UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K/A

[X] Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. For the fiscal year ended JULY 31, 1996

or

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: For the transition period from _____ to _____.

Commission file number: 0-27756.

ALEXION PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	13-3648318
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

25 SCIENCE PARK, SUITE 360, NEW HAVEN, CONNECTICUT 06511
(Address of principal executive offices) (Zip Code)

203-776-1790
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None.

Securities registered pursuant to Section 12(g) of the Act: Common Stock, Par Value $0.0001

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

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

The aggregate market value of the Common Stock held by non-affiliates of the registrant, based upon the last sale price of the Common Stock reported on the National Association of Securities Dealers Automated Quotation National Market System on October 21, 1996, was $51,214,970.

The number of shares of Common Stock outstanding as of October 21, 1996 was 7,339,084.

PART IV

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

(a) (1) Financial Statements

The financial statements requried by this item are submitted in a separate section beginning on page F-1 of this report.

(2) Financial Statement Schedules

Schedules have been omitted because of the absence of conditions under which they are required or because the required information is included in the financial statements or the notes thereto.

(3) Exhibits with each management contract or compensatory plan or arrangement required to be identified. See paragraph (c) below.

(b) Reports on Form 8-K

There were no reports on Form 8-K filed by the Company during the fourth quarter of the fiscal year ended July 31, 1996.

(c) Exhibits

3.1 Certificate of Incorporation, as amended.*

3.2 Bylaws.*

4.1 Specimen Common Stock Certificate.*

4.2 Form of Representative's Warrant Agreement including Form of Warrant.*

10.1 Employment Agreement, dated April 1992, between the Company and Dr. Leonard Bell, as amended.*

10.2 Employment Agreement, dated June 1992, between the Company and David Keiser, as amended.*

10.3 Employment Agreement, dated March 1992, between the Company and Dr. Stephen P. Squinto, as amended.*

10.4 Employment Agreement, dated September 1992, between the Company and Dr. Louis A. Matis, as amended.*

10.5 Employment Agreement, dated July 1993, between the Company and Dr. James A. Wilkins, as amended.*

10.6 Employment Agreement, dated July 1994, between the Company and Dr. Bernadette Alford, as amended.*

10.7 Administrative Facility Lease, dated August 23, 1995, between the Company and Science Park Development Corporation.*

10.8 Research and Development Facility Lease, dated August 23, 1995, between the Company and Science Park Development Corporation.*

10.9 Option Agreement, dated April 1, 1992 between the Company and Dr. Leonard Bell.*

10.10 Company's 1992 Stock Option Plan, as amended.*

10.11 Company's 1992 Outside Directors Stock Option Plan, as amended.*

10.12 Registration Agreement, dated December 4, 1992, by the Company for the benefit of certain individuals listed on schedules thereto, as amended.*

10.13 Amendment to Registration Agreement, dated July 31, 1995, between the Company and United States Surgical Corporation.*

10.14 Agreement, dated June 15, 1993, by the Company for the benefit of certain individuals listed on schedules thereto, as amended.*

10.15 Form of Investor Rights Agreement, dated December 23, 1994, between the Company and the purchasers of the Company's Series A Preferred Stock, as amended.*

10.16 Stock Purchase Agreement, dated July 31, 1995, between the Company and United States Surgical Corporation.*

10.17 Form of Warrant to purchase shares of the Company's Common Stock issued pursuant to certain of the Company's private placements.*

10.18 Form of Warrant to purchase shares of the Company's Common Stock issued to the Placement Agent of certain of the Company's private placements.*

10.19 Form of Warrant to purchase shares of the Company's Common Stock issued to certain warrantholders of the Company in connection with a Warrant Exchange.*

10.20 License Agreement dated as of May 27, 1992 between the Company and Yale University, as amended September 23, 1992.*+

10.21 Exclusive License Agreement dated as of June 19, 1992 among the Company, Yale University and Oklahoma Medical Research Foundation.**

10.22 Research & Development Agreement dated as of June 19, 1992 between the Company and Oklahoma Medical Research Foundation.*+

10.23 License Agreement dated as of September 30, 1992 between the Company and Yale University, as amended July 2, 1993.*+

10.24 License Agreement dated as of August 1, 1993 between the Company and Biotechnology Research and Development Corporation ("BRDC"), as amended as of July 1, 1995.*+

10.25 Cooperative Research and Development Agreement dated December 10, 1993 between the Company and the National Institutes of Health.*+

10.26 License Agreement dated January 25, 1994 between the Company and The Austin Research Institute.*+

10.27 Exclusive Patent License Agreement dated April 21, 1994 between the Company and the National Institutes of Health.*+

10.28 License Agreement dated July 22, 1994 between the Company and The Austin Research Institute.*+

10.29 License Agreement dated as of January 10, 1995 between the Company and Yale University.*+

10.30 Joint Development Agreement dated as of July 31, 1995 between the Company and United States Surgical Corporation.*+

10.31 Advanced Technology Program ("ATP"), Cooperative Agreement 70NANB5H, National Institute of Standards and Technology, entitled "Universal Donor Organs for Transplantation," dated September 15, 1995.*+

10.32 U.S. Department of Health and Human Services, National Heart, Lung and Book Institute, Small Business Research Program, Phase II Grant Application, entitled "Role of Complement Activation in Cardiopulmonary Bypass," dated December 14, 1994; and Notice of Grant Award dated September 21, 1995.*+

10.33 Research Subcontract Agreement dated as of October 1, 1995 between the Company and Tufts University.*+

10.34 Agreement to be Bound by Shareholders Agreement dated as of August 1, 1993 between the Company and BRDC.*

10.35 Agreement to be Bound by Master Agreement dated as of August 1, 1993 between the Company and BRDC.*

10.36 Research and Development Facility Lease, dated April 1, 1996, between the Company and Science Park Development Corporation.

