Separate Accounts (whether or not such assets were invested prior to the formation of the Partnership).

"Disabling Event" means any event which would cause the General Partner to cease to be the general partner of the Partnership pursuant to Section 17-402 of the Partnership Act other than as permitted by Section 8.1.

"Fiscal Period" has the meaning set forth in Section 5.4.

"Fiscal Year" means the one-year period ending on December 31 of each year.

"Funds Under Management" with respect to any Person means the funds under management by such Person as part of the Asset Management Business; provided, that (i) Funds Under Management shall include only actual funds contributed by a client rather than funds under management after giving effect to account leverage and (ii) Funds Under Management shall not include any increase or decrease due to trading profits or losses.

"General Partner" means CCM and any Person admitted to the Partnership as an additional or substitute general partner of the Partnership in accordance with the provisions of this Agreement, until such time as such Person ceases to be a general partner of the Partnership as provided herein.

"Individual Mehta and Isaly Partner" means any Mehta and Isaly Partner that is an individual person.

"Interest" has the meaning set forth in 8.1(b).

"Limited Partner" means Blackstone, Samuel D. Isaly, Viren Mehta and any Person admitted to the Partnership as an additional or substituted limited partner of the Partnership in accordance with the provisions of this Agreement.

"Liquidator" has the meaning set forth in Section 7.2.

"Maintenance Expenses" means (i) the marginal increases in fees and expenses of statutory or registered agents and offices of the Partnership attributable to the creation of the Partnership, (ii) the fees and expenses incurred in connection with the maintenance of the Partnership's books and records attributable to the creation of the Partnership and the preparation of the Partnership's tax returns and any tax audits or disputes arising therefrom and (iii) any other maintenance expenses of the Partnership approved by a written Partner Consent. For purposes hereof, "Maintenance Expenses" shall also include the amount of New York City unincorporated business tax ("UBT") paid by the Partnership; provided, that if the Partnership receives a credit against such payment of UBT or the amount of UBT payable by the Partnership is otherwise reduced as a result of the payment of UBT on income derived from the Partnership by a direct or indirect owner of a Mehta and Isaly Partner or a Blackstone Partner, as the case may be, then the expense relating to the reduction in the amount of UBT paid by the Partnership shall not be allocated to the Mehta and Isaly Partners or the Blackstone Partners, as the case may be, but shall be specially allocated to the Blackstone Partners or the Mehta and Isaly Partners, as the case may be, as provided in Section 5.3(b).

"Mehta and Isaly Entity" means any Affiliate of Samuel D. Isaly or Viren Mehta (and each of them in their individual capacity).

"Mehta and Isaly Expenses" means all costs and expenses (other than Organizational Expenses and Maintenance Expenses) incurred by the General Partner and its Affiliates in connection with the performance of its obligations and responsibilities under this Agreement, including costs and expenses of travel, staff, salary and office overhead.

"Mehta and Isaly Group" means collectively, CCM, Samuel D. Isaly and Viren Mehta and any permitted assigns of such Partners.

"Mehta and Isaly Index" means The Pharmaceutical and Health Care Equity Securities Index as determined by Mehta and Isaly, a New York general partnership (or any successor entity), and published monthly in The Mehta and Isaly Pharmaceutical Portfolio Recommendations (or any successor publication).

"Mehta and Isaly Partner" means any Partner which is a member of the Mehta and Isaly Group.

"Net Income (Loss)" shall mean for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (i) all items of income, gain, loss or deduction allocated pursuant to Section 5.3(c) shall not be taken into account in computing such taxable income or loss; (ii) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income and Net Loss shall be added to such taxable income or loss; (iii) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (iv) upon an adjustment to the Carrying Value of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (v) except for items in (i) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income and Net Loss pursuant to this definition shall be treated as deductible items and (vi) items of loss, deduction or expense constituting Blackstone Expenses or Mehta and Isaly Expenses shall be excluded from Net Income (Loss).

"Offeree" has the meaning set forth in Section 8.1(c).

"Offered Interest" has the meaning set forth in Section 8.1(b).

"Offering Notice" has the meaning set forth in Section 8.1(c).

"Offeror" has the meaning set forth in Section 8.1(c).

"Offshore Funds" means PHARMA w/HEALTH, a mutual investment fund incorporated under the laws of the Grand-Duchy of Luxembourg.

"Organizational Expenses" means all costs and expenses pertaining to the organization of the Partnership and the registration, qualification or exemption of the Partnership and, to the extent necessary for the operation of the Partnership as contemplated hereby, the Partners or their Affiliates, under any applicable federal, state or foreign laws, including fees of counsel to the Partnership and the Partners.

"Partner" means any Person who is a partner of the Partnership, whether a General Partner or a Limited Partner.

"Partner Consent" means the approval of an item or matter as provided in Section 3.2 by both the General Partner and Blackstone.

"Partnership" means Caduceus Management Partners L.P., a Delaware limited partnership.

"Partnership Act" means the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. ss.ss. 17-101, et seq., as it may be amended from time to time, and any successor to such statute.

"Partnership Business" means (a) the Asset Management Business and (b) any other related business to the extent such business is determined by a written Partner Consent to be within the purpose and scope of the Partnership; provided, however, that, except as may otherwise be agreed upon by a written Partner Consent, Partnership Business shall not include any business that would otherwise constitute Partnership Business conducted by Blackstone and its Affiliates, on the one hand, or the General Partner and its Affiliates, on the other hand, if such Partner has proposed in writing that such business be conducted by the Partnership but the other Partner has not consented in writing to such business being conducted by the Partnership.

"Performance Period" means the two-year period beginning on July 1, 1994 and ending on and including June 30, 1996.

"Person" means any individual, partnership, joint venture, corporation, unincorporated organization or association, trust (including the trustees thereof in their capacity as such) or other entity.

"Private Fund" means Caduceus Capital, L.P., a. Delaware limited partnership.

"Profit Sharing Percentage" means the percentage interest of a Partner in Net Income (Loss) set forth on Schedule A hereto as amended from time to time in accordance herewith.

"Public Fund" means Medical Research Investment Fund, Inc., a Maryland corporation and an investment company registered under the Investment Company Act of 1940, as amended.

"Securities" has the meaning set forth in Section 2.5(b)(vi).

"Seller" has the meaning set forth in Section 8.1(c).

"Separate Accounts" means segregated accounts managed by the Partnership in which the Partnership is granted authority to manage the assets of such account on a discretionary basis.

"Special Limited Partner" shall mean any Partner that has withdrawn (or is deemed to have withdrawn) from the Partnership and has been readmitted upon the terms and conditions provided herein.

"Tax Matters Partner" has the meaning set forth in Section 6.2(b).

"Transfer" has the meaning set forth in Section 8.1(a).

"Transferor" has the meaning set forth in Section 8.1(b).

SECTION l.2. Terms Generally. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

General Provisions

SECTION 2.1. Partners. Schedule A attached hereto contains the name, address and Profit Sharing Percentage of each Partner as of the date of this Agreement. Schedule A shall be revised by the General Partner from time to time to reflect the admission or withdrawal of a Partner or the transfer or assignment of interests in the Partnership in accordance with the terms of this Agreement and other modifications to or changes in the information set forth therein.

SECTION 2.2. Name. Subject to Section 9.2, the Partnership shall conduct its activities under the name of Caduceus Management Partners L.P. The General Partner shall have the power at any time to change the name of the Partnership if such name change has been approved in writing by a Partner Consent; provided that the name shall always contain the words "Limited Partnership" or the letters "L.P." The General Partner shall give prompt notice of any such change to each Partner.

SECTION 2.3. Liability of General and Limited Partners. (a) The General Partner shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

(b) In no event shall any Limited Partner or former Limited Partner (i) be obligated to make any capital contribution to the Partnership except pursuant to Section 5.1, (ii) have any liability in excess of such Limited Partner's obligation to make capital contributions pursuant to Section 5.1 and other payments provided for in this Agreement or (iii) have any liability to return distributions received by such Limited Partner from the Partnership except as required by this Agreement or applicable law.

SECTION 2.4. Term. The existence of the Partnership shall continue until November 1, 2023 unless and until the Partnership is earlier dissolved, wound up and terminated in accordance with Article VII.

SECTION 2.5. Purpose; Powers. (a) The purpose of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, (i) to engage in the Asset Management Business and receive revenues in connection therewith as contemplated hereby, (ii) to engage in any other Partnership Business to the extent agreed upon by a written Partner Consent and (iii) to do all things necessary or incidental thereto.

