

AGREEMENT BETWEEN MGH AND HOECHST A.G.
CONCERNING FINANCIAL SUPPORT PROVIDED BY HOECHST A.G.
FOR
THE ESTABLISHMENT AND OPERATION OF A DEPARTMENT
OF
MOLECULAR BIOLOGY

Executive Summary

1. Scope of Project. The General Hospital Corporation ("MGH") will, with financial support from Hoechst A.G. (the "Company"), establish a Department of Molecular Biology (the "Department"). Consistent with the scientific and educational purposes of the MGH, the Department will conduct basic research in molecular biology for the purpose of improving medical care. Although the knowledge base generated by the research may prove useful to others in developing products, the Department is not intended to develop products or otherwise participate in commercial undertakings other than through standard patent licenses.

2. Staffing. The Department will operate with about fifty people through September 30, 1983, the date targeted for moving into a new research building to be built on the grounds of the MGH. At that time, the Department will expand to approximately 100 people. Senior staff includes the director (Howard M. Goodman) and five senior investigators. All of the staff will be

appointed by the MGH in accordance with its regular policies and will be subject to all the regular rules, regulations, and policies of the MGH.

3. Direction of Research. The Department will determine the nature and scope of the activities to be performed. Research conducted at the Department will conform to MGH regulations, as well as all applicable federal, state and local laws. The Company has the right to fund (but not direct) all research at the Department. If the Company declines to fund a research project, the Department may seek funding elsewhere. Scientists in the Department will have the right to publish all research results, subject only to providing the MGH with the customary notice prior to submission for publication, and all scientists in the Department will be free to collaborate with others in accordance with standard MGH policies.

4. Scientific Advisory Board and Joint Committee. A Scientific Advisory Board will be established consisting of six scientists to review the annual report of the director and evaluate the work of the Department. It may make advisory recommendations to the Department. A Joint Committee composed of three trustees of the MGH and three senior managers of the Company will meet annually to oversee the implementation of the agreement, and at the end of five years will conduct an extensive review of the performance of the Department.

5. Funding. Over a period of approximately ten (10) years, the Company will provide funding for the establishment and operation of the Department. Such funding will consist of:

(a) Operating funds for the Department of approximately \$50,000,000 over the period.

(b) Funds for design, renovation and equipping of existing MGH space for the Department.

(c) Funds for constructing and equipping the space in the new Wellman research building to be occupied by the Department.

6. Licenses to the Company. In accordance with the standard practice of the MGH, the Company has the right to a license under any patent resulting from research sponsored in whole or in part by the Company.

7. Royalties. Royalties under licenses to the Company will be negotiated on a case-by-case basis and will reflect the financial contribution of the Company. Royalties will be allocated by the MGH among the inventor, the Department and the laboratory in accordance with its normal patent policy.

8. Symposia and Training of Company Personnel. At least once a year the Department will present a symposium for invited members of the academic community at large to which the Company may send representatives, and the Company will have the right to send up to four individuals to work and be trained in the Department.

9. Renewal. After ten years the agreement renews automatically for 5-year periods unless affirmatively terminated.