10.37 License Agreement dated March 27, 1996 between the Company and Medical Research Council.+

10.38 License Agreement dated May 8, 1996 between the Company and Enzon, Inc.+

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* Incorporated by reference to the Company's Registration Statement on Form S-1, (Reg. No. 333-00202).

\+ Confidential treatment was granted for portions of such document.

(b) Financial Statement Schedules

SIGNATURES

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

ALEXION PHARMACEUTICALS, INC.

By: /s/ LEONARD BELL, M.D.

Leonard Bell, M.D.
President, Chief Executive Officer,
Secretary and Treasurer

[Confidential treatment has been requested for portions of this Exhibit. The confidential portions have been redacted and are denoted [***]. The confidential portions have been separately filed with the Commission.]

NON-EXCLUSIVE LICENSE AGREEMENT

THIS AGREEMENT, effective as of May 8, 1996, is between Enzon, Inc. a corporation of the State of Delaware (ENZON) having its principal place of business at 20 Kingsbridge Road, Piscataway, New Jersey 08854-3969 and Alexion Pharmaceuticals, Inc., a corporation of the State of Delaware (LICENSEE) having its principal place of business at 25 Science Park, Suite 360, New Haven, Connecticut 06511.

RECITALS

ENZON has conceived and reduced to practice certain inventions relating to single-chain antigen binding molecules (as hereinafter further defined under SCA DISCOVERIES);

LICENSEE has an interest in the non-exclusive development of said SCA DISCOVERIES into commercially useful products and processes in the field of complement protein C5-binding proteins (as hereinafter further defined under FIELD);

ENZON has certain PATENT RIGHTS and RESEARCH INFORMATION pertaining to the SCA DISCOVERIES; ENZON is interested in licensing said PATENT RIGHTS and RESEARCH INFORMATION associated with SCA DISCOVERIES;

LICENSEE is interested in becoming a non-exclusive licensee and desires to develop, manufacture, use, and sell products and processes in the FIELD related to said SCA DISCOVERIES throughout the world; and

Both ENZON and LICENSEE recognize the possibility that said PATENT RIGHTS may or may not cover products or processes to be commercialized;

NOW, THEREFORE, in consideration of the premises and of the performance of the covenants herein contained, the parties agree as follows:

1. DEFINITIONS

1.1 The term "AFFILIATE" shall mean:

1.1.1 Any corporation owning or controlling, directly or indirectly, at least fifty-one percent (51%) of the stock normally entitled to vote for election of directors of a party and

1.1.2 Any corporation at least fifty-one percent (51%) of whose stock normally entitled to vote for election of directors is owned or controlled, directly or indirectly, by a party and

1.1.3 Any other business entity at least fifty-one percent (51%) of the equity interest of which is owned or controlled, directly or indirectly, by a party.

1.2 The term "EFFECTIVE DATE" shall mean the date first written above.

1.3 The term "FIELD" shall mean and be limited solely to [***].

1.4 The term "FIRST COMMERCIAL SALE" shall mean the first sale of any PRODUCT by LICENSEE or its AFFILIATES.

1.5 The term "NET SALES" shall mean the gross sales for any quantity of PRODUCT subject to royalty under this Agreement that is sold by LICENSEE or its AFFILIATES or sublicensee to any third party, less discounts and allowances actually given to customers and commissions paid to distributors and other sales agencies not employees of LICENSEE or its AFFILIATES or sublicensee, that are included in its gross sales. Except as set forth above, no deduction from the gross sales shall be made for any item of cost incurred by the seller in its own operations incident to the research and development, manufacture, sale, or shipment of the PRODUCT sold. PRODUCT shall be considered sold when billed out or invoiced.

1.6 The term "PATENT RIGHTS" shall mean any United States or foreign patent applications or patents owned by ENZON or its AFFILIATES during the term of this Agreement, or licensed or sublicensed to ENZON during the term of this Agreement which ENZON is entitled to license or sublicense on a royalty-free bases to others, containing one or more claims to SCA DISCOVERIES, any continuation-in-part, division, or continuation application thereof, any patent or the equivalent thereof granted thereon, and any reissue, reexamination, or extension of any of these patent(s). Existing PATENT RIGHTS are listed in Appendix I which shall be modified by ENZON from time-to-time so that it accurately reflects those patent applications and patents owned by ENZON or its

AFFILIATES existing during the term of this Agreement relevant to the FIELD.

1.7 The term "PRODUCT(S)" shall mean an SCA PROTEIN or product incorporating an SCA PROTEIN whose manufacture, composition, use or sale is covered in whole or in part by PATENT RIGHTS or utilizes or incorporates RESEARCH INFORMATION.

1.8 The term "RESEARCH INFORMATION" shall mean only the specific items of technical know-how or information relating to SCA DISCOVERIES that are owned by ENZON or its AFFILIATES or in ENZON's or its AFFILIATES' possession on the EFFECTIVE DATE and are expressly listed in attached Appendix II.

1.9 The term "SCA DISCOVERIES" shall mean any technology related to the creation, development, manufacture or use of SCA PROTEIN; PROVIDED, HOWEVER, that SCA DISCOVERIES shall not include any specific SCA PROTEIN, or any specific variable region genetic sequence or specific transformed host coding for or containing such variable region genetic sequence.

1.10 The term "SCA PROTEIN" shall mean a polypeptide having binding affinity for an antigen, said polypeptide comprising:

(a) a first polypeptide comprising the binding portion of the variable region of an antibody heavy or light chain;

(b) a second polypeptide comprising the binding portion of the variable region of an antibody heavy or light chain; and

(c) at least one peptide linker linking said first and second polypeptides (a) and (b) into a single chain polypeptide.

