ACORDA THERAPEUTICS INC

FORM 10-Q
(Quarterly Report)

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Sector	Healthcare
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2011
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 000-50513

ACORDA THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**13-3831168**
(State of Incorporation)	(I.R.S. Employer Identification Number)

15 Skyline Drive
Hawthorne, New York 10532
(914) 347-4300
(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)

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

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

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

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

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

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

Class	**Outstanding at July 31, 2011**
Common Stock, $0.001 par value per share	39,657,681 shares

ACORDA THERAPEUTICS, INC.
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PART I—FINANCIAL INFORMATION

This Quarterly Report on Form 10-Q contains forward-looking statements relating to future events and our future performance within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Stockholders are cautioned that such statements involve risks and uncertainties, including: our ability to successfully market and sell Ampyra in the U.S. and to successfully market Zanaflex Capsules; third party payers (including governmental agencies) may not reimburse for the use of Ampyra at acceptable rates or at all and may impose restrictive prior authorization requirements that limit or block prescriptions; the risk of unfavorable results from future studies of Ampyra; the occurrence of adverse safety events with our products; delays in obtaining or failure to obtain regulatory approval of Ampyra outside of the U.S. and our dependence on our collaboration partner Biogen Idec in connection therewith; competition; failure to protect our intellectual property, to defend against the intellectual property claims of others, or to obtain third party intellectual property licenses needed for the commercialization of our products; the ability to obtain additional financing to support our operations; and unfavorable results from our research and development programs. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which we operate and management's beliefs and assumptions. All statements, other than statements of historical facts, included in this report regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management are forward-looking statements. The words "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "will," "would," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make, and investors should not place undue reliance on these statements. In addition to the risks and uncertainties described above, we have included important factors in the cautionary statements included in this report, in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, and in our Annual Report on Form 10-K for the year ended December 31, 2010, particularly in the "Risk Factors" section (as updated by the disclosures in our subsequent quarterly reports), that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments that we may make. Forward-looking statements in this report are made only as of the date hereof, and we do not assume any obligation to publicly update any forward-looking statements as a result of developments occurring after the date of this report.

We own several registered trademarks in the U.S. and in other countries. These registered trademarks include, in the U.S., the marks "Acorda Therapeutics," our stylized Acorda Therapeutics logo, "Ampyra," "Zanaflex," and "Zanaflex Capsules." Also, our mark "Fampyra" is a registered mark in the European Community Trademark Office and we have registrations or pending applications for this mark in other jurisdictions. Our trademark portfolio also includes several registered trademarks and pending trademark applications in the U.S. and worldwide for potential product names or for disease awareness activities. Third party trademarks, trade names, and service marks used in this report are the property of their respective owners.

PART I

Item 1. Financial Statements

ACORDA THERAPEUTICS, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

(In thousands, except share data)	June 30, 2011 (unaudited)	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 48,635	$ 34,641
Restricted cash	302	302
Short-term investments	179,565	205,389
Trade accounts receivable, net	23,416	22,272
Prepaid expenses	7,457	6,413
Finished goods inventory held by the Company	40,080	36,232
Finished goods inventory held by others	2,065	2,186
Other current assets	4,333	3,734
Total current assets	305,853	311,169
Property and equipment, net of accumulated depreciation	3,543	3,203
Intangible assets, net of accumulated amortization	20,502	21,336
Non-current portion of deferred cost of license revenue	5,759	6,050
Other assets	438	343
Total assets	$ 336,095	$ 342,101
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 16,706	$ 16,961
Accrued expenses and other current liabilities	24,998	34,122
Deferred product revenue—Zanaflex tablets	9,819	9,526
Deferred product revenue—Zanaflex Capsules	19,055	21,770
Current portion of deferred license revenue	9,057	9,429
Current portion of revenue interest liability	1,797	1,297
Current portion of convertible notes payable	1,144	1,144
Total current liabilities	82,576	94,249
Non-current portion of deferred license revenue	82,271	86,429
Put/call liability	374	391
Non-current portion of revenue interest liability	2,986	3,586
Non-current portion of convertible notes payable	5,136	6,185
Commitments and contingencies		
Stockholders' equity:		
Common stock, $0.001 par value. Authorized 80,000,000 shares at June 30, 2011 and December 31, 2010; issued and outstanding 39,106,856 and 38,779,370 shares as of June 30, 2011 and December 31, 2010, respectively	39	39
Treasury stock at cost (12,420 shares at June 30, 2011 and December 31, 2010)	(329)	(329)
Additional paid-in capital	603,973	591,650
Accumulated deficit	(441,043)	(440,086)
Accumulated other comprehensive income	112	(13)
Total stockholders' equity	162,752	151,261
Total liabilities and stockholders' equity	$ 336,095	$ 342,101

See accompanying Unaudited Notes to Consolidated Financial Statements

ACORDA THERAPEUTICS, INC. AND SUBSIDIARIES

Consolidated Statements of Operations

(unaudited)

(In thousands, except per share data)	Three-month period ended June 30, 2011	Three-month period ended June 30, 2010	Six-month period ended June 30, 2011	Six-month period ended June 30, 2010
Revenues:				
Gross product sales	$ 69,217	$ 43,443	$ 134,424	$ 60,697
Less: discounts and allowances	(6,339)	(2,965)	(12,621)	(4,828)
Net sales	62,878	40,478	121,803	55,869
License and royalty revenue	2,398	2,357	4,759	4,714
Total net revenues	65,276	42,835	126,562	60,583
Costs and expenses:				
Cost of sales	12,048	7,832	24,098	10,908
Research and development	12,008	6,596	22,716	14,658
Selling, general and administrative	40,300	34,112	78,387	60,826
Total operating expenses	64,356	48,540	125,201	86,392
Operating income (loss)	920	(5,705)	1,361	(25,809)
Other expense (net):				
Interest and amortization of debt discount expense	(1,276)	(1,194)	(2,412)	(2,408)
Interest income	133	135	273	339
Total other expense (net)	(1,143)	(1,059)	(2,139)	(2,069)
Loss before taxes	(223)	(6,764)	(778)	(27,878)
Provision for income taxes	(62)	—	(179)	—
Net loss	$ (285)	$ (6,764)	$ (957)	$ (27,878)
Net loss per share—basic	$ (0.01)	$ (0.18)	$ (0.02)	$ (0.73)
Net loss per share—diluted	$ (0.01)	$ (0.18)	$ (0.02)	$ (0.73)
Weighted average common shares outstanding used in computing net loss per share—basic	38,937	38,306	38,859	38,164
Weighted average common shares outstanding used in computing net loss per share—diluted	38,937	38,306	38,859	38,164

See accompanying Unaudited Notes to Consolidated Financial Statements

ACORDA THERAPEUTICS, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(unaudited)

(In thousands)	Six-month period ended June 30, 2011	Six-month period ended June 30, 2010
Cash flows from operating activities:		
Net loss	$ (957)	$ (27,878)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Share-based compensation expense	8,791	7,770
Amortization of net premiums and discounts on short-term investments	3,460	2,074
Amortization of revenue interest issuance cost	63	58
Depreciation and amortization expense	2,175	1,781
Gain on put/call liability	(17)	(319)
Changes in assets and liabilities:		
Increase in accounts receivable	(1,145)	(12,187)
Increase in prepaid expenses and other current assets	(1,643)	(845)
Increase in inventory held by the Company	(3,848)	(13,361)
Decrease in inventory held by others	121	239
Decrease in non-current portion of deferred cost of license revenue	291	330
Increase in other assets	(157)	—
Decrease in accounts payable, accrued expenses, other current liabilities	(10,418)	(2,018)
Increase in revenue interest liability interest payable	840	560
Decrease in current portion of deferred license revenue	(371)	—
Decrease in non-current portion of deferred license revenue	(4,157)	(4,714)
Increase (decrease) in deferred product revenue—Zanaflex tablets	293	(583)
Decrease in deferred product revenue—Zanaflex Capsules	(2,715)	(955)
Net cash used in operating activities	(9,394)	(50,048)
Cash flows from investing activities:		
Purchases of property and equipment	(1,081)	(1,374)
Purchases of intangible assets	(612)	(6,795)
Purchases of short-term investments	(135,511)	(124,665)
Proceeds from maturities of short-term investments	158,000	206,500
Net cash provided by investing activities	20,796	73,666
Cash flows from financing activities:		
Proceeds from issuance of common stock and option exercises	3,533	5,572
Repayments of revenue interest liability	(941)	(836)
Net cash provided by financing activities	2,592	4,736
Net increase in cash and cash equivalents	13,994	28,354
Cash and cash equivalents at beginning of period	34,641	47,314
Cash and cash equivalents at end of period	$ 48,635	$ 75,668
Supplemental disclosure:		
Cash paid for interest	1,477	1,737

See accompanying Unaudited Notes to Consolidated Financial Statements

ACORDA THERAPEUTICS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(unaudited)

(1) Organization and Business Activities

Acorda Therapeutics, Inc. ("Acorda" or the "Company") is a commercial stage biopharmaceutical company dedicated to the identification, development and commercialization of novel therapies that improve neurological function in people with multiple sclerosis (MS), spinal cord injury (SCI) and other disorders of the central nervous system (CNS).

The management of the Company is responsible for the accompanying unaudited interim consolidated financial statements and the related information included in the notes to the consolidated financial statements. In the opinion of management, the unaudited interim consolidated financial statements reflect all adjustments, including normal recurring adjustments necessary for the fair presentation of the Company's financial position and results of operations and cash flows for the periods presented. Results of operations for interim periods are not necessarily indicative of the results to be expected for the entire year.

These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company as of and for the year ended December 31, 2010 included in the Company's Annual Report on Form 10-K for such year, as filed with the Securities and Exchange Commission (the "SEC").

The Company finances its operations through a combination of issuance of equity securities, revenues from Ampyra and Zanaflex Capsules and Zanaflex tablets (collectively "Zanaflex"), loans, collaborations, and, to a lesser extent, grants. There are no assurances that the Company will be successful in obtaining an adequate level of financing needed to fund its development and commercialization efforts. To the extent the Company's capital resources are insufficient to meet future operating requirements, the Company will need to raise additional capital, reduce planned expenditures, or incur indebtedness to fund its operations. The Company may be unable to obtain additional debt or equity financing on acceptable terms, if at all. If adequate funds are not available, the Company may be required to curtail its sales and marketing efforts, delay, reduce the scope of or eliminate some of its research and development programs or obtain funds through arrangements with collaborative partners or others that may require us to relinquish rights to certain product candidates that it might otherwise seek to develop or commercialize independently.

(2) Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and include the results of operations of the Company and its majority owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the consolidated financial statements requires management of the Company to make a number of estimates and assumptions relating to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include research and development and share-based compensation accounting, which are largely dependent on the fair value of the Company's equity securities. In addition, the Company recognizes Zanaflex revenue based on estimated prescriptions filled. The Company adjusts its Zanaflex inventory value based on an estimate of inventory that may be returned. Actual results could differ from those estimates.

Revenue Recognition

Ampyra

Ampyra is available only through a network of specialty pharmacy providers that provide the medication to patients by mail, Kaiser Permanente (Kaiser), and the U.S. Department of Veterans Affairs (VA). Ampyra is not available in retail

pharmacies. The Company applies the revenue recognition guidance in Staff Accounting Bulletin (SAB) 104 and does not recognize revenue from product sales until there is persuasive evidence of an arrangement, delivery has occurred, the price is fixed and determinable, the buyer is obligated to pay the Company, the obligation to pay is not contingent on resale of the product, the buyer has economic substance apart from the Company, the Company has no obligation to bring about the sale of the product, the amount of returns can be reasonably estimated and collectability is reasonably assured. The Company recognizes product sales of Ampyra following shipment of product to a network of specialty pharmacy providers, Kaiser and the specialty distributor to the VA. As of June 30, 2011, inventory levels at specialty pharmacy providers that distribute Ampyra (excluding Kaiser and the specialty distributor to the VA) were approximately two weeks of their anticipated usage. The specialty pharmacy providers, Kaiser and the specialty distributor to the VA are contractually obligated to hold no more than 30 days of inventory.

The Company's net revenues represent total revenues less allowances for customer credits, including estimated rebates, discounts and returns. These allowances are recorded for cash consideration given by a vendor to a customer that is presumed to be a reduction of the selling prices of the vendor's products or services and, therefore, are characterized as a reduction of revenue. At the time product is shipped to specialty pharmacies, Kaiser and the specialty distributor to the VA, an adjustment is recorded for estimated rebates, discounts and returns. These allowances are established by management as its best estimate based on available information and will be adjusted to reflect known changes in the factors that impact such allowances. Allowances for rebates, discounts and returns are established based on the contractual terms with customers, communications with customers and the levels of inventory remaining in the distribution channel, as well as expectations about the market for the product and anticipated introduction of competitive products. Product shipping and handling costs are included in cost of sales.

Based on the Company's specialty distribution model where it sells to only 12 specialty pharmacies, Kaiser and the VA (through a specialty distributor), the inventory and prescription data it receives from these distributors, and returns experience of other specialty products with similar selling models, the Company has been able to make a reasonable estimate for product returns. At June 30, 2011, inventory levels at the specialty pharmacies (excluding Kaiser and the specialty distributor to the VA) represented approximately two weeks of their anticipated usage. The Company will accept returns of Ampyra for two months prior to and six months after the product expiration date. The Company will provide a credit for such returns to customers with whom we have a direct relationship. Once product is prescribed, it cannot be returned. The Company does not exchange product from inventory for the returned product.

Zanaflex

The Company applies the revenue recognition guidance in Accounting Standards Codification (ASC) 605-15-25, which among other criteria requires that future returns can be reasonably estimated in order to recognize revenue. The amount of future tablet returns is uncertain due to generic competition and customer conversion to Zanaflex Capsules. The Company has accumulated some sales history with Zanaflex Capsules; however, due to existing and potential generic competition and customer conversion from Zanaflex tablets to Zanaflex Capsules, we do not believe we can reasonably determine a return rate at this time. As a result, the Company accounts for these product shipments using a deferred revenue recognition model. Under the deferred revenue model, the Company does not recognize revenue upon product shipment. For these product shipments, the Company invoices the wholesaler, records deferred revenue at gross invoice sales price, and classifies the cost basis of the product held by the wholesaler as a component of inventory. The Company recognizes revenue when prescribed to the end-user, on a first-in first-out (FIFO) basis. The Company's revenue to be recognized is based on (1) the estimated prescription demand, based on pharmacy sales for its products; and (2) the Company's analysis of third-party information, including third-party market research data. The Company's estimates are subject to the inherent limitations of estimates that rely on third-party data, as certain third-party information was itself in the form of estimates, and reflect other limitations. The Company's sales and revenue recognition reflects the Company's estimates of actual product prescribed to the end-user. The Company expects to be able to apply a more traditional revenue recognition policy such that revenue is recognized following shipment to the customer when it believes it has sufficient data to develop reasonable estimates of expected returns based upon historical returns and greater certainty regarding generic competition.

The Company's net revenues represent total revenues less allowances for customer credits, including estimated discounts, rebates, and chargebacks. These allowances are recorded for cash consideration given by a vendor to a customer that is presumed to be a reduction of the selling prices of the vendor's products or services and, therefore, should be characterized as a reduction of revenue when recognized in the vendor's statement of operations. Adjustments are recorded for estimated chargebacks, rebates, and discounts. These allowances are established by management as its best estimate based on available information and are adjusted to reflect known changes in the factors that impact such allowances. Allowances for chargebacks, rebates and discounts are established based on the contractual terms with customers, analysis of historical

levels of discounts, chargebacks and rebates, communications with customers and the levels of inventory remaining in the distribution channel, as well as expectations about the market for each product and anticipated introduction of competitive products. In addition, the Company records a charge to cost of goods sold for the cost basis of the estimated product returns the Company believes may ultimately be realized at the time of product shipment to wholesalers. The Company has recognized this charge at the date of shipment since it is probable that it will receive a level of returned products; upon the return of such product it will be unable to resell the product considering its expiration dating; and it can reasonably estimate a range of returns. This charge represents the cost basis for the low end of the range of the Company's estimated returns. Product shipping and handling costs are included in cost of sales.

Milestones and royalties

In order to determine the revenue recognition for contingent milestones, the Company evaluates the contingent milestones using the criteria as provided by the Financial Accounting Standards Boards (FASB) guidance on the milestone method of revenue recognition at the inception of a collaboration agreement. The criteria requires that (i) the Company determines if the milestone is commensurate with either its performance to achieve the milestone or the enhancement of value resulting from the Company's activities to achieve the milestone, (ii) the milestone be related to past performance, and (iii) the milestone be reasonable relative to all deliverable and payment terms of the collaboration arrangement. If these criteria are met then the contingent milestones can be considered as substantive milestones and will be recognized as revenue in the period that the milestone is achieved. Royalties are recognized as earned in accordance with the terms of various research and collaboration agreements.

Collaborations

The Company recognizes collaboration revenues and expenses by analyzing each element of the agreement to determine if it shall be accounted for as a separate element or single unit of accounting. If an element shall be treated separately for revenue recognition purposes, the revenue recognition principles most appropriate for that element are applied to determine when revenue shall be recognized. If an element shall not be treated separately for revenue recognition purposes, the revenue recognition principles most appropriate for the bundled group of elements are applied to determine when revenue shall be recognized. Payments received in excess of revenues recognized are recorded as deferred revenue until such time as the revenue recognition criteria have been met.

Ampyra Inventory

Prior to regulatory approval of Ampyra in the three-month period ended March 31, 2010, the Company incurred expenses for the manufacture of bulk, unpackaged product of Ampyra that ultimately became available to support the commercial launch of this drug candidate. Until the necessary initial regulatory approval was received, we charged all such amounts to research and development expenses as there was no alternative future use prior to regulatory approval. As a result, our initial sales of Ampyra resulted in higher gross margins than if the inventory costs had not previously been expensed. Upon regulatory approval of Ampyra, the Company began capitalizing the commercial inventory costs associated with manufacturing with Elan and its second manufacturer, Patheon.

Concentration of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of investments in cash and cash equivalents, restricted cash and accounts receivable. The Company maintains cash and cash equivalents and restricted cash with approved financial institutions. The Company is exposed to credit risks and liquidity risks in the event of default by the financial institutions or issuers of investments in excess of FDIC insured limits. The Company performs periodic evaluations of the relative credit standing of these financial institutions and limits the amount of credit exposure with any institution.

Segment Information

The Company is managed and operated as one business. The entire business is managed by a single management team that reports to the chief executive officer. The Company does not operate separate lines of business with respect to any of its product candidates. Accordingly, the Company does not prepare discrete financial information with respect to separate product candidates or by location and does not have separately reportable segments.

(3) Share-based Compensation

During the three-month periods ended June 30, 2011 and 2010, the Company recognized share-based compensation expense of $5.0 million and $4.6 million, respectively. During the six-month periods ended June 30, 2011 and 2010, the Company recognized share-based compensation expense of $8.8 million and $7.8 million, respectively. Activity in options and restricted stock during the six-month period ended June 30, 2011 and related balances outstanding as of that date are reflected below. The weighted average fair value per share of options granted to employees for the three-month periods ended June 30, 2011 and 2010 were approximately $16.46 and $19.12, respectively. The weighted average fair value per share of options granted to employees for the six-month periods ended June 30, 2011 and 2010 were approximately $13.09 and $19.36, respectively.

The following table summarizes share-based compensation expense included within the consolidated statements of operations:

(In millions)	For the three-month period ended June 30, 2011	For the three-month period ended June 30, 2010	For the six-month period ended June 30, 2011	For the six-month period ended June 30, 2010
Research and development	$ 1.5	$ 1.4	$ 2.6	$ 2.2
Selling, general and administrative	3.5	3.2	6.2	5.6
Total	$ 5.0	$ 4.6	$ 8.8	$ 7.8

A summary of share-based compensation activity for the six-month period ended June 30, 2011 is presented below:

Stock Option Activity

	Number of Shares (In thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Intrinsic Value (In thousands)
Balance at January 1, 2011	4,084	$ 20.13		
Granted	1,087	23.66		
Cancelled	(88)	24.84		
Exercised	(305)	11.57		
Balance at June 30, 2011	4,778	$ 21.39	7.3	$ 53,292
Vested and expected to vest at June 30, 2011	4,665	$ 21.28	7.2	$ 52,543
Vested and exercisable at June 30, 2011	2,598	$ 17.31	5.9	$ 39,316

Restricted Stock Activity

(In thousands) Restricted Stock	Number of Shares
Nonvested at January 1, 2011	324
Granted	277
Vested	(22)
Forfeited	(13)
Nonvested at June 30, 2011	566

As of June 30, 2011, there was $41.5 million of total unrecognized compensation costs related to unvested options and restricted stock awards that the Company expects to recognize over a weighted average period of approximately 2.6 years.

(4) Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share for the three and six-month periods ended June 30, 2011 and 2010:

(In thousands, except per share data)	Three-month period ended June 30, 2011	Three-month period ended June 30, 2010	Six-month period ended June 30, 2011	Six-month period ended June 30, 2010
Basic and diluted				
Net loss	$ (285)	$ (6,764)	$ (957)	$ (27,878)
Weighted average common shares outstanding used in computing net loss per share—basic	38,937	38,306	38,859	38,164
Plus: net effect of dilutive stock options and restricted common shares	—	—	—	—
Weighted average common shares outstanding used in computing net loss per share—diluted	38,937	38,306	38,859	38,164
Net loss per share—basic	$ (0.01)	$ (0.18)	$ (0.02)	$ (0.73)
Net loss per share—diluted	$ (0.01)	$ (0.18)	$ (0.02)	$ (0.73)

The difference between basic and diluted shares is that diluted shares include the dilutive effect of the assumed exercise of outstanding securities. The Company's stock options and unvested shares of restricted common stock could have the most significant impact on diluted shares.

Securities that could potentially be dilutive are excluded from the computation of diluted earnings per share when a loss from continuing operations exists or when the exercise price exceeds the average closing price of the Company's common stock during the period, because their inclusion would result in an anti-dilutive effect on per share amounts.

For the three and six months ended June 30, 2011 and 2010, options to purchase 4,777,738 shares and 4,318,789 shares, respectively, of common stock that could potentially dilute basic earnings per share in the future were excluded from the calculation of diluted earnings per share as their effect would have been anti-dilutive.

For the three and six months ended June 30, 2011 and 2010, 565,615 and 523,374 shares, respectively, of unvested restricted stock that could potentially dilute basic earnings per share in the future were excluded from the calculation of diluted earnings per common share as their effect would have been anti-dilutive.

(5) Income Taxes

The Company had available federal net operating loss (NOL) carry-forwards of approximately $273.8 million and $266.9 million and state NOL carry-forwards of approximately $250.2 million and $261.0 million as of June 30, 2011 and December 31, 2010 respectively which may be available to offset future taxable income, if any. The federal losses are expected to expire between 2019 and 2031 while the state losses are expected to expire between 2012 and 2031. The Company also has research and development tax credit carry-forwards of approximately $4.3 million as of June 30, 2011, for federal income tax reporting purposes that may be available to reduce federal income taxes, if any, and expire in future years beginning in 2019. The Company is no longer subject to federal or state income tax audits for tax years prior to 2006 however, such taxing authorities can review any net operating losses utilized by the Company in years subsequent to 1999. The Company also has Alternative Minimum Tax credit carry-forwards of $0.2 million as of June 30, 2011, respectively. Such credits can be carried forward indefinitely and have no expiration date.

At June 30, 2011 and December 31, 2010, the Company had a deferred tax asset of $154.1 million and $153.8 million, respectively, offset by a full valuation allowance. Since inception, the Company has incurred substantial losses and expects to incur substantial losses in future periods. The Tax Reform Act of 1986 (the "Act") provides for a

limitation of the annual use of NOL and research and development tax credit carryforwards (following certain ownership changes, as defined by the Act) that could significantly limit the Company's ability to utilize these carryforwards. The Company has experienced various ownership changes as a result of past financings. Accordingly, the Company's ability to utilize the aforementioned carryforwards may be limited. Additionally, because U.S. tax laws limit the time during which these carryforwards may be applied against future taxes, the Company may not be able to take full advantage of these attributes for federal income tax purposes. Because of the above mentioned factors, the Company has not recognized its gross deferred tax assets as of and for all periods presented. As of June 30, 2011, management believes that it is more likely than not that the gross deferred tax assets will not be realized based on future operations and reversal of deferred tax liabilities. Accordingly, the Company has provided a full valuation allowance against its gross deferred tax assets and no tax benefit has been recognized relative to its pretax losses.

(6) Fair Value Measurements

The following table presents information about the Company's assets and liabilities measured at fair value on a recurring basis as of June 30, 2011 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Fair values determined by Level 2 inputs utilize data points that are observable, such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs utilize unobservable data points for the asset or liability. The Company's Level 1 assets consist of time deposits and investments in a Treasury money market fund and high-quality government bonds. The Company's Level 3 liability represents our put/call liability related to the Paul Royalty Fund (PRF) transaction. No changes in valuation techniques or inputs occurred during the three months ended June 30, 2011. No transfers of assets between Level 1 and Level 2 of the fair value measurement hierarchy occurred during the six-month period ended June 30, 2011.

(In thousands)	Level 1	Level 2	Level 3
Assets Carried at Fair Value:			
Cash equivalents	$ 48,635	$ —	$ —
Short-term investments	179,565	—	—
Liabilities Carried at Fair Value:			
Put/call liability	—	—	374

The following table presents additional information about assets and/or liabilities measured at fair value on a recurring basis and for which the Company utilizes Level 3 inputs to determine fair value.

(In thousands)	Balance as of December 31, 2010	Realized (gains) losses included in net loss	Unrealized (gains) losses included in other comprehensive loss	Balance as of June 30, 2011
Liabilities Carried at Fair Value:				
Put/call liability	$ 391	$ (17)	$ —	$ 374

The Company estimates the fair value of our put/call liability using a discounted cash flow valuation technique. Using this approach, expected future cash flows are calculated over the expected life of the PRF agreement, are discounted to a single present value and then exercise scenario probabilities are applied. Some of the more significant assumptions made in the present value calculations include (i) the estimated Zanaflex revenue forecast and (ii) the likelihood of put/call exercise trigger events. Realized gain and losses are included in sales, general and administrative expenses.

The put/call liability has been classified as a Level 3 asset as its valuation requires substantial judgment and estimation of factors that are not currently observable in the market due to the lack of trading in the security. If different assumptions were used for the various inputs to the valuation approach including, but not limited to, assumptions involving the estimated Zanaflex revenue forecast and the likelihood of trigger events, the estimated fair value of these investments could be significantly higher or lower than the fair value we determined. The Company may be required to record losses in future periods.

(7) Short-Term Investments

The Company has determined that all of its short-term investments are classified as available-for-sale. Available-for-sale securities are carried at fair value with interest on these securities included in interest income and are recorded based primarily on quoted market prices. Available-for-sale securities consisted of the following:

(In thousands)	Amortized Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
June 30, 2011				
US Treasury bonds	$ 179,453	$ 112	$ —	$ 179,565
December 31, 2010				
US Treasury bonds	205,402	5	(18)	205,389

The contractual maturities of available-for-sale debt securities at June 30, 2011 and December 31, 2010 are within one year. The Company has determined that there were no other-than-temporary declines in the fair values of its short term investments as of June 30, 2011. Short-term investments with maturity of three months or less from date of purchase have been classified as cash equivalents, and amounted to $38.9 million and $23.5 million as of June 30, 2011 and December 31, 2010, respectively.

(8) Biogen Collaboration Agreement

On June 30, 2009, the Company entered into an exclusive collaboration and license agreement with Biogen Idec International GmbH (Biogen Idec) to develop and commercialize Ampyra (known as fampridine outside the U.S.) in markets outside the United States (the "Collaboration Agreement"). Under the Collaboration Agreement, Biogen Idec was granted the exclusive right to commercialize Ampyra and other products containing aminopyridines developed under that agreement in all countries outside of the United States, which grant includes a sublicense of the Company's rights under an existing license agreement between the Company and Elan Pharma International Limited, a subsidiary of Elan Corporation plc (Elan). Biogen Idec has responsibility for regulatory activities and future clinical development of Ampyra in ex-U.S. markets worldwide. The Company also entered into a related supply agreement with Biogen Idec (the "Supply Agreement"), pursuant to which the Company will supply Biogen Idec with its requirements for the licensed products through the Company's existing supply agreement with Elan.