(b) In furtherance of its purposes, the Partnership shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, including the following:

(i) to render asset management services for the account of others in connection with the Partnership Business;

(ii) to act as a general partner for the Private Fund;

(iii) to act as an investment advisor or investment manager for Separate Accounts;

(iv) to invest and reinvest the cash assets of the Partnership in money market or other short-term investments;

(v) to purchase, hold, receive, mortgage, pledge, transfer, exchange, otherwise dispose of, grant options with respect to and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to all Securities and other property;

(vi) to buy and sell equity and equity-related securities in the pharmaceutical, health care and biotechnology industries, including stocks, convertible securities, warrants and options to buy and sell securities, as well as bonds, debentures and money market obligations, repurchase and reverse repurchase agreements, foreign securities, commodities, futures and forward contracts or options on or derivatives with respect to any of the foregoing ("Securities").

(vii) to engage in any other lawful transactions in Securities which the General Partner from time to time determines to be in the best interest of the clients of the Partnership Business;

(viii) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(ix) to open, maintain and close accounts, including margin accounts, with brokers;

(x) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(xi) to engage employees (with such titles and delegated responsibilities as may be determined), accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate them as may be necessary or advisable;

(xii) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, and to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic;

(xiii) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary or advisable or incident to carrying out its purposes;

(xiv) to sue, prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment of claims against the Partnership, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xv) to distribute, subject to the terms of this Agreement, at any time and from time to time to Partners cash or investments or other property of the Partnership, or any combination thereof; and

(xvi) to take such other actions necessary or incidental thereto as may be permitted under applicable law.

SECTION 2.6. Place of Business. The Partnership shall maintain a registered office at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or such other office as is approved by a Partner Consent. The Partnership shall maintain an office and principal place of business at

41 Madison Avenue, 40th Floor, New York, New York, 10010 or at such other place as may from time to time be determined by a written Partner Consent; the General Partner shall give notice to the other Partners of any change in the Partnership's principal place of business. The name and address of the Partnership's registered agent as of the date of this Agreement is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.

ARTICLE III

Management and Operation of the Partnership

SECTION 3.1. Management. (a) Except as otherwise provided herein, (a) the management, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested exclusively in the General Partner and (b) the General Partner shall exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.5, on behalf and in the name of the Partnership.

(b) Except as otherwise provided herein, Limited Partners as such shall have no right to, and shall not, take part in the management or affairs of the Partnership, nor in any event shall any Limited Partner have the power to act for or bind the Partnership. The exercise by any Limited Partner of any right or power conferred herein shall not be construed to constitute participation by such Limited Partner in the control of the business of the Partnership so as to make such Limited Partner liable as a general partner for the debts and obligations of the Partnership for purposes of the Partnership Act.

SECTION 3.2. Partner Consent Matters. (a) Subject to Section 4.3(i), the following Partnership matters shall require a written Partner Consent:

(i) the dissolution, termination and winding up of the Partnership pursuant to Section 7.1;

(ii) the sale, exchange, lease, mortgage, assignment, pledge or other transfer of, or granting of a security interest in, any significant asset or assets of the Partnership, or the merger or consolidation of the Partnership with or into any other business entity pursuant to Section 17-211 of the Partnership Act;

(iii) the incurrence, renewal, refinancing or payment or other discharge of indebtedness for borrowed money by the Partnership;

(iv) a change in the business of the Partnership to include any business other than the Asset Management Business;

(v) an amendment to this Agreement, including a modification of the Profit Sharing Percentages of any Partner other than as a result of a transfer of a Partnership interest in accordance with this Agreement, or an amendment to the Certificate of Limited Partnership of the Partnership;

(vi) except as required by Section 5.1, the amount and timing of any capital contributions to the Partnership pursuant to Section 5.1;

(vii) any expenditure (other than a Mehta and Isaly Expense or a Blackstone Expense) greater than $10,000 individually or $100,000 in the aggregate for any Fiscal Year or any investment by the Partnership for its own account (other than money-market or other short-term investments);

(viii) any lease entered into by the Partnership;

(ix) the formation by the Partnership of any subsidiary or partnership in which the Partnership owns an equity interest to conduct any portion of the Partnership's business;

(x) the reorganization of the Partnership as a corporation or other entity, or the creation of a holding corporation or partnership to own all or any substantial portion of the assets or all the equity interests in the Partnership;

(xi) the engagement of any independent accountant, counsel, actuary or consultant to the Partnership or any significant change in or termination of any engaged independent accountant, counsel, actuary or consultant to the Partnership, including pursuant to Section 6.1(b); provided, that no Partner Consent shall be required for the engagement of Seward & Kissel, Simpson Thacher & Bartlett, Deloitte & Touche or Rothstein, Kass & Co.;

(xii) the commencement, termination or settlement of any litigation;

(xiii) the establishment of any period other than a calendar quarter as a Fiscal Period pursuant to Section 5.4, the determination of reserves and retained net earnings pursuant to Section 5.4 and, except as may be required by Section 5.4, any distribution of cash or investments or other property of the Partnership to the Partners or any withdrawals of capital from the Partnership;

(xiv) the acceptance of any new client and the fees for services provided by the Partnership to such client in connection with the opening of and maintaining of Separate Accounts;

(xv) any change in the name of the Partnership or the use of another name by the Partnership to carry on any business of the Partnership other than as contemplated by Section 9.2;

(xvi) a transaction or other matter involving any actual or potential conflict of interest affecting any Partner or Affiliate thereof (including pursuant to clause (iii) of Section 3.3(d));

(xvii) the maintenance of a registered office in Delaware other than that specified in Section 2.6;

(xviii) the determination of Net Income (Loss) pursuant to Section 6.1(a) and other determinations, valuations and other matters of judgment required to be made for accounting purposes pursuant to Section 6.1(e);

(xix) the determination and approval of such tax matters as are specified in Section 6.2;

(xx) the allocation of amounts in respect of a transferred interest in the Partnership pursuant to Section 8.2(f);

(xxi) the disclosure of Confidential Information to a Person other than a Partner and its Affiliates and advisors (including their respective employees) pursuant to Section 9.6;

(xxii) the withdrawal of a Partner from the Partnership or admission of an additional Partner to the Partnership pursuant to Section 8.2;

(xxiii) the determination of any titles and responsibilities of employees of the Partnership pursuant to Section 2.5(b);

(xxiv) any material action taken or decision made by the Partnership in its capacity as general partner of the Private Fund (or similar investment vehicle) or in its capacity as investment adviser or investment manager of any Separate Accounts, except for any action taken or decision made with respect to investments of the Private Fund (or similar investment vehicle) or of any Separate Accounts; and

(xxv) any other matter expressly stated in this Agreement to be subject to approval by a Partner Consent.

(b) A Partner shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Partner (or any Affiliate thereof) in such matter.

(c) Each Partner agrees that, except as otherwise specifically provided herein and to the fullest extent permitted by applicable law, for purposes of granting the approval of the Partners with respect to any proposed action of or relating to the Partnership, the approval of such action by the Partner Consent as provided herein shall bind each Partner and shall have the same legal effect as the approval of each Partner of such action.

(d) The failure to vote by Blackstone on any matter requiring Partner Consent hereunder shall be deemed a Partner Consent with respect thereto if Blackstone does not respond to the notice regarding such matter within ten Business Days of the delivery of such notice.

SECTION 3.3. Certain Duties and Obligations of the Partners. (a) The General Partner shall take all action which may be necessary or appropriate (i) for the formation and continuation of the Partnership as a limited partnership under the laws of the State of Delaware and (ii) for the development, maintenance, preservation and operation of the business of the Partnership in accordance with the provisions of this Agreement and applicable laws and regulations.

(b) Each Partner shall use its best efforts to conduct the affairs of the Partnership so as to cause the Partnership to be classified for Federal income tax purposes as a partnership and not as an association taxable as a corporation.

(c) The General Partner shall take (and each Limited Partner agrees to cooperate with the General Partner and approves of the General Partner's taking on its behalf) all action which is necessary (i) to form or qualify the Partnership to conduct the business in which the Partnership is engaged under the laws of any jurisdiction in which the Partnership is doing business and to continue in effect such formation or qualification and (ii) in order to protect the limited liability of the Limited Partners under the laws of any jurisdiction in which the Partnership is doing business. To the extent necessary for the conduct of the Partnership's business or the performance by the General Partner of its responsibilities hereunder, the General Partner shall take or cause to be taken all action required to register or qualify the Partnership, the General Partner or the General Partner's Affiliates with the Commodity Futures Trading Commission as a commodity pool operator and to apply for membership with the National Futures Association in connection therewith, and to register with the Securities and Exchange Commission as an investment adviser, and to maintain such registrations, qualifications and memberships in effect for so long as required.