2 PATENT RIGHT(S)

2.1 Costs. All future patent costs pertaining to PATENT RIGHT(S) whether or not such PATENT RIGHT(S) are pending on the EFFECTIVE DATE, including preparation, filing, and prosecution of patent applications, issuance, taxation, and maintenance costs, shall be borne by ENZON.

2.2 Control. All control over PATENT RIGHT(S) will be in ENZON, and all PATENT RIGHT(S) will be filed and prosecuted by ENZON's attorneys.

3 LICENSE GRANTS TO LICENSEE

3.1 Non-Exclusive License. As of the EFFECTIVE DATE of this Agreement, ENZON hereby grants to LICENSEE and its AFFILIATES a non-exclusive, worldwide license in the FIELD under PATENT RIGHT(S) to make, use, and sell PRODUCTS. The license includes the right to grant to the purchasers of PRODUCTS from LICENSEE the right to use such PRODUCTS in the FIELD.

3.2 Ancillary License. As of the EFFECTIVE DATE of this Agreement and ancillary to the grants under PATENT RIGHT(S) under Section 3.1, ENZON hereby grants to LICENSEE and its AFFILIATES a non-exclusive right to use RESEARCH INFORMATION in the FIELD.

3.3 Sublicense. LICENSEE shall have the right to grant and authorize one (1) sublicense under the PATENT RIGHT(S) and RESEARCH INFORMATION to make, use, and sell PRODUCTS in the FIELD, but no such grant or authorization shall permit further licensing by the sublicensee. Such sublicense shall have no terms that are inconsistent with this Agreement. LICENSEE shall report to ENZON the identity of the sublicensee within fifteen (15) days after execution of such sublicense.

4 PAYMENT BY LICENSEE

4.1 License Fee. On the EFFECTIVE DATE of this Agreement, LICENSEE shall pay ENZON a license fee in the sum of [***].

4.2 Milestone Payments. For each therapeutic PRODUCT, LICENSEE shall pay ENZON the following sums at the indicated Milestones:

4.2.1 [***] at the time of filing of the first request for permission to initiate a clinical trial of said PRODUCT;

4.2.2 [***] at the time of filing of the first request for permission to market said PRODUCT;

4.2.3 [***] one year after the time of filing of the first request for permission to market said PRODUCT;

4.2.4 [***] at the time of the first approval to market said PRODUCT;

4.2.5 [***] one year after the time of the first approval to market said PRODUCT.

4.2.6 In the event that a Milestone is reached before the EFFECTIVE DATE, LICENSEE shall pay ENZON the sum indicated above for such Milestone on the EFFECTIVE DATE of this Agreement.

4.3 Royalties. LICENSEE shall pay to ENZON [***] royalty on NET SALES for each PRODUCT sold by LICENSEE or its AFFILIATES or sublicensee and covered by PATENT RIGHT(S). If LICENSEE must pay royalties to a third party on NET SALES of PRODUCT in a country due to an issued patent of any third party, then the royalty payable by LICENSEE to ENZON on NET SALES in such country shall be reduced by the amount of the royalty payable by LICENSEE to such third party, provided that the royalty rate payable by LICENSEE to ENZON shall not be reduced below [***] of NET SALES.

4.4 RESEARCH INFORMATION Royalties. In consideration of the right granted LICENSEE in Section 3.2 above to use RESEARCH INFORMATION in the FIELD, LICENSEE shall pay ENZON a [***] royalty on NET SALES of PRODUCTS not covered by PATENT RIGHT(S) but made, used or sold using RESEARCH INFORMATION. LICENSEE's obligation to pay royalties on such NET SALES shall terminate on the twelfth anniversary of the FIRST COMMERCIAL SALE. No royalty shall accrue or be paid under this Section 4.4 on the manufacture, sale, or use of any PRODUCT on which a royalty is due and payable pursuant to Section 4.3.

4.5 Currency Conversion. Royalties and license fees due on sales made in currency other than United States dollars shall first be calculated in the foreign currency and then converted to United States dollars on the basis of the closing buying rates quoted by the Wall Street Journal for the last business day of the period for which royalties are due.

4.6 Currency Restrictions. If restrictions on the transfer of currency exist in any country such as to prevent LICENSEE from making payments to ENZON in the United States, LICENSEE shall take all reasonable steps to obtain a waiver of such restrictions or otherwise to enable LICENSEE to make such payments, failing which LICENSEE shall make the royalty payments due upon sales in such country in local currency and deposit such payments in a local bank or other depository designated by ENZON.

5 ACCOUNTING

5.1 Reports. LICENSEE shall report in writing to ENZON within thirty (30) days after the end of each calendar quarter the quantities of PRODUCT subject to license fees or royalties hereunder that were sold by LICENSEE and its AFFILIATES and sublicensees during said quarter, and the calculation of the fees and royalties thereon. With said report LICENSEE shall pay to ENZON the total amount of said fees and royalties. If no PRODUCT subject to license fees or royalties hereunder has been sold by LICENSEE or its AFFILIATES or sublicensee during any given quarter, LICENSEE shall so report in writing to ENZON within thirty (30) days after the end of such quarter. Reports, notices, license fee and royalty payments, and other communications hereunder shall be sent to the appropriate party at the following addresses:

For LICENSEE:

David W. Keiser
Executive Vice President and Chief Operating Officer
Alexion Pharmaceuticals, inc.
25 Science Park, Suite 360
New Haven, CT 06511

For ENZON:

John A. Caruso, Esq.
Vice President Business Development and General Counsel
ENZON, Inc.
20 Kingsbridge Road
Piscataway, NJ 08854-3969

5.2 Records. LICENSEE shall keep, and require each AFFILIATE and sublicensee to keep, adequate records in sufficient detail to enable the license fees and royalties payable by LICENSEE hereunder to be determined, and permit, and require each AFFILIATE and sublicensee to permit, said records to be inspected at any time during regular business hours by an independent auditor appointed by ENZON for this purpose, who shall report to ENZON only the amount of the fees and royalties payable hereunder.