Under the Collaboration Agreement, the Company was entitled to an upfront payment of $110.0 million as of June 30, 2009, which was received on July 1, 2009, and will be entitled to receive additional payments of up to approximately $400 million based on the successful achievement of future regulatory and sales milestones. Due to the uncertainty surrounding the achievement of the future regulatory and sales milestones, these payments will not be recognized as revenue unless and until they are earned. The Company is not able to reasonably predict if and when the milestones will be achieved. Under the Collaboration Agreement, Biogen Idec will be required to make double-digit tiered royalty payments to the Company on ex-U.S. sales. In addition, the consideration that Biogen Idec will pay for licensed products under the Supply Agreement will reflect the price owed to the Company's suppliers under its supply arrangements with Elan or other suppliers for ex-U.S. sales, including manufacturing costs and royalties owed. The Company and Biogen Idec may also carry out future joint development activities regarding licensed product under a cost-sharing arrangement. Under the terms of the Collaboration Agreement, the Company, in part through its participation in joint committees with Biogen Idec, will participate in overseeing the development and commercialization of Ampyra and other licensed products in markets outside the United States pursuant to that agreement. Acorda will continue to develop and commercialize Ampyra independently in the United States.

As of June 30, 2009, the Company recorded a license receivable and deferred revenue of $110.0 million for the upfront payment due to the Company from Biogen Idec under the Collaboration Agreement. Also, as a result of such payment to Acorda, a payment of $7.7 million became payable by Acorda to Elan and was recorded as a cost of license payable and deferred expense. The payment of $110.0 million was received from Biogen Idec on July 1, 2009 and the payment of $7.7 million was made to Elan on July 7, 2009.

The Company considered the following deliverables with respect to the revenue recognition of the $110.0 million upfront payment: (1) the license to use the Company's technology, (2) the Collaboration Agreement to develop and commercialize licensed product in all countries outside the U.S., and (3) the Supply Agreement. Due to the inherent

uncertainty in obtaining regulatory approval, the applicability of the Supply Agreement is outside the control of the Company and Biogen Idec. Accordingly, we have determined the Supply Agreement is a contingent deliverable at the onset of the agreement. As a result, we have determined the Supply Agreement does not meet the definition of a deliverable that needs to be accounted for at the inception of the arrangement. The Company has also determined that there is no significant and incremental discount related to the supply agreement since Biogen Idec will pay the same amount for inventory that the Company would pay and the Company effectively acts as a middle man in the arrangement for which it adds no significant value due to various factors such as the Company does not have any manufacturing capabilities or other knowhow with respect to the manufacturing process.

The Company has determined that the identified non-contingent deliverables (deliverables 1 and 2 immediately preceding) would have no value on a standalone basis if they were sold separately by a vendor and the customer could not resell the delivered items on a standalone basis, nor does the Company have objective and reliable evidence of fair value for the deliverables. Accordingly, the non-contingent deliverables are treated as one unit of accounting. As a result, the Company will recognize the non-refundable upfront payment from Biogen Idec as revenue and the associated payment to Elan as expense ratably over the estimated term of regulatory exclusivity for the licensed products under the Collaboration Agreement as we had determined this was the most probable expected benefit period. The Company recognized $2.3 million and $4.5 million in license revenue, a portion of the $110.0 million received from Biogen Idec and $159,000 and $317,000 in cost of license revenue, a portion of the $7.7 million paid to Elan during the three and six-month periods ended June 30, 2011, respectively.

On January 21, 2011 Biogen Idec announced that the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) decided against approval of fampridine to improve walking ability in adult patients with multiple sclerosis. Biogen Idec, working closely with the Company, filed a formal appeal of the decision. In May 2011, the CHMP recommended conditional marketing authorization of, and in July 2011 Biogen Idec received conditional approval from the European Commission for, Fampyra (prolonged-release fampridine tablets) for the improvement of walking in adult patients with MS with walking disability (Expanded Disability Status Scale of 4-7). The Company changed the amortization period on a prospective basis during the three-month period ended March 31, 2011 by five months and currently estimates the recognition period to be approximately 12 years from the date of the Collaboration Agreement.

(9) Commitments and Contingencies

A summary of the Company's commitments and contingencies was included in the Company's Annual Report on Form 10-K for the twelve-month period ended December 31, 2010. The Company's long-term contractual obligations include commitments and estimated purchase obligations entered into in the normal course of business.

In June 2011, the Company entered into a 15 year lease for an aggregate of approximately 138,000 square feet of laboratory and office space in Ardsley, New York. The Company plans to relocate its corporate headquarters, and all employees based at its Hawthorne, NewYork location, to the Ardsley facility. The company anticipates taking possession of the new space in June 2012, subject to completion of certain improvements to the facility prior to the Company's occupancy. The commencement of the term would be deferred in the case of certain delays in the completion of those improvements. The Company has options to extend the term of the lease for three additional five-year periods, and the Company has an option to terminate the lease after 10 years subject to payment of an early termination fee. Also, the Company has rights to lease up to approximately 120,000 additional square feet of space in additional buildings at the same location. The Company's extension, early termination, and expansion rights are subject to specified terms and conditions, including specified time periods when they must be exercised, and are also subject to limitations including that the Company not be in default under the lease. The lease provides for monthly payments of rent during the term. These payments consist of base rent, which takes into account the costs of the facility improvements being funded by the facility owner prior to the Company's occupancy, and additional rent covering customary items such as charges for utilities, taxes, operating expenses, and other facility fees and charges. The base rent will initially be $3.4 million per year, and will be subject to a 2.5% annual increase.

In June 2011, the Company licensed worldwide development and commercialization rights to a proprietary magnesium formulation from Medtronic, Inc., which will be referred to as AC105. The Company made a $3 million upfront payment to Medtronic during the three-month period ended June 30, 2011 and recorded the expense as research and development expense. The Company will make up to $32 million in regulatory and development milestone payments, if achieved. A single-digit sales royalty will also be paid by the Company to Medtronic if AC105 is commercialized by the Company.

The Company may be, from time to time, a party to various disputes and claims arising from normal business activities. The Company accrues for loss contingencies when information available indicates that it is probable that a liability has been incurred and the amount of such loss can be reasonably estimated. The Company believes that the ultimate resolution of these matters will not have a material adverse effect on the Company's financial condition or liquidity. However, adjustments, if any, to the Company's estimates could be material to operating results for the periods in which adjustments to the liability are recorded.

(10) Intangible Assets

The Company acquired all of Elan's U.S. sales, marketing and distribution rights to Zanaflex Capsules and Zanaflex tablets in July 2004 for $2.0 million plus $675,000 for finished goods inventory. The Company was also responsible for up to $19.5 million in future contingent milestone payments based on cumulative gross sales of Zanaflex tablets and Zanaflex Capsules. As of December 31, 2009, the Company made $19.5 million of these milestone payments which were recorded as intangible assets in the consolidated financial statements.

In connection with this transaction, the Company acquired the rights to the trade name "Zanaflex®", one issued U.S. patent and two patent applications related to Zanaflex Capsules, and the remaining tablet inventory on hand with Elan. Additionally, the Company assumed Elan's existing contract with Novartis to manufacture Zanaflex tablets and entered into a separate contract with Elan to manufacture Zanaflex Capsules. The Company separately launched Zanaflex Capsules in April 2005. The Company did not acquire any receivables, employees, facilities or fixed assets. The Company allocated, on a relative fair value basis, the initial and milestone payments made to Elan to the assets acquired, principally the Zanaflex trade name and the capsulation patent. There is no expected residual value of these intangible assets. The Company amortizes the allocated fair value of the trade name and patent over their estimated future economic benefit to be achieved. The Zanaflex trade name was fully amortized as of December 31, 2008.

On January 22, 2010, the Company received marketing approval from the FDA for Ampyra triggering two milestone payments of $2.5 million to Elan and $750,000 to Rush-Presbyterian St. Luke's Medical Center (Rush). The Company made these milestone payments totaling $3.25 million and they were recorded as intangible assets in the consolidated financial statements during the three-month period ended March 31, 2010.

In 1990, Elan licensed from Rush know-how relating to dalfampridine (4-aminopyridine, 4-AP, the formulation used in Ampyra), for the treatment of MS. The Company subsequently licensed this know-how from Elan. In September 2003, the Company entered into an agreement with Rush and Elan terminating the Rush license to Elan and providing for mutual releases. The Company also entered into a license agreement with Rush in 2003 in which Rush granted the Company an exclusive worldwide license to its know-how relating to dalfampridine for the treatment of MS. Rush has also assigned to the Company its Orphan Drug Designation for dalfampridine for the relief of symptoms of MS.

The Company agreed to pay Rush a license fee, milestone payments of up to $850,000 and royalties based on net sales of the product for neurological indications. The FDA approval of Ampyra triggered the final milestone of $750,000 which was paid during the three-months ended March 31, 2010. As of December 31, 2010, the Company had made an aggregate of $850,000 in milestone payments under this agreement. As of June 30, 2011, the Company made or accrued royalty payments totaling $4.6 million.

In August 2003, the Company entered into an Amended and Restated License Agreement with the Canadian Spinal Research Organization (CSRO). Under this agreement, the Company was granted an exclusive and worldwide license under certain patent assets and know-how of CSRO relating to the use of dalfampridine in the reduction of chronic pain and spasticity in a spinal cord injured subject. The agreement required the Company to pay to CSRO royalties based on a percentage of net sales of any product incorporating the licensed rights, including royalties on the sale of Ampyra and on the sale of dalfampridine for any other indication. During the three-month period ended March 31, 2010, the Company purchased CSRO's rights to all royalty payments under the agreement with CSRO for $3.0 million. This payment was recorded as an intangible asset in the consolidated financial statements.

On April 19, 2011 the Company announced the United States Patent and Trademark Office (USPTO) allowed U.S. Patent Application No. 11/010,828 entitled "Sustained Release Aminopyridine Composition." The claims of the patent application relate to methods to improve walking in patients with multiple sclerosis (MS) by administering 10 mg of sustained release 4-aminopyridine (dalfampridine) twice daily. The patent that issues from this application, which will be eligible for listing in the FDA Orange Book, has been accorded an initial patent term adjustment by the USPTO of 298 days, extending its term to early October 2025. We believe that when the USPTO issues its final calculation of patent term

adjustment, shortly before issuance, the patent will be entitled to additional patent term adjustment, extending its term into 2026. As a result, the Company re-evaluated the useful life of the Ampyra milestones and Ampyra CSRO royalty buyout intangible assets and the revised estimated remaining useful lives of the assets are presented in the table below.

Intangible assets also include certain website development costs which have been capitalized. The Company has developed several websites, each with its own purpose, including the general corporate website, product information websites and websites focused on the MS community.

The Company continually evaluates whether events or circumstances have occurred that indicate that the estimated remaining useful life of its intangible assets may warrant revision or that the carrying value of these assets may be impaired. As of June 30, 2011, the Company does not believe that there are any facts or circumstances that would indicate a need for changing the estimated remaining useful life of the Company's intangible assets other than the Ampyra related intangible assets mentioned above.

Intangible assets consisted of the following:

(In thousands)	June 30, 2011	December 31, 2010	Estimated remaining useful lives as of June 30, 2011
Zanaflex Capsule patents	$ 19,350	$ 19,350	10 years
Zanaflex trade name	2,150	2,150	0 years
Ampyra milestones	3,250	3,250	15 years
CSRO royalty buyout	3,000	3,000	9 years
Website development costs	3,030	2,975	0-3 years
Website development costs-in process	557	—	3 years
	31,337	30,725	
Less accumulated amortization	10,835	9,389	
	$ 20,502	$ 21,336	

The Company recorded $1.4 million and $1.3 million in amortization expense related to these intangible assets in the six-month periods ended June 30, 2011 and 2010, respectively.

Estimated future amortization expense for intangible assets subsequent to December 31, 2010 for the next five years is as follows (in thousands):

2011	$2,902
2012	2,593
2013	2,319
2014	1,767
2015	1,756
	$11,337

(11) Subsequent Event

In July 2011 Biogen Idec received conditional approval from the European Commission for Fampyra (prolonged-release fampridine tablets) for the improvement of walking in adult patients with MS with walking disability (Expanded Disability Status Scale of 4-7). As part of its ex-U.S. license agreement, Biogen Idec will pay Acorda royalties based on ex-U.S. net sales, and milestones based on new indications and ex-U.S. net sales. These milestones include the $25 million payment for successful license of the product in the European Union due in August 2011.

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

The following discussion and analysis of our consolidated financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q.

Background

Since we commenced operations in 1995, we have devoted substantially all of our resources to the identification, development and commercialization of novel therapies that improve neurological function in people with MS and other neurological disorders. Ampyra, the first product for which we completed clinical development, was approved by the U.S. Food and Drug Administration (FDA) in January 2010 for the improvement of walking in people with MS. This was demonstrated by an increase in walking speed. To our knowledge, Ampyra is the first and only product approved for this indication. Efficacy was shown in people with all four major types of MS (relapsing remitting, secondary progressive, progressive relapsing and primary progressive). Ampyra was made commercially available in the U.S. in March 2010. Net revenue for Ampyra was $98.6 million for the six months ended June 30, 2011 and $31.0 million for the six months ended June 30, 2010. There was a 7.5% increase for the wholesale acquisition price of Ampyra effective March 4, 2011.

Our other marketed drug, Zanaflex Capsules, which we began marketing in 2005, is FDA-approved as a short-acting drug for the management of spasticity. Combined net revenue of Zanaflex Capsules and Zanaflex tablets, which we also sell, was $23.2 million for the six months ended June 30, 2011 and $24.8 million for the six months ended June 30, 2010. Managed care organizations have increasingly established plans and programs to drive utilization of low-cost generic tizanidine hydrochloride tablets over higher-cost Zanaflex Capsules by making it more difficult for patients to obtain Zanaflex Capsules through restrictions and higher out-of-pocket (copay) costs.

Ampyra is being marketed in the U.S. through our own specialty sales force and commercial infrastructure, which is also responsible for sales and marketing of Zanaflex Capsules. We currently have approximately 100 sales representatives in the field calling on a priority target list of approximately 7,000 physicians. We also have established teams of Regional Scientific Managers, Business Relations Directors, and Managed Markets account managers who provide information relating to Ampyra to physicians and payers.

Ampyra is available only through a network of specialty pharmacy providers that provide the medication to patients by mail, Kaiser Permanente (Kaiser), and the U.S. Department of Veterans Affairs (VA), and is supported by Ampyra Patient Support Services (APSS), a dedicated resource for healthcare providers and people with MS. The distribution process through specialty pharmacies is well established within the MS community, and physicians and patients are familiar with this model. We have contracted with a third party organization with extensive experience in coordinating patient benefits to run APSS. The customer care agents at Ampyra Patient Support Services are responsible for helping healthcare professionals process prescriptions, working with insurance carriers to facilitate coverage, and directing patients to available copay and patient assistance programs. The process begins when a prescription is submitted by a physician to APSS. Once this process is completed, the prescription is sent to a specialty pharmacy, which confirms the insurance benefits and mails the prescription directly to the patient. In some cases, the specialty pharmacy rather than APSS performs the insurance benefits investigation or receives a submitted prescription directly.

Processing of most incoming requests for prescriptions by APSS now begins within 24 hours of receipt. Patients will experience a range of times to receive their first shipment based on their insurance requirements. As with any new prescription product, patients who are members of benefit plans that have restrictive prior authorizations may experience delays in receiving their prescription.

Our Managed Markets account managers continue to meet with payers to provide information on Ampyra and discuss patient access. As of June 30, 2011, approximately 75% of commercially-insured individuals had no or limited prior authorizations (PAs) for Ampyra. We define limited PAs as those that require only an MS diagnosis, documentation of no contraindications, and/or simple documentation that the patient has walking impairment; such documentation may include a Timed 25-Foot Walk (T25W) test. As of June 30, 2011, approximately 20% of commercially-insured individuals were subject to more restrictive PAs, which may include requirements for multiple timed walk tests and/or EDSS (Expanded Disability Status Scale) score requirements to initiate therapy, and/or objective measures of ambulation improvement to reauthorize Ampyra therapy. We estimate that, as of June 30, 2011, approximately 5% of commercially-insured individuals were blocked from receiving reimbursement for Ampyra. Access figures were calculated based on the number of pharmacy lives reported by commercial healthcare plans. Aetna, one of the largest national health plans in the country that provides pharmacy benefits, now has listed AMPYRA as a preferred drug on their commercial formulary beginning August 1. With

this addition to United Healthcare and Cigna, three of the largest national health plans in the U.S. now have AMPYRA in the preferred tiers of the commercial formulary.

As of June 30, 2011, inventory levels at the specialty pharmacy providers that distribute Ampyra (excluding Kaiser and the specialty distributor to the VA) were approximately two-weeks. The specialty pharmacy providers, Kaiser and the specialty distributor to the VA are contractually obligated to hold no more than 30 days of inventory.

For the quarter ended June 30, 2011, as for the prior quarter, IMS Health tracked total prescription trends, though not volume, accurately. Since it appears that IMS Health has been accurately tracking total prescription trends, in future quarters we expect to provide quarterly net revenue and do not plan on commenting on prescription data from IMS Health or other data services.

The FDA granted Ampyra orphan drug status, which provides seven years of market exclusivity for the drug. In addition, we have issued patents that cover the formulation and use of Ampyra. We filed for patent term extension for Ampyra pursuant to the provisions of the Hatch-Waxman Act that allows for up to five additional years of patent protection based on the development timeline of a drug. Although we have applied to extend both Ampyra patents listed in the FDA Orange Book, we will ultimately need to select only one patent for extension, if both are granted.

On April 19, 2011, the Company announced that the U.S. Patent and Trademark Office (USPTO) has allowed U.S. Patent Application No. 11/010,828 entitled "Sustained Release Aminopyridine Composition". The claims of the patent application relate to methods to improve walking in patients with multiple sclerosis (MS) by administering 10 mg of sustained release 4-aminopyridine (dalfampridine) twice daily. The patent that issues from this application, which will be eligible for listing in the FDA Orange Book, has been accorded initial patent term adjustment by the USPTO of 298 days, extending its term to early October 2025. We believe that when the USPTO issues its final calculation of patent term adjustment, shortly before issuance, the patent will be entitled to additional patent term adjustment, extending its term into 2026. With respect to a different patent application for Ampyra filed in early 2005, in 2010, we received a non-final rejection from the USPTO. In March 2011 we timely responded to the non-final rejection regarding that application. We are awaiting the USPTO's response.

In November 2010, the European Patent Office (EPO) posted a Communication of Intention to Grant a Patent for a patent application we submitted with "composition for use" and other use claims directed to sustained release aminopyridine compositions for, among other things, increased walking speed, improving lower extremity muscle strength, or improving lower extremity muscle tone, in patients with MS. We timely paid the grant fee for this application in March 2011. A corresponding patent is currently under review by the USPTO. The USPTO operates independently of the EPO, and the EPO's decision should not be taken to indicate the outcome for the U.S. patent.

In June 2009, we entered into the Collaboration Agreement with Biogen Idec. In January 2010, Biogen Idec announced that it submitted a centralized Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) and a New Drug Submission (NDS) to Health Canada for Ampyra, which is known outside the U.S. as fampridine. In January 2011, the EMA's Committee for Medicinal Products for Human Use (CHMP) decided against approval. Biogen Idec, working closely with us, filed a formal appeal of the decision. In May 2011, the CHMP recommended conditional marketing authorization of, and in July 2011 Biogen Idec received conditional approval from the European Commission for, Fampyra (prolonged-release fampridine tablets) for the improvement of walking in adult patients with MS with walking disability (Expanded Disability Status Scale of 4-7). As part of its ex-U.S. license agreement, Biogen Idec will pay Acorda royalties based on ex-U.S. net sales, and milestones based on new indications and ex-U.S. net sales. These milestones include the current $25 million payment for successful license of the product in the European Union. The next expected milestone would be $15 million, due when ex-U.S. net sales reach $100 million over four consecutive quarters. Biogen Idec received a Notice of Deficiency from Health Canada regarding its application for approval of Fampyra in Canada and it responded to the Notice of Deficiency in April 2011. Health Canada will have approximately a year to reply to that response. In May 2011, Fampyra was approved for use in Australia by the Australian Therapeutic Goods Administration.

In June 2011, we entered into a License Agreement with Medtronic, Inc. and one of its affiliates pursuant to which we licensed from them worldwide development and commercialization rights to certain formulations of magnesium with a polymer such as polyethylene glycol, which we will refer to as AC105. We plan to study AC105 as an acute treatment for patients who have suffered neurological trauma, such as spinal cord injury (SCI) and traumatic brain injury (TBI). Under the License Agreement, we made a $3 million upfront payment and we will make up to $32 million in regulatory and development milestone payments. We will also pay a single-digit sales royalty if we commercialize AC105. Our development and commercialization rights are exclusive in all fields (including SCI, TBI and stroke) for certain formulations of the licensed compound. For other formulations, our rights are exclusive for indications of interest to us, including SCI,

TBI, stroke and all other traumatic and ischemic central nervous system indications, while Medtronic and its affiliate have non-exclusive (with Acorda) development rights in specific areas, including certain areas of pain and musculoskeletal indications.

During a traumatic neurological injury, depletion of magnesium at the site of injury has been shown to contribute to tissue injury and lesion development. AC105 addresses this issue by formulating magnesium in such a way that the magnesium is delivered to the central nervous system. AC105 has been shown to reduce lesion size and enhance recovery in animal models of SCI. AC105 has been shown to be safe and tolerable in a small number of healthy normal subjects in phase 1 human trials.

We have three other research and development programs focused on novel approaches to limit and repair damage to components of the CNS: neuregulins, remyelinating antibodies and chondroitinase. We believe our existing research and development programs and the new AC105 program have broad applicability and have the potential to be first-in-class therapies. While our existing programs have been focused on MS and spinal cord injury, we believe they may be applicable across a number of CNS disorders, including stroke and traumatic brain injury, because many of the mechanisms of tissue damage and repair are similar. In addition, we believe that some of our research and development programs may have applicability beyond the nervous system, including in the field of cardiology.

In March 2010, we filed an Investigational New Drug (IND) application for Glial Growth Factor 2 (GGF2), the lead product candidate for our neuregulins program, as a therapy for heart failure, and in April 2010 the IND became effective. In December 2010, the first patient was enrolled in the first clinical trial of GGF2. Acorda is collaborating with the Vanderbilt University Heart and Vascular Institute to conduct this Phase 1 single-dose trial in patients with heart failure. If we are able to establish a proof of concept for treatment of heart failure through human clinical studies, we may decide to develop the product either by entering into a partnership, most likely with a cardiovascular-focused company, or developing it on our own. We and Vanderbilt University received a $1 million Cardiac Translational Research Implementation Program (C-TRIP) grant from the National Heart, Lung and Blood Institute (NHLBI) to support research on GGF2 separate from the Phase 1 clinical trial. Acorda and Vanderbilt have applied for a second phase C-TRIP grant of at least $5 million.

We began work with a contract manufacturer in 2009 to scale up manufacturing and purification processes for one of the remyelinating antibodies, rHIgM22, under cGMP for preparation for a future IND application. These manufacturing processes have been completed and we are now in formal preclinical safety and toxicity studies. If rHIgM22 proves to have a satisfactory preclinical safety profile, we expect to file an IND for the treatment of MS. We also are continuing research on the potential use of chondroitinases for the treatment of injuries to the brain and spinal cord. The chondroitinase program is in the research and translational development phases and has not yet entered formal preclinical development.

In June 2011, we entered into a 15 year lease for an aggregate of approximately 138,000 square feet of laboratory and office space in Ardsley, New York. The Company plans to relocate its corporate headquarters, and all employees based at its Hawthorne, New York location, to the Ardsley facility. The company anticipates taking possession of the new space in June 2012, subject to completion of certain improvements to the facility prior to the Company's occupancy. The commencement of the term would be deferred in the case of certain delays in the completion of those improvements. The Company has options to extend the term of the lease for three additional five-year periods, and the Company has an option to terminate the lease after 10 years subject to payment of an early termination fee. Also, the Company has rights to lease up to approximately 120,000 additional square feet of space in additional buildings at the same location. The Company's extension, early termination, and expansion rights are subject to specified terms and conditions, including specified time periods when they must be exercised, and are also subject to limitations including that the Company not be in default under the lease. The lease provides for monthly payments of rent during the term. These payments consist of base rent, which takes into account the costs of the facility improvements being funded by the facility owner prior to the Company's occupancy, and additional rent covering customary items such as charges for utilities, taxes, operating expenses, and other facility fees and charges. The base rent will initially be $3,400,000 per year, and will be subject to a 2.5% annual increase.

We have had significant operating losses since inception as a result of our focus on clinical and research and development activities and our goal of building an internal sales, managed markets and marketing organization in the U.S. We may incur losses for the next several years as we continue to support an expanded sales and marketing organization and other activities in connection with the commercialization of Ampyra and the advancement of our clinical and preclinical development programs. Our current guidance is for Ampyra 2011 full year net revenue to increase over the prior year to $205-$230 million. Selling, general and administrative (SG&A) expenses for the full year 2011 are currently expected to be $130-$140 million excluding share based compensation charges. SG&A will be primarily driven by commercial and administrative costs related to Ampyra. Research and development (R&D) expenses for the full year 2011 are currently expected to be $40-$45 million excluding share based compensation charges. R&D expenses in 2011 include post-marketing

studies for Ampyra and continuing development expenses for our pipeline products, including Phase 1 clinical trials for GGF2 as well as our $3 million upfront payment for the Medtronic license. The projected amounts of SG&A and R&D for the full year 2011 in this paragraph and elsewhere in this report are non-GAAP financial measures because they exclude share-based compensation charges. Non-GAAP financial measures are not an alternative for financial measures prepared in accordance with GAAP. However, we believe the presentation of these non-GAAP financial measures, when viewed in conjunction with our GAAP results, provides investors with a more meaningful understanding of our projected operating performance because they exclude non-cash charges that are substantially dependent on changes in the market price of our common stock. We believe that non-GAAP financial measures that exclude share-based compensation charges help indicate underlying trends in our business, and are important in comparing current results with prior period results and understanding projected operating performance. Also, management uses non-GAAP financial measures that exclude share-based compensation charges to establish budgets and operational goals, and to manage the Company's business and to evaluate its performance.

We will also continue to explore opportunities to expand our pipeline through the potential in-licensing and/or acquisition of select products and technologies in neurology. We are interested in both clinical and commercial stage products, with a particular focus on Phase 2 product candidates and products that would reach the commercial stage in 2012 or beyond, although we are open to assessing compounds at other stages as well.

In August 2007, the Company received a Paragraph IV Certification Notice from Apotex Inc. advising that it had submitted an ANDA to the FDA seeking marketing approval for generic versions of Zanaflex Capsules. In October 2007, the Company filed a lawsuit against Apotex Corp. and Apotex Inc. (collectively, Apotex) for patent infringement in relation to the filing of the ANDA by Apotex. The defendants answered the Company's complaint, asserting patent invalidity and non-infringement and counterclaiming, seeking a declaratory judgment of patent invalidity and non-infringement. The Company denied those counterclaims. Trial of the case was completed in May 2011, and the parties are awaiting the Court's decision. Either party may seek to appeal that decision.

Our timely filing of a lawsuit against Apotex in October 2007 triggered an automatic stay on FDA approval of the Apotex ANDA for 30 months. That stay expired in March 2010. Consequently, Apotex will be able to receive FDA approval of its ANDA, if Apotex is able otherwise to satisfy FDA's review requirements for ANDAs, at which time it could begin selling a generic tizanidine hydrochloride capsule in competition with Zanaflex Capsules and Zanaflex tablets, even if our patent litigation remains pending. If Apotex begins selling its product before it is successful in challenging the validity, infringement, or enforceability of our patent, Apotex would be selling at the risk of our ultimately prevailing on our patent infringement claims and its being held liable for damages for patent infringement.

The Company accrues for amounts related to loss contingencies if it is probable that a liability has been incurred and the amount is reasonably estimable. As of June 30, 2011, there have been no accruals for loss contingencies aside from payments related to the litigation itself.

Results of Operations

Three-Month Period Ended June 30, 2011 Compared to June 30, 2010

Net Revenue

Ampyra

We recognize product sales of Ampyra following shipment of product to a network of specialty pharmacy providers, Kaiser and the specialty distributor to the VA. We recognized net revenue from the sale of Ampyra of $51.8 million and $28.0 million for the three-month periods ended June 30, 2011 and 2010, respectively. There was a 7.5% increase for the wholesale acquisition price of Ampyra effective March 4, 2011.

Discounts and allowances which are included as an offset in net revenue consists of allowances for customer credits, including estimated chargebacks, rebates, discounts and returns. Discounts and allowances are recorded following shipment of Ampyra tablets to our network of specialty pharmacy providers, Kaiser and the specialty distributor to the VA. For the three-month period ended June 30, 2011 discounts and allowances also consisted of rebate allowances for the new Medicare Part D coverage gap (see also discussion under the "Healthcare Reform" header below). Discounts and allowances may increase as a percentage of sales as we enter into managed care contracts in the future and we incur costs incurred related to new Healthcare Reform Medicare rebates described under the "Healthcare Reform" header below.