(d) The General Partner shall not take, or cause to be taken, any action that would result in any Limited Partner having any personal liability for the obligations of the Partnership. The General Partner shall be under a duty as described herein to conduct the affairs of the Partnership in the best interests of the Partnership and of the Partners including the safekeeping and use of all Partnership funds and assets and the use thereof for the exclusive benefit of the Partnership. Neither any Partner nor any Affiliate of any Partner

shall enter into any transaction with the Partnership unless the transaction (i) is expressly permitted hereunder, (ii) is entered into on arm's-length terms in the ordinary course of Partnership business or (iii) is approved by a Partner Consent upon disclosure of any direct or indirect interest the Partner or Affiliate thereof may have in the transaction.

SECTION 3.4. Restrictions on Authority of the General Partner. The General Partner shall not have the authority to:

(a) do any act in contravention of this Agreement;

(b) do any act which would make it impossible to carry on the ordinary business of the Partnership, except in connection with the dissolution, winding up and termination of the Partnership as approved by a Partner Consent pursuant to Section 3.2(a)(i);

(c) possess Partnership property, or assign their rights in specific Partnership property, for other than a Partnership purpose;

(d) admit a Person as a Partner except as provided in this Agreement;

(e) knowingly perform any act that would subject any Limited Partner to liability as a general partner in any jurisdiction; or

(f) knowingly perform any act in violation of the express terms of a prior unrevoked Partner Consent.

ARTICLE IV

Scope of Partnership

SECTION 4.1. Other Activities. (a) Except as provided in Section 4.1(b), this Agreement shall not be construed in any manner to preclude any Partner or any of its Affiliates from engaging in any activity whatsoever permitted by applicable law (whether or not such activity might compete, or constitute a conflict of interest, with the Partnership), including providing brokerage, financial or investment advisory services to any Person, managing investments or receiving compensation or profit therefrom.

(b) Neither any Blackstone Entity nor any Mehta and Isaly Entity shall engage in Partnership Business or receive compensation therefrom except through and for the account of the Partnership, and all revenues received by any Blackstone Entity or Mehta and Isaly Entity from or arising in connection with Partnership Business (including management and incentive fees, interest income and any other compensation) shall be for the account of the Partnership; provided, that a Mehta and Isaly Entity may engage in the Asset

Management Business outside of the Partnership and for its own account with respect to funds under management raised from or through the following sources:

(i) the Public Fund, unless otherwise agreed upon by a Blackstone Entity and Mehta and Isaly Entity; and

(ii) the Offshore Fund.

(c) A Partner and its Affiliates may engage in any Partnership Business outside of the Partnership and for their own account to the extent provided for in a written Partner Consent.

SECTION 4.2. Early Termination. Notwithstanding anything contained herein to the contrary, the Partnership may be terminated:

(a) upon 30 days written notice by the General Partner to Blackstone in the event of Deficient Performance by Blackstone, which notice must be given within 30 days after the end of the Performance Period; or

(b) upon 30 days written notice by Blackstone in the event that both Samuel D. Isaly and Viren Mehta cease to be actively involved in the business of the Partnership (or have both otherwise withdrawn (or are deemed to have withdrawn) therefrom as a Limited Partner);

SECTION 4.3. Withdrawal of Partners. (a) Any Partner may withdraw by voluntary resignation from the Partnership on the last day of any calendar month, on not less than 15 days' prior written notice by such Partner to the remaining Partners. Any Partner so withdrawing shall receive the amount of its Capital Account balance as of the effective date of such withdrawal within a reasonable period of time after such amount is determined, and thereafter such Partner shall have no further interest herein.

(b) Upon the death or permanent disability of any Individual Mehta and Isaly Partner, such Partner shall thereupon cease to be a Partner. Such withdrawn Partner (or his estate or heirs) shall be admitted to the Partnership as a Special Limited Partner. The Profit Sharing Percentage of such Special Limited Partner shall be equal to the following percentages of the Profit Sharing Percentage of such Individual Mehta and Isaly Partner at the time of such withdrawal for the following one year periods from and after such Special Limited Partner's admission date:

Year	Profit Sharing Percentage as a Percentage of Profit Sharing Percentage at Time of Withdrawal

1	100%
2	50%
3 and thereafter	0%

(c) In the event of Deficient Performance by Blackstone, in lieu of early termination of the Partnership as provided in Section 4.2(a), the General Partner may specify in the notice described under Section 4.2(a) that it has elected (in lieu of such early termination) to cause the Blackstone Partners to withdraw from the Partnership. In such case, (A) Section 4.1(b) shall have no further force or effect and (B) each Blackstone Partner shall be admitted to the Partnership as a Special Limited Partner, and its Profit Sharing Percentage shall be, from and after its admission date, equal to its Profit Sharing Percentage at the time of withdrawal; provided, that such Special Limited Partner shall not be allocated its Profit Sharing Percentage of the total amount of Net Income as provided in Section 5.3, but shall only be entitled to its Profit Sharing Percentage of that portion of Net Income that is attributable to those Funds Under Management with the Partnership as of such Special Limited Partner's admission date, plus those additional Funds Under Management invested with the Partnership by those investors that had Funds Under Management with the Partnership as of such admission date.

(d) In the event of the occurrence of the event specified in Section 4.2(b), Blackstone may specify in the notice described under Sections 4.2(b) that it has elected (in lieu of such early termination) to cause the remaining Mehta & Isaly Partners to withdraw from the Partnership (to the extent such Partners have not otherwise withdrawn from the Partnership in accordance with the terms hereof). In that case, the Mehta and Isaly Partners shall receive the amount of each of their Capital Account balances as of the effective date of the withdrawal within a reasonable period of time after such amount is determined; provided, that if this Section 4.3(d) is operable as a result of the death or permanent disability of a Mehta and Isaly Partner that is an individual, then such Mehta and Isaly Partner shall be admitted to the Partnership as a Special Limited Partner as provided in Section 4.3(b). If upon the withdrawal of the General Partner as provided in this Section 4.3(d) there shall be no remaining General Partner, the Partnership nonetheless shall not be dissolved and shall not be required to be wound up if, upon the occurrence of such withdrawal, the Blackstone Partners agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such withdrawal, of one or more replacement General Partners upon such terms and conditions as the Blackstone Partners and the replacement General Partner(s) agree.

(e) In the event of Deficient Performance by the General Partner, notice may be given by Blackstone, within 30 days after the date on which The Mehta and Isaly Index as at June 30, 1996 is published and publicly available, stating that the Blackstone

Partners elect to withdraw from the Partnership. In that case, each Blackstone Partner shall be admitted to the Partnership as a Special Limited Partner each having for the term of the Partnership the same Profit Sharing Percentage as it had upon its withdrawal from the Partnership.

(f) A withdrawn General Partner shall remain liable for all obligations of the Partnership incurred while it was a General Partner and resulting from its acts or omissions as a General Partner to the fullest extent provided by law.

(g) If the withdrawal of a Partner (or withdrawal and subsequent admission of such Partner as a Special Limited Partner) causes the aggregate Profit Sharing Percentages of all Partners (including Special Limited Partners) to be less than 100% (or there otherwise remains an amount of unallocated Net Income), such unallocated amount of Profit Sharing Percentage (or Net Income as the case may be) shall be reallocated to the remaining Partners (other than the Special Limited Partners) pro rata in accordance with each of their Profit Sharing Percentages as of the time of such withdrawal; provided, that if such withdrawal occurs with respect to an Individual Mehta and Isaly Partner, and there remains at least one Individual Mehta and Isaly Partner that is not a Special Limited Partner, then such unallocated amount shall be reallocated to the remaining Mehta and Isaly Partners pro rata in accordance with each of their Profit Sharing Percentages as of the time of such withdrawal.

(h) Upon the occurrence of an event constituting Cause with respect to any Partner, such Partner shall immediately be deemed to have withdrawn from the Partnership with no further interest therein, and its Profit Sharing Percentage shall be reallocated to the remaining Partners as provided in Section 4.3(g).