6 OPTIONS TO LICENSEE

6.1 Option to Develop SCA PROTEINS. ENZON hereby grants LICENSEE and its AFFILIATES the option, at any time during the term of this Agreement, to request from ENZON in writing that ENZON develop for LICENSEE or its AFFILIATES a specific SCA PROTEIN. If ENZON, in its sole discretion, accepts the request, then the parties will negotiate in good faith to determine the terms and conditions of a Development Agreement.

6.2 Option to Manufacture SCA PROTEINS. ENZON hereby grants LICENSEE and its AFFILIATES the option, at any time during the term of this Agreement, to request from ENZON in writing that ENZON manufacture a specific SCA PROTEIN for LICENSEE or its AFFILIATES under Good Manufacturing Practices. If ENZON, in its sole discretion, accepts the request, then the parties will negotiate in good faith to determine the terms and conditions of a Manufacturing Agreement.

7 INFRINGEMENT

7.1 No Warranty of Non-Infringement. Nothing in this Agreement shall be construed as a warranty, assurance, or representation by ENZON or its AFFILIATES that LICENSEE or its AFFILIATES or sublicensee can make, use, or sell PRODUCT free of any proprietary rights, including third party patent rights, other than those specifically granted in this Agreement.

7.2 Infringement by LICENSEE. If LICENSEE or its AFFILIATE(S) or sublicensee is sued for infringement by reason of making, using, or selling PRODUCT, LICENSEE shall notify ENZON in writing of the suit and defend such suit at LICENSEE's or its AFFILIATE's or sublicensee's own expense. ENZON shall have the right to provide advice and assistance in any such litigation at

its expense, unless such advice and assistance are requested by LICENSEE or its AFFILIATE or sublicensee, in which case it shall be at LICENSEE's expense. In the event ENZON is joined in such litigation, ENZON shall have the right to defend itself with counsel of its choice at its expense.

7.3 Infringement by Third Party.

(a) LICENSEE shall notify ENZON of any infringement by a third party of any PATENT RIGHTS or misappropriation by a third party of RESEARCH INFORMATION and shall provide ENZON with the available evidence, if any, of such infringement or misappropriation.

(b) ENZON shall have the exclusive right and sole discretion during the term of this Agreement to effect termination of such infringement, including bringing suit or other proceedings against the infringer in its own name and LICENSEE shall be kept informed at all times of all such proceedings taken by ENZON. If ENZON requests, LICENSEE may, at LICENSEE's discretion, join with ENZON as a party to the lawsuit or other proceeding at ENZON's expense; however, ENZON shall retain control of the prosecution of such suit or proceedings, as the case may be.

(c) ENZON shall bear all its costs incurred in connection with such lawsuit or other proceeding, and consequently shall be entitled to collect and retain for its own account any damages or profits as may be accrued as a result of such lawsuit or other proceeding.

(d) Nothing in this Agreement shall be construed as obligating ENZON, or giving LICENSEE the right, to proceed against a third party infringer or misappropriator.

8 CONFIDENTIALITY, NON-USE AND PUBLICATIONS

8.1 ENZON's Rights. Nothing in this Agreement shall be construed to prohibit or limit in any manner the right of ENZON or its AFFILIATES to disclose RESEARCH INFORMATION or grant any license for PATENT RIGHTS and/or RESEARCH INFORMATION to any party. ENZON may issue public announcements or press releases relating to the existence and/or subject matter of this Agreement and to the identity of LICENSEE or its AFFILIATES. However, ENZON shall not disclose in such announcements or releases the FIELD or the financial terms of this Agreement, except as required by law or government regulation.

8.2 LICENSEE's Rights. LICENSEE may issue public announcements or press releases relating to the existence of this Agreement and to the identity of ENZON as licensor. However, LICENSEE shall not include in such announcements or releases any mention or indication, explicitly or implicitly, that ENZON endorses the manufacture, use, or sale of any PRODUCT.

8.3 LICENSEE's Obligations. LICENSEE shall hold all information and proprietary materials received hereunder from ENZON (hereinafter "CONFIDENTIAL INFORMATION") in strictest confidence and shall not use such CONFIDENTIAL INFORMATION for any purpose other than under this Agreement, nor for any product other than PRODUCT, nor outside of the FIELD. CONFIDENTIAL INFORMATION shall not be disclosed to any persons other than (i) employees or agents of LICENSEE or independent contractors employed by LICENSEE who have reasonable need for access to such information in connection with this Agreement and who are bound to LICENSEE by a written agreement of confidentiality containing terms consistent with those contained in this paragraph, and (ii) governmental authorities, as required, to obtain necessary regulatory clearances. LICENSEE shall keep any CONFIDENTIAL INFORMATION disclosed to LICENSEE by ENZON confidential during the term of this Agreement and for five (5) years following the termination of this Agreement for any reason; PROVIDED, HOWEVER, that ENZON may at any time agree in writing to a waiver of such requirement. Nothing in this Agreement shall prevent LICENSEE from making any disclosure of CONFIDENTIAL INFORMATION required by law; PROVIDED, HOWEVER, in the event LICENSEE is so required, LICENSEE shall provide ENZON with prompt notice so that ENZON may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In any event, LICENSEE shall furnish only that portion of the CONFIDENTIAL INFORMATION which is legally required in the opinion of LICENSEE's counsel.

Notwithstanding the above, nothing in this Agreement shall in any way restrict the right of LICENSEE to use or disclose information that:

(a) at the time of disclosure by ENZON to LICENSEE had been published or publicly known; or

(b) is published, becomes publicly known, or otherwise becomes part of the public domain after disclosure by ENZON to LICENSEE through no fault of LICENSEE; or

(c) was known to LICENSEE prior to the time of disclosure by ENZON, as demonstrated by written records.