Our current guidance is for Ampyra 2011 full year net revenue to increase over the prior year to $205-$230 million.

Zanaflex

We recognize product sales of Zanaflex Capsules and Zanaflex tablets using a deferred revenue recognition model where shipments to wholesalers are recorded as deferred revenue and only recognized as revenue when end-user prescriptions of the product are reported. We recognized net revenue from the sale of Zanaflex Capsules and Zanaflex tablets of $11.1 million for the three-month period ended June 30, 2011, as compared to $12.5 million for the three-month period ended June 30, 2010. The decrease was due to a decrease in prescriptions due to managed care pressure, among other factors offset by a 9% price increase for Zanaflex Capsules effective November 1, 2010. Sales of Zanaflex Capsules may decline in 2011.

Discounts and allowances, which are included as an offset in net revenue, consist of allowances for customer credits, including estimated chargebacks, rebates, and discounts. Adjustments are recorded for estimated chargebacks, rebates, and discounts.

Healthcare Reform

In March 2010, healthcare reform legislation was enacted in the U.S. This legislation contains several provisions that will affect our business. Beginning in 2011, the new law requires drug manufacturers to provide a 50% discount to Medicare beneficiaries whose prescription drug costs cause them to be subject to the Medicare Part D coverage gap (i.e., the "donut hole"). An estimate for the second quarter Ampyra donut hole rebate was recorded during the three-month period ended June 30, 2011. We did not record anything for Zanaflex for the three-month period ended June 30, 2011 because we do not expect the amount for Zanaflex to be material.

Also, beginning in 2011, the new healthcare reform legislation requires certain drug manufactures to pay a new excise drug fee. It is based on certain government sales of certain branded prescription drug sales in 2009. This fee will not be material to our 2011 financial statements.

License and Royalty Revenue

The Company recognized $2.4 million and $2.4 million in license and royalty revenue for the three-month periods ended June 30, 2011 and 2010, respectively primarily related to the $110.0 million received from Biogen Idec in 2009. We currently estimate the recognition period to be approximately 12 years from the date of the Collaboration Agreement.

Cost of Sales

Ampyra

We recorded cost of sales of $10.1 million for the three-month period ended June 30, 2011 as compared to $5.5 million for the three-month period ended June 30, 2010. Cost of sales for the three-month period ended June 30, 2011 consisted primarily of $8.9 million in inventory costs related to recognized revenues. Cost of sales for the three-month period ended June 30, 2011 also consisted of $1.1 million in royalty fees based on net sales, $82,000 in amortization of intangible assets, and $77,000 in period costs related to packaging, freight and stability testing.

In April 2011 we announced the United States Patent and Trademark Office (USPTO) allowed U.S. Patent Application No. 11/010,828 entitled "Sustained Release Aminopyridine Composition." The claims of the patent application relate to methods to improve walking in patients with multiple sclerosis (MS) by administering 10 mg of sustained release 4-aminopyridine (dalfampridine) twice daily. The patent that issues from this application, which will be eligible for listing in the U.S. Food and Drug Administration Orange Book, has been accorded an initial patent term adjustment by the USPTO of 298 days, extending its term to early October 2025. We believe that when the USPTO issues its final calculation of patent term adjustment, shortly before issuance, the patent will be entitled to additional patent term adjustment, extending its term into 2026. As a result, we re-evaluated the useful life of the Ampyra milestones and Ampyra CSRO royalty buyout intangible assets resulting in a decrease of approximately $36,000 to the monthly amortization beginning in the three-month period ended June 30, 2011. The total impact for the year-ending December 31, 2011 is expected to be approximately $356,000 in reduced amortization expense and $427,000 annually thereafter however the total amortization has now been extended.

Cost of sales for the three-month period ended June 30, 2010 consisted primarily of $4.5 million in inventory costs related to recognized revenues. Our launch stock inventory was received in bulk form prior to regulatory approval; therefore, the manufacturing cost associated with this inventory was classified as research and development expense as there was no alternative future use prior to regulatory approval. This expensed inventory represented approximately 8% of the total cost basis of our launch stock inventory. The remaining packaged portion of the inventory cost was received after regulatory approval and thus capitalized. This reduction to our cost basis effectively reduced our cost of sales related to recognized revenues by approximately $388,000 for the three-month period ended June 30, 2010. Our reduced cost basis inventory was sold during the year ended December 31, 2010 and as of this date we are not carrying any launch inventory on our balance sheet with a reduced cost basis.

Cost of sales for the three-month period ended June 30, 2010 also consisted of $644,000 in royalty fees based on net sales, $225,000 in amortization of intangible assets, and $92,000 in period costs related to packaging, freight and stability testing.

Zanaflex

We recorded cost of sales of $2.0 million for the three-month period ended June 30, 2011 as compared to $2.4 million for the three-month period ended June 30, 2010. Cost of sales for the three-month period ended June 30, 2011 consisted of $1.0 million in inventory costs primarily related to recognized revenues, $612,000 in royalty fees based on net product shipments, $321,000 in amortization of intangible assets, which is unrelated to either the volume of shipments or the amount of revenue recognized, and $26,000 in period costs related to freight and stability testing. Cost of sales for the three-month period ended June 30, 2010 consisted of $1.2 million in inventory costs primarily related to recognized revenues, $794,000 in royalty fees based on net product shipments, $321,000 in amortization of intangible assets, which is unrelated to either the volume of shipments or the amount of revenue recognized, and $47,000 in period costs related to packaging, freight, and stability testing. Payments to and interest expense related to the PRF transaction discussed below in the section titled "Liquidity and Capital Resources" do not impact the Company's cost of sales.

Research and Development

Research and development expenses for the three-month period ended June 30, 2011 were $12.0 million as compared to $6.6 million for the three-month period ended June 30, 2010, an increase of approximately $5.4 million, or 82%. The increase was attributable to the Medtronic AC105 license expense of $3.0 million, an increase in clinical trial expenses of $1.5 million related to post-marketing clinical studies of Ampyra, an increase in Phase I GGF2 preclinical and clinical trial expenses of $1.3 million, and an increase of $1.1 million for work on our life cycle management program for Ampyra. The overall increase in research and development expenses was offset by a decrease of $1.3 million in clinical costs associated with the close-out of our MS extension study.

Research and development (R&D) expenses for the full year 2011 are currently expected to be $40-$45 million excluding share based compensation charges. R&D expenses in 2011 include post-marketing studies for Ampyra and continuing development expenses for our pipeline products, including Phase 1 clinical trials for GGF2.

Selling, General and Administrative

Sales and marketing expenses for the three-month period ended June 30, 2011 were $23.4 million compared to $23.9 million for the three-month period ended June 30, 2010, a decrease of approximately $500,000 or 2%. This decrease was primarily attributable to a slight reduction in Ampyra sales and marketing expenses of $272,000 due to the timing of the Ampyra launch in 2010 and a slight decrease of $224,000 in Zanaflex sales and marketing expenses.

General and administrative expenses for the three-month period ended June 30, 2011 were $16.9 million compared to $10.2 million for the three-month period ended June 30, 2010, an increase of approximately $6.5 million, or 64%. This increase was the result of a $4.1 million increase in legal expenses primarily related to litigation and general and administrative staff and compensation expenses related to supporting the growth of the overall organization, an increase in costs related to Ampyra post-approval, safety and regulatory expenses of $1.8 million, and an increase in medical affairs expenses including educational programs and research of $658,000.

Selling, general and administrative (SG&A) expenses for the full year 2011 are currently expected to be $130-$140 million excluding share based compensation charges. SG&A will be primarily driven by commercial and administrative costs related to Ampyra.

Other Expense

Other expense was $1.1 million for the three-month periods ended June 30, 2011 and 2010. Other expense for the three-month period ended June 30, 2011 consisted of interest expense principally related to the PRF revenue interest agreement of $1.2 million and interest income of $133,000. Other expense for the three-month period ended June 30, 2010 consisted of interest expense principally related to the PRF revenue interest agreement of $1.2 million and interest income of $135,000.

Six-Month Period Ended June 30, 2011 Compared to June 30, 2010

Net Revenue

Ampyra

We recognize product sales of Ampyra following shipment of product to a network of specialty pharmacy providers, Kaiser and the specialty distributor to the VA. We recognized net revenue from the sale of Ampyra of $98.6 million and $31.0 million for the six-month periods ended June 30, 2011 and 2010, respectively. There was a 7.5% increase for the wholesale acquisition price of Ampyra effective March 4, 2011.

Discounts and allowances, which are included as an offset in net revenue consists of allowances for customer credits, including estimated chargebacks, rebates, discounts and returns. Discounts and allowances are recorded following shipment of Ampyra tablets to our network of specialty pharmacy providers, Kaiser and the specialty distributor to the VA. For the six-month period ended June 30, 2011 discounts and allowances also consisted of rebate allowances for the new Medicare Part D coverage gap (see also discussion under the "Healthcare Reform" header below). Discounts and allowances may increase as a percentage of sales as we enter into managed care contracts in the future and we incur costs incurred related to new Healthcare Reform Medicare rebates described under the "Healthcare Reform" header below.

Our current guidance is for Ampyra 2011 full year net revenue to increase over the prior year to $205-$230 million.

Zanaflex

We recognize product sales of Zanaflex Capsules and Zanaflex tablets using a deferred revenue recognition model where shipments to wholesalers are recorded as deferred revenue and only recognized as revenue when end-user prescriptions of the product are reported. We recognized net revenue from the sale of Zanaflex Capsules and Zanaflex tablets

of $23.2 million for the six-month period ended June 30, 2011, as compared to $24.8 million for the six-month period ended June 30, 2010. The decrease was due to a decrease in prescriptions due to managed care pressure, among other factors offset by a 9% price increase for Zanaflex Capsules effective November 1, 2010. Sales of Zanaflex Capsules may decline in 2011.

Discounts and allowances which are included as an offset in net revenue, consist of allowances for customer credits, including estimated chargebacks, rebates, and discounts. Adjustments are recorded for estimated chargebacks, rebates, and discounts.

Healthcare Reform

In March 2010, healthcare reform legislation was enacted in the U.S. This legislation contains several provisions that will affect our business. Beginning in 2011, the new law requires drug manufacturers to provide a 50% discount to Medicare beneficiaries whose prescription drug costs cause them to be subject to the Medicare Part D coverage gap (i.e., the "donut hole"). An estimate for the first and second quarter Ampyra donut hole rebate was recorded during the three-month periods ended March 31, 2011 and June 30, 2011. We did not record anything for Zanaflex for the three-month periods ended March 31, 2011 or June 30, 2011because we do not expect the amount for Zanaflex to be material.

Also, beginning in 2011, the new healthcare reform legislation requires certain drug manufactures to pay a new excise drug fee. It is based on certain government sales of certain branded prescription drug sales in 2009. This fee will not be material to our 2011 financial statements.

License and Royalty Revenue

The Company recognized $4.8 million and $4.7 million in license and royalty revenue primarily related to the $110.0 million received from Biogen Idec in 2009 for the six-month periods ended June 30, 2011 and 2010, respectively.

On January 21, 2011 Biogen Idec announced that the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) decided against approval of fampridine to improve walking ability in adult patients with multiple sclerosis. Biogen Idec, working closely with us, filed a formal appeal of the decision. In May 2011, the CHMP recommended conditional marketing authorization of, and in July 2011 Biogen Idec received conditional approval from the European Commission for, Fampyra (prolonged-release fampridine tablets) for the improvement of walking in adult patients with MS with walking disability (Expanded Disability Status Scale of 4-7). We changed the amortization period on a prospective basis during the three-month period ended March 31, 2011 by 5 months and currently estimate the recognition period to be approximately 12 years from the date of the Collaboration Agreement.

Cost of Sales

Ampyra

We recorded cost of sales of $19.8 million for the six-month period ended June 30, 2011 as compared to $6.2 million for the six-month period ended June 30, 2010. Cost of sales for the six-month period ended June 30, 2011 consisted primarily of $17.4 million in inventory costs related to recognized revenues. Cost of sales for the six-month period ended June 30, 2011 also consisted of $2.0 million in royalty fees based on net sales, $307,000 in amortization of intangible assets, and $110,000 in period costs related to packaging, freight and stability testing.

In April 2011 we announced the United States Patent and Trademark Office (USPTO) allowed U.S. Patent Application No. 11/010,828 entitled "Sustained Release Aminopyridine Composition." The claims of the patent application relate to methods to improve walking in patients with multiple sclerosis (MS) by administering 10 mg of sustained release 4-aminopyridine (dalfampridine) twice daily. The patent that issues from this application, which will be eligible for listing in the U.S. Food and Drug Administration Orange Book, has been accorded an initial patent term adjustment by the USPTO of 298 days, extending its term to early October 2025. We believe that when the USPTO issues its final calculation of patent term adjustment, shortly before issuance, the patent will be entitled to additional patent term adjustment, extending its term into 2026. As a result, we re-evaluated the useful life of the Ampyra milestones and Ampyra CSRO royalty buyout intangible assets resulting in a decrease of approximately $36,000 to the monthly amortization beginning in the three-month period ended June 30, 2011. The total impact for the year-ending December 31, 2011 is expected to be approximately $356,000 in reduced amortization expense and $427,000 annually thereafter however the total amortization has now been extended.

Cost of sales for the six-month period ended June 30, 2010 consisted primarily of $5.0 million in inventory costs related to recognized revenues. Our launch stock inventory was received in bulk form prior to regulatory approval; therefore, the manufacturing cost associated with this inventory was classified as research and development expense as there was no alternative future use prior to regulatory approval. This expensed inventory represented approximately 8% of the total cost basis of our launch stock inventory. The remaining packaged portion of the inventory cost was received after regulatory approval and thus capitalized. This reduction to our cost basis effectively reduced our cost of sales related to recognized revenues by approximately $433,000 for the six-month period ended June 30, 2010. Our reduced cost basis inventory was sold during the year ended December 31, 2010 and as of this date we are not carrying any launch inventory on our balance sheet with a reduced cost basis.

Cost of sales for the six-month period ended June 30, 2010 also consisted of $644,000 in royalty fees based on net sales, $339,000 in amortization of intangible assets, and $142,000 in period costs related to packaging, freight and stability testing.

Zanaflex

We recorded cost of sales of $4.3 million for the six-month period ended June 30, 2011 as compared to $4.7 million for the six-month period ended June 30, 2010. Cost of sales for the six-month period ended June 30, 2011 consisted of $2.1 million in inventory costs primarily related to recognized revenues, $1.4 million in royalty fees based on net product shipments, $641,000 in amortization of intangible assets, which is unrelated to either the volume of shipments or the amount of revenue recognized, and $93,000 in period costs related to freight and stability testing. Cost of sales for the six-month period ended June 30, 2010 consisted of $2.4 million in inventory costs primarily related to recognized revenues, $1.6 million in royalty fees based on net product shipments, $641,000 in amortization of intangible assets, which is unrelated to either the volume of shipments or the amount of revenue recognized, and $96,000 in period costs related to packaging, freight, and stability testing. Payments to and interest expense related to the PRF transaction discussed below in the section titled “Liquidity and Capital Resources” do not impact the Company’s cost of sales.

Research and Development

Research and development expenses for the six-month period ended June 30, 2011 were $22.7 million as compared to $14.7 million for the six-month period ended June 30, 2010, an increase of approximately $8.0 million, or 55%. The increase was primarily attributable to clinical trial expenses of $3.7 million related to post-marketing clinical studies of Ampyra, the Medtronic AC105 license expense of $3.0 million, an increase in Phase I GGF2 preclinical and clinical trial expenses of $2.1 million, and $1.7 million for work on our life cycle management program for Ampyra.

The overall increase in research and development expenses was offset by a decrease related to a reduction in expenses allocated to research and development of $1.3 million for Ampyra manufacturing and stability work that was classified as research and development for the three-month period ended March 31, 2010 as it was incurred prior to FDA approval of the drug. The overall increase was also offset by a decrease of $1.2 million in clinical costs associated with the close-out of our MS extension study sites.

Research and development (R&D) expenses for the full year 2011 are currently expected to be $40-$45 million excluding share based compensation charges. R&D expenses in 2011 include post-marketing studies for Ampyra and continuing development expenses for our pipeline products, including Phase 1 clinical trials for GGF2.

Selling, General and Administrative

Sales and marketing expenses for the six-month period ended June 30, 2011 were $45.8 million compared to $40.8 million for the six-month period ended June 30, 2010, an increase of approximately $5.1 million or 12%. This increase was primarily attributable to an increase of $3.4 million in marketing, trade and distribution expenses, managed markets, and various activities associated with Ampyra as well as an increase in staff and compensation of $1.9 million resulting from the expansion of our field sales staff and the overall commercial department in order to support the Ampyra brand.

General and administrative expenses for the six-month period ended June 30, 2011 were $32.6 million compared to $20.0 million for the six-month period ended June 30, 2010, an increase of approximately $12.4 million, or 62%. This increase was the result of an $8.3 million increase in legal expenses primarily related to litigation and general and administrative staff and compensation expenses related to supporting the growth of the overall organization, an increase in

costs related to Ampyra post-approval, safety expenses of $2.3 million, an increase in medical affairs expenses including educational programs and research of $1.7 million, and an increase in business development expenses of $112,000.

Selling, general and administrative (SG&A) expenses for the full year 2011 are currently expected to be $130-$140 million excluding share based compensation charges. SG&A will be primarily driven by commercial and administrative costs related to Ampyra.

Other Expense

Other expense was $2.1 million for the six-month periods ended June 30, 2011 and 2010. Other expense for the six-month period ended June 30, 2011 consisted of interest expense principally related to the PRF revenue interest agreement of $2.4 million and interest income of $273,000. Other expense for the six-month period ended June 30, 2010 consisted of interest expense principally related to the PRF revenue interest agreement of $2.4 million and interest income of $339,000.

Liquidity and Capital Resources

We have incurred annual operating losses since inception and, as of June 30, 2011, we had an accumulated deficit of approximately $441.0 million. We have financed our operations primarily through private placements of our securities, public offerings of our common stock, our Collaboration and Licensing Agreement, sales of Zanaflex Capsules and Ampyra, and, to a lesser extent, from loans, government grants and our financing arrangement with PRF.

Financing Arrangements

In January 1997, Elan International Services, Ltd. (EIS) loaned us an aggregate of $7.5 million pursuant to two convertible promissory notes to partly fund our research and development activities. On December 23, 2005, EIS transferred these promissory notes to funds affiliated with Saints Capital. As of June 30, 2011, $3.9 million of these promissory notes plus $2.4 million of accrued interest was outstanding. The first of seven annual payments on this note was paid on the one year anniversary after Ampyra approval in January 2011.

On December 23, 2005, we entered into a revenue interest assignment agreement with PRF, a dedicated healthcare investment fund, pursuant to which PRF paid us an initial $15.0 million and we assigned to PRF the right to a portion of our net revenues (as defined in the agreement) from Zanaflex Capsules, Zanaflex tablets and any future Zanaflex products. To secure our obligations to PRF, we also granted PRF a security interest in substantially all of our assets related to Zanaflex. Our agreement with PRF covers all Zanaflex net revenues generated from October 1, 2005 through and including December 31, 2015, unless the agreement terminates earlier. In November 2006, we entered into an amendment to the revenue interest assignment agreement with PRF. Under the terms of the amendment, PRF paid us $5.0 million in November 2006 and an additional $5.0 million in February 2007 as our net revenues during the fiscal year 2006 exceeded $25.0 million. Under the terms of the amendment, we paid PRF two $5.0 million payments on December 1, 2009 and December 1, 2010.

Under the agreement and the amendment, PRF is entitled to the following portion of Zanaflex net revenues:

- with respect to Zanaflex net revenues up to and including $30.0 million for each fiscal year during the term of the agreement, 15% of such net revenues;
- with respect to Zanaflex net revenues in excess of $30.0 million but less than and including $60.0 million for each fiscal year during the term of the agreement, 6% of such net revenues; and
- with respect to Zanaflex net revenues in excess of $60.0 million for each fiscal year during the term of the agreement, 1% of such net revenues.

Notwithstanding the foregoing, once PRF has received and retained payments under the agreement that are at least 2.1 times the aggregate amount PRF has paid us under the agreement, PRF will only be entitled to 1% of Zanaflex net revenues. In connection with the transaction, we have a liability recorded, referred to as the revenue interest liability, of approximately $4.8 million. We impute interest expense associated with this liability using the effective interest rate method and record a corresponding accrued interest liability. The effective interest rate is calculated based on the rate that would enable the debt to be repaid in full over the life of the arrangement. The interest rate on this liability may vary during the term of the agreement depending on a number of factors, including the level of Zanaflex sales. We currently estimate that the

imputed interest rate associated with this liability will be approximately 6.0%. Payments made to PRF as a result of Zanaflex sales levels reduce the accrued interest liability and the principal amount of the revenue interest liability.

Investment Activities

At June 30, 2011, cash and cash equivalents and short-term investments were approximately $228.2 million, as compared to $240.0 million at December 31, 2010. As of June 30, 2011, our cash and cash equivalents consist of highly liquid investments with original maturities of three months or less at date of purchase and consist of time deposits and investments in a Treasury money market fund and high-quality government bonds. Also, we maintain cash balances with financial institutions in excess of insured limits. We do not anticipate any losses with respect to such cash balances. As of June 30, 2011, our cash and cash equivalents were $48.6 million, as compared to $34.6 million as of December 31, 2010. Our short-term investments consist of US Treasury bonds with original maturities greater than three months and less than one year. The balance of these investments was $179.6 million as of June 30, 2011, as compared to $205.4 million as of December 31, 2010.

Net Cash Used in Operations

Net cash used in operations was $9.4 million and $50.0 million for the six-month periods ended June 30, 2011 and 2010, respectively. Cash used in operations for the six-month period ended June 30, 2011 was primarily attributable to a net decrease of $13.5 million due to changes in working capital items primarily due to the payment of 2010 accruals during the six-month period ended June 30, 2011. It was also attributable to a decrease in the deferred license revenue of $4.5 million due to the amortization of the upfront collaboration payment received during the three-month period ended September 30, 2009, an increase in inventory held by the Company of $3.8 million, an increase in accounts receivable of $1.1 million resulting from an increase in Ampyra gross sales and the 7.5% price increase for Ampyra effective in March 2011 and a net loss of $957,000. Cash used in operations for the six-month period ended June 30, 2011 was offset by a non-cash share-based compensation expense of $8.8 million, amortization of net premiums and discounts on short-term investments of $3.5 million and depreciation and amortization of $2.2 million.

Cash used in operations for the six-month period ended June 30, 2010 was primarily attributable to a net loss of $27.9 million. It was also attributable to an increase in inventory held by the Company of $13.4 million primarily due to the purchase of Ampyra launch stock, an increase in accounts receivable of $12.2 million resulting from an increase in gross product sales for Ampyra, and a decrease in the non-current portion of deferred license revenue of $4.7 million due to the amortization of the upfront collaboration payment received during the three-month period ended September 30, 2009. Cash used in operations for the six-month period ended June 30, 2010 also included a net decrease of $4.4 million due to changes in working capital items. Cash used in operations was partially offset by a non-cash share-based compensation expense of $7.8 million, amortization of net premiums and discounts on short-term investments of $2.1 million, and depreciation and amortization of $1.8 million.

Net Cash Provided by Investing

Net cash provided by investing activities for the six-month period ended June 30, 2011 was $20.8 million, primarily due to $158.0 million in proceeds of short-term investments which was partially offset by $135.5 million in purchases of short-term investments and $1.7 million in purchases of intangible assets and property and equipment.

Net Cash Provided by Financing

Net cash provided by financing activities for the six-month period ended June 30, 2011 was $2.6 million due to $3.5 million in net proceeds from option exercises which was partially offset by $941,000 in repayments to PRF.

Future Capital Needs

Our current guidance is for Ampyra 2011 full year net revenue to increase over the prior year to $205-$230 million. Selling, general and administrative (SG&A) expenses for the full year 2011 are currently expected to be $130-$140 million excluding share based compensation charges. SG&A will be primarily driven by commercial and administrative costs related to Ampyra. Research and development (R&D) expenses for the full year 2011 are currently expected to be $40-$45 million excluding share based compensation charges. R&D expenses in 2011 include post-marketing studies for Ampyra and continuing development expenses for our pipeline products, including Phase 1 clinical trials for GGF2.

Our future capital requirements will depend on a number of factors, including the amount of revenue generated from sales of Ampyra and Zanaflex Capsules, the continued progress of our research and development activities, the timing and outcome of regulatory approvals, the amount and timing of milestone or other payments made or received under collaborative agreements, the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims and other intellectual property rights and acquisition or in-licensing of new products or compounds and development costs relating to those new products or compounds. We may continue to incur losses from operations as we continue to support our sales and marketing infrastructure for the commercialization of Ampyra and Zanaflex Capsules, increase our efforts to support the sales of Ampyra, and continue our clinical development and advance our preclinical programs.

To the extent our capital resources are insufficient to meet future operating requirements we will need to raise additional capital, reduce planned expenditures, or incur indebtedness to fund our operations. We may be unable to obtain additional debt or equity financing on acceptable terms, if at all. If adequate funds are not available, we may be required to curtail our sales and marketing efforts, delay, reduce the scope of or eliminate some of our research and development programs or obtain funds through arrangements with collaborative partners or others that may require us to relinquish rights to certain product candidates that we might otherwise seek to develop or commercialize independently.

Contractual Obligations and Commitments

A summary of our minimum contractual obligations related to our major outstanding contractual commitments is included in our Annual Report on Form 10-K for the year ended December 31, 2010. Our long-term contractual obligations include commitments and estimated purchase obligations entered into in the normal course of business. Under certain supply agreements and other agreements with manufacturers and suppliers, we are required to make payments for the manufacture and supply of our clinical and approved products. During the six-month period ended June 30, 2011, commitments related to the purchase of inventory consistent with our normal course of business decreased as compared to December 31, 2010. As of June 30, 2011, we have inventory-related purchase commitments totaling approximately $17.5 million within the next year.

In June 2011, we entered into a 15 year lease for an aggregate of approximately 138,000 square feet of laboratory and office space in Ardsley, New York. We plan to relocate its corporate headquarters, and all employees based at our Hawthorne, New York location, to the Ardsley facility. We anticipate taking possession of the new space in June 2012, subject to completion of certain improvements to the facility prior to our occupancy. The commencement of the term would be deferred in the case of certain delays in the completion of those improvements. We have options to extend the term of the lease for three additional five-year periods, and we have an option to terminate the lease after 10 years subject to payment of an early termination fee. Also, we have rights to lease up to approximately 120,000 additional square feet of space in additional buildings at the same location. Our extension, early termination, and expansion rights are subject to specified terms and conditions, including specified time periods when they must be exercised, and are also subject to limitations including that the Company not be in default under the lease. The lease provides for monthly payments of rent during the term. These payments consist of base rent, which takes into account the costs of the facility improvements being funded by the facility owner prior to our occupancy, and additional rent covering customary items such as charges for utilities, taxes, operating expenses, and other facility fees and charges. The base rent will initially be $3.4 million per year, and will be subject to a 2.5% annual increase.

In June 2011, we licensed worldwide development and commercialization rights to a proprietary magnesium formulation from Medtronic, Inc., which will be referred to as AC105. We made a $3 million upfront payment to Medtronic during the three-month period ended June 30, 2011 and recorded the expense as research and development expense. We will make up to $32 million in regulatory and development milestone payments, if achieved. A single-digit sales royalty will also be paid by the Company to Medtronic if AC105 is commercialized by the Company.

Under certain license agreements, we are required to pay royalties for the use of technologies and products in our R&D activities and in the commercialization of products. The amount and timing of any of the foregoing payments are not known due to the uncertainty surrounding the successful research, development and commercialization of the products.

Under certain license agreements, we are also required to pay license fees and milestones for the use of technologies and products in our R&D activities and in the commercialization of products. We have committed to make potential future milestone payments to third parties of up to approximately $64 million as part of our various collaborations, including licensing and development programs. Payments under these agreements generally become due and payable only upon achievement of certain developmental, regulatory or commercial milestones. Because the achievement of these milestones had not occurred as of June 30, 2011, such contingencies have not been recorded in our financial statements. Amounts related to contingent milestone payments are not considered contractual obligations as they are contingent on the

successful achievement of certain development, regulatory approval and commercial milestones. There is uncertainty regarding the various activities and outcomes needed to reach these milestones, and they may not be achieved.

Critical Accounting Policies and Estimates

The following discussion of critical accounting policies identifies the accounting policies that require application of management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. It is not intended to be a comprehensive list of all of our significant accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by generally accepted accounting principles, with no need for management's judgment in their application. There are also areas in which the selection of an available alternative policy would not produce a materially different result. We have identified the following as our areas of critical accounting policies: sales revenue recognition, inventory, research and development, income taxes, and share-based compensation.