(i) If Blackstone becomes a Special Limited Partner pursuant hereto, (A) only those matters contained in clauses (i), (iv), (v), (vi), (xvi), (xviii) and (xxii) of Section 3.2 shall require a Partner Consent and (B) the Partnership, the Private Fund and any other portion of the Partnership Business shall not in any way be associated with Blackstone (or its Affiliates) in any written materials or other communications by any Partner or the Partnership to any Person.

ARTICLE V

Capital Contributions; Allocations; Distributions

SECTION 5.1. Capital Contributions. Each Partner, severally, agrees to make an initial capital contribution in cash equal to its pro rata share, based upon Profit Sharing Percentages, of the Organizational Expenses of the Partnership. Thereafter, each Partner, severally, agrees to make contributions of capital in cash to the Partnership at such time and in such amounts as are required by a written Partner Consent. Such capital

contributions shall be made by the Partners pro rata based on their Profit Sharing Percentages.

SECTION 5.2. Capital Accounts. There shall be established for each Partner on the books of the Partnership as of the date of the formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, a capital account (each being a "Capital Account"). The contribution of capital of a Partner shall be credited to the Capital Account of such Partner on the date such contribution of capital is paid to the Partnership. Thereafter, each Partner's Capital Account shall be (i) credited with additional capital contributions, if any, to the capital of the Partnership made by such Partner and such Partner's allocable share of the Partnership's Net Income, and (ii) debited with distributions to such Partner of cash or the fair market value of other property, such Partner's allocable share of the Partnership's Net Loss and of expenditures of the Partnership described in Section 705(a)(2)(B) of the Code, and otherwise maintained in accordance with the provisions of the Code. Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership as provided herein and as otherwise provided in this Article V and in Article VI. Interest shall not be payable on Capital Account balances.

SECTION 5.3. Allocations. (a) Net Income (Loss) of the Partnership shall be allocated to the Capital Accounts of all the Partners (including the General Partner) in proportion to their respective Profit Sharing Percentages set forth on Schedule A hereto; provided, however, that in no event shall a Limited Partner be allocated a Net Loss which would cause such Limited Partner's Capital Account balance to be reduced below zero. Net Loss in excess of the limitation set forth in the proviso in the immediately preceding sentence shall be allocated to the General Partner; provided, that 100% of Net Income of the Partnership shall thereafter be first allocated to the General Partner until the General Partner is allocated an amount equal to the Net Loss allocated to the General Partner pursuant to this sentence.

(b) To the extent, if any, that Blackstone Expenses or Mehta and Isaly Expenses and any item of loss, expense or deduction resulting therefrom are deemed to constitute items of Partnership loss, expense or deduction rather than items of loss, expense or deduction of the Blackstone Entities or the Mehta and Isaly Entities, as the case may be, such Blackstone Expenses or Mehta and Isaly Expenses, as the case may be, and resulting items of loss, expense or deduction shall, unless otherwise agreed by a written Partner Consent, be allocated 100% to Blackstone and their transferees or the Mehta and Isaly Partners and their transferees, as the case may be, pro rata in proportion to the Profit Sharing Percentages of the Blackstone Partners and their transferees or the Mehta and Isaly Partners and their transferees, as the case may be.

(c) Notwithstanding anything herein to the contrary, in the event any Partner unexpectedly receives any adjustments, allocations or distributions described in paragraphs (b)(2)(ii)(d)(4), (5) or (6) of Section 1.704-1 of the regulations under the Code, there shall be specially allocated to such Partner such items of Partnership income and gain,

at such times and in such amounts as will eliminate as quickly as possible that portion of any deficit in its Capital Account caused or increased by such adjustments, allocations or distributions. To the extent permitted by the Code and the regulations thereunder, any special allocations of items of income or gain pursuant to this Section 5.3(c) shall be taken into account in computing subsequent allocations of Net Income (Loss) pursuant to this Section 5.3 so that the net amount of any items so allocated and the subsequent Net Income (Loss) allocated to the Partners pursuant to this Section 5.3 shall, to the extent possible, be equal to the net amounts that would have been allocated to each such Partner pursuant to the provisions of this Section 5.3 if such unexpected adjustments, allocations or distributions had not occurred.

(d) Notwithstanding any provision of this Agreement to the contrary, the General Partner shall at all times be allocated at least 1% of each item of income, gain, loss, deduction and credit of the Partnership.

SECTION 5.4. Distributions. (a) Within 30 days after the end of each fiscal quarter or such other period as shall be established pursuant to a Partner Consent (a "Fiscal Period"), the Partnership shall, to the extent cash is available therefor, distribute cash to the Partners in an amount equal to substantially all of its Net Income for such Fiscal Period, net of cash reserves in the amount as may be determined by a Partner Consent to be reasonably appropriate or necessary to pay Maintenance Expenses.

(b) Each Partner shall furnish the Partnership with such information, forms and certifications as it may require and as are necessary to comply with the regulations governing the obligations of withholding tax agents. Each Partner represents and warrants that any such information and forms furnished by him shall be true and accurate. Notwithstanding any provision of this Agreement to the contrary, each Partner agrees to pay, and to indemnify the Partnership and the other Partners on an aftertax basis from, any and all damages, costs and expenses (including any liability for any taxes of any type whatsoever, penalties, additions to tax or interest) in respect of income of (including such Partner's share of Partnership income) or distributions, transfers or payments to such Partner. To the extent the indemnifying Partner is otherwise entitled to distributions from the Partnership, such damages, costs and expenses may be paid by the Partnership out of amounts that would otherwise be distributed to such Partner. For purposes of this Agreement any such payment shall be deemed to be a distribution to such Partner (and in the case of a tax such as the New York City unincorporated business tax that is a tax imposed upon the Partnership, the Partner shall be deemed to have recontributed such amount to the Partnership). In all other events, such Partner shall make such payment directly from its own funds.

SECTION 5.5. Restricted Payments. Notwithstanding any provisions to the contrary in this Agreement, the Partnership and the General Partner on behalf of the Partnership shall not make a distribution if such distribution would violate the Partnership Act.

SECTION 5.6. Expenses. (a) As between the Blackstone Partners and their transferees and the Partnership, the Blackstone Partners and their transferees shall be solely responsible for and shall pay or cause to be paid all Blackstone Expenses.

(b) As between the Mehta and Isaly Partners and their transferees and the Partnership, the Mehta and Isaly Partners and their transferees shall be solely responsible for and shall pay or cause to be paid all Mehta and Isaly Expenses.

(c) The Partnership shall be responsible for and shall pay all Organizational Expenses and Maintenance Expenses out of funds of the Partnership.

ARTICLE VI

Books and Reports; Tax Matters

SECTION 6.1. General Accounting Matters. (a) Net Income (Loss) shall be determined by or under the direction of the General Partner and approved by a Partner Consent at the end of each Fiscal Period and shall be allocated as described in Section 5.3.

(b) As promptly as possible after the close of each Fiscal Year of the Partnership, the General Partner shall cause an examination of the financial statements of the Partnership as of the end of each such year to be made in accordance with generally accepted auditing standards as in effect on the date thereof, by Deloitte & Touche or such other firm of certified public accountants as may be selected by a Partner Consent. As soon as is practicable after the close of each Fiscal Year, a copy of the financial statements of the Partnership, including the report of such certified public accountants, shall be furnished to each Partner and shall include, as of the end of such Fiscal Year:

(i) a statement of net assets of the Partnership;

(ii) a statement of income and capital of the Partnership; and

(iii) a statement of changes in net assets of the Partnership.

In addition, each Partner shall be supplied with all other Partnership information necessary to enable such Partner to prepare its Federal and state and local income tax returns and a statement as to such Partner's Capital Account as at the close of such Fiscal Year.

(c) As promptly as possible after the close of each of the first three fiscal quarters of each Fiscal Year of the Partnership, the General Partner shall furnish each Partner with unaudited financial statements of the Partnership consisting of the statements

described in Section 6.1(b) with respect to such quarter, and a statement of such Partner's Capital Account as at the end of such quarter.

(d) The General Partner shall keep or cause to be kept books and records pertaining to the Partnership's business showing all of its assets and liabilities, receipts and disbursements, realized profits and losses, Partners' Capital Accounts and all transactions entered into by the Partnership. Such books and records of the Partnership shall be kept at its principal office, and the Partners and their representatives shall at all reasonable times have free access thereto for the purpose of inspecting or copying the same. Blackstone and any party it may designate on its behalf shall at all reasonable times have free access to the books and records of all funds and accounts managed by the Partnership to the same extent as are available to the General Partner.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by or under the direction of the General Partner and approved by a Partner Consent and shall be conclusive and binding on all Partners, former Partners, their successors or legal representatives and any other Person except for computational errors or fraud, and to the fullest extent permitted by law no such Person shall have the right to an accounting or an appraisal of the assets of the Partnership or any successor thereto except for computational errors or fraud.