The obligation of this Section 8.3 shall apply equally to LICENSEE and its AFFILIATES and sublicensee.

9 INDEMNIFICATION

LICENSEE shall defend, indemnify, and hold ENZON and its AFFILIATES harmless from and against any and all claims, suits, and expenses, including reasonable attorney fees and expenses arising out of or based upon the manufacture, use, or sale or other distribution of PRODUCTS by LICENSEE or its AFFILIATES or sublicensee or persons purchasing PRODUCTS from them.

10 TERM AND TERMINATION

10.1 Default. If either party shall fail to perform any of its obligations under this Agreement, the nondefaulting party may give written notice of the default to the defaulting party. Unless such default is corrected within sixty (60) days after receipt of such notice, the notifying party may thereafter terminate this Agreement upon thirty (30) days prior written notice.

10.2 Term. Unless otherwise terminated as provided for in this Agreement, this Agreement will continue on a country-by-country basis until the expiration of the last to expire PATENT RIGHT or, if no PRODUCT, its manufacture, or use is covered by PATENT RIGHT(S), until the expiration of the period for which royalty payments are required pursuant to Section 4.4.

10.3 Survivability. Sections 7, 8 and 9 shall survive the expiration or termination of this Agreement.

11 MISCELLANEOUS

11.1 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, ENZON EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OF NON-INFRINGEMENT.

11.2 Integration. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, and supersedes and replaces all prior agreements, understandings, writings, and discussions between the parties relating to said subject matter.

11.3 Amendments. This Agreement may be amended only by a written instrument executed by the parties.

11.4 Waiver. The failure of either party at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to enforce the same. No waiver by either party of any condition or term in any one or more instances shall be construed as a further or continuing waiver of such condition or term or any other condition or term.

11.5 Successors. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

11.6 Assignability. This Agreement shall not be assignable by either party without the other party's written consent, except for ENZON's right to receive fees and royalties payable hereunder. Either party, however, shall have the right to transfer this Agreement to any successor of its entire business or substantially all of its assets in the line of business related to the Agreement without the consent of the other party. Such transferee may transfer this Agreement back to the transferor party without the prior written consent of the other party.

11.7 Notices. Any notice and payment of fees or royalties required or permitted to be given hereunder shall be deemed sufficient if mailed by overnight service providing evidence of delivery or by registered or certified mail (return receipt requested), or delivered by hand to the party to whom such notice is required at the address set forth in Section 5.1 hereof. Any notice required or permitted to be given hereunder shall be considered given upon the earlier of: (i) when actually received at the address set forth in Section 5.1; or (ii) two business days after such notice is properly mailed in accordance with this Section 11.7.

11.8 Validity of Provisions. If any provision(s) of this Agreement are or become invalid, are ruled illegal by any court of competent jurisdiction or are deemed unenforceable under then current applicable law from time to time in effect during the term hereof, it is the intention of the parties that the remainder of this Agreement shall not be affected thereby. It is further the intention of the parties that in lieu of each such invalid, illegal, or unenforceable provision, there shall be substituted or added as part of this Agreement a provision that shall be as similar as possible in economic and business objectives to such invalid, illegal, or unenforceable provision as was originally intended by the parties, but that shall be valid, legal, and enforceable.

11.9 Titles. All titles and subtitles used in this Agreement are for purposes of illustration or organization and are not legally binding on the Parties.

11.10 Relationship of the Parties. Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, employer-employee, or joint venture relationship between the Parties, and neither party is authorized or empowered to act as agent for the other for any purpose or to make any statement, contract, warranty, representation or commitment on behalf of the other.

11.11 Further Acts and Instruments. Each party hereto agrees to execute, acknowledge, and deliver such further instruments and to do all such other acts as may be necessary or appropriate to effect the purpose and intent of this Agreement.

11.12 Export Restrictions. This Agreement, and any products or technical data supplied during the term of this Agreement, are made subject to any restrictions concerning the export of products or technical data from the United States of America that may be imposed upon ENZON or LICENSEE or their respective AFFILIATES from time to time by the Government of the United States of America. Furthermore, LICENSEE and its AFFILIATES agree that at no time, either during the term of this Agreement or thereafter, will they export, directly or indirectly, any United States source products or technical data acquired from ENZON or its AFFILIATES under this Agreement or any direct products of that technical data to any country for which the U.S. Government or any agency thereof at the time of export requires an export license or other governmental approval, without first obtaining that license or approval when required by applicable United States law.

11.13 Choice of Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware.

The parties have duly executed this Agreement as of the date first above written.

Enzon, Inc.	LICENSEE
By:_____	By:_____
Title:_____	Title:_____

APPENDIX I

Constituting part of Section 1.6 of the Non-Exclusive License Agreement dated May 8, 1996, between LICENSEE and Enzon, Inc.

PATENT RIGHTS

TITLE	INVENTOR	COUNTRY	DATE FILED	SERIAL NO.	PATENT NO.	DATE ISSUED
[***]	[***]	US	[***]	[***]	Abandoned	[***]
		US			Abandoned	
		PCT				
		EPO				
		Austria				
		Belgium				
		France				
		Germany				
		Italy				
		Luxembourg				
		Netherlands				
		Sweden				
		Switzerland				
		U. Kingdom				
		Canada				
		Japan				
		US				
		US				
		US				
		US				
		US				
		US				
		PCT				
		EPO			Abandoned	
		US			Abandoned	
		US				
		US				
		PCT				
		EPO				
		France				
		Germany				
		U. Kingdom				
		US			Abandoned	
		US			Abandoned	
		US			Abandoned	
		US				

TITLE	INVENTOR	COUNTRY	DATE FILED	SERIAL NO.	PATENT NO.	DATE ISSUED
[***]	[***]	US Canada Japan	[***]	[***]	Abandoned	[***]
		US CA US PCT US			Abandoned	
		US				
		US				

APPENDIX II

Constituting part of Section 1.8 of the Non-Exclusive License Agreement dated May 8, 1996, between LICENSEE and Enzon, Inc.