Revenue Recognition

Ampyra

Ampyra is available only through a network of specialty pharmacy providers that provide the medication to patients by mail, Kaiser Permanente (Kaiser), and the U.S. Department of Veterans Affairs (VA). We recognize revenue by applying the guidance in Staff Accounting Bulletin (SAB) 104 which requires that we do not recognize revenue from product sales until there is persuasive evidence of an arrangement, delivery has occurred, the price is fixed and determinable, the buyer is obligated to pay us, the obligation to pay is not contingent on resale of the product, the buyer has economic substance apart from us, the Company has no obligation to bring about the sale of the product, the amount of returns can be reasonably estimated and collectability is reasonably assured. We recognize product sales of Ampyra following shipment of product to a network of specialty pharmacy providers, Kaiser and the specialty distributor to the VA. As of June 30, 2011, inventory levels at specialty pharmacy providers that distribute Ampyra (does not include Kaiser or the specialty distributor to the VA) represented approximately two weeks of their anticipated usage. The specialty pharmacy providers, Kaiser, and the specialty distributor to the VA are contractually obligated to hold no more than 30 days of inventory.

Our net revenues represent total revenues less allowances for customer credits, including estimated rebates, discounts and returns. These allowances are recorded for cash consideration given by a vendor to a customer that is presumed to be a reduction of the selling prices of the vendor's products or services and, therefore, are characterized as a reduction of revenue. At the time product is shipped to specialty pharmacies, Kaiser and the specialty distributor to the VA, an adjustment is recorded for estimated chargebacks, rebates, and returns. These allowances are established by management as its best estimate based on available information and will be adjusted to reflect known changes in the factors that impact such reserves. In determining the amounts of certain allowances and accruals, we must make significant judgments and estimates. Allowances for rebates, discounts and returns are established based on the contractual terms with customers, communications with customers and the levels of inventory remaining in the distribution channel, as well as expectations about the market for each product and anticipated introduction of competitive products. Product shipping and handling costs are included in cost of sales.

Based on our specialty distribution model where we sell to only 12 specialty pharmacy providers, Kaiser and the specialty distributor to the VA, the data we receive from these distributors, and returns experience of other specialty products with similar selling models, we have been able to make a reasonable estimate for product returns. At June 30, 2011, inventory levels at the specialty pharmacy providers (this does not include Kaiser) represented approximately two weeks of their anticipated usage. The specialty pharmacy providers, Kaiser, and the specialty distributor to the VA have contractually agreed to hold no more than 30 days of inventory. We will accept returns of Ampyra for two months prior to and six months after its expiration date. We will provide a credit to customers with whom we have a direct relationship. Once our product is prescribed, it cannot be returned. We do not exchange product from inventory for the returned product.

Zanaflex

We apply the revenue recognition guidance in Accounting Standards Codification (ASC) 605-15-25, which among other criteria requires that future returns can be reasonably estimated in order to recognize revenue. We have accumulated some sales history with Zanaflex Capsules; however, due to existing and potential generic competition and customer conversion from Zanaflex tablets to Zanaflex Capsules, we cannot reasonably determine a return rate at this time and, thus, are not permitted to recognize revenue based on shipments to wholesalers. As a result, we account for sales of these products using a deferred revenue recognition model. We continue to accumulate data and when we are able to reasonably estimate

product returns based on this data and based on greater certainty regarding generic competition we will then begin to recognize revenue based on shipments of product to our wholesale drug distributors.

Under our deferred revenue model, we do not recognize revenue following shipment of Zanaflex Capsules and Zanaflex tablets to our wholesale drug distributors. Instead, we record deferred revenue at gross invoice sales price, and classify the cost basis of the inventory held by the wholesaler as a component of inventory. We recognize revenue when prescriptions are filled to an end-user because once a prescription is filled the product cannot be returned. We use monthly prescription data that we purchase to determine the amount of revenue to be recognized. When we receive the prescription data, we use the number of units of product prescribed to record gross sales. We then reduce deferred revenue and record cost of goods sold.

In addition to the prescription data we purchase, we also receive data that we use to monitor trends in sales from wholesalers to their customers. We receive this data from an outside vendor on a monthly basis. This data includes the number of bottles shipped from certain wholesalers to their customers. We also compare our shipments to wholesalers to prescription reports to further assess inventory in the distribution channel on a monthly basis. We use the wholesaler sales trend data and the wholesaler vs. prescription comparison to better understand market conditions, but not as a basis for recognizing revenue. We have not made any shipments as a result of incentives to our wholesalers and our policy is not to ship in excess of our wholesalers' inventory levels maintained in the ordinary course of business.

Our net revenues represent total revenues less allowances for customer credits, including estimated discounts, rebates, and chargebacks. These allowances are recorded for cash consideration given by a vendor to a customer that is presumed to be a reduction of the selling prices of the vendor's products or services and, therefore, should be characterized as a reduction of revenue when recognized in the vendor's statement of income. Adjustments are recorded for estimated chargebacks, rebates, and discounts. These allowances are established by management as its best estimate based on available information and are adjusted to reflect known changes in the factors that impact such reserves. Allowances for chargebacks, rebates and discounts are established based on the contractual terms with customers, analysis of historical levels of discounts, chargebacks and rebates, communications with customers and the levels of inventory remaining in the distribution channel, as well as expectations about the market for each product and anticipated introduction of competitive products. Product shipping and handling costs are included in cost of sales.

We accept returns of Zanaflex Capsules and Zanaflex tablets for six months prior to and twelve months after their expiration date. We provide a credit to customers with whom we have a direct relationship or a cash payment to those with whom we do not have a direct relationship. We do not exchange product from inventory for the returned product. Returns of products sold by us are charged directly against deferred revenue, reducing the amount of deferred revenue that we may recognize. In addition, we record a charge to cost of goods sold for the cost basis of the estimated product returns we believe may ultimately be realized at the time of product shipment to wholesalers. We recognize this charge at the date of shipment since it is probable that we will receive a level of returned products; upon the return of such product we will be unable to resell the product considering its expiration dating; and, we can reasonably estimate a range of returns. This charge represents the cost basis for the low end of the range of the Company's estimated returns.

We initiated a product recall for three lots of Zanaflex Capsules in February 2011 due to two reports of empty Zanaflex Capsules that had been distributed to pharmacies and sold to patients. Returns of this recalled product are being charged directly against deferred revenue, reducing the amount of deferred revenue that we may recognize. Some shipments of Zanaflex Capsules during the six-month period ended June 30, 2011 were likely to replace this recalled product. As of June 30, 2011 we received $3.1 million in recall returns which was charged directly against deferred revenue. Under the terms of our agreement with Elan, they are responsible for the cost of replacing the inventory and any reasonable and actual costs and expenses that we incur in connection with the recall.

Collaborations

We recognize collaboration revenues by analyzing each element of the agreement to determine if it shall be accounted for as a separate element or single unit of accounting. If an element shall be treated separately for revenue recognition purposes, the revenue recognition principles most appropriate for that element are applied to determine when revenue shall be recognized. If an element shall not be treated separately for revenue recognition purposes, the revenue recognition principles most appropriate for the bundled group of elements are applied to determine when revenue shall be recognized. Payments received in excess of revenues recognized are recorded as deferred revenue until such time as the revenue recognition criteria have been met.

Ampyra Inventory

Prior to regulatory approval of Ampyra in 2010, the Company incurred expenses for the manufacture of several batches of Ampyra that ultimately became available to support the commercial launch of this drug candidate. Until the necessary initial regulatory approval was received, we charged all such amounts to research and development expenses. As a result, our initial sales of Ampyra resulted in higher gross margins than if the inventory costs had not previously been expensed. Upon regulatory approval of Ampyra, the Company began capitalizing the commercial inventory costs associated with manufacturing with Elan and at its second manufacturer, Patheon.

The cost of Ampyra inventory manufactured by Elan is based on specified prices calculated as a percentage of net product sales of the product shipped by Elan to Acorda. In the event Elan does not manufacture the products, Elan is entitled to a compensating payment for the quantities of product provided by the alternative manufacturer. This compensating payment is included in our inventory balances.

Research and Development

Research and development expenses include the costs associated with our internal research and development activities including, employee compensation and benefits, occupancy costs, and research and development conducted for us by third parties, such as sponsored university-based research, clinical trial vendors, contract manufacturing for our preclinical program, costs of materials used in clinical trials and depreciation of capital resources used to develop our products and regulatory consulting to support our products. In addition, research and development expenses include expenses related to grant revenue, the cost of clinical trial drug supply shipped to our clinical study vendors, the cost of Ampyra inventory received up until regulatory approval and expenses related to the acquisition of in-process research and development licensed rights. We account for our clinical study costs by estimating the patient cost per visit in each clinical trial and recognizing this cost as visits occur, beginning when the patient enrolls in the trial. This estimated cost includes payments to the trial site and patient-related costs, including laboratory costs related to the conduct of the trial. Cost per patient varies based on the type of clinical trial, the site of the clinical trial, and the length of the treatment period for each patient. As actual costs become known to us, we adjust our accrual; such changes in estimate may be a material change in our clinical study accrual, which could also materially affect our results of operations. With respect to previously established clinical study accruals in prior periods, for the six-month period ended June 30, 2011 we did not make any significant adjustments to our clinical study costs. All research and development costs are expensed as incurred except when we are accounting for nonrefundable advance payments for goods or services to be used in future research and development activities. In these cases, these payments are capitalized at the time of payment and expensed ratably over the period the research and development activity is performed.

Income Taxes

As part of the process of preparing our financial statements we are required to estimate our income taxes in each of the jurisdictions in which we operate. We account for income taxes by the asset and liability method. Under this method, deferred income taxes are recognized for tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year-end, based on enacted laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are provided if based upon the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

We recorded a $179,000 provision for income taxes for the six-month period ended June 30, 2011. We did not record any tax provision or benefit for the six-month period ended June 30, 2010. We have provided a valuation allowance for the full amount of our gross deferred tax assets since realization of any future benefit from deductible temporary differences and net operating loss carryforwards cannot be sufficiently assured at June 30, 2011.

As of June 30, 2011, we had available federal net operating loss carry-forwards of approximately $273.8 million and state net operating carry-forwards of approximately $250.2 million, which may be available to offset future taxable income, if any. The federal losses are expected to expire between 2019 and 2031 while the state losses are expected to expire between 2012 and 2031. We also have research and development tax credit carry-forwards of approximately $4.3 million for federal income tax reporting purposes which are available to reduce federal income taxes, if any, through 2019. Since our inception, we have incurred substantial losses and may incur substantial and recurring losses in future periods. The Internal Revenue Code of 1986, as amended, the Code, provides for a limitation of the annual use of net operating loss and research and development tax credit carry-forwards (following certain ownership changes, as defined by the Code) that could significantly limit our ability to utilize these carry-forwards. We have experienced various ownership changes, as defined by the Code, as a result of past financings. Accordingly, our ability to utilize the aforementioned carry- forwards may be limited.

Additionally, because U.S. tax laws limit the time during which these carry-forwards may be applied against future taxes we may not be able to take full advantage of these attributes for federal income tax purposes.

Share-based Compensation

We account for stock options and restricted stock granted to employees and non-employees by recognizing the costs resulting from all share-based payment transactions in the financial statements at their fair values. We estimate the fair value of each option on the date of grant using the Black-Scholes closed-form option-pricing model based on assumptions for the expected term of the stock options, expected volatility of our common stock, prevailing interest rates, and an estimated forfeiture rate.

We have based our current assumptions on the following:

Assumption	Method of estimating
• Estimated expected term of options	• Historical term data
• Expected volatility	• Combination of historic volatility of our common stock since October 1, 2006 and the historic volatility of the stock of our peer companies
• Risk-free interest rate	• Yields of U.S. Treasury securities corresponding with the expected life of option grants
• Forfeiture rates	• Historical forfeiture data

Of these assumptions, the expected term of the option and expected volatility of our common stock are the most difficult to estimate since they are based on the exercise behavior of the employees and expected performance of our common stock. Increases in the term and the volatility of our common stock will generally cause an increase in compensation expense.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our financial instruments consist of cash equivalents, short-term investments, grants receivable, convertible notes payable, accounts payable, and put/call liability. The estimated fair values of all of our financial instruments approximate their carrying amounts at June 30, 2011.

We have cash equivalents and short-term investments at June 30, 2011, which are exposed to the impact of interest rate changes and our interest income fluctuates as our interest rates change. Due to the short-term nature of our investments in money market funds and US Treasury bonds, the carrying value of our cash equivalents and short-term investments approximate their fair value at June 30, 2011. At June 30, 2011, we held $228.2 million in cash and cash equivalents and short-term investments which had an average interest rate of approximately 0.07%.

We maintain an investment portfolio in accordance with our investment policy. The primary objectives of our investment policy are to preserve principal, maintain proper liquidity to meet operating needs and maximize yields. Although our investments are subject to credit risk, our investment policy specifies credit quality standards for our investments and limits the amount of credit exposure from any single issue, issuer or type of investment. Our investments are also subject to interest rate risk and will decrease in value if market interest rates increase. However, due to the conservative nature of our investments and relatively short duration, interest rate risk is mitigated. We do not own derivative financial instruments. Accordingly, we do not believe that there is any material market risk exposure with respect to derivative or other financial instruments.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the “Exchange Act”) we carried out an evaluation of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the second quarter of 2011, the period covered by this report. This evaluation was carried out under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer. Based on that evaluation, these officers have concluded that, as of June 30, 2011, our disclosure controls and procedures were effective to achieve their stated purpose.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules, regulations, and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding disclosure.

Change in internal control over financial reporting

In connection with the evaluation required by Exchange Act Rule 13a-15(d), our management, including our chief executive officer and chief financial officer, concluded that there were no changes in our internal control over financial reporting during the quarter ended June 30, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the effectiveness of controls

Our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our disclosure control system are met. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

In August 2007, the Company received a Paragraph IV Certification Notice from Apotex Inc. advising that it had submitted an ANDA to the FDA seeking marketing approval for generic versions of Zanaflex Capsules. In response to the filing of the ANDA, in October 2007, the Company filed a lawsuit against Apotex Corp. and Apotex Inc. (collectively, Apotex) in the U.S. District Court for the District of New Jersey asserting infringement of our U.S. Patent No. 6,455,557 relating to multiparticulate tizanidine compositions, including those sold by us as Zanaflex Capsules. The patent expires in 2021.

In November 2007, the defendants answered the Company's complaint, asserting patent invalidity and non-infringement and counterclaiming, seeking a declaratory judgment of patent invalidity and non-infringement. The Company denied those counterclaims. Trial of the case was completed in May 2011, and the parties are awaiting the Court's decision. Either party may seek to appeal that decision .

Our timely filing of a lawsuit against Apotex in October 2007 triggered an automatic stay on FDA approval of the Apotex ANDA for 30 months. That stay expired in March 2010. Consequently, Apotex will be able to receive FDA approval of its ANDA, if Apotex is able otherwise to satisfy FDA's review requirements for ANDAs, at which time it could begin selling a generic tizanidine hydrochloride capsule in competition with Zanaflex Capsules and Zanaflex tablets, even if our patent litigation remains pending. If Apotex begins selling its product before it is successful in challenging the validity, infringement, or enforceability of our patent, Apotex would be selling at the risk of our ultimately prevailing on our patent infringement claims and its being held liable for damages for patent infringement.

Item 1 of Part II of Our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2011, includes a prior update to the litigation described above.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2010, as updated by the information in Item 1A of Part II of our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2011, and as further updated by this Item 1A, all of which could materially affect our business, financial condition or future results. The risks described or referred to herein are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. Following is the restated text of individual risk factors with changes that have occurred since our publication of risk factors in our 2010 Annual Report and our update to the risk factors in our Quarterly Report for the quarter ended March 31, 2011.

We have a history of operating losses and we may continue to incur losses and may never reach or sustain profitability.

As of December 31, 2010, we had an accumulated deficit of approximately $440.1 million. We had net losses of $11.8 million, $83.9 million and $74.3 million for the years ended December 31, 2010, 2009 and 2008, respectively. We have had operating losses since inception as a result of our significant clinical development, research and development, general and administrative, sales, managed markets and marketing, medical affairs and business development expenses. We may incur losses for the next several years as we expand our sales, managed markets and marketing capabilities and conduct other activities in connection with the commercial launch of Ampyra, as we continue our product development and research and development activities, and as we potentially acquire new products or product candidates.

Our prospects for achieving and then sustaining profitability will depend primarily on how successful we are in executing our business plan to:

- commercialize Ampyra in the U.S. and have Biogen Idec obtain and maintain regulatory approval for Ampyra (as Fampridine Prolonged Release tablets) in the EU and other markets outside the U.S.;
- achieve planned sales levels for Zanaflex Capsules;
- continue to advance clinical development of our AC105 and GGF2 programs;

- continue to develop our preclinical product candidates and advance them into clinical trials; and
- evaluate and potentially expand our product development pipeline through the potential in-licensing and/or acquisition of additional products and technologies.

If we are not successful in executing our business plan, we may never achieve or may not sustain profitability.

Our collaboration partner, Biogen Idec, will need to obtain regulatory approval in foreign jurisdictions where we seek to market Ampyra.

In order to market our products in the EU and many other foreign jurisdictions, separate regulatory approvals must be obtained and numerous and varying regulatory requirements must be complied with. Approval procedures vary among countries and can involve additional clinical and nonclinical testing. The time required to obtain approval may differ from that required to obtain FDA approval. We and our partner may fail to obtain foreign regulatory approvals on a timely basis, if at all. In addition, individual countries, within the EU or elsewhere, may require additional steps after regulatory approval to gain access to national markets, such as agreements with pricing authorities and other agencies, that may affect the ability of us or our partner to market and sell products outside the U.S. Approval by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one foreign regulatory authority does not ensure approval by regulatory authorities in other foreign countries or by the FDA. Inability to obtain necessary regulatory approvals to commercialize Ampyra or other product candidates in foreign markets could materially adversely affect our business prospects.

Under the Collaboration Agreement, Biogen Idec has the right to develop and commercialize Ampyra in the EU and other markets outside the U.S. In January 2010, Biogen Idec submitted a centralized Marketing Authorization Application, or MAA, to the European Medicines Agency (EMA) and a New Drug Submission, or NDS, to Health Canada for Ampyra, known outside the U.S. as Fampyra (fampridine). In January 2011 the EMA's Committee for Medicinal Products for Human Use (CHMP) decided against approval. Biogen Idec, working closely with us, filed a formal appeal of the decision. In May 2011, the CHMP recommended conditional marketing authorization of, and in July 2011 Biogen Idec received conditional approval from the European Commission for, Fampyra (prolonged-release fampridine tablets) for the improvement of walking in adult patients with MS with walking disability (Expanded Disability Status Scale of 4-7). The conditional approval must be renewed annually, and there can be no assurance that Biogen Idec will be able to satisfy the requirements for maintaining the approval. For example, Biogen Idec needs to carry out additional studies of the benefits and safety of Fampyra, and the results of these studies could affect renewal of the approval. Biogen Idec received a Notice of Deficiency from Health Canada regarding its application for approval of Fampyra in Canada, and it responded to the Notice of Deficiency in April 2011. Health Canada will have approximately a year to reply to that response. The CHMP's decision against approval of Biogen Idec's application, and the similar decision by Health Canada, could lead to additional information requirements, including the submission of data from supplemental clinical trials other than those that support our U.S. filings with the FDA. Any requirements to conduct supplemental trials would add to the cost and risks of development and approval. Additional or supplemental trials with respect to Ampyra or other product candidates could also produce findings that are inconsistent with the trial results we have previously submitted to the FDA, in which case we would be obligated to report those findings to the FDA.

The approval of Zanaflex Capsules and Zanaflex tablets and any other products for which we may receive marketing approval in the future are subject to post-approval regulatory requirements, and we may be subject to penalties if we fail to comply with these requirements and our products could be subject to restrictions or withdrawal from the market.

Any product for which we currently have or may obtain marketing approval, along with the associated manufacturing processes, any post-approval clinical data that we might be required to collect and the advertising and promotional activities for the product, are subject to continual recordkeeping and reporting requirements, review and periodic inspections by the FDA and other regulatory bodies. Regulatory approval of a product may be subject to limitations on the indicated uses for which the product may be marketed or to other restrictive conditions of approval that limit our ability to promote, sell or distribute a product. Furthermore, any approval may contain requirements for costly post-marketing testing and surveillance to monitor the safety or efficacy of the product. For example, we are required to inform the FDA if certain issues arise in the manufacturing or packaging of our commercialized products.

We have an outstanding FDA commitment, inherited from Elan, to provide an assessment of the safety and effectiveness of Zanaflex Capsules in pediatric patients. This commitment, which is included in the NDA approval for Zanaflex Capsules, was to be satisfied by February 2007. We provided retrospective pediatric safety data to the FDA in April 2007. However, we were not able to complete the pediatric pharmacokinetic study by the February 2007 deadline due to delays in investigator recruitment and obtaining Institutional Review Board approvals. The study was completed and the final report submitted to the FDA in April 2008. The FDA reviewed our report against the new standards set out in the 2007 FDA Amendments Act (FDAAA) and concluded that it did not satisfy the commitment. The FDA has informed us that a series of studies designed to further characterize the pharmacokinetics and demonstrate the efficacy and long-term safety of Zanaflex Capsules in children are required to fulfill the pediatric commitment for Zanaflex Capsules. We have initiated the first in a series of studies designed to fulfill our pediatric commitment. In June 2011, the FDA advised us that they would be amending the pediatric commitment for Zanaflex Capsules to require a non-clinical juvenile toxicology study, as well as formalize the timeline for the required studies. Additionally, a clinical electrocardiogram study in adult humans to investigate potential QT prolongation (heart rhythm measure) has also been requested. These studies could be more extensive and more costly than our prior studies and could result in new data that are not consistent with the current safety and efficacy profile of the drug, which might require us to change our product labeling and could harm product sales. We also may be subject to penalties for non-compliance with FDAAA, including a court-imposed injunction to conduct studies.

Our advertising and promotion are subject to stringent FDA rules and oversight. In particular, the claims in our promotional materials and activities must be consistent with the FDA approvals for our products, and must be appropriately substantiated and fairly balanced with information on the safety risks and limitations of the products. Any free samples we distribute to physicians must be carefully monitored and controlled, and must otherwise comply with the requirements of the Prescription Drug Marketing Act, as amended, and FDA regulations. We must continually review adverse event information that we receive concerning our drugs and make expedited and periodic adverse event reports to the FDA and other regulatory authorities.

In addition, the research, manufacturing, distribution, sale and promotion of drug and biological products are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including the Centers for Medicare and Medicaid Services, the Federal Trade Commission, other divisions of the U.S. Department of Health and Human Services, the U.S. Department of Justice and individual U.S. Attorney offices within the Department of Justice, and state and local governments. For example, sales, marketing and scientific/educational grant programs must comply with the anti-kickback and fraud and abuse provisions of the Social Security Act, as amended, the False Claims Act, as amended, and are affected by the privacy provisions of the Health Insurance Portability and Accountability Act and similar state laws. Pricing and rebate programs must comply with the Medicaid rebate requirements of the Omnibus Budget Reconciliation Act of 1990, as amended, and the Veterans Health Care Act of 1992, as amended (VHCA). If products are made available to authorized users of the Federal Supply Schedule of the General Services Administration, additional laws and requirements apply. Under the VHCA, we are required to offer certain drugs at a reduced price to a number of federal agencies including the Veterans Administration and the Department of Defense (DOD), the Public Health Service and certain private Public Health Service designated entities in order to participate in other federal funding programs including Medicare and Medicaid. Recent legislative changes purport to require that discounted prices be offered for certain DOD purchases for its TRICARE program via a rebate system. Participation under the VHCA requires submission of pricing data and calculation of discounts and rebates pursuant to complex statutory formulas, as well as the entry into government procurement contracts governed by the Federal Acquisition Regulations. All of these activities are also potentially subject to federal and state consumer protection and unfair competition laws.

We may be slow to adapt, or we may not be able to adapt, to changes in existing regulatory requirements or adoption of new legal or regulatory requirements or policies. Later discovery of previously unknown problems with our products, manufacturing processes, or failure to comply with regulatory requirements, may result in:

- voluntary or mandatory recalls;
- voluntary or mandatory patient or physician notification;
- withdrawal of product approvals;
- product seizures;
- restrictions on, or prohibitions against, marketing our products;

- restrictions on importation of our product candidates;
- fines and injunctions;
- civil and criminal penalties;
- exclusion from participation in government programs; and
- suspension of review or refusal to approve pending applications.

In addition, the FDA or another regulatory agency may conduct periodic unannounced inspections. If they determine that we or any of our manufacturing or other partners are not in compliance with applicable requirements, they may issue a notice of inspectional observations. If the observations are significant, we may have to devote significant resources to respond and undertake appropriate corrective and preventive actions, which could adversely affect our business prospects.

If we cannot protect, maintain and, if necessary, enforce our intellectual property, our ability to develop and commercialize our products will be severely limited.

Our success will depend in part on our and our licensors' ability to obtain, maintain and enforce patent and trademark protection for the technologies, compounds and products, if any, resulting from our licenses and development programs. Without protection for the intellectual property we use or intend to use, other companies could offer substantially identical products for sale without incurring the sizable discovery, research, development and licensing costs that we have incurred. Our ability to recover these expenditures and realize profits upon the sale of products could be diminished.

We have invented, in-licensed or are the assignee of over 45 U.S. patents, over 115 foreign patents and over 255 patent applications pending worldwide for technologies we invented or in-licensed. The process of obtaining patents and trademarks can be time consuming and expensive with no certainty of success. Even if we spend the necessary time and money, a patent or trademark may not issue, it may not issue in a timely manner, or it may not have sufficient scope or strength to protect the technology it was intended to protect or to provide us with any commercial advantage. We may never be certain that we were the first to develop the technology or that we were the first to file a patent application for the particular technology because patent applications are confidential until they are published, and publications in the scientific or patent literature lag behind actual discoveries. The degree of future protection for our proprietary rights will remain uncertain if our pending patent applications are not allowed or issued for any reason or if we are unable to develop additional proprietary technologies that are patentable. Furthermore, third parties may independently develop similar or alternative technologies, duplicate some or all of our technologies, design around our patented technologies or challenge our issued patents or trademarks or the patents or trademarks of our licensors.

We may initiate actions to protect our intellectual property and in any litigation in which our intellectual property or our licensors' intellectual property is asserted, a court may determine that the intellectual property is invalid or unenforceable. Even if the validity or enforceability of that intellectual property is upheld by a court, a court may not prevent alleged infringement on the grounds that such activity is not covered by, for example, the patent claims. In addition, effective intellectual property enforcement may be unavailable or limited in some foreign countries for a variety of legal and public policy reasons. From time to time we may receive notices from third parties alleging infringement of their intellectual property rights. Any litigation, whether to enforce our rights to use our or our licensors' patents or to defend against allegations that we infringe third party rights, would be costly, time consuming, and may distract management from other important tasks.

As is commonplace in the biotechnology and pharmaceutical industry, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. To the extent our employees are involved in areas that are similar to those areas in which they were involved at their former employers, we may be subject to claims that such employees and/or we have inadvertently or otherwise used or disclosed the alleged trade secrets or other proprietary information of the former employers. Litigation may be necessary to defend against such claims, which could result in substantial costs and be a distraction to management and which could have an adverse effect on us, even if we are successful in defending such claims.

We also rely in our business on trade secrets, know-how and other proprietary information. We seek to protect this information, in part, through the use of confidentiality agreements with employees, consultants, collaborators, advisors and

others. Nonetheless, those agreements may not provide adequate protection for our trade secrets, know-how or other proprietary information and prevent their unauthorized use or disclosure. To the extent that consultants, collaborators, key employees or other third parties apply technological information independently developed by them or by others to our proposed products, joint ownership may result, which could undermine the value of the intellectual property to us or disputes may arise as to the proprietary rights to such information which may not be resolved in our favor. The risk that other parties may breach confidentiality agreements or that our trade secrets become known or independently discovered by competitors, could adversely affect us by enabling our competitors, who may have greater experience and financial resources, to copy or use our trade secrets and other proprietary information in the advancement of their products, methods or technologies. Policing unauthorized use of our or our licensors' intellectual property is difficult, expensive and time-consuming, and we may be unable to determine the extent of any unauthorized use. Adequate remedies may not exist in the event of unauthorized use or disclosure.

In August 2007, we received a Paragraph IV Certification Notice from Apotex advising that it had submitted an ANDA to the FDA seeking marketing approval for generic versions of Zanaflex Capsules. In response to the filing of the ANDA, in October 2007, we filed a lawsuit against Apotex Corp. and Apotex Inc. (collectively, Apotex) in the U.S. District Court for the District of New Jersey asserting infringement of our U.S. Patent No. 6,455,557 relating to multiparticulate tizanidine compositions, including those sold by us as Zanaflex Capsules. The patent expires in 2021.