SECTION 6.2. Certain Tax Matters. (a) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners for Federal, state and local income tax purposes in the same manner as the corresponding constituent items of Net Income (Loss) shall be allocated among the Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) require allocations for tax purposes that differ from the foregoing allocations, the General Partner may, subject to a Partner Consent, determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time to the extent reasonably possible, preserve the economic relationships among the Partners as set forth in this Agreement.

(b) The taxable year of the Partnership shall be the same as its Fiscal Year. The General Partner shall cause to be prepared all Federal, state and local tax returns of the Partnership for each year for which such returns are required to be filed and, after approval of such returns by a Partner Consent, shall cause such returns to be timely filed. The General Partner shall, subject to a Partner Consent, determine the appropriate treatment of each item of income, gain, loss, expense, deduction and credit of the Partnership and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The General Partner may, subject to a Partner Consent, cause the Partnership to make or refrain from making any

and all elections permitted by such tax laws. The Partnership and each Partner hereby designate the General Partner as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the "Tax Matters Partner"). The Tax Matters Partner shall have all of the rights, duties, powers and obligations provided for in Sections 6221 through 6232 of the Code; provided, however, that the Tax Matters Partner shall not take any action to extend the statute of limitations with respect to the tax returns of the Partnership, or make any decisions on behalf of the Partnership to contest or settle any adverse Internal Revenue Service decision related to a Partnership return without a written Partner Consent.

ARTICLE VII

Dissolution

SECTION 7.1. Dissolution. The Partnership shall be dissolved and subsequently terminated upon the occurrence of the first of the following events:

(i) a determination by a written Partner Consent to dissolve the Partnership;

(ii) the occurrence of a Disabling Event with respect to the General Partner, provided that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, all of the Limited Partners agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner; and

(iii) the election of a Partner to terminate the Partnership pursuant to Section 4.2.

SECTION 7.2. Winding-up. When the Partnership is dissolved, the business and property of the Partnership shall be wound up and liquidated by the General Partner, unless (i) in the event of the unavailability of the General Partner (ii) pursuant to clause (ii) of Section 7.1 or (iii) pursuant to Section 4.2 if Blackstone is the electing Partner in connection therewith, by Blackstone (the General Partner, or Blackstone as the case may be, being hereinafter referred to as the "Liquidator"). The Liquidator shall use its best efforts to reduce to cash and cash equivalent items such assets of the Partnership as the Liquidator shall deem it advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations.

SECTION 7.3. Final Distribution. Within 120 calendar days after the effective date of dissolution of the Partnership, the assets of the Partnership shall be distributed in the following manner and order:

(a) to the payment of the expenses of the winding-up, liquidation and dissolution of the Partnership;

(b) to pay all creditors of the Partnership, other than Partners, either by the payment thereof or the making of reasonable provision therefor;

(c) to establish reserves, in amounts established by the Liquidator, to meet other liabilities of the Partnership; and

(d) to pay, in accordance with the terms agreed among them and otherwise on a pro rata basis, all creditors of the Partnership that are Partners, either by the payment thereof or the making of reasonable provision therefor.

The remaining assets of the Partnership shall be applied and distributed in accordance with the positive balances of the Partners' capital accounts, as determined after taking into account all adjustments to capital accounts for the Partnership taxable year during which the liquidation occurs. For purposes of the application of this Section 7.3 and determining capital accounts on liquidation, all unrealized gains, losses and accrued income and deductions of the Partnership shall be treated as realized and recognized immediately before the date of distribution.

ARTICLE VIII

Transfer of Partners' Interests; Sale

SECTION 8.1. Certain Provisions Relating to Sale of the Partnership or Partnership Interests. (a) Subject to 8.1(b), no Partner may, directly or indirectly, assign, sell, exchange, transfer, pledge, hypothecate or otherwise dispose of all or any part of its interest in the Partnership (any assignment, sale, exchange, transfer, pledge, hypothecation or other disposition of an interest in the Partnership being herein collectively called a "Transfer") without the prior written consent of the General Partner and Blackstone, which consent may be given or withheld in each of their sole discretion.

(b) (i) Subject to the remainder of this Section 8.1(b), Blackstone may Transfer all or any portion of its interest in the Partnership (the "Interest") without the prior written consent of any Partner. If Blackstone (the "Transferor") at any time wishes to Transfer to a Person other than an Affiliate of Blackstone all or a portion of its interest in the Partnership, Transferor shall first give written notice (a "Transferor's Notice") to the Mehta and Isaly Partners stating that the Transferor wishes to offer to Transfer the Interest and setting forth the amount of such interest which Blackstone wishes to offer to Transfer (the "Offered Interest").

(ii) If within fifteen (15) Business Days after the date on which the Transferor's Notice is received by the Mehta and Isaly Partners, the Mehta and Isaly Partners give notice to the Transferor that the Mehta and Isaly Partners thereby make an irrevocable offer in writing to purchase all but not less than all of the Offered Interest (an "Offer Notice") and sets forth therein the proposed amount and form of consideration for the Offered Interest and each of the other material terms of such offer, the Transferor may Transfer the Offered Interest to a third party in accordance with this Section 8.1(b) for a period of one hundred eighty (180) days after delivery of such Offer Notice only if the terms of such transaction are more favorable to the Transferor than the terms set forth in the Offer Notice. The fair market value of any non-cash consideration offered by the Mehta and Isaly Partners or a third party, as the case may be, shall be reasonably determined by the Transferor.

(iii) If an Offer Notice is not received within fifteen (15) Business Days after the date on which the Transferor's Notice is received by the Mehta and Isaly Partners, the Transferor may offer for sale and sell the Offered Interest for a period of one hundred eighty (180) days after the expiration of such fifteen (15) Business Day period on any terms offered therefor.

(iv) If the Offered Interest has not been sold either to the Mehta and Isaly Partners or a third party for any reason before the expiration of the one hundred eighty (180) day period described in 8.1(b)(iii) above, all of the provisions of this Section 8.1(b) shall again become applicable to any sales or offers to sell the Offered Interest by the Transferor.

(v) If the Mehta and Isaly Partners purchase the Offered Interest in accordance with this Section 8.1(b), the closing of the purchase of the Offered Interest shall take place on the tenth Business Day after the expiration of the one hundred eighty (180) day period described in 8.1(b)(ii) above. The Seller and the Mehta and Isaly Partners shall use their best efforts to make all necessary filings and to secure any approvals required and to comply as soon as practicable with all applicable United States federal and state laws and regulations in connection with such purchase.

(c) (i) Each of Blackstone and the Mehta and Isaly Group shall, at the end of each Fiscal Year beginning with December 31, 1996 (or in the case of the Mehta and Isaly Group such earlier date as is within 30 days after the occurrence of a Blackstone Change of Control), have the right to purchase or sell all of its respective Interests each to the other in the manner set forth in this Section 8.1(c); provided, however, that Blackstone shall not then have initiated procedures for Transfer of its Interests pursuant to Section 8.1(b).

(ii) Either Blackstone or the Mehta and Isaly Group, as the case may be (the "Offeror"), may serve upon the other (the "Offeree") a notice (the "Offering Notice") which shall contain the following terms:

(A) a statement of intent to rely on this Section 8.1(c).

(B) the aggregate dollar amount (the "Buy/Sell Price") which the Offeror would be willing to pay for all the Offeree's Interests as of that date.

(iii) The Offeree shall then have the obligation either:

(A) to sell its full Interest to the Offeror for the Offer Price; or

(B) to purchase the full Interest of the Offeror for an amount equal to a percentage of the Offer Price equal to the quotient (stated as a percentage) derived by dividing the Offeror's Profit Sharing Percentage by the Offeree's Profit Sharing Percentage.

(iv) Within 30 days after receipt of the Offering Notice by the Offeree (the "Buy/Sell Option Period"), the Offeree shall notify the Offeror as to whether the Offeree will elect to purchase the Interest of the Offeror or will elect to sell its Interest to the Offeror. If the Offeree does not notify the Offeror of its election prior to expiration of the Option Period, the Offeree shall for all purposes be conclusively deemed to have elected to sell its Interest to the Offeror as provided in this Section.