RESEARCH INFORMATION

[***]

APPENDIX III

Constituting part of Section 1.3 of the Non-Exclusive License Agreement dated May 8, 1996, between LICENSEE and Enzon, Inc.

EXCLUDED AREAS

The following areas are specifically excluded from the FIELD:

1. Making, having made, using, or selling SCA PROTEIN for Radioimmunoguided Surgery[TM] (RIGS[R]), in which a radiolabelled SCA PROTEIN is administered to a cancer patient; time elapses for preferential concentration of the radiolabelled SCA PROTEIN in neoplastic tissue and decrease of background radioactivity in the patent; and such preferentially concentrated radiolabelled SCA PROTEIN is detected within a surgical operative field by a detector probe placed in juxtaposition with tissue suspected of containing said radiolabelled SCA PROTEIN.

2. Making, having made, using, or selling diagnostics based on erbB-2 SCA PROTEINS and therapeutics based on erbB-2 SCA PROTEINS covalently linked to Pseudomonas exotoxin or derivatives or fragments thereof.

3. Making, having made, or selling reagents and kits in the research market for production and cloning of genes encoding SCA PROTEIN(s) and their fusions in a filamentous bacteriophage-derived vector system, and for expression and screening of SCA PROTEINS fused with the minor coat protein or attachment or absorption protein of filamentous bacteriophage.

4. Making, having made, using, or selling SCA PROTEINS that are, or have been modified by reaction with poly (alkylene glycols).

5. Making, having made, using, or selling SCA PROTEINS fused with, or for the assay or purification of, Tumor Necrosis Factor-alpha (TNF) or Lympotoxin.

6. Making, having made, using or selling SCA PROTEINS that bind to the Lewis-Y antigen or compete with monoclonal antibody BR96 for binding to antigen.

[Confidential treatment has been requested for portions of this Exhibit. The confidential portions have been redacted and are denoted [***]. The confidential portions have been separately filed with the Commission.]

MEDICAL RESEARCH COUNCIL

- and -

ALEXION PHARMACEUTICAL INC.

L I C E N S E

for

Winter Patent

THIS AGREEMENT is made the 27th day of March One thousand nine hundred and ninety six between MEDICAL RESEARCH COUNCIL of 20 Park Crescent, London WIN 4AL (hereinafter called "MRC" which expression includes its successors and assigns) of the one part and ALEXION PHARMACEUTICALS, INC. of 25, Science Park, Suite 360, New Haven, Connecticut 06511, USA (hereinafter called "THE LICENSEE" which expression includes its successors and permitted assigns) of the other part.

W H E R E A S:

MRC is the proprietor of certain patent rights in respect of the genetic engineering of monoclonal antibodies comprising the replacement in whole or in part of the complementary determining regions of one antibody by those of another.

NOW IT IS HEREBY AGREED as follows:

1. Definitions

(1) IN this Agreement the following words and expressions shall be construed as follows:

'THE EFFECTIVE DATE' shall mean the date specified above.

"THE RESHAPING PROCESS" shall mean the [***].

"THE PRODUCTS" shall mean end products produced either directly or indirectly from antibodies which have been modified using the Reshaping Process and which are in a form capable of being marketed or sold upon a commercial basis.

"AFFILIATE" shall mean any corporation, company, partnership or other entity which directly or indirectly controls, is controlled by or is under common control with either party to this Agreement.

"CONTROL" means the ownership of more than 50% of issued share capital or the legal power to direct or cause the direction of the general management and policies of the party in question.

"FIELDS" [***].

"NET RECEIPTS" shall mean all monies received by Licensee in respect of the sale of the Products, less the following items to the extent that they are paid or allowed and included in the invoice price:

normal discounts actually granted;

credits allowed for Products returned or not accepted by customers;

packaging, transportation and prepaid insurance charges on shipments or deliveries to customers;

taxes actually incurred and paid by Licensee in connection with the sale or delivery of Products to customers.

"THE WINTER PATENT" shall mean the patents and applications therefor set out in Schedule I hereto and any divisions, renewals, continuations, extensions or reissues thereof and any patent granted thereon.

"THE BOSS PATENTS" shall mean the patents and patent applications therefore set out in Schedule 3 hereto in [***] and any patent granted on such patent applications including but without prejudice to the generality of the foregoing author certificates, inventor certificates, improvement patents, utility certificates and models and certificates of addition and including any divisions, renewals, continuations, extensions or reissues thereof.

(2) IN this Agreement the singular shall where the context so permits include the plural and vice versa.

2. Commencement

THIS Agreement shall be deemed to have come into force on the Effective Date and shall be read and construed accordingly.

3. Grant of Rights

(1) MRC agrees to grant to the Licensee the following licenses under the Winter Patent:

(i) a non-exclusive world-wide license to exploit the Winter Patent commercially in any way whatsoever by the use of the Reshaping Process in the Fields and by the commercial exploitation in the Fields of any resulting antibodies provided always that any such exploitation does not involve the antibodies detailed in the Second Schedule hereto;

(ii) a non-exclusive sub-license under the Boss Patents to the extent required to enable the licensee to use the Reshaping Process in

accordance with (i) above to produce Products from mammalian cells and for no other purpose.