In November 2007, the defendants answered our complaint, asserting patent invalidity and non-infringement and counterclaiming, seeking a declaratory judgment of patent invalidity and non-infringement. We denied those counterclaims. The case went to trial in May 2011, and we are awaiting a decision from the court. Although we believe we have vigorously defended our intellectual property rights related to Zanaflex Capsules, we cannot predict the outcome of the litigation and there is no assurance that we will prevail or that the ANDA filed by Apotex will not be approved by the FDA. If the Court rules that our patent is invalid, or that Apotex's product does not infringe our patent, and if the FDA approves that ANDA, Apotex could be permitted to sell a generic tizanidine hydrochloride capsule.

In addition, Apotex could begin selling a generic tizanidine hydrochlorride capsule product while the patent litigation is pending. Our filing of a timely lawsuit against Apotex in October 2007 triggered an automatic stay on FDA approval of the Apotex ANDA for 30 months. That stay expired in March 2010. Consequently, Apotex will be able to receive FDA approval of its ANDA if Apotex is able otherwise to satisfy FDA's review requirements for ANDAs, at which time it could begin selling a generic tizanidine hydrochloride capsule in competition with Zanaflex Capsules and Zanaflex tablets even if our patent litigation remains pending. If Apotex begins selling its product before it is successful in challenging the validity, infringement, or enforceability of our patent, Apotex would be selling at the risk of our ultimately prevailing on our patent infringement claims and its being held liable for damages for patent infringement. However, other generic manufacturers have launched products at risk in comparable circumstances.

Other third parties may bring similar claims to Apotex. We would face significant competition from any generic brand of tizanidine hydrochloride capsule, which would cause significant declines in our revenue and profit margin. If a generic tizanidine hydrochloride capsule were approved and commercialized, Zanaflex Capsules would face significant competition, which would likely cause significant declines in our revenue from this product. Should sales of Zanaflex Capsules materially decline due to generic competition, we might have to write off a portion of the intangible assets associated with Zanaflex Capsules.

Item 6. Exhibits

10.16	License Agreement, dated as of September 26, 2003, by and between the Registrant and Rush-Presbyterian-St. Luke's Medical Center.
10.22	License Agreement, dated as of November 12, 2002, by and between the Registrant and CeNeS Pharmaceuticals, plc.
10.24	License Agreement, dated as of September 8, 2000, by and between the Registrant and Mayo Foundation for Medical Education and Research.
10.61	Amendment to August 11, 2002 Employment Agreement dated June 21, 2011, by and between the Registrant and Ron Cohen.
10.62	Lease, dated as of June 23, 2011, by and between the Registrant and BMR-Ardsley Park LLC.
10.63*	License Agreement, dated as of June 27, 2011, by and between the Registrant and Medtronic, Inc. and Warsaw Orthopedic, Inc.
31.1	Certification by the Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2	Certification by the Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1	Certification by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification by the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document

* Portions of this exhibit were redacted pursuant to a confidential treatment request filed with the Secretary of the Securities and Exchange Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.

** In accordance with Regulation S-T, the XBRL-related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall be deemed to be "furnished" and not "filed."

SIGNATURES

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

ACORDA THERAPEUTICS, INC.

By: /s/ RON COHEN
Ron Cohen, M.D.
President, Chief Executive Officer and Director
(Principal Executive Officer)
Date: August 8, 2011

By: /s/ DAVID LAWRENCE
David Lawrence, M.B.A.
Chief Financial Officer
(Principal Financial and Accounting Officer)
Date: August 8, 2011

Exhibit Index

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Exhibit 10.16

LICENSE AGREEMENT

by and between

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER

and

ACORDA THERAPEUTICS, INC.

THIS LICENSE AGREEMENT effective as of September 26, 2003 ("Effective Date"), by and between **RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER,** an Illinois not-for-profit corporation and having its principal office at 1725 W. Harrison St. Chicago, Ill. 60612 ("RUSH") and **ACORDA THERAPEUTICS, INC.** , a corporation organized and existing under the laws of the State of Delaware and having its principal office at 15 Skyline Drive, Hawthorne, New York 10532 ("ACORDA").

W I T N E S S E T H:

WHEREAS, RUSH has conducted investigations of the compound known as 4-aminopyridine for treatment of the symptoms of multiple sclerosis and has accordingly developed know-how in relation thereto;

WHEREAS, RUSH has received a notice of designation (the "Rush Orphan Designation") from the FDA stating that the Licensed Product (as defined herein) "qualifies for orphan designation for the relief of symptoms of multiple sclerosis;"

WHEREAS, RUSH's right and title to the Rush Orphan Designation for the Licensed Product has been assigned to ACORDA and RUSH has consented to such assignment;

WHEREAS, RUSH has the right to grant licenses in respect of the RUSH Know-How (as defined herein) and has granted no licenses thereto except (i) the option agreement, dated September 7, 1990 (the "Option Agreement"), between RUSH and Elan Pharmaceutical Research Corp. ("EPRC"), a predecessor corporation of Elan Drug Delivery Inc., a wholly-owned subsidiary of Elan Corporation plc ("ELAN") and (ii) the license agreement dated November 13, 1990 (the "Rush/Elan License"), between RUSH and EPRC, (the Option Agreement and the Rush/Elan License being collectively referred to herein as the "Rush/Elan Agreements");

WHEREAS, pursuant to the Side Agreement, as defined below, RUSH and ELAN and EPRC have, among other things terminated the Rush/Elan Agreements as of the Effective Date;

WHEREAS, ACORDA desires to obtain exclusive license rights, with a right to grant sublicenses, under and to the RUSH Know-How (as defined herein), and RUSH desires to grant such license to ACORDA, upon the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Unless specifically set forth to the contrary herein, the following terms, where used in the singular or plural, shall have the respective meanings set forth below:

1.1. " Act " shall mean the Federal Food Drug and Cosmetic Act of 1934, and the rules and regulations promulgated thereunder, or any successor act, as the same shall be in effect from time to time.

1.2. " Affiliate " shall mean (i) any corporation or business entity of which more than fifty percent (50%) of the securities or other ownership interests representing the equity, the voting stock or general partnership interest are owned, controlled or held, directly or indirectly, by a Party; (ii) any corporation or business entity which, directly or indirectly, owns, controls or holds more than fifty percent (50%) (or the maximum ownership interest permitted by law) of the securities or other ownership interests representing the equity, voting stock or general partnership interest of a Party or (iii) any corporation or business entity of which a Party has the right to acquire, directly or indirectly, at least fifty percent (50%) of the securities or other ownership interests representing the equity, voting stock or general partnership interest thereof.

1.3. " Base Royalty Term " shall mean, in any country in the Territory, the period beginning with the date of the First Commercial Sale in such country and continuing until the earlier of (i) expiration of the last to expire Elan Patent in such country; or (ii) ten (10) years from the date of First Commercial Sale in such country; provided however, that, in the event that ACORDA receives Regulatory Approval in the United States for Licensed Product with an Orphan Designation for the treatment of multiple sclerosis, then the Base Royalty Term in the United States shall not be less than seven years from the date of First Commercial Sale in the United States. In the event that RUSH's further development of the RUSH Know-How results in the issuance to RUSH of a patent in any country or additional Orphan Drug Designation following the effective date of this Agreement that provides for a greater period of market exclusivity of the Product in such country, the Base Royalty Term in such country will continue for that period of market exclusivity provided by such patent or Orphan Drug Designation.

1.4. " Business Day(s) " shall mean any day that is not a Saturday or a Sunday or a day on which the New York Stock Exchange is closed.

1.5. " Calendar Quarter " shall mean the respective periods of three (3) consecutive calendar months ending on March 31, June 30, September 30 and December 31.

1.6. " Calendar Year " shall mean each successive period of twelve (12) months commencing on January 1 and ending on December 31.

1.7. " Compound " shall mean the chemical compound known as 4-aminopyridine, as diagrammed on Schedule 1.7 hereto.

1.8. " CFR " shall mean the United States Code of Federal Regulations.

1.9. " Effective Date " shall mean the date first above written.

1.10. " Elan/Acorda License " shall mean the Amended and Restated License Agreement effective as the Effective Date by and between ACORDA and ELAN.

1.11. " Elan Patent " shall mean any patent included in the Elan Patent Rights as set forth on Schedule 1.11 hereto

1.12. " End of Phase 2 Meeting " shall mean the first end of Phase 2 meeting with the FDA, as defined in 21 CFR Section 312.47, intended to determine the safety of proceeding to a Phase 3 Clinical Trial, evaluate the Phase 3 plan and protocols and identify any additional information necessary to support the NDA.

1.13. " FDA " shall mean the United States Food and Drug Administration and any successor agency having substantially the same functions.

1.14. " First Commercial Sale " shall mean the first commercial sale of Product by ACORDA, its Affiliate or its sublicensees in a country, for end use or consumption, after all required Regulatory Approvals have been granted by the governing health authority of such country. Sales for test marketing, clinical trial purposes, research and development, or compassionate or similar use where Acorda does not receive revenue from the sale other than cost recovery, shall not be deemed to constitute a commercial sale.

1.15. " GAAP " shall mean generally accepted accounting principles in the United States, consistently applied.

1.16. " Improvement " shall mean any and all improvements and enhancements, patentable or otherwise, related to the Compound or Product including, without limitation, in the manufacture, formulation, ingredients, preparation, presentation, means of delivery or administration, dosage, indication, use or packaging of Compound or Product.

1.17. " Licensed Product " shall mean any Product that utilizes or exploits the RUSH Know-How in the treatment of multiple sclerosis.

1.18. " NDA " shall mean a new drug application as defined in the Act and applicable regulations promulgated thereunder that is filed with the FDA to obtain Regulatory Approval of Licensed Product in the United States.

1.19. " Neurological Indications " shall mean indications concerning disorders and conditions of the neuromuscular system, central, peripheral and autonomic nervous systems, the neuromuscular junction and/or muscle. Such indications shall include, but not be limited to, multiple sclerosis and spinal cord injury.

1.20. " Net Sales " shall mean the gross amount invoiced for commercial sales of Product in the Territory by ACORDA or its Affiliates to Third Parties commencing upon the date of First Commercial Sale in any country in the Territory, after deducting the following:

(i) trade, cash and quantity discounts;

(ii) credits and allowances on account of returned or rejected Product, including allowance for breakage or spoilage, recalls or Product destruction (whether voluntarily made or requested or made by a Regulatory Authority)

(iii) chargebacks, rebates or similar payments granted to customers, including, but not limited to, managed health care organizations, wholesalers, distributors, buying groups, retailers, health care insurance carriers, pharmacy benefit management companies, health maintenance organizations or other institutions or health care organizations or to federal, state/provincial, local and other governments, their agencies and purchasers and reimbursers;

(iv) sales or excise taxes, VAT or other taxes, and transportation, freight, postage, shipping and insurance charges and additional special transportation, custom duties, and other governmental charges;

(v) retroactive price reductions; and

(vi) write-offs or allowances for bad debts, to the extent permitted by GAAP.

Sales or other transfers between ACORDA and its Affiliates shall be excluded from the computation of Net Sales and no payments will be payable on such sales or transfers except where such Affiliates are end users, but Net Sales shall include the subsequent sales to Third Parties by such Affiliates.

1.21. " Orphan Designation " shall mean the designation of a drug as a drug for a rare disease or condition pursuant to Section 526 of the Act.

1.22. " Party " shall mean RUSH or ACORDA.

1.23. " Phase 3 Clinical Trial " shall mean a clinical trial in patients with multiple sclerosis conducted after an End of Phase 2 Meeting and conducted on a sufficient number of patients that is designed to establish that Licensed Product is safe and efficacious for its intended use, and to define warnings, precautions and adverse reactions that are associated with Licensed Product in the dosage range to be prescribed, and supporting Regulatory Approval of Licensed Product in the treatment of multiple sclerosis.

1.24. " Product " shall mean any finished pharmaceutical formulation for prescription use for the treatment of any human Neurological Indications which contains Compound as the therapeutically active ingredient.

1.25. " Proprietary Information " shall mean any and all scientific, clinical, regulatory, marketing, financial and commercial information or data, whether communicated in writing, orally or by any other means, which is owned and under the protection of one

Party and is being provided by that Party to the other Party in connection with this Agreement.

1.26. " Reduced Royalty Term " shall mean, in any country in the Territory, the period of time beginning with the date following the expiration of the Base Royalty Term in such country and continuing until the fifteenth anniversary of the Effective Date.

1.27. " Regulatory Authority " shall mean the FDA in the U.S., the EMEA or any agency in the European Union and any health regulatory authority(ies) in any country(ies) in the Territory that holds responsibility for granting Regulatory Approval for a Product in such country(ies), and any successor(s) agency thereto having substantially the same functions.

1.28. " Regulatory Approval" shall mean all approvals (including pricing and reimbursement approvals required for marketing authorization), product and/or establishment licenses, registrations or authorizations of all regional, federal, state or local regulatory agencies, departments, bureaus or other governmental entities, necessary for the manufacture, use, storage, import, export, transport and sale of Product in a regulatory jurisdiction.

1.29. " Royalty Year " shall mean, (i) for the year in which the First Commercial Sale occurs (the "First Royalty Year"), the period commencing with the first day of the Calendar Quarter in which the First Commercial Sale occurs and expiring on the last day of the Calendar Year in which the First Commercial Sale occurs; and (ii) for each subsequent year commencing after the end of the First Royalty Year, each successive Calendar Year.

1.30. " RUSH Know-How " shall mean all information and materials, including but not limited to, discoveries, information, Improvements, processes, formulas, data, inventions, know-how and trade secrets, patentable or otherwise, which as of the Effective Date or at any time during the term of this Agreement:

(a) relate to Compound or Product; and

(b) were developed by or on behalf of RUSH, are owned by RUSH or are in RUSH's possession or control.

Such know-how shall include, without limitation, all chemical, pharmaceutical, toxicological, preclinical, clinical, assay control, regulatory submissions, designations and approvals, and any other information used or useful for the development, manufacturing and/or regulatory approval of Compound or Product, including such rights which RUSH may have to information developed by Third Parties.

1.31. " Side Agreement " shall mean the Side Agreement by and among RUSH, ACORDA and ELAN executed as of the Effective Date, a copy of which is attached hereto as Exhibit 1.31 .

1.32. " Territory " shall mean all of the countries in the world.

1.33. " Third Party(ies) " shall mean a person or entity who or which is neither a Party nor an Affiliate of a Party.

ARTICLE II
LICENSE; SUBLICENSES

2.1. License Grant . RUSH hereby grants to ACORDA an exclusive (even as to RUSH) license, including the right to grant sublicenses, under the RUSH Know-How, to develop, make, have made, use, import, offer for sale, market, commercialize, distribute and sell and otherwise dispose of Product in the Territory and to use and practice the RUSH Know-How. Notwithstanding the foregoing grant, Rush is expressly permitted to use its 4-AP know how for internal development and research efforts; provided, however, that (i) such use is for non-commercial academic purposes only, and (ii) that RUSH shall promptly notify ACORDA of any intellectual property, discovery or invention, once conceived and/or reduced to practice by RUSH in the course of conducting or performing such non-commercial activity, which shall be deemed RUSH Know-How for purposes of this Agreement.

2.2. Improvements by ACORDA . All rights and title to and interest in any Improvement developed or discovered by ACORDA in connection with the license granted under Section 2.1 above or ACORDA's activities hereunder shall be vested solely in ACORDA. Notwithstanding the provisions of 2.2, Acorda will continue to have royalty obligations set forth in Article V, to the extent applicable, with respect to any Product that contains an Improvement and which includes the Compound as the primary therapeutically active ingredient.

2.3. Sublicenses. ACORDA shall have the right to grant sublicenses of the licenses granted to it under Section 2.1 of this Agreement to Affiliates or any Third Party. ACORDA shall provide written notice to RUSH of any such sublicenses.

ARTICLE III
DEVELOPMENT AND COMMERCIALIZATION

3.1. Exchange of Information . Following execution of this Agreement, RUSH shall utilize good faith reasonable efforts to disclose to ACORDA in English and in writing, all Rush Know-How not previously available or made available to ACORDA, in electronic format, where available, and hard copies (or, upon ACORDA's request, originals), with the intention to make such information available to ACORDA as soon as reasonably practicable Throughout the term of this Agreement, and in addition to the other communications required under this Agreement, RUSH shall also promptly disclose to ACORDA in English and in writing on an ongoing basis all Rush Know-How, and any and all additions or revisions thereto. To the extent not previously assigned to ACORDA, RUSH hereby conveys, assigns and transfers to ACORDA, free and clear of all claims, liens and encumbrances and contractually imposed restrictions, all right, title and interest in and to the Rush Orphan Designation. RUSH shall assist and cooperate with ACORDA in the submission of any letters or other documents to the FDA required or requested in connection with the change in ownership of the Rush Orphan Designation from RUSH to ACORDA. RUSH shall notify ACORDA promptly of any request for, or

any expression of interest in using, Compound for research or any other purpose and shall refer any such requests or expressions of interest directly to ACORDA. RUSH shall also promptly notify ACORDA of any intellectual property, discovery or invention, once conceived and/or reduced to practice by RUSH or any employee or agent of RUSH, in the course of conducting or performing any activity relating to Compound or Product.

3.2. Development and Commercialization . ACORDA shall use commercially reasonable efforts to develop and commercialize Licensed Product. As used herein, "commercially reasonable efforts" shall mean efforts and resources normally used by ACORDA for a product owned by it or to which it has exclusive rights, which is of similar market potential at a similar stage in its development or product life, taking into account issues of safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory and reimbursement structure involved, the profitability of the applicable products, and other relevant factors. ACORDA shall provide RUSH with an annual written report summarizing the status of ACORDA'S clinical development and regulatory activities with respect to Licensed Product, with the delivery to RUSH of the summary of the annual report to an IND submitted by ACORDA to the FDA in connection with the periodic reporting requirements of the IND to be in satisfaction of the foregoing requirement. The obligations set forth in this Section 3.2 are expressly conditioned upon the absence of any serious adverse conditions or event relating to the safety or efficacy of Compound or Product including the absence of any action by any regulatory authority limiting the development or commercialization of Compound or Product.

3.3. Regulatory Matters .

(a) ACORDA shall own, control and retain primary legal responsibility for the preparation, filing and prosecution of all filings and regulatory applications required to obtain Regulatory Approvals. ACORDA shall notify upon the receipt of Regulatory Approvals and of the date of First Commercial Sale.

(b) Upon ACORDA'S request, RUSH shall consult and cooperate with ACORDA in connection with obtaining Regulatory Approval of Product.

3.4. Trademark. ACORDA shall select, own and maintain trademarks for Product in the Territory.

ARTICLE IV
CONFIDENTIALITY AND PUBLICITY

4.1. Non-Disclosure and Non-Use Obligations . All Proprietary Information disclosed by one Party to the other Party hereunder shall be maintained in confidence and shall not be disclosed to any Third Party or used for any purpose except as expressly permitted herein without the prior written consent of the Party that disclosed the Proprietary Information to the other Party during the term of this Agreement. The foregoing non-disclosure and non-use obligations shall not apply to the extent that such Proprietary Information:

(a) is known by the receiving Party at the time of its receipt, and not through a prior disclosure by the disclosing Party, as documented by business records;

(b) is or becomes properly in the public domain or knowledge;

(c) is subsequently disclosed to a receiving Party by a Third Party who may lawfully do so and is not under an obligation of confidentiality to the disclosing Party; or

(d) is developed by the receiving Party independently of Proprietary Information received from the other Party, as documented by research and development records.

4.2. Permitted Disclosure of Proprietary Information . Notwithstanding Section 4.1, a Party receiving Proprietary Information of another Party may disclose such Proprietary Information:

(a) by ACORDA to governmental or other regulatory agencies in order to obtain patents or to gain approval to conduct clinical trials or to market Product;

(b) by ACORDA or its agents, consultants, Affiliates, sublicensees and/or other Third Parties for the research and development, manufacturing and/or marketing of the Compound and/or Product (or for such parties to determine their interests in performing such activities) on the condition that such Third Parties agree to be bound by the confidentiality obligations consistent with this Agreement; or

(c) if required to be disclosed by law or court order, provided that notice is promptly delivered to the non-disclosing Party in order to provide an opportunity to challenge or limit the disclosure obligations; provided, however, without limiting any of the foregoing, it is understood that ACORDA or its Affiliates may make disclosure of this Agreement and the terms hereof in any filings required by the Securities and Exchange Commission ("SEC") or any other governmental agency, may file this Agreement as an exhibit to any filing with the SEC or such agency and may distribute any such filing in the ordinary course of its business.

4.3. Publication . Neither RUSH nor any Affiliate or employee of or consultant to RUSH shall make any publication relating to Compound or Product without the prior consent of ACORDA. If RUSH proposes to submit for written or oral publication any manuscript, abstract or the like relating to Compound or Product, it shall first deliver the proposed publication to ACORDA at least thirty (30) Business Days prior to planned submission. At the request of ACORDA, the submission of such publication may be delayed for up to fourteen (14) days in addition to the said thirty Business Days, including for issues of patent protection or other matters relating to the development of Compound or Product. If ACORDA requests modifications to the publication, RUSH shall edit such publication as

reasonably necessary to prevent disclosure of trade secret or proprietary business information prior to submission of the publication or presentation.

ARTICLE V
PAYMENTS; ROYALTIES AND REPORTS

5.1. Up-front License Fee . In consideration of the rights granted by RUSH hereunder, ACORDA shall pay RUSH an up-front license fee of $200,000 within five (5) Business Days after the Effective Date.

5.2. Milestone Payments . In further consideration of the rights granted by RUSH hereunder, ACORDA or its designees shall pay RUSH the following milestone payments, contingent upon occurrence of the specified event, with each milestone payment to be made no more than once with respect to the achievement of such milestone (but payable the first time such milestone is achieved) for Licensed Product:

(a) US $100,000 upon the commencement (first dosing of the first patient) of the first Phase 3 Clinical Trial;

(b) US $100,000 upon the completion of the first Phase 3 Clinical Trial;

(c) US $200,000 upon the FDA's acceptance for filing of the NDA; and

(d) US $750,000 upon receipt of first written Regulatory Approval of the NDA for marketing in the United States by the FDA.

ACORDA shall notify RUSH in writing within thirty (30) Business Days after the achievement of each milestone and such notice shall be accompanied by the appropriate milestone payment. The milestone payments described in this Section 5.2 shall be payable only upon the initial achievement of each milestone, and no amounts shall be due hereunder for any subsequent or repeated achievement of such milestones, regardless of the number of Licensed Products for which such milestone may be achieved.

5.3. Royalties and Other Payments.

5.3.1. Royalties

(a) Subject to the terms and conditions of this Agreement, and in further consideration of the rights granted by RUSH hereunder, ACORDA or its designees shall pay to RUSH royalties during the Base Royalty Term in an amount equal to (i) two percent (2%) of Net Sales in each Royalty Year in the United States; and (ii) one percent (1%) of Net Sales in each Royalty Year in each country in the Territory other than the United States. Royalties on Net Sales at the rates set forth in this Section 5.3.1(a) shall accrue as of the date of First Commercial Sale of Product in the applicable country and shall continue and accrue on Net Sales on a country-by-country basis until the expiration of the Base Royalty Term in such country. Thereafter, ACORDA shall be relieved of any royalty payment under this Section 5.3.1(a).

(b) Subject to the terms and conditions of this Agreement, and in further consideration of the rights granted by RUSH hereunder, ACORDA or its designees shall pay to RUSH royalties during the Reduced Royalty Term in an amount equal to (i) one percent (1%) of Net Sales in each Royalty Year in the United States; and (ii) one-half of one percent (.5%) of Net Sales in each Royalty Year in each country in the Territory other than the United States. Royalties on Net Sales at the rates set forth in this Section 5.3.1(b) shall accrue as of the commencement of the Reduced Royalty Term in the applicable country and shall continue and accrue on Net Sales on a country-by-country basis until the expiration of the Reduced Royalty Term in such country. Thereafter, ACORDA shall be relieved of any royalty payment under this Agreement.

(c) The payment of royalties set forth above shall be subject to the following conditions:

(A) only one payment shall be due with respect to the same unit of Product;

(B) no royalties shall accrue on the disposition of Product by ACORDA, Affiliates or sublicensees as samples (promotion or otherwise) or as donations (for example, to non-profit institutions or government agencies) or to clinical trials or for research and and/or development or for compassionate or similar use where ACORDA does not receive revenue other than cost recovery; and

(C) RUSH shall be responsible for payment of any royalties or other obligations owed by RUSH to any Third Party.

5.3.2. Affiliate and Sublicensee Sales . In the event that ACORDA transfers Compound or Product to one of its Affiliates or sublicensees, there shall be no royalty due at the time of transfer. Subsequent sales of Product by the Affiliates or sublicensees to Third Parties such as patients, hospitals, medical institutions, health plans or funds, wholesalers (which are not sublicensees), pharmacies or other retailers, shall be reported as Net Sales hereunder.

5.3.3. Third Party Licenses . If one or more licenses from a Third Party or Third Parties are obtained by ACORDA in order to develop, make, have made, use, sell or import Compound or Product in a particular country, fifty percent (50%) of any royalties or other payments paid under such Third Party patent licenses by ACORDA in such country for such Calendar Quarter shall be creditable against the royalty or other payments payable to RUSH by ACORDA in such country; provided, however, that the amount credited in any Calendar Quarter shall not exceed fifty percent (50%) of the royalties that would have otherwise been payable to RUSH for such Calendar Quarter.

5.3.4. Combination Product . Notwithstanding the provisions of Section 5.3.1, in the event a Product is sold as a combination product with other biologically active components, Net Sales, for purposes of royalty payments on the combination product, shall be calculated by multiplying the Net Sales of that combination product by the

fraction A/B, where A is the gross selling price of the Product sold separately and B is the gross selling price of the combination product. If no such separate sales are made, Net Sales for royalty determination shall be calculated by multiplying Net Sales of the combination product by the fraction C/(C+D), where C (excluding the fully allocated cost of the other biologically active component in question) is the fully allocated cost of the Compound and D is the fully allocated cost of such other biologically active components.

5.4. Reports; Payment of Royalty . During the term of the Agreement for so long as royalty payments are due, ACORDA shall furnish to RUSH a written report for each Calendar Quarter showing the Net Sales of all Products subject to royalty payments during the reporting period and the calculation of the royalties payable to RUSH under this Agreement, including deductions from Net Sales. Reports shall be due on the forty-fifth (45 th) day following the close of each Calendar Quarter. Royalties shown to have accrued by each royalty report, if any, shall be due and payable on the date such report is due. ACORDA shall keep complete and accurate records in sufficient detail to enable the royalties hereunder to be determined. ACORDA shall retain such records for twenty-four (24) months after submission of the corresponding report.

5.5. Audits . Upon the written request of RUSH and not more than once during the twelve (12) month period next following the expiration of each Royalty Year during the term of the Agreement, ACORDA shall, at RUSH's expense, permit an independent certified public accounting firm selected by RUSH and reasonably acceptable to ACORDA to have access during normal business hours, upon thirty (30) days prior notice to ACORDA, to such of the records of ACORDA as may be reasonably necessary to verify the accuracy of the royalty reports hereunder for any Royalty Year ending not more than twenty-four (24) months prior to the date of such request. The accounting firm shall provide a written report as soon as practicable, which shall disclose only whether the royalty reports are correct or incorrect and the specific details concerning any discrepancies. This Section 5.5 shall survive the expiration or termination of this Agreement for a period of two years.

5.5.1. If such accounting firm concludes that additional royalties were owed during such period, ACORDA shall pay the additional royalties within sixty (60) days of the date RUSH delivers to ACORDA such accounting firm's written report so concluding; provided however, that, in the event that ACORDA shall not be in agreement with the conclusion of such report (a) ACORDA shall not be required to pay such additional royalties and (b) such matter shall be resolved pursuant to the provisions of Section 9.6 herein. In the event such accounting firm concludes that amounts were overpaid by ACORDA during such period, such over payment will be credited against future royalties; provided, however, that, in the event that RUSH shall not be in agreement with the conclusion of such report (x) such matter shall be resolved pursuant to the provisions of Section 9.6 herein and (y) in the event that the overpayment to RUSH exceeds royalties due and owing to Rush over the term of the agreement, RUSH shall reimburse ACORDA within 60 days for any remaining overpayment. The fees charged by such accounting firm shall be paid by RUSH; provided, however, that if an error in favor of RUSH of more than five percent (5%) of the royalties due hereunder for the period being reviewed is discovered, then

ACORDA shall pay the reasonable fees and expenses charged by such accounting firm.