(v) The Person obligated to purchase (the "Buyer") under this Section 8.1(c) shall fix a date (the "Buy/Sell Closing Date") upon which the closing of such purchase (the "Buy/Sell Closing") shall occur not later than 60 days following the stated expiration of the Option Period. The Buy/Sell Closing shall take place at a location in New York City as designated by the Buyer.

(vi) At the Buy/Sell Closing, the selling Person (the "Seller") shall execute and deliver to the Buyer assignments of interest, deeds, bills of sale, instruments of conveyance, and other instruments as the Buyer may reasonably require, to give it title to all of the Seller's right, title and interest in and to the Partnership, and of the Partnership's right, title and interest in and to the Partnership Assets, and the Seller hereby irrevocably constitutes and appoints the Buyer its attorney-in-fact to execute, acknowledge and deliver such instruments as may be necessary or appropriate to carry out and enforce the provisions of this Section 8.1(c). The Buyer may elect to retain any Partnership loans which are secured by liens or mortgages on Partnership Assets provided that the Seller is released, if necessary, from any liability for the payment thereof.

(vii) The Offering Price shall be paid pursuant to this Section 8.1(c), at the option of the Buyer, in the form of (i) cash, (ii) a Buy/Sell Note (as defined below) or (iii) a combination of cash and a Buy/Sell Note. For purposes of this Section 8.1(c), a "Buy/Sell Note" shall mean a note issued by the Buyer on the Buy/Sell Closing Date having (A) a maturity determined by the Buyer no longer than five years from the Buy/Sell Closing Date, (B) equal annual installments of principal payments on such note, plus accrued interest

thereon payable on such date, beginning 12 months from the Buy/Sell Closing Date and (C) a fixed annual interest rate equal to the "prime rate" of Chemical Bank prevailing on the Buy/Sell Closing Date plus 1%. A Buy/Sell Note may be prepaid in full by the Buyer at any time by making a payment to the Seller of the amount of the remaining principal payments on such Buy/Sell Note, plus accrued interest thereon to the date of such prepayment.

(viii) For the period of two years from the Buy/Sell Closing Date, the Seller agrees to remit to the Buyer a percentage of any revenues that it receives relating to or in connection with any business which is comparable to the Partnership Business (in terms of its focus on the pharmaceutical, biotechnology and health care industries) equal to the Buyer's Profit Sharing Percentage immediately prior to initiation of the procedures of this Section 8.1(c).

SECTION 8.2. Other Transfer Provisions. (a) Any purported Transfer by a Partner of all or any part of its interest in the Partnership in violation of this Article VIII shall be null and void and of no force or effect.

(b) Except as provided in this Article VIII, no Partner shall have the right to withdraw from the Partnership prior to its termination and no additional Partner may be admitted to the Partnership without a written Partner Consent. In the event of any withdrawal of the General Partner in violation of this Agreement, including as a result of a Disabling Event, the General Partner shall be liable to the Partnership as provided in Section 17-602 of the Partnership Act.

(c) Notwithstanding any provision of this Agreement to the contrary, a Partner may not Transfer all or any part of its interest in the Partnership if such Transfer would jeopardize the status of the Partnership as a partnership for federal income tax purposes, cause a dissolution of the Partnership under the Partnership Act or would violate, or would cause the Partnership to violate, any applicable law or regulation, including any applicable federal or state securities laws.

(d) The General Partner shall admit as an additional or substitute Limited Partner any Person to whom an interest in the Partnership is Transferred by a Limited Partner in accordance with the terms of this Agreement.

(e) Concurrently with the admission of any substitute or additional Partner, the General Partner shall forthwith cause any necessary papers to be filed and recorded and notice to be given wherever and to the extent required showing the substitution of a Transferee as a substitute Partner in place of the Transferring Partner, or the admission of an additional Partner, all at the expense, including payment of any professional and filing fees incurred, of such substituted or added Partner. The admission of any Person as a substitute or additional Partner shall be conditioned upon such Person's written acceptance and adoption of all the terms and provisions of this Agreement.

(f) Any transferor of a Partner's Interest admitted to the Partnership as a Limited Partner shall succeed to all of the rights and obligations of the transferring Partner pursuant hereto.

ARTICLE IX

Miscellaneous

SECTION 9.1. Arbitration. To the fullest extent permitted by law, any dispute, controversy or claim arising out of or relating to this Agreement or to the Partnership's affairs or the rights or interests of the Partners or the breach or alleged breach of this Agreement, whether arising during the Partnership term or at or after its termination or during or after the liquidation of the Partnership, shall be settled by arbitration in New York City (or, if applicable law requires some other forum, then such other forum) in accordance with the rules then obtaining of the American Arbitration Association. If the parties to any such controversy are unable to agree upon a neutral arbitrator or arbitrators, then an arbitrator shall be selected by each party and such two arbitrators shall appoint a third arbitrator to decide the matter in accordance with such rules. The parties consent to the nonexclusive jurisdiction of the Supreme Court of the State of New York, and of the United States District Court for the Southern District of New York, for all purposes in connection with any such arbitration. The parties agree that any process or notice of motion or other application to either of such courts, and any paper in connection with any such arbitration, may be served by certified mail, return receipt requested, or by personal service or in such other manner as may be permissible under the rules of the applicable court or arbitration tribunal, provided a reasonable time for appearance is allowed.

SECTION 9.2. Ownership and Use of Names. Rights to the name "Blackstone" shall belong solely to the Blackstone Entities. Rights to the name "Mehta and Isaly" shall belong solely to the Mehta and Isaly Group. The ownership of, and the right to use, sell or otherwise dispose of, the names, "Caduceus Management Partners L.P." or "Caduceus Capital, L.P." or any abbreviation or modification thereof, shall belong to the Partnership. The General Partner agrees to take all actions, and to approve, execute and file any document or instrument proposed by Blackstone to protect the rights of Blackstone to the name "Blackstone." Blackstone agrees to take all actions, and to approve, execute and file any document or instrument proposed by the General Partner to protect the rights of the General Partner to the name "Mehta and Isaly".

SECTION 9.3. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. In particular, the Partnership is formed pursuant to the Partnership Act, and the rights and liabilities of the General Partner and Limited Partners shall be as provided therein, except as herein otherwise expressly provided.

SECTION 9.4. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns.

SECTION 9.5. Access; Confidentiality. By executing this Agreement, each Partner expressly agrees, at all times during the term of the Partnership and thereafter and whether or not at the time a Partner of the Partnership, to maintain the confidentiality of, and not to disclose to any Person other than its Affiliates, another Partner or its Affiliates and their respective advisors (including their respective employees) or a Person designated by a Partner Consent any information ("Confidential Information") relating to the business (including trade secrets), financial structure, financial position or financial results, clients or affairs of the Partnership and the Partners that shall not be generally, known to the public or the securities or commodities industry, except as required for any arbitration proceeding pursuant to Section 9.1 or as required by law, by rule or regulation having the force of law, by any regulatory or self-regulatory organization having jurisdiction or by legal process. Each Partner shall inform the Persons to whom it discloses Confidential Information as permitted under this Section 9.5 of the confidential nature of the Confidential Information and shall cause such Persons to agree to maintain the confidentiality of the Confidential Information. The provisions of this Section 9.5 shall survive the termination of the Partnership.

SECTION 9.6. Notices. Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including cable, telex, facsimile or similar writing) and shall be given to any Partner at its address or telex number shown in the Partnership's books and records (including Schedule A hereto) or, if given to a General Partner, at the address of the principal place of business of the Partnership. Each such notice shall be effective (i) if given by telex or facsimile, upon electronic or oral confirmation of receipt, (ii) if given by mail, on the fourth day after deposit in the mails (certified return receipt requested) addressed as aforesaid and (iii) if given by any other means, when delivered to and receipted for at the address of such Partner or the General Partner, as the case may be, specified as aforesaid.

SECTION 9.7. Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

SECTION 9.8. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or, referred to herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

SECTION 9.9. Amendments. This Agreement may be amended only pursuant to a written Partner Consent; provided that no such amendment may convert a

Limited Partner to a General Partner or cause a Limited Partner to have personal liability for the obligations of the Partnership without the consent of the affected Limited Partner. To the extent that any amendment is so approved, it shall be evidenced by an amendment to this Agreement in writing executed by Blackstone and the General Partner (and if required by the immediately preceding sentence, shall also be executed by any affected Limited Partner).