(2) The Licensee shall not be entitled to grant sub-licenses of the rights granted to it under this Agreement except with the prior written consent of MRC. Such consent shall not be unreasonably withheld or delayed to requests to sublicense rights to the Winter Patent in respect of antibodies modified by the Licensee itself using the Reshaping Process. MRC and Licensee acknowledge that it is not the intention that Licensee should offer a contract service to third parties in the use of the Reshaping Process. In cases where MRC gives consent to the grant of a sublicense under the Winter Patent MRC shall also not unreasonably withhold consent from requests by Licensee for MRC to grant to the sublicensee a sublicense under the Boss Patent, in accordance with the limitations specified in Clause 3 (1) (ii) above and restricted to the modified antibodies sublicensed by Licensee. The Licensee shall use its best endeavors to ensure that any sub-licensee performs its obligations under any such sub-license.

(3) The following arrangements shall not require the prior consent of MRC:

(i) The appointment of any person as agent or distributor to market sell use or otherwise dispose of the Products in any part of the world.

(ii) The sub-contracting of the development of new Products for the Licensee .

(iii) The sub-contracting of manufacture for the Licensee of Products or intermediates for Products.

4. Payments

(1) IN CONSIDERATION for the non-exclusive license granted pursuant to Clause 3.1 hereof the Licensee shall pay to MRC the sum of [***] upon signature of this Agreement.

(2) IN FURTHER consideration of the licenses granted by MRC to Licensee under this Agreement, Licensee shall pay to MRC a royalty at the rate of [***] of Net Receipts on all sales of Products by Licensee or any Affiliate where the Products are either manufactured and/or sold in a country where the Winter and/or the Boss Patent is granted valid and subsisting at the date of such sale. The royalty payments shall be exclusive of any applicable value added tax ("VAT").

(3) If MRC shall hereafter license another party under the Winter Patents in the Fields at a lower royalty rate than is payable by Licensee by virtue of

this license agreement, or with another substantial term more favorable to such party than the corresponding term of this license agreement, then Licensee shall have an option to convert this license agreement so that the royalty rate payable thereunder. or other corresponding term, is the same as the rate of term that applies to the third party; PROVIDED that if the third party's license imposes upon that party any other obligation (including any restriction as to product or territory) which is associated with that party's operations as patent licensee and which is more onerous than an obligation of corresponding category on the part of Licensee under this agreement, then any exercise of the option by Licensee shall operate so that Licensee assumes an obligation as patent licensee corresponding to such other obligation of the third party, either as a substitute in place of Licensee's obligation(s) of corresponding category, or if there is no such obligation or corresponding category, then as an additional obligation.

This clause shall not entitle a Licensee to a license in respect of any of the restricted antibodies set out in Schedule 2.

(4) Licensee agrees to keep true and accurate records and books of account containing all data necessary for the calculation of the royalties payable to MRC under Clause 4(2). Such records and books of account shall upon reasonable notice having been given by MRC be open at all reasonable

times during business hours for inspection by MRC or its duly authorized representative.

(5) Licensee shall prepare a statement in respect of each calendar quarter of this Agreement which shall show for the calendar quarter in question Licensee's Net Receipts on sales by it of the Products on a country by country basis. details of the quantities of Products manufactured and sold in each country and the royalty and, if applicable, VAT due to MRC thereon pursuant to Clause 4(2) above. Such statement shall be submitted to MRC within 60 days following the end of the calendar quarter or part thereof to which it relates together with a remittance for the royalties and, if applicable, VAT due to MRC. If MRC shall give notice to Licensee within 30 days of the receipt of any such statement that it does not accept the same such statement shall be certified by an independent chartered accountant appointed by agreement between the parties or, in default of agreement within 14 days, by the President for the time being of the Institute of Chartered Accountants of England and Wales in London. Licensee shall make available all books and records required for the purpose of such certification at reasonable times during normal business hours and the statement so certified shall be binding between the parties. The costs of such certification shall be the responsibility of MRC if the certification shows the original statement to have been accurate (i.e. the certification shows a deficiency of 5% or less of the total amount in fact

payable by the Licensee) and otherwise shall be the responsibility of Licensee. Following any such certification the parties shall make any adjustments necessary in respect of the royalties already paid to MRC in relation to the year in question.

(6) The Licensee shall pay royalties to MRC free and clear of and without deduction or deferment in respect of any demand, set-off, counterclaim or other dispute and so far as is legally possible such payment shall be made free and clear of any taxes imposed by or under the authority of any government or public authority and in particular but without limitation where any sums due to be paid to MRC hereunder are subject to any withholding or similar tax, the Licensee shall pay such additional amount as shall be required to ensure that the net amount received by MRC hereunder will equal the full amount which would have been received by it had not such tax been imposed or withheld. The Licensee and, without prejudice to the foregoing, MRC shall use their best endeavors to do all such lawful acts and things and to sign all such lawful deeds and documents as will enable the Licensee to take advantage of any applicable legal provision or any double taxation treaties with the object of paying the sums due to MRC without imposing or withholding any tax.

Sums are expressed in this agreement as exclusive of VAT. MRC agrees to provide Licensee with a VAT invoice in respect of every payment affected by VAT.

(7) Where MRC does not receive payment of any sums due to it within the period specified hereunder in respect thereof interest shall accrue on the sum outstanding at the rate of 1% per month calculated on a daily basis without prejudice to MRC right to receive payment on the due date therefor.

5. Term and Termination

(1) SUBJECT as hereinafter provided this Agreement and the licenses granted pursuant thereto shall continue in force in each territory during the subsistence of the last to expire of the Winter or Boss Patents.