5.5.2. Upon the expiration of twenty-four (24) months following the end of any Royalty Year (subject to tolling of such period during the pendency of an audit relating to such period under Section 5.5.1 above) the calculation of royalties payable with respect to such year shall be binding and conclusive upon RUSH, and ACORDA shall be released from any liability or accountability with respect to royalties for such year.

5.5.3. RUSH shall treat all financial information subject to review under this Section 5.5 in accordance with the confidentiality provisions of this Agreement.

5.6. Payment Exchange Rate . All payments to RUSH under this Agreement shall be made in United States dollars. In the case of sales outside the United States, the rate of exchange to be used in computing Net Sales shall be calculated monthly in accordance with the conversion rates published in the Wall Street Journal, Eastern edition (if available).

5.7. Tax Withholding . If laws, rules or regulations require withholding of income taxes or other taxes imposed upon payments set forth in this Article V, RUSH shall provide ACORDA, prior to any such payment, annually or more frequently if required, with all forms or documentation required by any applicable taxation laws, treaties or agreements to such withholding or as necessary to claim a benefit thereunder (including, but not limited to Form W-8BEN or any successor forms) and ACORDA shall make such withholding payments as required and subtract such withholding payments from the payments set forth in this Article V. ACORDA will use commercially reasonable efforts consistent with its usual business practices and cooperate with RUSH to ensure that any withholding taxes imposed are reduced as far as possible under the provisions of the current or any future taxation treaties or agreements between foreign countries.

5.8. Exchange Controls . Notwithstanding any other provision of this Agreement, if at any time legal restrictions prevent the prompt remittance of part or all of the royalties with respect to Net Sales in any country, payment shall be made through such lawful means or methods as ACORDA may determine. When in any country the law or regulations prohibit both the transmittal and deposit of royalties on sales in such a country, royalty payments shall be suspended for as long as such prohibition is in effect (and such suspended payments shall not accrue interest), and promptly after such prohibition ceases to be in effect, all royalties or other payments that ACORDA or its Affiliates would have been obligated to transmit or deposit, but for the prohibition, shall be deposited or transmitted, as the case may be, to the extent allowable (with any interest earned on such suspended royalties which were placed in an interest-bearing bank account in that country, less any transactional costs). If the royalty rate specified in this Agreement should exceed the permissible rate established in any country, the royalty rate for sales in such country shall be adjusted to the highest legally permissible or government-approved rate.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES

6.1. RUSH Representations and Warranties . RUSH represents and warrants to ACORDA that as of the Effective Date:

(a) Each of this Agreement and the Side Agreement has been duly executed and delivered by RUSH and constitutes legal, valid, and binding obligations enforceable against RUSH in accordance with their respective terms;

(b) no approval, authorization, consent, or other order or action of or filing with any court, administrative agency or other governmental authority is required for the execution and delivery by RUSH of this Agreement or the Side Agreement or the consummation by RUSH of the transactions contemplated hereby or thereby except such consents or filings as are contemplated by this Agreement;

(c) RUSH has the full corporate power and authority to enter into and deliver this Agreement and the Side Agreement, to perform and to grant the licenses granted under Article II hereof and to consummate the transactions contemplated hereby and by the Side Agreement; all corporate acts and other proceedings required to be taken to authorize such execution, delivery, and consummation have been duly and properly taken and obtained;

(d) With the exception of the Rush/Elan Agreements, which have terminated in their entirety pursuant to the Side Agreement, RUSH has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in the Compound or Product or the RUSH Know-How or entered into any agreement with any Third Party which is in conflict with the rights granted to ACORDA pursuant to this Agreement;

(e) RUSH is the sole and exclusive owner of the RUSH Know-How, all of which are free and clear of any security interests, liens, charges, encumbrances or restrictions on license, and no Third Party has any claim of ownership or other rights with respect to the RUSH Know-How, whatsoever, except that RUSH agrees and acknowledges that the Orphan Designation has been assigned to ACORDA;

(f) RUSH has the sole and exclusive authority to grant the rights and licenses granted under Article II and, with the exception of the Rush/Elan Agreements, which have terminated in their entirety pursuant to the Side Agreement, RUSH has not previously granted, and will not grant, or engage in any discussions to grant, during the term of this Agreement, any right, license or interest in and to the Compound or Product or the RUSH

Know-How, or any portion thereof, inconsistent with the license granted to ACORDA herein;

(g) there are no claims, judgments or settlements against or owed by RUSH or pending or, to the best of its knowledge, threatened claims or litigation relating to the Compound or the Rush Know-How;

(h) RUSH will use reasonable efforts to disclose to ACORDA all relevant information known by it regarding the Rush Know-How reasonably related to the activities contemplated under this Agreement to the extent such Rush know-how has not previously been disclosed;

(i) in connection with development of the Rush Know-How, RUSH has complied in all material respects with applicable U.S. laws and regulations;

(j) RUSH has not filed and is not the owner in any country in the Territory of any patents or patent applications or of any certificates of invention or applications for certificates of invention, relating to Compound or Product; and

(k) With the exception of the Rush/Elan Agreements, which have terminated in their entirety pursuant to the Side Agreement, there are no contracts, agreements or any other arrangements between RUSH and any Third Party relating to the research, development or commercialization of the Compound or Product.

6.2. ACORDA Representations and Warranties . ACORDA represents and warrants to RUSH that as of the Effective Date:

(a) Each of this Agreement and the Side Agreement have been duly executed and delivered by it and constitutes legal, valid, and binding obligations enforceable against ACORDA in accordance with their respective terms;

(b) it has full corporate power and authority to execute and deliver this Agreement and the Side Agreement and to consummate the transactions contemplated hereby and thereby. All corporate acts and other proceedings required to be taken to authorize such execution, delivery, and consummation have been duly and properly taken and obtained;

(c) no approval, authorization, consent, or other order or action of or filing with any court, administrative agency or other governmental authority is required for the execution and delivery by it of this Agreement or the Side Agreement or the consummation by it of the transactions contemplated hereby or thereby.

ARTICLE VII

7.1. Indemnification . ACORDA shall defend, indemnify and hold harmless RUSH from and against any and all loss, cost and liability, including RUSH's reasonable attorneys fees and costs ("Losses"), arising in connection with claims made by Third Parties respecting the manufacture, sale or use of any Product by such Third Party ("Claims"). RUSH shall give ACORDA prompt notice of any such Loss or claim, shall cooperate in its defense, and shall give ACORDA full authority to defend and settle such claim on RUSH's behalf.

7.2. The indemnity obligation set forth in Section 7.1 above shall not apply in the case of Losses or Claims caused by or based on (i) RUSH's gross negligence or willful misconduct; (ii) any breach of this Agreement by RUSH; or (iii) any violation of RUSH's representations or warranties hereunder.

ARTICLE VIII
TERM AND TERMINATION

8.1. Term and Expiration . This Agreement shall be effective as of the Effective Date and unless terminated earlier pursuant to Section 8.2 below, the term of this Agreement shall continue in effect until expiration of all royalty or other payment obligations hereunder.

8.2. Termination .

8.2.1 Termination for Cause . Either Party may terminate this Agreement by notice to the other Party at any time during the term of this Agreement as follows:

(a) if the other Party is in breach of any material obligation hereunder by causes and reasons within its control, or has breached, in any material respect, any representations or warranties set forth in Article VI, and has not cured such breach within ninety (90) days after notice requesting cure of the breach, provided, however, that if the breach is not capable of being cured within ninety (90) days of such written notice, the Agreement may not be terminated so long as the breaching Party commences and is taking commercially reasonable actions to cure such breach as promptly as practicable; or

(b) upon the filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by the other Party; provided, however , in the case of any involuntary bankruptcy, reorganization, liquidation, receivership or assignment proceeding such right to terminate shall only become effective if the Party consents to the involuntary proceeding or such proceeding is not dismissed within ninety (90) days after the filing thereof.

8.2.2 Licensee Rights Not Affected.

All rights and licenses granted pursuant to this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code licenses of rights to "intellectual property" as defined under Section 101(35A) of the Bankruptcy Code. The Parties agree that ACORDA and RUSH shall retain and may fully exercise all of their respective rights, remedies and elections under the Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy or reorganization case by or against a Party under the Bankruptcy Code, the other Party shall be entitled to all applicable rights under Section 365 (including 365(n)) of the Bankruptcy Code. Upon rejection of this Agreement by a Party or a trustee in bankruptcy for such Party, pursuant to Section 365(n), the other Party may elect (i) to treat this Agreement as terminated by such rejection or (ii) to retain its rights (including any right to enforce any exclusivity provision of this Agreement) to intellectual property (including any embodiment of such intellectual property) under this Agreement and under any agreement supplementary to this Agreement for the duration of this Agreement and any period for which this Agreement could have been extended by such other Party, subject, however, to the continued payment of all amounts owing under Section 5.3 of this Agreement, all of which amounts shall be deemed to be royalties for purposes of Section 365(n) of the Bankruptcy Code. Upon written request to the trustee in bankruptcy or bankrupt Party, the trustee or Party, as applicable, shall (i) provide to the other Party any intellectual property (including such embodiment) held by the trustee or the bankrupt Party and shall provide to the other Party a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property and (ii) not interfere with the rights of the other Party to such intellectual property as provided in this Agreement or any agreement supplementary to this Agreement, including any right to obtain such intellectual property (or such embodiment or duplicates thereof) from a Third Party.

8.3. Effect of Expiration or Termination . Expiration or termination of this Agreement shall not relieve the Parties of any obligation accruing prior to such expiration or termination. ACORDA and its Affiliates and sublicensees shall have the right to sell or otherwise dispose of the stock of any Product subject to this Agreement then on hand or in process of manufacture and ACORDA will continue to pay Rush royalties pursuant to Article V after the expiration or termination of this Agreement for any such Product sold. In addition to any other provisions of this Agreement which by their terms continue after the expiration of this Agreement, the provision of Article IV shall survive the expiration or termination of this Agreement and shall continue in effect for five (5) years from the date of expiration or termination and the provisions of Article IX shall survive the expiration or termination of this Agreement. Upon any termination of this Agreement, each party shall promptly return to the other party all Proprietary Information received from the other party (except one copy of which may be retained for archival purposes). In addition, any other provision required to interpret and enforce the Parties' rights and obligations under this Agreement shall also survive, but only to the extent required for the full observation and performance of this Agreement. Any expiration or early termination of this Agreement shall be without prejudice to the rights of any Party against the other

accrued or accruing under this Agreement prior to termination. In the event ACORDA breaches any of the financial provisions contained in this Agreement, in lieu of any other remedy that may be available, RUSH shall be entitled to pursue its remedies at law, but shall not be entitled to injunctive relief.

ARTICLE IX
MISCELLANEOUS

9.1. Right to Develop Independently . Nothing in this Agreement will impair ACORDA's right to independently acquire, license, develop, or have others develop for it, products similar to or performing functions similar to Product, or similar technology performing similar functions to the Products or to market and distribute products based on other technology.

9.2. Force Majeure . Neither Party shall be held liable or responsible to the other Party nor be deemed to have defaulted under or breached the Agreement for failure or delay in fulfilling or performing any term of the Agreement during the period of time when such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party including, but not limited to, fire, flood, embargo, war, acts of war (whether war be declared or not), insurrection, riot, civil commotion, strike, lockout or other labor disturbance, act of God or act, omission or delay in acting by any governmental authority or the other Party. The affected Party shall notify the other Party of such force majeure circumstances as soon as reasonably practicable.

9.3. Assignment . The Agreement may not be assigned or otherwise transferred without the prior written consent of the other Party; provided, however, that ACORDA may assign this Agreement to an Affiliate or in connection with the transfer or sale of its business or all or substantially all of its assets related to Compound or Product or in the event of a merger, consolidation, change in control or similar corporate transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement.

9.4. Severability . In the event that any of the provisions contained in this Agreement are held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the absence of the invalidated provision(s) adversely affect the substantive rights of the Parties. In such event, the Parties shall replace the invalid, illegal or unenforceable provision(s) with valid, legal and enforceable provision(s) which, insofar as practical, implement the purposes of this Agreement.

9.5. Notices . All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally, sent by facsimile (and promptly confirmed by personal delivery, registered or certified mail or overnight courier), sent by nationally-recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

if to ACORDA to:

ACORDA THERAPEUTICS, INC.
15 Skyline Drive
Hawthorne, New York 10532

Attention: : President
Fax No.: 914.347.4560

if to RUSH to:

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER
1725 W. Harrison Street
Chicago, Illinois 60612
Attention: Intellectual Property Office/General Counsel's Office
Fax No.: 312-942-2055

or to such other address as the Party to whom notice is to be given may have furnished to the other Parties in writing in accordance herewith. Any such communication shall be deemed to have been given when delivered if personally delivered or sent by facsimile on a Business Day, upon confirmed delivery by nationally-recognized overnight courier if so delivered and on the third Business Day following the date of mailing if sent by registered or certified mail.

9.6 . Applicable Law and Dispute Resolution . The Agreement shall be governed by and construed in accordance with the laws of the United States of America and State of New York without reference to any rules of conflict of laws.

(a) The Parties agree to attempt initially to solve all claims, disputes, or controversies arising under, out of, or in connection with this Agreement (a "Dispute") by conducting good faith negotiations. Any Disputes which cannot be resolved by good faith negotiation within twenty (20) Business Days, shall be referred, by written notice from either Party to the other, to the Chief Executive Officer of each Party. Such Chief Executive Officers shall negotiate in good faith to achieve a resolution of the Dispute referred to them within twenty (20) Business Days after such notice is received by the Party to whom the notice was sent. If the Chief Executive Officers are unable to settle the Dispute between themselves within twenty (20) Business Days, they shall so report to the Parties in writing. The Dispute shall then be referred to mediation as set forth in the following subsection (b).

(b) Upon the Parties receiving the Chief Executive Officers' report that the Dispute referred to them pursuant to subsection (a) has not been resolved, the Dispute shall be referred to mediation by written notice from either Party to the other. The mediation shall be conducted pursuant to the American Arbitration Association ("AAA") procedures. The place of the mediation shall be Chicago, Illinois. If the Parties have not reached a settlement within twenty (20) Business Days of the date of the notice of mediation, the Dispute shall be referred to arbitration pursuant to subsection (c) below.

(c) If after the procedures set forth in subsections (a) and (b) above, the Dispute has not been resolved, a Party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other Party. The Parties shall refrain from instituting the arbitration proceedings for a period of sixty (60) days following such notice. During such period, the Parties shall continue to make good faith efforts to amicably resolve the dispute without arbitration. If the Parties have not reached a settlement during that period the arbitration proceedings shall go forward and be governed by the AAA rules then in force. Each such arbitration shall be conducted by a panel of three arbitrators: one arbitrator shall be appointed by each of RUSH and ACORDA and the third arbitrator, who shall be the Chairman of the tribunal, shall be appointed by the two-Party appointed arbitrators. Any such arbitration shall be held in Chicago, Illinois, USA.

The arbitrators shall have the authority to direct the Parties as to the manner in which the Parties shall resolve the disputed issues, to render a final decision with respect to such disputed issues, or to grant specific performance with respect to any such disputed issue. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. Nothing in this Section shall be construed to preclude either Party from seeking provisional remedies, including but not limited to, temporary restraining orders and preliminary injunctions, from any court of competent jurisdiction, in order to protect its rights pending arbitration, but such preliminary relief shall not be sought as a means of avoiding arbitration. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Each Party shall bear its own costs and expenses incurred in connection with any arbitration proceeding and the Parties shall equally share the cost of the mediation and arbitration levied by the AAA.

Any mediation or arbitration proceeding entered into pursuant to this Section 9.6 shall be conducted in the English language. Subject to the foregoing, for purposes of this Agreement, each Party consents, for itself and its Affiliates, to the jurisdiction of the courts of the State of New York, county of New York and the U.S. District Court for the Southern District of New York.

9.7. Entire Agreement . This Agreement, together with the exhibits and schedules hereto, contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all previous writings and understandings between the Parties. This Agreement may be amended, or any term hereof modified, only by a written instrument duly executed by all Parties hereto.

9.8. Independent Contractors . It is expressly agreed that the Parties shall be independent contractors and that the relationship between the Parties shall not constitute a partnership, joint venture or agency. Neither Party shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior consent of such other Party.

9.9 Waiver . The waiver by a Party hereto of any right hereunder or the failure to perform or of a breach by another Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other Party whether of a similar nature or otherwise.

9.10. Further Assurances . At any time or from time to time on and after the Effective Date, RUSH shall at the request of ACORDA (i) deliver to ACORDA such records, data or other documents consistent with the provisions of this Agreement, (ii) execute, and deliver or cause to be delivered, all such consents, documents or further instruments of transfer or license, and (iii) take or cause to be taken all such actions as ACORDA may reasonably deem necessary or desirable in order for ACORDA to obtain the full benefits of this Agreement and the transactions contemplated hereby.

9.11. Headings . The captions to the several Articles and Sections hereof are not a part of the Agreement, but are merely guides or labels to assist in locating and reading the several Articles and Sections hereof.

9.12. Counterparts . The Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9.13. Use of Names . Except as otherwise provided in this Agreement, neither Party shall not use the name of the other Party in relation to this transaction in any public announcement, press release or other public document without the consent of the other Party (which consent shall not be unreasonably withheld or delayed), except as may be required by applicable law.

9.14. LIMITATION OF LIABILITY . NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT, HOWEVER CAUSED, UNDER ANY THEORY OF LIABILITY.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER

By: /s/ James T. Frankenbach
Name: James T. Frankenbach
Title: Senior Vice President

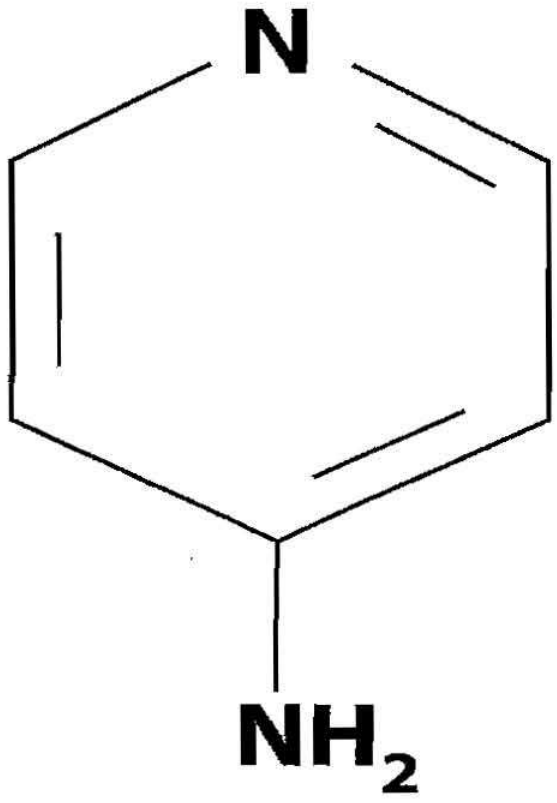
ACORDA THERAPEUTICS, INC.

By: /s/ Ron Cohen
Name: Ron Cohen, M.D.
Title: President and Chief Executive Officer

SCHEDULE 1.7

DIAGRAM OF COMPOUND

4-aminopyridine ("4-AP"), $C_5H_6N_2$, MW 94



SCHEDULE 1.11

ELAN PATENT RIGHTS

For purposes of this Agreement, Elan Patent Rights shall mean any and all rights under any and all patents and patent applications now existing, currently pending or hereafter filed, owned or acquired or licensed by Elan (and/or its Affiliates) which would be infringed by the manufacture, use or sale of the Product, the current status of which is set forth below. Elan Patent Rights shall also include all continuations, continuations-in-part, divisionals and re-issues of such patents and patent applications and any patents issuing thereon and extensions of any patents licensed hereunder. Elan Patent Rights shall further include any patents or patent applications covering any improved methods of making or using the Product invented or acquired by Elan (and/or its Affiliates) during the term of the Elan/Acorda Agreement and under which Elan (and/or its Affiliates) has a right to grant a licence under the Elan/Acorda Agreement, and Elan's (and/or its Affiliates) interest in any intellectual property conceived reduced to practice or otherwise developed in connection with the Project (as defined in the Elan/Acorda Agreement).

1806	Formulations and their use in the treatment of neurological diseases	Pending : Canada Ireland Japan Issued : Australia Europe New Zealand South Africa United States	 2054822 3952/90 349324/1991 657706 484186 240439 91/8711 5370879 5540938 5580580

EXHIBIT 1.31

SIDE AGREEMENT

(Filed as Exhibit 10.11 to the Registrant's Registration Statement on Form S-1, No. 333-128827, filed on October 5, 2005)

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "Agreement") is made and entered into as of November 12, 2002 (the "Effective Date"), by and between Acorda Therapeutics, Inc., a corporation organized and existing under the laws of the State of Delaware and having a principal place of business at 15 Skyline Drive, Hawthorne, New York, USA 10532 ("Acorda"), and CeNeS Pharmaceuticals, PLC, a corporation organized and existing under the laws of the United Kingdom and having a principal place of business at Compass House, Vision Park, Chivers Way, Histon, Cambridge CB4 9ZR, England ("CeNeS").

WHEREAS, CeNeS is the exclusive licensee of certain intellectual property rights pursuant to that certain agreement, as amended, entered into by and between the Ludwig Institute for Cancer Research ("Ludwig") and Cambridge Neuroscience Research, Inc. dated October 26, 1989 (the "Ludwig Agreement");

WHEREAS, CeNeS and Acorda are parties to that certain License Option Agreement dated as of April 3, 2002, as amended, (the "License Option Agreement"), pursuant to which CeNeS granted Acorda the option to take a sublicense of certain rights licensed to CeNeS under the Ludwig Agreement; and

WHEREAS, Acorda desires to exercise such option and to take a sublicense of such rights as set forth herein,

NOW, THEREFORE, intending to be legally bound and upon the terms, conditions and mutual covenants hereinafter set forth, the parties agree as follows:

Part 1 - Definitions

1.1 " **Affiliate** " means any corporation, company, partnership, joint venture and/or firm which controls, is controlled by, or is under common control with a party to this Agreement. As used in this Paragraph, the term "control" means (a) in the case of corporate entities, direct or indirect ownership of at least fifty percent (50%) of the stock or shares having the right to vote for the election of directors, and (b) in the case of non-corporate entities, direct or indirect ownership of at least fifty percent (50%) of the equity interest with the power to direct the management policies of such non-corporate entities.

1.2 " **Licensed Know-How** " means all unpatented know-how, trade secrets, information, data, methods, materials, techniques, reagents, cell lines, protein sequences or segments, and monoclonal antibodies, including without limitation, materials as described generally in Schedule B hereto, owned or controlled by CeNeS at any time during the term of the Agreement that is necessary or useful to practice the Patent Rights or to research, develop, make, use or sell Licensed Products.

1.3 " **Licensed Products** " means Protein Products and Non-Protein Products that are covered by one or more Valid Claims under the Patent Rights.

1.4 " **Materials** " means the cell lines and related biological materials that are in CeNeS' possession or control as of the Effective Date of this Agreement and are directly related to the production of the protein GGF-2.

1.5 " **NDA** " means New Drug Application or a foreign equivalent.

1.6 " **Net Sales** " means the amount billed, invoiced, or received (whichever occurs first) for Sales, leases, or other transfers of Licensed Products, less:

(a) customary trade, quantity and cash discounts or rebates, and non-affiliated brokers' or agents' commissions actually allowed and taken;

(b) amounts repaid or credited by reason of rejection, recall or return;

(c) to the extent separately stated on purchase orders, invoices, or other documents of sale, taxes levied on and/or other governmental charges made as to production, sale, transportation, delivery or use and paid by Acorda or a Sublicensee; and

(d) reasonable charges for freight, packaging and insurance costs incurred in the delivery or transportation of Licensed Products provided by third parties, if separately stated.

Net Sales also includes the fair market value of any non-cash consideration received by Acorda or Sublicensees for the Sale, lease, or transfer of Licensed Products. The fair market value will be no less than the standard selling price for the applicable Licensed Products, each unit multiplied by the quantity of such Licensed Products delivered in exchange for such non-cash consideration.

1.7 " **Non-Protein Product** " means a product that is discovered, identified or developed through the use of material that is claimed or covered by a Valid Claim in the Patent Rights, as a target in a screening tool or otherwise, exclusive of Protein Products.

1.8 " **Patent Rights** " means the patents and patent applications listed on Schedule A attached hereto, including without limitation, the inventions described and/or claimed therein, and any divisionals, continuations, continuations-in-part (to the extent that a claim of such continuation-in-part is entitled to the priority date of at least one of the patents or patent applications identified in Schedule A), patents issuing thereon and reissues and reexaminations thereof, and any and all foreign patents and patent applications corresponding thereto, all to the extent that CeNeS has an ownership or an interest in such Patent Rights.

1.9 " **Phase II Clinical Trial** " means one of those trials on sufficient numbers of subjects that are designed to establish that a pharmaceutical product is safe and efficacious for its intended use, and to define warnings, precautions and adverse reactions that are associated with the pharmaceutical product in the dosage range to be prescribed. A Phase II Clinical Trial shall be deemed to have commenced upon the date of the first dosing of the first subject in such trial.

1.10 " **Phase III Clinical Trial** " means one of those trials on sufficient numbers of subjects that are designed to establish that a pharmaceutical product is safe and efficacious for its intended use, and to define warnings, precautions and adverse reactions that are associated with the pharmaceutical product in the dosage range to be prescribed, and to support Regulatory Approval of a pharmaceutical product or label expansion of such pharmaceutical product. A Phase III Clinical Trial shall be deemed to have commenced upon the date of the first dosing of the first subject in such trial.

1.11 " **Proceeds** " means the royalties actually received by Acorda from its Sublicensees for Net Sales of Licensed Products that are Non-Protein Products.

1.12 " **Protein Product** " means a product that is, in whole or in part, composed of one or more proteins encoded by the growth factor gene GGF-2, or a fragment thereof, in whatever form including any mutants, analogues, homologues or derivative forms thereof, that is covered by a Valid Claim in the Patent Rights.

1.13 " **Regulatory Approval** " means the approvals, registrations or authorizations of the United States Food and Drug Administration (the " **FDA** ") or successor entity, or other applicable regulatory agency necessary for the manufacture, distribution, use or sale of a pharmaceutical or diagnostic product in the United States or a foreign equivalent in a major market country such as the United Kingdom, Canada, Japan or Germany.

1.14 " **Sold** " or " **Sale** " means the sale, transfer, exchange or other commercial disposition of Licensed Products by Acorda, its Affiliates or Sublicensees. In case of doubt,

Sales of Licensed Products shall be deemed consummated no later than receipt of payment from a third party for the applicable transaction involving such Licensed Product.

1.15 " **Sublicense** " means a grant by Acorda, either directly or indirectly (i.e., through multiple tiers of sublicenses) to a third party of a sublicense to practice any of the rights granted to Acorda hereunder in accordance with this Agreement. Such third party shall be referred to as a "Sublicensee" under this Agreement.

1.16 " **Territory** " means all countries and territories worldwide.

1.17 " **USD** " means United States dollars.

1.18 " **Valid Claim** " means (a) a pending claim of a patent application within the Patent Rights, which (i) has been pending under examination for less than seven (7) years, (ii) has been asserted in good faith, and (iii) has not been abandoned or finally rejected without the possibility of appeal or refiling; or (b) a claim of an issued, or granted and unexpired patent within the Patent Rights, which has not been held unenforceable, unpatentable or invalid by a decision of a court or governmental body of competent jurisdiction, which can no longer be appealed (i.e., within the time allowed for appeal), which has not been rendered unenforceable through disclaimer or otherwise, which has not been abandoned, or which has not been lost through an interference proceeding. A Valid Claim shall be defined as of each calendar half year ending June 30 and December 31.

Part 2 - License Grant

2.1 CeNeS hereby grants to Acorda, and Acorda accepts, an exclusive license under the Patent Rights and Licensed Know-How to practice the same and to make, have made, use, import, offer for sale and sell Licensed Products throughout the Territory during the term of this Agreement.

2.2 Acorda hereby acknowledges that CeNeS is obligated to pay Ludwig certain royalties with respect to Sales by Acorda and Acorda hereby agrees to be amenable to suit by Ludwig in the event of non-payment of royalties due CeNeS hereunder by Acorda. If Ludwig is required to bring suit against Acorda for any material breach of this Agreement that remains uncured pursuant to Section 9.3(a), Acorda will pay all reasonable out-of-pocket costs incurred

by Ludwig in connection therewith, including without limitation, reasonable attorneys fees and costs.

2.3 Acorda shall have the right to grant sublicenses to third parties with respect to any rights conferred upon Acorda under this Part 2, provided, however, that any sublicense shall be subject in all respects to the conditions (e.g., payment), restrictions, exceptions and termination provisions contained in this Agreement. Acorda shall provide written notice to CeNeS within sixty(60) days of the grant of any sublicense in accordance with this Section 2.3.