SECTION 9.10. Blackstone Investment. Blackstone and its Affiliates have provided to the Private Fund an initial contribution of $1.5 million. Blackstone will maintain this investment for a minimum of one year from the date hereof, subject to the terms of the Private Fund's partnership agreement and the continued participation of the Mehta and Isaly Partners in the business of the Partnership.

SECTION 9.11. Section Titles. Section titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text hereof.

SECTION 9.12. Representations and Warranties. (a) Each Partner represents, warrants and covenants to each other Partner and to the Partnership that:

(i) such Partner, if not a natural Person, is duly formed and validly existing under the laws of the jurisdiction of its organization with full power and authority to conduct its business to the extent contemplated in this Agreement;

(ii) this Agreement has been duly authorized, executed and delivered by such Partner and constitutes the valid and legally binding agreement of such Partner enforceable in accordance with its terms against such Partner except as enforceability thereof may be limited by bankruptcy, insolvency, moratorium and other similar laws relating to creditors' rights generally, by general equitable principles and by an implied covenant of good faith and fair dealing;

(iii) the execution and delivery of this Agreement by such Partner and the performance of its duties and obligations hereunder do not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or any lease or other agreement, or any license, permit, franchise or certificate, to which such Partner is a party or by which it is bound or to which its properties are subject, or require any authorization or approval under or pursuant to any of the foregoing, or violate any statute, regulation, law, order, writ, injunction, judgment or decree to which such Partner is subject;

(iv) such Partner is not in default (nor has any event occurred which with notice, lapse of time, or both, would constitute a default) in the performance of any obligation, agreement or condition contained in any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness or any lease or other

agreement, or any license, permit, franchise or certificate, to which it is a party or by which it is bound or to which the properties of it are subject, nor is it in violation of any statute, regulation, law, order, writ, injunction, judgment or decree to which it is subject, which default or violation would materially adversely affect such Partner's ability to carry out its obligations under this Agreement;

(v) there is no litigation, investigation or other proceeding pending or, to the knowledge of such Partner, threatened against such Partner or any of its Affiliates which, if adversely determined, would materially adversely affect such Partner's ability to carry out its obligations under this Agreement; and

(vi) no consent, approval or authorization of, or filing, registration or qualification with, any court or governmental authority on the part of such Partner is required for the execution and delivery of this Agreement by such Partner and the performance of its obligations and duties hereunder, except as may be required in connection with registration of the Partnership or such Partner under federal commodities and securities laws.

(b) Except as otherwise provided in this Agreement, CCM represents, warrants and covenants to Blackstone that (i) the day-to-day operations of the Partnership will be managed by and under the direction of Samuel D. Isaly and Viren Mehta and

(ii) Samuel D. Isaly and Viren Mehta will at all times own, directly or indirectly, all of the capital stock of CCM.

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

GENERAL PARTNER:

CADUCEUS CAPITAL MANAGEMENT, INC.

By: /s/ Samuel D. Isaly
- ----------
Name: Samuel D. Isaly
Title: President

LIMITED PARTNERS:

BLACKSTONE ALTERNATIVE ASSET MANAGEMENT L.P.,

By: /s/ Mark J. Kenyon
- ----------
Name:
Title:

/s/ Samuel D. Isaly
- ----------
Samuel D. Isaly

/s/ Viren Mehta
- ----------
Viren Mehta

SCHEDULE A

PARTNERS OF THE PARTNERSHIP

General Partner	Address	Profit Sharing Percentage as of November 1, 1993
Caduceus Capital Management, Inc.	41 Madison Avenue 40th Floor New York, New York 10010	1.00%

Limited Partner	Address	Profit Sharing Percentage as of November 1, 1993
Blackstone Alternative Asset Management L.P.	118 North Bedford Road Mount Kisco, NY 10549	40.0%
Samuel D. Isaly	c/o Caduceus Capital Management, Inc. 41 Madison Avenue 40th Floor New York, New York 10010	29.5%
Viren Mehta	c/o Caduceus Capital Management, Inc. 41 Madison Avenue 40th Floor New York, New York 10010	29.5%

WORLDWIDE HEALTH SCIENCES PORTFOLIO

INVESTMENT ADVISORY AGREEMENT Exhibit D.

AGREEMENT made this 24th day of June, 1996, between Worldwide Health Sciences Portfolio, a New York trust (the "Trust") and G/A Capital Management, Inc., a Delaware corporation (the "Adviser").

1. Duties of the Adviser. The Trust hereby employs the Adviser to act as investment adviser for and to manage the investment and reinvestment of the assets of the Trust, subject to the supervision of the Trustees of the Trust, for the period and on the terms set forth in this Agreement.

The Adviser hereby accepts such employment and undertakes to afford to the Trust the advice and assistance of the Adviser's organization in the choice of investments and in the purchase and sale of securities for the Trust and to furnish for the use of the Trust office space and all necessary office facilities, equipment and personnel for servicing the investments of the Trust and to pay the salaries and fees of all officers and Trustees of the Trust who are members of the Adviser's organization and all personnel of the Adviser performing services relating to research and investment activities. The Adviser shall for all purposes herein be deemed to be independent contractors and shall, except as otherwise expressly provided or authorized, have no authority to act for or represent the Trust in any way or otherwise be deemed an agent of the Trust.

The Adviser shall provide the Trust with such investment management and supervision as the Trust may from time to time consider necessary for the proper supervision of the Trust. As investment adviser to the Trust, the Adviser shall furnish continuously an investment program and shall determine from time to time what securities and other investments shall be acquired, disposed of or exchanged and what portion of the Trust's assets shall be held uninvested, subject always to the applicable restrictions of the Declaration of Trust, By-Laws and registration statement of the Trust under the Investment Company Act of 1940, all as from time to time amended. Should the Trustees of the Trust at any time, however, make any specific determination as to investment policy for the Trust and notify the Adviser thereof in writing, the Adviser shall be bound by such determination for the period, if any, specified in such notice or until similarly notified that such determination has been revoked. The Adviser shall take, on behalf of the Trust, all actions which they deem necessary or desirable to implement the investment policies of the trust.

The Adviser shall place all orders for the purchase or sale of portfolio securities for the account of the Trust either directly with the issuer or with brokers or dealers selected by the Adviser, and to that end the Adviser is authorized as the agent of the Trust to give instructions to the custodian of the Trust as to deliveries of securities and payments of cash for the account of the Trust. In connection with the selection of such

brokers or dealers and the placing of such orders, the Adviser shall use its best efforts to seek to execute security transactions at prices which are advantageous to the Trust and (when a disclosed commission is being charged) at reasonably competitive commission rates. In selecting brokers or dealers qualified to execute a particular transaction, brokers or dealers may be selected who also provide brokerage and research services (as those terms are defined in Section 28(e) of the Securities Exchange Act of 1934) to the Adviser and the Adviser is expressly authorized to pay any broker or dealer who provides such brokerage and research services a commission for executing a security transaction which is in excess of the amount of commission another broker or dealer would have charged for effecting that transaction if the Adviser determines in good faith that such amount of commission is reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the overall responsibilities which the Adviser and its affiliates have with respect to accounts over which they exercise investment discretion. Subject to the requirement set forth in the second sentence of this paragraph, the Adviser is authorized to consider, as a factor in the selection of any broker or dealer with whom purchase or sale orders may be placed, the fact that such broker or dealer has sold or is selling shares of any one or more investment companies sponsored by the Adviser, Eaton Vance Management or their affiliates or shares of any other investment company investing in the Trust.

The Adviser shall not be responsible for providing certain

special administrative services to the Trust under this Agreement. Eaton Vance Management, in its capacity as Administrator of the Trust, shall be responsible for providing such services to the Trust under the Trust's separate Administration Agreement with the Administrator.

2. Compensation of the Adviser. For the services, payments and facilities to be furnished hereunder by the Adviser, the Adviser shall be entitled to receive from the Trust a fee computed daily and payable monthly at an annual rate of 1.00% of the Trust's average daily net assets up to $30 million of such assets, 0.90% of the next $20 million of such assets, and 0.75% on such assets in excess of $50 million.

After 12 months, the basic advisory fee is subject to upward or downward adjustment depending upon whether, and to what extent, the investment performance of the Trust differs by at least one percentage point from the record of the Standard & Poor's Index of 500 Common Stocks over the same period. Each percentage point difference is multiplied by a performance adjustment rate of 0.025%. The maximum adjustment plus/minus is 0.25%. One twelfth (1/12) of this adjustment is applied each month to the average daily net assets of the Trust over the entire performance period. This adjustment shall be based on a rolling period of up to and including the most recent 36 months. Trust performance shall be total return as computed under Rule 482 under the Securities Act of 1933.