(2) MRC may terminate this Agreement and the said licenses forthwith by notice to the Licensee to that effect upon the happening of any of the following events:

(A) if the Licensee fails to perform or observe any of the obligations on its part to be performed or observed and if the breach is one

capable of remedy has not been remedied within three (3) months of the giving of a notice informing the Licensee of such breach;

(B) if the Licensee files a voluntary petition in bankruptcy or applies to any Tribunal for a Receiver Trustee or similar officer to be appointed by any Court or Executive Department to liquidate or conserve the Licensee or any substantial part of its property or assets due to insolvency or to the threat thereof or if the Licensee suffers any trusteeship or receivership to continue undischarged for a period of sixty days or suffers any similar procedure for the relief of distressed debtors entered into by the Licensee voluntarily or involuntarily or if the Licensee is otherwise divested of its assets for a period of sixty days or makes a general assignment for the benefit of its creditors;

(3) The Licensee may terminate this Agreement and the Licenses granted pursuant hereto by giving to MRC 6 months notice to that effect if the Licensee considers that substantial unlicensed competition is seriously interfering with Licensee's exploitation of the Reshaping Process under this Agreement and that MRC is not taking appropriate steps to seek to prevent or reduce such unlicensed competition. Such termination shall be without prejudice to the right of MRC to enforce the Winter Patents in the event of subsequent manufacture of Products by the Licensee.

(4) TERMINATION of this Agreement or of the said Licenses shall be without prejudice to any rights of either party against the other which may have accrued up to the date of such termination and the Licensee shall pay to MRC the appropriate royalties hereunder on all stocks of the Products (on which royalties have not already been paid) held at the date of termination by the Licensee or any person engaged by the same to manufacture the Products and shall thereafter be free to sell such products on which royalty has been paid.

6. Warranties

(1) MRC hereby represents and warrants that MRC owns the Winter Patents or is otherwise authorized to license the Winter Patents to the Licensee.

(2) MRC hereby represents and warrants that MRC is entitled or authorized to grant a sub-license under the Boss Patents in conjunction with a license to the Licensee to use the Reshaping Process for the production of Products from mammalian cells and for no other purpose.

(3) NOTHING in this Agreement or in any licenses to be granted pursuant thereto shall be construed as a representation or warranty that any of the said Patents are valid or that any manufacture use sale or other disposal

of the Products is not an infringement of any patents or other rights not vested in the MRC.

(4) THE Licensee shall promote the sale of the Products of good marketable quality and shall use reasonable endeavors to meet the market demand therefore.

7. Infringement

IF the Licensee becomes aware of a suspected infringement of the Winter Patents it shall notify MRC giving full particulars thereof. If the alleged infringement consists of any act which (if done by the Licensee) would be within the scope of the licenses granted under this Agreement MRC and the Licensee shall (within a reasonable time of the said notification) consult together with a view to agreeing upon a course of action to be pursued.

8. Waiver

THE waiver by MRC of any breach default or omission in the performance or observance of any of the terms of this Agreement by the Licensee shall not be deemed to be a waiver of any other such breach default or omission.

9. Notices

ANY notice consent or other communication authorized or required to be given hereunder or for the purposes hereof shall be in writing and be deemed to be duly given to MRC if left at or sent by recorded delivery or registered post addressed to its principal office and to the Licensee if left at or sent by recorded delivery or registered post to its principal place of business. Any such notice consent or other communication if served by post shall be deemed to have been given at the time when it would have been received in due course of the post.

10. Non-assignability

Save for an assignment to an Affiliate of the Licensee, the Licensee shall not be entitled to assign the benefit of this Agreement or any rights granted or to be granted under the Agreement.

11. Law and Jurisdiction

THIS Agreement is to be read and construed in accordance with and governed by the Laws of England so far as the subject matter allows and the parties hereby submit to the jurisdiction of the English courts in relation to any dispute arising out of this Agreement.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in the matter legally binding upon them by causing authorized representatives to sign this Agreement.

MEDICAL RESEARCH COUNCIL	ALEXION PHARMACEUTICALS, INC.
Signed:_____	_____
Name and Position:	
_____	_____
_____	_____
Date: _____	_____

SCHEDULE ONE above referred to

Inventor: Gregory Paul Winter

Applicant: Medical Research Council

Title: Recombinant DNA products and Methods

UK Priority Application: [***]

Final Application

Territory	Application number (Publication number) *(Patent number)	Date of filing (Publication date) (Grant date)
UK		
EUROPE (Australia, Belgium, France, Germany Greece, Italy, Liechtenstein, Luxembourg, Netherlands, Spain, Sweden, Switzerland, UK)		[***]
CANADA		
USA (Parent)		
USA (Continuation-in-part)	This is a continuation application derived from continuation in-part	
JAPAN		

SCHEDULE TWO above referred to

ANTIBODIES EXCLUDED FROM THE LICENSE

1. All antibodies to alpha tumor necrosis factor having an association constant greater than [***]

2. Rat antibody Campath 1, secreted by the rat hybridoma line held by Professor [***]

3. Antibodies specifically described below:

Antibody	Specificity	Source
B72.3	Mucin (TAG072)	NIH (Schlom)
CTM01	Mucin	Celltarg, Belgium
A5B7	CEA	CRC
LYM-1	B-Cell Ag	Cyanarnid
Y22	Fibrin	Gaubius Institute
OKT-3 (and other Ortho antibodies against CD3)	CD3	Ortho Pharmaceutical

SCHEDULE THREE above referred to

Title: Multichain Polypetides or Proteins and processes for their production

Subject matter: Expression of Multichain proteins, such as antibodies, in single host cells.

Inventors: [***]

Priority Application Date: [***]
Earliest Publication Date [***]

Territory	Application Date	Application No.	Patent No.	Expiry Date
*Europe				
*Europe (divisional)				
Japan	[***]			
USA				
USA (dividionsl)				
United Kingdom				

*includes: Austria, Belgium, France, Germany, Italy, Liechtenstein, Luxembourg, Netherlands, Sweden, Switzerland, United Kingdom.