Part 3 - Royalties

3.1 Acorda shall pay to CeNeS a non-refundable license fee in the sum of two hundred and twenty thousand dollars (USD 220,000) within ten (10) days after the Effective Date of this Agreement.

3.2 For the license granted to Acorda hereunder, Acorda shall pay CeNeS the following running royalties:

(a) Acorda shall pay to CeNeS the following running royalty based on annual Net Sales of Protein Products by Acorda or its Affiliates:

Annual Net Sales in USD	Royalty Rate
$0-$100,000,000	5.5%
$100,000,001-$250,000,000	6.0%
$250,000,001-$500,000,000	6.5%
$500,000,001 and above	7.0%

(b) If Acorda is required to pay a running royalty to a third party for a license to make, use, offer for sale, sell or import any Protein Product, then Acorda shall have the right to offset up to fifty percent (50%) of such royalties actually paid to such third party against royalties otherwise due under the foregoing Paragraph 3.2(a); provided, however, that such right of offset shall be limited such that the royalty due under Paragraph 3:2(b) shall not be less than five percent (5%) of annual Net Sales of Protein Products and provided further that the amount of the offset which is not available due to such fifty percent 50% cap cannot be carried-forward for application against future royalties due under Paragraph 3.2(a).

(c) In the event a Licensed Product is sold in the form of a combination product containing one or more active ingredients in addition to the Licensed Product active

ingredient (hereinafter "Combination Licensed Product"), then Net Sales for such Combination Licensed Product, for purposes of calculating royalties due hereunder, will be adjusted by multiplying actual Net Sales of such Combination Licensed Product by the applicable fraction, determined as follows:

(i) Unless Section 3.2(c)(ii), 3.2(c)(iii) or 3,2(c)(iv) applies below, the fraction A/(A+B) where A is the invoice price of the Licensed Product, if sold separately, and B is the sum of the invoice price(s) of any other active component or components in the combination, if sold separately.

(ii) If, on a country-by-country basis, the other active component or components in the Combination Licensed Product are not sold separately in said country, the fraction shall be A/C where A is the invoice price of the Licensed Product if sold separately, and C is the invoice price- of the Combination Licensed Product.

(iii) If, on country by-country basis, the Licensed Product is not sold separately in said country, the fraction shall be [1-(B/C)] where B is the invoice price sum of any other active components or components in the combination, if sold separately and C is the invoice price of the Combination Licensed Product.

(iv) If, on a country-by-country basis, neither the Licensed Product nor the other active component or components of the Combination Licensed Product is sold separately in said country, the fraction shall be negotiated in good faith by the parties with the intention of agreeing upon a fair and equitable formula that reasonably reflects the relative value contributed by the Licensed Product to the total value of the combination in the Combination Licensed Product, as compared to the other active ingredients therein.

(d) Acorda shall pay to CeNeS a royalty of four percent (4%) of annual Net Sales of Protein Products by Sublicensees.

(e) Acorda shall pay to CeNeS a royalty of ten percent (10%) of annual Net Sales by Acorda of Non-Protein Products, and ten percent (10%) of the Proceeds actually received by Acorda from its Sublicensees on their Sales of Non-Protein Products.

(f) Minimum Annual Royalty. To the extent that cumulative annual royalties paid to CeNeS with respect to each Licensed Product during any calendar year, commencing with the third calendar year following first commercial sale of any Licensed Product, are less than Fifty Thousand Dollars ($50,000), a minimum annual royalty with respect to such Licensed

Product in the amount of such shortfall shall be payable by Acorda. If Acorda fails to pay any such minimum royalty for a Licensed Product, CeNeS shall have the option of converting the license or any sublicense granted hereunder with respect to such Licensed Product to a nonexclusive license by giving Acorda written notice thereof.

3.3 Acorda shall pay to CeNeS the following non-refundable milestone payments for every Protein Product in respect of which Acorda, an Affiliate or Sublicensee achieves any or all of the milestone events indicated below. Should a Protein Product be abandoned by Acorda, Its Affiliate or Sublicensee for any reason following completion of any of the first five milestones but prior to the Approval of a NDA and Acorda commences development of a subsequent Protein Product, then Acorda shall resume the milestone payments for such subsequent Protein Product starting at the event subsequent to the event for which a milestone payment had already been paid. Each such milestone payment shall be paid within thirty (30) days of the achievement of the relevant milestone event. For clarity, each milestone payment shall be paid only once for each Protein Product and Acorda shall pay milestones on a Protein Product only if its active pharmaceutical ingredient (the "API"), is different from the API of any other Protein Product for which Acorda has already made milestone payments.

Milestone Event	**Milestone Payment**
Satisfactory completion of animal toxicology studies necessary to enter into Phase I clinical studies in accordance with the International Conference of Harmonization (ICH) guidelines provided by the US Food and Drug Administration*	$ 500,000
Issuance of an Investigational New Drug Application (or foreign equivalent**)	$ 500,000
Enrollment of the first subject in a Phase II clinical trial (or foreign equivalent**)	$ 500,000
Enrollment of the first subject in a Phase III clinical trial (or foreign equivalent**)	$ 1,000,000
Filing of a New Drug Application (or foreign equivalent**)	$ 1,000,000
Approval of a New Drug Application (or foreign equivalent**)	$ 5,000,000

* "Completion of animal toxicology studies" shall mean the completion of all analysis of data generated in such study and delivery of the final report thereon.

** "Foreign equivalent" shall mean the completion of the milestones in a foreign major market country such as the United Kingdom, Japan, Germany, Canada, etc.

3.4 (a) All amounts due hereunder shall be payable in United States Dollars. Royalty payments shall be made within sixty (60) days following the end of each calendar quarter. Each such payment shall include royalties which shall have accrued during the calendar quarter immediately preceding and shall be accompanied by a report setting forth separately the Net Sales of all Licensed Products sold during said calendar quarter. Any royalty payment required to be made to CeNeS under Paragraph 3.2(e) shall be made in U.S. Dollars on or before January 31st of following the calendar year to which such payment relates.

(b) Royalties shall be payable only once (at the highest applicable rate) with respect to the same unit of Licensed Product regardless of the number of claims of Patent rights pertaining to same. Royalties shall apply to any Sale of Licensed Product to a third party from which Acorda, its Affiliate or Sublicensee derives revenue. On any transfer or disposal of Licensed Product among Acorda, its Affiliates or Sublicensees, royalties shall become payable only upon further transfer to a third party.

(c) The remittance of royalties payable on the Net Sales of Licensed Product outside the U.S. shall be made to CeNeS in U.S. Dollars a the official rate of exchange of the currency of the country from which the royalties are payable (as quoted by Citibank N.A. for the last business day of the calendar quarter in which the royalties are payable) less any withholding or transfer taxes which are applicable. Acorda or a Sublicensee shall supply CeNeS with proof of payment of such taxes paid on CeNeS's behalf and shall cooperate with CeNeS in obtaining credit or refund of any such taxes.

(d) No royalties for Sales outside the U.S. shall be payable with respect to any Sales as to which conversion cannot be made of the currency billed in U.S. Dollars until such conversion can be legally made, at which time royalties shall be paid in U.S. Dollars at the rate of exchange quoted by Citibank, N.A., for the business day immediately preceding the date on which the restriction on conversion was lifted. However, CeNeS shall have the right to have the royalties payable by Acorda, its Affiliates or Sublicensees deposited in CeNeS's name in the blocked currency in an interest bearing account in a bank designed by CeNeS in the foreign country in question. In the event CeNeS cannot arrange to have the blocked currency transferred out of the foreign country within twelve (12) months after deposit, CeNeS shall notify Acorda in

writing and Acorda shall as soon as possible thereafter cause such royalties (plus earnings thereon during the period of deposit) to be paid to CeNeS in U.S. Dollars at the rate of exchange quoted by Citibank, N.A. on the day the blocked currency was deposited in the bank designated by CeNeS. Upon receipt of the payment, CeNeS shall release to Acorda from the bank in the foreign country in question the blocked currency in accordance with Acorda's instructions.

(e) Acorda, its Sublicensees and Affiliates shall keep and maintain records of sales of Licensed Products for a period of three (3) years after the royalty period to which such records relate. Such records shall be open to inspection upon at least fifteen (15) business days' prior written notice at any reasonable time during normal business hours not more often than once each calendar quarter by an independent Certified Public Accountant selected by CeNeS, to whom Acorda or, if applicable, its Affiliates or Sublicensees, have no reasonable objection, who shall have the right to examine and make abstracts of the records kept pursuant to this Agreement and report findings of said examination of records to CeNeS insofar as it is necessary to evidence any mistake or impropriety on the part of Acorda. Said independent Certified Public Accountant shall treat as confidential and shall not use or disclose to any third party any information acquired during the course of such examination, except information which shall be made available to CeNeS or Ludwig pursuant to any provision of this Agreement.

(f) Acorda's obligation to pay royalties with respect to Net Sales of Licensed Product in any country shall continue for so long as CeNeS owns or holds exclusive rights to a valid and enforceable issued patent within the Patent Rights covering such Licensed Product in such country. If Acorda's obligation to pay royalties is based solely on the practice of the Patent Rights to discover or develop a Non-Protein Product, said obligation shall continue until fifteen (15) years from the Effective Date of this Agreement.

Part 4 - Patent Matters

4.1 Upon execution of this Agreement, Acorda shall assume responsibility and control, at its expense, during the Term for the preparation, filing, prosecution and maintenance of any and all patent applications and patents included in Patent Rights. Notwithstanding the previous sentence, Acorda shall furnish to CeNeS copies of all material documents pertaining to such preparation, filing, prosecution or maintenance, including filings and correspondence with patent authorities, in a timely manner, so as to give CeNeS an opportunity to comment thereon and Acorda shall use good faith efforts to accommodate any such comments.

4.2 Ludwig, CeNeS and Acorda shall cooperate fully in the preparation, filing, prosecution and maintenance of Patent Rights and of all patents and patent applications licensed to Acorda hereunder, executing all papers and instruments or requiring members of Ludwig and/or CeNeS to execute such papers and instruments so as to enable Acorda to apply for, to prosecute and to maintain patent applications and patents in Ludwig's name in any country. Each party shall provide to the other prompt notice as to all matters which come to its attention and which may affect the preparation, filing, prosecution or maintenance of any such patent applications or patents.

4.3 Acorda may elect to surrender its rights under the Patent Rights on a patent-by-patent basis in any country upon sixty (60) days written notice to CeNeS. CeNeS may elect thereafter to continue prosecution and maintenance of such patents at its own expense.

Part 5 - Patent Infringement

5.1 Enforcement by Acorda. If either CeNeS or Acorda becomes aware of a product made, used or sold in the Territory, or any other activities, which it believes infringes a Valid Claim, the party obtaining such knowledge shall promptly advise the other party of all relevant facts and circumstances pertaining to the potential infringement. Acorda shall have the first right, but not the obligation, to enforce any patent rights against such infringement, at its own expense. CeNeS and Ludwig shall cooperate with Acorda in such effort, at Acorda's expense, including being joined as a party to such action, if necessary. Any damages or costs recovered in connection with any action filed by Acorda hereunder which exceed Acorda's out-of-pocket costs and expenses of litigation, shall be deemed to be Net Sales of Protein Products in the fiscal quarter received by Acorda, and royalties shall be payable by Acorda to CeNeS thereon in accordance with the terms of this Agreement.

5.2 Backup Enforcement Right by CeNeS. If Acorda fails within one hundred twenty (120) days after receiving notice from CeNeS of a potential infringement, or providing CeNeS with notice of such infringement, to either (a) terminate such infringement or (b) institute an action to prevent continuation thereof and, thereafter to prosecute such action diligently, or if Acorda notifies CeNeS that it does not plan to terminate the infringement or institute such action, then CeNeS shall have the right to do so at its own expense; provided however, that CeNeS first consults with Acorda and gives due consideration to Acorda's reasons for not instituting actions to terminate or otherwise prevent continuation of such infringement. If CeNeS decides to pursue

such infringement, Acorda shall cooperate with CeNeS in such effort including being joined as a party to such action if necessary. CeNeS shall be entitled to retain all damages or costs awarded to CeNeS in such action.

5.3 In the event that Acorda, its Affiliate or Sublicensee is sued by a third party charging infringement of a patent resulting from the manufacture, use or sale by Acorda, its Affiliate or Sublicensee of a Licensed Product, Acorda shall promptly notify CeNeS. During the period in which any such suit is pending, Acorda shall have the right to apply up to fifty percent (50%) of the royalties due CeNeS against Acorda's litigation expenses of any such suit.

Part 6 - Diligence

6.1 Acorda agrees to use all reasonable efforts to effect introduction of Licensed Products into the commercial market as soon as practicable, consistent with sound and reasonable business practices and judgment.

Part 7 - Indemnification and Insurance

7.1 Acorda hereby indemnifies CeNeS, Ludwig and their respective directors, officers, employees and agents (collectively, the " **CeNeS Indemnitees** ") and agrees to be solely responsible and to hold CeNeS Indemnitees harmless from any third party claim, demands, suits or causes of action, including all judgments, damages, and costs (including reasonable attorneys' fees) resulting therefrom, arising out of the use, manufacture, sale, storage or advertising of any Licensed Product except to the extent of such judgments, damages and costs that arise from the negligence or willful misconduct of CeNeS Indemnitees.

7.2 CeNeS hereby indemnifies Acorda, its Affiliates, directors, officers, agents, contractors, Sublicensees and employees (collectively, the " **Acorda Indemnitees** ") and agrees to be solely responsible and to hold Acorda Indemnitees harmless from any third party claim demands, suits or causes of action, including all judgments, damages, and costs (including reasonable attorneys' fees) resulting therefrom, arising out of any breach of Section 8.1 except to the extent of such judgments, damages and costs that arise from the negligence or willful misconduct of Acorda Indemnitees.

7.3 To be eligible to be indemnified hereunder, the indemnified party shall provide the indemnifying party with prompt notice of the claim giving rise to the indemnification obligation pursuant to this Part 7 and the exclusive ability to defend (with the reasonable cooperation of the indemnified party) or settle any such claim; *provided, however* , that the

indemnifying party shall not enter into any settlement for damages other than monetary damages without the indemnified party's written consent, such consent not to be unreasonably withheld or delayed. The indemnified party shall have the right to participate, at its own expense and with counsel of its choice, in the defense of any claim or suit that has been assumed by the indemnifying party.

7.4 Prior to commencing human use of any Licensed Product hereunder, Acorda shall obtain and maintain thereafter comprehensive general liability insurance (to include advertisers' liability and product liability) written by a reputable insurer or insurers approved by CeNeS and shall list CeNeS as an additional named insured thereunder and shall require thirty (30) days written notice to be given to CeNeS prior to any cancellation or material change thereof. The limits for such insurance shall not be less than ten million dollars (USD 10,000,000) per occurrence for personal injury and property damage, adjusted for inflation every year based on the U.S. Consumer Price Index in effect on the first day of such year. Acorda shall provide CeNeS with certificates of insurance evidencing the same upon written request by CeNeS.

Part 8 - Representations and Warranties

8.1 CeNeS Representations and Warranties. CeNeS represents and warrants that:

(a) its obligations under this Agreement are not in conflict with any prior commitments or obligations to any third party; that it has all requisite power and authority to enter into this Agreement; and that all corporate action necessary to authorize its execution and delivery of this Agreement has been duly taken;

(b) it has the right to grant the rights granted in this Agreement and perform the obligations set forth herein;

(c) it and its Affiliates have not granted to any third party any license, option or other rights under the Patent Rights, and to its knowledge, the Ludwig License is in full force and effect;

(d) to its knowledge, there are no facts or circumstance which would render any of the Patent Rights invalid or unenforceable;

(e) to its knowledge, there is no interference action, opposition, reissue or reexamination proceeding, or any intellectual property litigation pending before any patent office or court concerning any of the Patent Rights; and

(f) Cambridge Neuroscience Research, Inc. has assigned all its rights and obligations in the Ludwig Agreement to CeNeS.

8.2 Acorda Representations and Warranties. Acorda represents and warrants that its obligations under this Agreement are not in conflict with any prior commitments or obligations to any third party; that it has all requisite power and authority to enter into this Agreement; and that all corporate action necessary to authorize its execution and delivery of this Agreement has been duly taken.

Part 9 - Term and Early Termination

9.1 Unless sooner terminated as herein provided, this Agreement shall continue in full force and effect commencing on the Effective Date of this Agreement and continuing until the later of fifteen (15) years thereafter or the expiration of the last-to-expire Valid Claim in the Patent Rights.

9.2 Acorda may terminate this Agreement at any time for any reason upon thirty (30) days prior written notice to CeNeS.

9.3 (a) A party may terminate this Agreement and the license herein granted upon the breach of any material obligation herein by the other party upon sixty (60) days written notice; provided that if during such sixty (60) day period the party so notified cures such material breach, then this Agreement shall continue in full force and effect.

(b) If this Agreement is terminated as provided in Paragraphs 9.2 or 9.3(a), Acorda shall promptly make an accounting to CeNeS of the inventory of Licensed Products which it and its Affiliates and Sublicensees have on hand as of the effective date of such termination, if applicable. Acorda, its Affiliates and Sublicensees shall then have the right, for a period of six (6) months after said termination, to sell such inventory provided that the Net Sales thereof shall be subject to the royalty rates payable to CeNeS as set forth above.

9.4 The license to Acorda set forth in Section 2.1 shall continue after any termination or expiration of this Agreement as set forth in this Section 9.4. If this Agreement expires pursuant to Section 9.1, then Acorda shall thereafter retain a nonexclusive, perpetual, royalty-free, worldwide license, with the full right to sublicense, under the Patent Rights and Licensed Know-How to practice such technology and rights for all purposes. If this Agreement is terminated by Acorda pursuant to Section 9.3, then Acorda, in its sole discretion, may elect to

retain the exclusive license granted in Section 2.1, subject to the payment of the royalties otherwise due under Section 3.2.

Part 10 - Confidentiality

10.1 Treatment of Confidential Information. Except as otherwise provided hereunder, during the term of this Agreement and for a period of five (5) years thereafter:

(a) CeNeS, its Affiliates and Sublicensees shall retain in confidence and use only for purposes of this Agreement, any written information and data supplied by Acorda to CeNeS under this Agreement and marked as proprietary or confidential; and

(b) Acorda shall retain in confidence and use only for purposes of this Agreement, any written information and data supplied by CeNeS to Acorda under this Agreement and marked as proprietary or confidential.

For purposes of this Agreement, all such information and data which a party is obligated to retain in confidence shall be called " **Information** ." Any written information, materials or data relating to GGF-2 disclosed by one party to the other party pursuant to the License Option Agreement and the Confidentiality Agreement entered into as of July 23, 2001 shall be deemed Information under this Agreement.

10.2 Permitted Disclosure. To the extent that it is reasonably necessary to fulfill its obligations or exercise its rights under this Agreement, or any rights which survive termination or expiration hereof, each party may disclose Information to its Affiliates, sublicensees, consultants, outside contractors and clinical investigators on condition that such entities or persons agree:

(a) to keep the Information confidential for at least the same time periods and to the same extent as each party is required to keep the Information confidential and

(b) to use the Information only for such purposes as such parties are authorized to use the Information.

Each party, its Affiliates or sublicensees may disclose Information to regulatory authorities to the extent that such disclosure is necessary for the prosecution and enforcement of patents, authorizations to conduct clinical trials or commercialization of Licensed Products, provided that such party is otherwise entitled to engage in such activities under this Agreement. Each party, its Affiliates or sublicensees may disclose Information to the government or a court

of competent jurisdiction, provided that such disclosing party (a) provides the other party with adequate notice of the required disclosure, (b) cooperates with the other party's efforts to protect its Information with respect to such disclosure and (c) takes all reasonable measures requested by the other party to challenge or to modify the scope of such required disclosure. CeNeS may disclose Information to Ludwig to the extent such disclosure is required pursuant to CeNeS' obligations under the Ludwig Agreement.

10.3 The obligation under Section 10.1 not to use or disclose Information shall not apply to any part of such Information that the recipient party can establish by competent written proof:

(a) is or becomes patented, published or otherwise part of the public domain, other than by unauthorized acts of the party obligated not to disclose such Information (for purposes of this Part 10 (the " **Receiving Party** "), its Affiliates or Sublicensees in contravention of this Agreement;

(b) is disclosed to the Receiving Party, its Affiliates or Sublicensees by a third party provided that such Information was not obtained by such third party directly or indirectly from the other party under this Agreement;

(c) prior to disclosure under this Agreement, was already in the possession of the Receiving Party, its Affiliates or Sublicensees, provided that such Information was not obtained directly or indirectly from the other party under this Agreement;

(d) results from the research and development by the Receiving Party, its Affiliates or Sublicensees, independent of disclosures from the other party of this Agreement, provided that the persons developing such information have not had exposure to the Information received from the disclosing party; or

(e) CeNeS and Acorda agree in writing may be disclosed.

10.4 Confidential Nature of the Terms of Agreement. Except as expressly provided herein, CeNeS and Acorda each agrees not to disclose any terms of this Agreement to any third party without the consent of the other party; provided, however, that disclosures may be made as required by securities or other applicable laws, or to actual or prospective investors or corporate partners, or to a party's accountants, attorneys, and other professional advisors who agree to appropriate confidentiality provisions to protect such terms from disclosure or improper use.

Part 11 - General Provisions

11.1 Except as required by law, neither CeNeS nor Acorda shall originate any publicity, news release, or other public announcement, written or oral, whether to the public press, to stockholders, or otherwise, relating to this Agreement to any amendment thereto or to performance hereunder or the existence of an arrangement between the parties without the prior written approval of the other party, not to be unreasonably withheld; provided that, no such consent shall be required for non-public communications between Acorda and its current or potential stockholders, investors, acquiring parties, merger partners or Sublicensees. Acorda shall not use the name Ludwig, or CeNeS (or any variant thereof) or any related organization in any advertising, packaging (except for customary technical references) or other promotional material in connection with the sale of Licensed Products referred to in this Agreement.

11.2 Acorda acknowledges that it has certain duties and obligations under Part 379 of the Export Administration Regulations of the U.S. Department of Commerce (as presently promulgated or hereafter modified or amended) concerning the export and reexport of technical data. Acorda will be solely responsible for any breach of such Regulations by Acorda, its Affiliates or Sublicensees and will defend and hold Indemnitees harmless in the event of a suit or action involving any such breach.

11.3 Neither party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other, such consent not to be unreasonably withheld, and except that a party may make such an assignment without the other party's consent to an Affiliate or to a successor to all, or substantially all, of the business and assets to which this Agreement relates of such party, whether in a merger, sale of stock, sale of assets or other transaction of the division or divisions of Acorda involved in the development and sale of Licensed Products. Any permitted successor or assignee of rights and/or obligations hereunder shall, in a writing to the other party, expressly assume performance of such rights and/or obligations. Any permitted assignment shall be binding on the successor of the assigning party.

11.4 All notices required to be given by one party to the other hereunder shall be sufficient if signed by such party (or such party's attorney) and either: (a) delivered in person; (b) mailed certified mail, postage prepaid, return receipt requested; or (b) faxed to the other party provided that the sender receives acknowledgement that such notice has been received by the

party to be notified and promptly sends the original by ordinary mail; in any event, to the following addresses:

If to Acorda:

Acorda Therapeutics, Inc.
15 Skyline Drive
Hawthorne, NY 10532
Attn: President and Chief Executive Officer

with a copy to:

Acorda Therapeutics, Inc.
15 Skyline Drive
Hawthorne, NY 10532
Attn: Harold Safferstein, Vice President, Business Development

If to CeNeS:

CeNeS Pharmaceuticals plc
Compass House
Vision Park
Clovers Way
Histon, Cambridge CB4 9ZR
England
Attn: Neil Clark, Chief Operating Officer and Finance Director

By such notice either party may change their address for future notices. Notices delivered in person shall be deemed given on the date delivered. Notices sent by fax shall be deemed given on the date faxed. Notices mailed shall be deemed given two (2) days after the date postmarked on the envelope.

11.5 This Agreement constitutes the entire agreement between the parties and supersedes all written or oral prior agreements or understandings with respect to the subject matter hereof except that any confidential information disclosed pursuant to the License Option Agreement shall be deemed Information of this Agreement. No variation or modification of the terms or provisions of this Agreement shall be valid unless in writing and signed by the parties hereto.

11.6 No right or license is granted by CeNeS under this Agreement to Acorda, or by Acorda to CeNeS, either expressly or by implication, except those specifically set forth herein.

11.7 Waiver by Acorda or CeNeS of any single default or breach or succession of defaults or breaches by the other shall not deprive CeNeS or Acorda of any right to terminate this Agreement arising out of any subsequent default or breach nor shall it be construed as a waiver of either party's rights thereafter to enforce each and every provision of this Agreement.

11.8 All matters affecting the interpretation, validity, and performance of this Agreement shall be governed by the laws of the State of New York applicable to agreements made and to be performed wholly within New York, but the scope and validity of Patent Rights shall be governed by the applicable laws of the country granting the patent in question.

11.9 Acorda's relationship with CeNeS shall be that of a licensee only. Neither party shall be considered to be an employee or agent of the other, nor shall this Agreement constitute, create or in any way be interpreted as a joint venture, partnership or formal business organization of any kind. In that respect, neither party shall have the authority to execute any agreement on behalf of the other party, nor shall either party have any authority to negotiate any agreement, except as the other party may expressly direct in writing.

11.10 Parts 7, 8, and 10 and Sections 9.3(b), 9.4 and 11.10 shall survive termination of this Agreement for any reason.

11.11 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

11.12 The captions herein are solely for convenience of reference and shall not affect the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, CeNeS and Acorda have caused this Agreement to be executed in duplicate by their respective duly authorized officers.

CENES PHARMACEUTICALS, PLC

By: /s/Neil Clark
Name: Neil Clark
Title: Finance Director

ACORDA THERAPEUTICS, INC.