Such advisory fee shall be paid monthly in arrears on the last business day of each month. The Trust's net asset value shall be computed in accordance with the Declaration of Trust of the Trust and any applicable votes and determinations of the Trustees of the Trust. In case of initiation or termination of the Agreement during any month, the fee for that month shall be based on the number of calendar days during which it is in effect.

The Adviser may, from time to time, waive all or a part of the above compensation to which it is entitled hereunder.

3. Allocation of Charges and Expenses. It is understood that the Trust will pay all expenses other than those expressly stated to be payable by the Adviser hereunder, which expenses payable by the Trust shall include, without implied limitation, (i) expenses of maintaining the Trust and continuing its existence, (ii) registration of the Trust under the Investment Company Act of 1940, (iii) commissions, fees and other expenses connected with the acquisition, holding and disposition of securities and other investments, (iv) auditing, accounting and legal expenses, (v) taxes and interest, (vi) governmental fees, (vii) expenses of issue, sale, and redemption of Interests in the Trust, (viii) expenses of registering and qualifying the Trust and Interests in the Trust under federal and state securities laws and of preparing and printing registration statements or other offering statements or memoranda for such purposes and for distributing the same to Holders and investors, and fees and expenses of registering and maintaining registrations of the Trust and of the Trust's placement agent as broker-dealer or agent under state securities laws, (ix) expenses of reports and notices to Holders and of meetings of Holders and proxy solicitations therefor, (x) expenses of reports to governments officers and commissions, (xi) insurance expenses, (xii) association membership dues, (xiii) fees, expenses and disbursements of custodians and subcustodians for all services to the Trust (including without limitation safekeeping of funds, securities and other investments, keeping of books, accounts and records, and determination of net asset values, book capital account balances and tax capital account balances), (xiv) fees, expenses and disbursements of transfer agents, dividend disbursing agents, Holder servicing agents and registrars for all services to the Trust, (xv) expenses for servicing the account of Holders, (xvi) any direct charges to Holders approved by the Trustees of the Trust, (xvii) compensation and expenses of Trustees of the Trust who are not members of one of the Adviser's organization, and (xviii) such non-recurring items as may arise, including expenses incurred in connection with litigation, proceedings and claims and the obligation of the Trust to indemnify its Trustees, officers and Holders with respect thereto.

4. Other Interests. It is understood that Trustees and officers of the Trust and Holders of Interests in the Trust are or may be or become interested in the Adviser as trustees, shareholders or otherwise and that trustees, officers and shareholders of the Adviser are or may be or become similarly interested in the Trust, and that the Adviser may be or become interested in the Trust as Holder or otherwise. It is also understood that trustees,

officers, employees and shareholders of the Adviser may be or become interested (as directors, trustees, officers, employees, shareholders or otherwise) in other companies or entities (including, without limitation, other investment companies) which the Adviser or Eaton Vance Management may organize, sponsor or acquire, or with which it may merge or consolidate, and that the Adviser or its subsidiaries or affiliates may enter into advisory or management agreements or other contracts or relationships with such other companies or entities.

5. Limitation of Liability of the Adviser. The services of the Adviser to the Trust are not to be deemed to be exclusive, the Adviser being free to render services to others and engage in other business activities. In the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of the Adviser, the Adviser shall not be subject to liability to the Trust or to any Holder of Interests in the Trust for any act or omission in the course of, or connected with, rendering services hereunder or for any losses which may be sustained in the acquisition, holding or disposition of any security or other investment.

6. Sub-Investment Adviser. The Adviser may employ one or more sub- investment advisers from time to time to perform such of the acts and services of the Adviser, including the selection of brokers or dealers to execute the Trust's portfolio security transactions, and upon such terms and conditions as may be agreed upon between the Adviser and such investment adviser and approved by the Trustees of the Trust, all as permitted by the Investment Company Act of 1940.

7. Duration and Termination of this Agreement. This Agreement shall become effective upon the date of its execution, and, unless terminated as herein provided, shall remain in full force and effect through and including February 28, 1997 and shall continue in full force and effect indefinitely thereafter, but only so long as such continuance after February 28, 1997 is specifically approved at least annually (i) by the Board of Trustees of the Trust or by vote of a majority of the outstanding voting securities of the Trust and (ii) by the vote of a majority of those Trustees of the Trust who are not interested persons of the Adviser or the Trust cast in person at a meeting called for the purpose of voting on such approval.

Any party hereto may, at any time on sixty (60) days' prior written notice to the others, terminate that party's obligations hereunder, or, in the case of the Trust, terminate this Agreement in its entirety, without the payment of any penalty, by action of Trustees of the Trust or the trustees or directors of the Adviser, as the case may be, and the Trust may, at any time upon such written notice to the Adviser, terminate this Agreement with respect to the Adviser by vote of a majority of the outstanding voting securities of the Trust. This Agreement shall terminate automatically in the event of its assignment.

8. Amendments of the Agreement. This Agreement may be amended by a writing signed by all parties hereto, provided that no amendment to this Agreement shall be effective until approved (i) by the vote of a majority of those Trustees of the Trust who are not interested persons of an Adviser or the Trust cast in person at a meeting called for the purpose of voting on such approval, and (ii) by vote of a majority of the outstanding voting securities of the Trust.

9. Limitation of Liability. The Adviser expressly acknowledge the provision in the Declaration of Trust of the Trust (Section 5.2 and 5.6) limiting the personal liability of the Trustees and officers of the Trust, and the Adviser hereby agrees that it shall have recourse to the Trust for payment of claims or obligations as between the Trust and the Adviser arising out of this Agreement and shall not seek satisfaction from any Trustee or officer of the Trust.

10. Certain Definitions. The terms "assignment" and "interested persons" when used herein shall have the respective meanings specified in the Investment Company Act of 1940 as now in effect or as hereafter amended subject, however, to such exemptions as may be granted by the Securities and Exchange Commission by any rule, regulation or order. The term "vote of a majority of the outstanding voting securities" shall mean the vote, at a meeting of Holders, of the lesser of (a) 67 per centum or more of the Interests in the Trust present or represented by proxy at the meeting if the Holders of more than 50 per centum of the outstanding Interests in the Trust are present or represented by proxy at the meeting, or (b) more than 50 per centum of the outstanding Interests in the Trust. The terms

"Holders" and "Interests" when used herein shall have the respective meanings specified in the Declaration of Trust of the Trust.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

WORLDWIDE HEALTH SCIENCES PORTFOLIO

By: /s/ James B. Hawkes

President

G/A CAPITAL MANAGEMENT, INC.

By: /s/ Samuel D. Isaly

President

Exhibit E.

JOINT FILING AGREEMENT

The undersigned hereby agree that the Statement on Schedule 13D, dated January 28, 1997, (the "Schedule 13D"), with respect to the Common Stock, par value $0.0001 per share, of Alexion Pharmaceuticals, Inc. is, and any amendments thereto executed by each of us shall be, filed on behalf of each of us pursuant to and in accordance with the provisions of Rule 13d-1(f) under the Securities and Exchange Act of 1934, as amended, and that this Agreement shall be included as an Exhibit to the Schedule 13D and each such amendment. Each of the undersigned agrees to be responsible for the timely filing of the Schedule 13D and any amendments thereto, and for the completeness and accuracy of the information concerning itself contained therein. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the 28th day of January, 1997.

SAMUEL D. ISALY

/s/ Samuel D. Isaly

VIREN MEHTA

/s/ Viren Mehta

PHARMA/wHEALTH

By: /s/ Mirko von Restorf
Name: Mirko von Restorff
Title: Chairman

M and I INVESTORS, INC.

By: /s/ Samuel D. Isaly
Name: Samuel D. Isaly
Title: President

CADUCEUS CAPITAL, L.P.

By: /s/ Samuel D. Isaly
Name: Samuel D. Isaly
Title:

CADUCEUS CAPITAL MANAGEMENT, INC.

By: /s/ Samuel D. Isaly
Name: Samuel D. Isaly
Title: President

Exhibit E.

WORLDWIDE HEALTH SCIENCES PORTFOLIO

By: /s/ Eric G. Woodbury
Name: Eric G. Woodbury
Title: Assistant Secretary

MEHTA & ISALY ASSET MANAGEMENT, INC.

By: /s/ Samuel D. Isaly
Name: Samuel D. Isaly
Title: President