By: /s/Harold T. Sufferstein
Name: Harold T. Sufferstein
Title: VP Business Development

SCHEDULE A

PATENT RIGHTS

Granted Patent List

Matter Number	Country	Patent Number	Grant Date	Filing Date	Status	Inventors
04585-002AU5	Australia	688270	02-Jul-1998	29-Jun-1993	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002AU6	Australia	709968	23-Dec-1999	25-May-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002AUX	Australia	703772	15-Jul-1999	09-Oct-1996	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002EP1	Europe	0579640	24-Jul-2002	03-Apr-1992	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002KR1	Korea	274305	08-Sep-2000	03-Apr-1992	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002KR5	Korea	307943	25-Aug-2001	29-Jun-1993	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002KR6	Korea	265928	09-Jun-2000	25-May-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002KR7	Korea	297680	24-May-2001	25-May-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002KR8	Korea	344006	28-Jun-2002	29-Jun-1993	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002PT1	Portugal	100344	03-May-1999	03-Apr-1992	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						

Matter Number	Country	Patent Number	Grant Date	Filing Date	Status	Inventors
04585-002PT5	Portugal	101297	07-Jul-1999	30-Jun-1993	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002005	United States	5,530,109	25-Jun-1996	24-Mar-1993	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002006	United States	5,716,930	10-Feb-1998	26-May-1994	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002007	United States	5,621,081	15-Apr-1997	06-Jun-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002009	United States	5,606,032	25-Feb-1997	06-Jun-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-00200A	United States	5,792,849	11-Aug-1998	06-Jun-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-00200G	United States	5,602,096	11-Feb-1997	06-Jun-1995	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-00200J	United States	6,204,241	20-Mar-2001	22-Oct-1996	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-00200L	United States	6,194,377	27-Feb-2001	22-Oct-1996	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-00200P	United States	5,854,220	29-Dec-1998	22-Oct-1996	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002ZA1	South Africa	92/2001	25-Nov-1992	01-Apr-1992	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-002ZA5	South Africa	93/4711	31-Aug-1994	30-Jun-1993	Granted	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE						
04585-039AU1	Australia	713384	16-Mar-2000	27-Mar-1996	Granted	Thomas A. Reh et al.
Title: METHODS OF TREATING DISORDERS OF THE EYE						

Matter Number	Country	Patent Number	Grant Date	Filing Date	Status	Inventors
04585-04AU1	Australia	707599	28-Oct-1999	16-Nov-1995	Granted	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION						
04585-041001	United States	6,087,323	11-Jul-2000	17-Nov-1994	Granted	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION						
04585-043AU2	Australia	727037	15-Mar-2001	12-Nov-1996	Granted	Mark Marchionni et al.
Title: METHODS OF TREATING DISORDERS OF NON-VISUAL SENSORY EPITHELIA						
04585-048AU2	Australia	745324	21-Mar-2002	08-Oct-1998	Natl Phase	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN						
04585-051001	United States	5,594,114	14-Jan-1997	17-Aug-1992	Granted	Andrew D.J. Goodearl et al.
Title: SCHWANN CELL MITOGENIC FACTOR, ITS PREPARATION AND USE						

Pending Patent Application List

Matter Number	Country	Application Number	Filing Date	Status	Inventors
04585-002CA1	Canada	2,108,119	03-Apr-1992	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002CA5	Canada	2,139,136	29-Jun-1993	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002CA6	Canada	2,191,085	25-May-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002CN6	China	95 1 93290.X	25-May-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002EP5	Europe	93 918139.2	29-Jun-1993	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002EP6	Europe	95922145.8	25-May-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					

Matter Number	Country	Application Number	Filing Date	Status	Inventors
04585-002IE1	Ireland	921062	03-Apr-1992	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002MX6	Mexico	965812	25-May-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002PH5	Philippines	44157	03-Apr-1992	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002008	United States	08/470,339	06-Jun-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200E	United States	08/469,549	06-Jun-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200F	United States	08/471,833	06-Jun-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200H	United States	08/472,065	06-Jun-1995	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200I	United States	08/734,665	22-Oct-1996	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200M	United States	08/735,010	13-May-1999	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200N	United States	08/736,070	22-Oct-1996	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200Q	United States	08/736,019	22-Oct-1996	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-00200R	United States	08/734,592	22-Oct-1996	Pending	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002WO1	PCT	GB92/00595	03-Apr-1992	Natl Phase	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					

Matter Number	Country	Application Number	Filing Date	Status	Inventors
04585-002WO5	PCT	US93/06228	29-Jun-1993	Natl Phase	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-002WO6	PCT	US95/06846	25-May-1995	Natl Phase	Andrew D.J. Goodearl et al.
Title: GLIAL MITOGENIC FACTORS, THEIR PREPARATION AND USE					
04585-028001	United States	08/209,204	08-Mar-1994	Pending	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-028002	United States	08/461,097	05-Jun-1995	Pending	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-028004	United States	08/468,731	06-Jun-1995	Pending	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-030CA1	Canada	2,162,262	06-May-1994	Pending	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-030EP1	Europe	94916690.4	06-May-1994	Pending	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-030JP1	Japan	525593/1994	06-May-1994	Pending	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-030WO1	PCT	US94/05083	06-May-1994	Natl Phase	Robert Sklar et al.
Title: METHODS FOR TREATING MUSCLE DISEASES AND DISORDERS					
04585-039CA1	Canada	2,215,330	27-Mar-1996	Pending	Thomas A. Reh et al.
Title: METHODS OF TREATING DISORDERS OF THE EYE					
04585-039EP1	Europe	96910617.8	27-Mar-1996	Pending	Thomas A. Reh et al.
Title: METHODS OF TREATING DISORDERS OF THE EYE					
04585-039JP1	Japan	8-529635	27-Mar-1996	Pending	Thomas A. Reh et al.
Title: METHODS OF TREATING DISORDERS OF THE EYE					

Matter Number	Country	Application Number	Filing Date	Status	Inventors
04585-041CA1	Canada	2,204,850	16-Nov-1995	Pending	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION					
04585-041EP1	Europe	95940728.9	16-Nov-1995	Pending	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION					
04585-041JP1	Japan	8-516986	16-Nov-1995	Pending	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION					
04585-041004	United States	09/069,784	20-Mar-2001	Pending	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION					
04585-041005	United States	09/366,886	04-Aug-1999	Pending	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION					
04585-041WO1	PCT	US95/14974	16-Nov-1995	Natl Phase	David I. Gwynne et al.
Title: USE OF NEUREGULIN AS MODULATORS OF CELLULAR COMMUNICATION					
04585-043CA2	Canada	2,237,400	12-Nov-1996	Pending	Mark Marchionni et al.
Title: METHODS OF TREATING DISORDERS OF NON-VISUAL SENSORY EPITHELIA					
04585-043EP2	Europe	96940360.9	12-Nov-1996	Pending	Mark Marchionni et al.
Title: METHODS OF TREATING DISORDERS OF NON-VISUAL SENSORY EPITHELIA					
04585-043JP2	Japan	518966/97	12-Nov-1996	Pending	Mark Marchionni et al.
Title: METHODS OF TREATING DISORDERS OF NON-VISUAL SENSORY EPITHELIA					
04585-043WO2	PCT	US96/18031	12-Nov-1996	Natl Phase	Mark Marchionni et al.
Title: METHODS OF TREATING DISORDERS OF NON-VISUAL SENSORY EPITHELIA					
04585-044AU2	Australia	49744/00	20-Apr-2000	Natl Phase	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					
04585-044CA2	Canada	2,368,357	20-Apr-2000	Natl Phase	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					
04585-044EP2	Europe	00931938.5	20-Apr-2000	Natl Phase	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					

Matter Number	Country	Application Number	Filing Date	Status	Inventors
04585-044JP2	Japan	2000-613391	20-Apr-2000	Natl Phase	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					
04585-044KR2	Korea	2001-7013409	20-Apr-2000	Natl Phase	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					
04585-044001	United States	09/298,121	23-Apr-1999	Pending	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					
04585-044WO2	PCT	US00/10664	20-Apr-2000	Published	Mark Marchionni et al.
Title: METHODS FOR TREATING CONGESTIVE HEART FAILURE					
04585-048CA2	Canada	2,306,228	08-Oct-1998	Natl Phase	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN					
04585-048EP2	Europe	98949803.5	08-Oct-1998	Natl Phase	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN					
04585-048JP2	Japan	2000-515608	08-Oct-1998	Natl Phase	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN					
04585-048KR2	Korea	2000-7003972	08-Oct-1998	Natl Phase	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN					
04585-048002	United States	09/530,884	29-Aug-2000	Natl Phase	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN					
04585-048WO2	PCT	US98/21349	18-Oct-1998	Pending	R. McBurney et al.
Title: THERAPEUTIC METHODS COMPRISING USE OF A NEUREGULIN					

Exhibit 10.24

LICENSE AGREEMENT

BETWEEN

ACORDA THERAPEUTICS, INC.

AND

THE MAYO FOUNDATION FOR
EDUCATION AND RESEARCH

Dated: September 8, 2000

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LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "Agreement") is entered into as of September 8, 2000 (the "Effective Date"), by and between Acorda Therapeutics, Inc., a Delaware corporation, having offices at 15 Skyline Drive, Hawthorne, New York 10532, ("ACORDA") and The Mayo Foundation for Medical Education and Research, a Minnesota charitable corporation located at 200 First Street SW, Rochester, Minnesota 55905 ("MAYO").

PRELIMINARY STATEMENTS

A. ACORDA has sponsored two research programs under the direction of Dr. Moses Rodriguez and Dr. Larry Pease, entitled (1) Preclinical Studies of a Monoclonal Antibody Designed to Promote Central Nervous Repair, and (2) Molecular Characterization of Antibody-Induced Remyelination and Isolation of Human Counterparts, (each a "Program" and collectively, the "Programs"), pursuant to two Sponsored Research Agreements between MAYO and ACORDA, dated as of October 1, 1995 and March 15, 1998, respectively, (the "Sponsored Research Agreements") which are attached hereto as Exhibit A . These Programs have related to, among other things, the therapeutic use of humanized and non-humanized antibodies for treatment of central nervous system conditions and disorders, including myelination or remyelination in conditions such as spinal cord injuries and multiple sclerosis.

B. MAYO is the owner of certain right, title and interest to technology made or otherwise developed in performance of the Programs including certain inventions, discoveries and patents described in the Sponsored Research Agreements.

C. MAYO has the right to grant licenses to this technology so that such technology may be utilized in the public interest, and is willing to grant a license thereunder to ACORDA.

D. ACORDA has options, pursuant to ACORDA\MAYO Option Agreements dated as of October 1, 1995 and March 15, 1998 (the "Option Agreements"), which are attached hereto as Exhibit B, to acquire an exclusive, worldwide license to such technology and is desirous of obtaining certain rights and licenses from MAYO relating to the aforementioned technology.

E. ACORDA wishes to exercise the options under both Option Agreements and ACORDA and MAYO now desire to provide for the license of all technology in all fields contemplated by the exercise of the options granted under both of the Option Agreements under one unified set of terms conditions, and for revised consideration, as provided under this Agreement, which shall be deemed to amend and supercede the provisions of the Option Agreements.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants contained in this Agreement, the Parties hereto agree to the provisions of the Preliminary Statements and as follows:

1. DEFINITIONS.

As used in this Agreement, the following terms will have the meanings set forth in this Section 1 unless the context dictates otherwise.

1.1 " Affiliate " shall mean, with respect to either person, any corporation or other business entity which controls, is controlled by or is under common control with such person. For this purpose, control means the possession of the power to direct or cause the direction of the management and the policies of an entity whether through ownership directly or indirectly of fifty percent (50%) or more of the stock entitled to vote, and for non-stock organizations, the right to receive over fifty percent (50%) of the profits by contract or otherwise, or if not meeting the preceding requirement, any company owned or controlled by or owning or controlling such person at the maximum control or ownership right permitted in the country where such entity exists.

1.2 " FDA " shall mean the U.S. Food and Drug Administration, or the successor thereto.

1.3 " Field " shall mean the prevention, mitigation or treatment of nervous system disorders, diseases or injuries including, without limitation, pain, and any and all other diagnostic, therapeutic, pharmaceutical, cosmetic, medical or health care related applications.

1.4 " First Commercial Sale " shall mean, with respect to any Licensed Product, the first sale for use or consumption by the general public of such Licensed Product in any country in the Territory after all required marketing approvals have been granted, or, if such sale is otherwise permitted, by the governing health regulatory authority of such country.

1.5 " Key Claims " shall have the meaning assigned to such term in Section 3.2(a).

1.6 " Know-How " shall mean any and all technical data, information, inventions, biological materials, trade secrets, and other intellectual property, whether patentable or unpatentable, conceived or otherwise developed in the course of and in connection with the Programs, and all subsequent modifications, enhancements and improvements hereto, excluding the patent applications and patents within the Licensed Patents.

1.7 " Invention " shall mean any new and useful invention, discovery,, process, improvement or other intellectual property conceived of, first reduced to practice, made or otherwise developed by MAYO, its employees or agents including Dr. Moses Rodriguez and Dr. Larry Pease,

in connection with and during the term of either of the Programs and this Agreement, and during the two year period thereafter.

1.8 " Licensed Patents " shall mean, collectively:

(a) United States Patent No. 5,591,629, (formerly Application S.N. 08/236,520, filed April 29, 1994), entitled "Monoclonal Antibodies Which Promote Central Nervous System Remyelination," the inventions described and claimed therein, and any substitutions, extensions, renewals, divisions, patents-of-addition, continuations, continuations-in-part to the extent the claims are directed to subject matter specifically described in such patent (including, but not limited to, all of those continuations-in-part specifically listed on Exhibit C), patents issuing thereon or reissues, extensions or supplementary protection certificates thereof, and any and all patents and patent applications throughout the Territory corresponding thereto; and

(b) All patents and patent applications, and any substitutions, extensions, renewals, divisions, patents-of-addition, continuations, continuations-in-part to the extent the claims are directed to subject matter specifically described in such patent or patent application, patents issuing thereon or reissues, re-examinations, extensions or supplementary protection certificates thereof, and any and all foreign counterparts thereto concerning any invention, technology or other intellectual property owned in whole or in part by MAYO and made, first reduced to practice or otherwise developed in connection with the Programs, whether before or after the date of this Agreement, or derivatives or analogs thereof, including any and all technology which may be subject to either of the Option Agreements.

1.9 " Licensed Product " shall mean any product or part thereof which is covered, in whole or in part, by a Valid Claim of a Licensed Patent in the country in which such product is made, used or sold, or which incorporates or utilizes Know-How.

1.10 " Licensed Technology " shall mean the Licensed Patents and the Know-How, collectively.

1.11 " Marketing Exclusivity Rights " shall mean any rights to which a Licensed Product may be eligible in addition to or in lieu of rights under the Licensed Patents including rights to exclusivity provided in 21 USC §505, 21 USC §360aa-ee, the Orphan Drug Act, the marketing exclusivity provisions of Article 8(a) of Directive 65/65/EEC Relating to Medicinal Products and any other legislation on regulations as amended from time to time in the Territory applicable to this Agreement providing for non-patent marketing exclusivity for any Licensed Product whether such legislation or regulation is operative on the Effective Date of this Agreement or becomes operative thereafter;

1.12 " Material Breach " shall mean a breach of this Agreement which is specified in this Agreement as being a material breach, and in addition, any breach of this Agreement which is so

injurious to the relationship between the Parties that this Agreement should reasonably be subject to immediate Termination by the non-breaching Party.

1.13 " Net Sales " shall mean, with respect to any Licensed Product, the gross amount invoiced for such Product by ACORDA, its Affiliates and Sublicensees, to third parties, less deductions for: (i) trade, quantity and/or cash discounts, allowances and rebates (including, without limitation, promotional allowances or discounts or similar allowances) actually allowed or given; (ii) freight, postage, shipping, insurance and transportation expenses and similar charges (in each instance, if separately identified in such invoice); (iii) credits or refunds actually allowed for rejections, defects or recalls of such Licensed Product, outdated or returned Licensed Product, or because of rebates or retroactive price reductions; and (iv) sales, value-added and excise taxes, tariffs and duties, and other taxes directly related to the sale, to the extent that such items are included in the gross invoice price (but not including taxes assessed against the income derived from such sale). Such amounts shall be determined from the books and records of
ACORDA, its Affiliates or its Sublicensees, maintained in accordance with the reasonable accounting principles used by such entity, consistently applied.

1.14 " Patent Term Extensions " shall mean the interim or permanent extension ofthe term of any Licensed Patents or claims covered by any Licensed Patents for any Licensed Product for which MAYO may be eligible under 35 U.S.C. § 156 or any otherU.S. or non-U.S. statute providing for extensions of patent terms;

1.15 " Patent Term Extensions Information " shall mean information within a non-filing Party's possession or control which may be requested by the Party responsible for filing and prosecuting an application or petition for a Patent Term Extension, such information as may be requested by the Patent and Trademark Office and execution of all necessary documentation in connection therewith for the filing Party to make a timely and complete filing and prosecution of an application for a Patent Term Extension;

1.16 " Party " shall mean ACORDA or MAYO and, when used in the plural, shall mean ACORDA and MAYO.

1.17 " PLA " shall mean a product license application, or with respect to any product license application already filed as of the Effective Date a supplemental product license application thereto, filed with the United States FDA, or the equivalent regulatory filing required to be filed with the regulatory authorities in any other jurisdiction outside the United States.

1.18 " Regulatory Review Period " shall mean the period of time defined in 35 U.S.C. § 156(g) and applicable to any Licensed Product;

1.19 " Royalty Term " shall mean, with respect to each Product in each country in the Territory, the period commencing on the date of the First Commercial Sale of such Product

and expiring on the earlier of: (a) the later of (i) the expiration of the last Key Claim covering such Product in such country, or (ii) the expiration of any exclusive approval period granted with respect to such Product under the Orphan Drug Act, 21 U.S.C. § 360aa *et. seq.*, as amended from time to time, or (iii) ten years from the First Commercial Sale, or (iv) fifteen years from the Effective Date; or (b) the Termination of this Agreement.

1.20 " Sublicensee " shall mean any non-Affiliate third party sublicensed by ACORDA to make, have made, import, use or sell any Licensed Product.

1.21 " Termination " of this Agreement shall mean the ending, expiration, rescission, or any other discontinuation of this contract for any reason whatsoever.

1.22 " Territory " shall mean the entire world.

1.23 " Valid Claim " shall mean either: (i) a claim of an issued and unexpired patent included in the Licensed Patents, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, which decision is unappealable or unappealed within the time allowed for appeal, and which claim has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise, or (ii) a pending claim of a pending patent application that is classified under Section 1.7 as Licensed Patents, which claim (a) was filed in good faith, (b) is reasonably likely to issue, (c) has not been abandoned or finally disallowed without the possibility of appeal or refining of said application, and (d) has not been pending for a period in excess of seven (7) years from the earliest date from which the patent application was filed or claims priority in such country.

2. GRANT OF LICENSE.

2.1 License Grant . Subject to the terms and conditions of this Agreement, MAYO hereby grants to ACORDA, subject to any rights of the U. S. Government under 35 U.S.C. § 200 *etseq.* and all regulations promulgated pursuant thereto, the exclusive (even as to MAYO), worldwide right and license under the Licensed Technology to develop, make, have made, use, import, export, lease, offer to sell, sell, have sold and otherwise exploit Licensed Products for use in the Field in the Territory, and to grant, offer for sale and authorize sublicenses with respect to the right and license granted under this Section 2.1 to other third parties.

2.2 Reserved Rights . Notwithstanding the right and license granted in Section 2.1, MAYO reserves the right to use the Licensed Technology solely for purposes of education, internal research and verification of adherence to MAYO's policies regarding the responsible conduct of research, and for MAYO's • patient care, at the discretion of MAYO's physicians, conducted within MAYO's facilities located in Rochester, Minnesota, Scottsdale, Arizona and Jacksonville, Florida. MAYO may also share aliquots of antibody related to Licensed Technology with other academic

institutions solely for non-commercial research purposes as ACORDA may approve in advance, provided that no antibody shall be shared which is not already subject to an issued U.S. Patent or pending U.S. patent application, and provided further, that any such other academic institution must sign a material transfer agreement in form acceptable to ACORDA, whereby such institution confirms (a) that the antibody provided is the subject of an issued or pending Patent, (b) the proprietary rights of ACORDA under this Agreement, and (c) that all rights to all commercial applications resulting from such institution's research making use of such transferred material shall belong exclusively to MAYO and be considered part of the license granted to ACORDA under this Agreement. The Parties agree that the form of material transfer agreement attached to this Agreement as Exhibit E may be used for such purpose, provided that MAYO must still obtain ACORDA's prior approval for any specific agreement and transfer in each instance. Nothing in this Section 2.2 shall permit MAYO to use the Licensed Technology to develop any product for commercial use, or give any third party such right.

2.3 Representations and Warranties .

(a) MAYO hereby represents and warrants that:

(i) It has the right to grant the right and license granted to ACORDA under this Section 2 and that (except as may be provided in that certain agreement dated January 9, 1997 between MAYO and TEVA Pharmaceutical Industries, Ltd. (the "TEVA Agreement") which purports to grant certain rights to TEVA with respect to certain research results which may or may not be considered part of the Licensed Technology licensed hereunder and is the subject of the special indemnification provided under Section 8.2 (b) of this Agreement) MAYO has not entered into any agreement with any third party which is in conflict with the rights granted to ACORDA pursuant to this Agreement; and

(ii) It has fully disclosed to ACORDA all information in MAYO's possession or control relating to the Licensed Technology, including, without limitation, any communications with any third parties relating to any of the foregoing.

(b) **NO OTHER WARRANTIES.**

(i) Except as expressly provided in this Agreement, nothing in this Agreement shall be construed as a warranty or representation by MAYO as to: the validity or scope of any patents contained in the Licensed Technology; an obligation to bring or to prosecute actions against third parties for infringement of patent; or conferring by implication, estoppel, or otherwise any patents of MAYO.

(ii) MAYO HAS NOT MADE AND PRESENTLY MAKES NO PROMISES, GUARANTEES, REPRESENTATIONS OR WARRANTIES OF ANY NATURE, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, REGARDING THE MERCHANTABILITY,

FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DURABILITY, CONDITION, QUALITY, OR ANY OTHER CHARACTERISTIC OF THE LICENSED TECHNOLOGY. THE COMPANY TAKES THE LICENSED TECHNOLOGY "AS IS," "WITH ALL FAULTS," AND "WITH ALL DEFECTS," AND EXPRESSLY WAIVES ALL RIGHTS TO MAKE ANY CLAIM WHATSOEVER AGAINST MAYO FOR MISREPRESENTATION OR FOR BREACH OF PROMISE, GUARANTEE, OR WARRANTY OF ANY KIND RELATING TO THE LICENSED TECHNOLOGY.

2.4 Right of First Offer . The Parties recognize that MAYO may continue to conduct internal research using the Licensed Technology, as it determines in its discretion. In the event that MAYO develops any other application related to the Licensed Technology but outside the scope of the license granted under this Agreement (a "New Product"), MAYO hereby grants to ACORDA a right of first offer with respect to rights for any such New Product in the Field, as follows:

(a) In the event that, at any time during the term of this Agreement, MAYO intends to offer to a third party any rights to any New Product or receives an offer from a third party to acquire any rights to any New Product, MAYO shall first offer such rights to ACORDA, in writing, on terms no less favorable to ACORDA than those to be offered to, or offered by, such third party

(b) Within 30 days after receipt of any such offer, ACORDA shall notify MAYO in writing as to whether it wishes to obtain such rights on such terms. If ACORDA provides timely notice that ACORDA wishes to obtain such rights, then the Parties shall conduct exclusive negotiations in good faith and conclude an agreement incorporating such terms within 120 days thereafter.

(c) In the event that (i) ACORDA gives MAYO notice that ACORDA does not wish to obtain such rights, or (ii) ACORDA does not respond to MAYO's notice within 30 days after receipt thereof, then MAYO shall have the unrestricted right to enter into an agreement with a third party for such rights.

(d) In the event that the parties enter into negotiations pursuant to Section 2.4(b), but are unable to agree upon the terms of such rights, despite the use of good faith efforts, during the 120-day period set forth in Section 2.4(b), then MAYO shall have the right, for a period of six months thereafter, to enter into an agreement with a third party for such rights on terms no more favorable to such third party than those last offered to ACORDA pursuant to this Section 2.4. In the event that MAYO wishes to enter into such an agreement on terms more favorable to such third party, MAYO shall reoffer such terms to ACORDA in accordance with this Section 2.4. MAYO's obligation to reoffer to ACORDA any particular New Product it has not licensed to a third party during the six month period contemplated in the first sentence of this Section 2.4(d) shall continue for the term of this Agreement, and if MAYO continues its internal research related to such New

Product, it will disclose to ACORDA any material new information, technology, or data developed by MAYO related to the New Product to permit ACORDA to evaluate MAYO's reoffer.

2.5 Opportunity to Conduct Clinical Studies . In the event that ACORDA determines that it is desirable to conduct clinical studies in connection with development of Licensed Products using the Licensed Technology, ACORDA shall provide MAYO with the opportunity to be included as a study site for such clinical studies, provided that MAYO has the necessary expertise, and can perform such clinical study in a timely and cost efficient manner when compared to the use of a third party. MAYO acknowledges that MAYO may not serve as a major clinical trial site, when MAYO has a conflict of interest, whether actual or perceived, such as in a registrational study.

3. PAYMENTS; ROYALTIES.

3.1 Upfront Consideration Royalty .

(a) In partial consideration of the right and license granted to ACORDA hereunder, ACORDA shall pay MAYO a fee of thirty-five thousand dollars ($35,000), due within thirty (30) days after the Effective Date. Such fee shall be non-refundable, and non-creditable against any other royalty or fee payable under this Agreement.

(b) In further consideration of the right and license granted to ACORDA hereunder, ACORDA acknowledges that this Agreement permits MAYO to exercise the warrants previously granted to MAYO in connection with the Option Agreement to purchase 60,000 shares of ACORDA common stock at the price of founders stock. In the event MAYO elects to exercise such warrants, ACORDA shall reimburse to MAYO the price paid by MAYO in order to exercise such warrants.

3.2 Milestone Royalties for Licensed Product s . In further consideration of the right and license granted to ACORDA hereunder, ACORDA shall pay to MAYO the following milestone payments upon the first occurrence of each event set forth below:

(a) In as much as United States Patent No. 5,591,629, as described in Section 1.8(a) has issued and contains one or more of the key claims as contemplated by a prior Option Agreement among the Parties ("Key Claims"), $25,000, within 30 days following the Effective Date.

(b) $25,000 within thirty days following the issuance of the first U.S. composition of matter Licensed Patent for a human antibody.

(c) $50,000 within 30 days after the initiation of the first U.S. Phase II clinical trial for the first Licensed Product chosen for development ("First Licensed Product") by ACORDA or its Affiliates or Sublicensees.

(d) $500,000 upon the approval to market for therapeutic use given by the FDA to ACORDA or its Affiliates or Sublicensees ("FDA Approval") of the First Licensed Product, which amount shall be paid in four equal installments, the first of which shall be paid within 30 days following the date of such FDA Approval and the balance of which shall be paid within 30 days after the end of the three-, six- and nine-month periods following such date.

(e) $125,000 within 30 days after the earlier of (1) initiation of the second U.S. Phase III clinical trial for the second Licensed Product chosen for development, if any, ("Second Licensed Product") by ACORDA or its Affiliates or Sublicensees or (2) submission of a New Drug Application ("NDA") by ACORDA or its Affiliates or Sublicensees to the FDA for such Second Licensed Product.

(f) $500,000 upon FDA Approval of the Second Licensed Product, which amount shall be paid in four equal installments, the first of which shall be paid within 30 days following the date of such FDA Approval and the balance of which shall be paid within 30 days after the end of the three-, six- and nine-month periods following such date.

(g) $150,000 within 30 days after the earlier of (1) initiation of the second U.S. Phase III clinical trial for the third Licensed Product chosen for development, if any, ("Third Licensed Product") by ACORDA or its Affiliates or Sublicensees or (2) submission of an NDA by ACORDA or its Affiliates or Sublicensees to the FDA for such Third Licensed Product.

(h) $500,000 upon FDA Approval of the Third Licensed Product, which amount shall be paid in four equal installments, the first of which shall be paid within 30 days following the date of such FDA Approval and the balance of which shall be paid within 30 days after the end of the three-, six- and nine-month periods following such date.

3.3 Running Royalties for Sales of Licensed Products .

(a) In further consideration of the right and license granted to ACORDA hereunder, ACORDA shall pay to MAYO, in connection with the sale of Licensed Products by ACORDA or its Affiliates or Sublicensees, in accordance with the following schedule and rates:

(i) With respect to the First Licensed Product, provided that such First Licensed Product is covered by a Valid Claim which contains a valid composition of matter claim in the country where it is sold the applicable royalty rates shall be

1.25% of the first $400,000,000 of annual Net Sales; and

1.50% of all annual Net Sales in excess of $400,000,000.

(ii) With respect to the Second Licensed Product, the Third Licensed Product, and each subsequent Licensed Product, provided that each such Licensed Product is covered by a Valid Claim which contains a valid composition of matter claim in the country where it is sold, and taking each Licensed Product into account separately and not aggregating Net Sales of separate Licensed Products, the applicable royalty rates shall be:

1.00% of the first $200,000,000 of annual Net Sales;

1.50% of annual Net Sales between $200,000,001 and $400,000,000;

2.00% of annual Net Sales between $400,000,001 and $500,000,000; and

2.5% of annual Net Sales in excess of $500,000,000.

(iii) With respect to any Licensed Product which is not covered by a Valid Claim which contains a composition of matter claim in the country where it is sold, but is covered by a pending patent within the Licensed Patents containing a valid composition of matter claim in the country where such Licensed Product is sold, the applicable royalty rate shall be, in lieu of the foregoing rates, one percent (1.00%) on all annual Net Sales

(b) In the event that any of the issued patents contemplated in Section 3.3(a) contain only awarded valid utility claims, the Parties shall negotiate in good faith lesser royalty rates for the sale of Licensed Products. Such royalty rates shall reflect customary royalties for intellectual property of the type, degree of proprietary protection and value mutually agreed to by MAYO and ACORDA.

(c) Beginning on the first anniversary of the first commercial sale of the First Licensed Product, ACORDA shall pay MAYO the following minimum annual royalties equal to the difference between the actual annual amounts paid to MAYO pursuant to Section 3.3(a) and (b) and the following:

(i) $20,000 on the first anniversary;

(ii) $25,000 on the second anniversary;

(iii) $30,000 on the third anniversary; and

(iv) $35,000 on the fourth anniversary and on each anniversary thereafter.

3.4 Third Party Royalties . In the event that ACORDA, its Affiliates or Sublicensees, as the case may be, pays royalties or other amounts to any third party to make, use or sell a Licensed Product or to avoid or settle a claim of infringement of the intellectual property rights of such third party, ACORDA may offset such amounts paid against up to fifty percent (50%) of the amount of royalties due from ACORDA to MAYO, *provided however*, that in no event shall MAYO receive less that one quarter of one percent (0.25%) of the Net Sales of the Licensed Product sold by ACORDA, its Affiliates or Sublicensees, as the case may be.

3.5 Certain Affiliate and Sublicensee Royalt ies . In the event that ACORDA receives any royalties from Affiliates or Sublicensees with respect to the sale of Licensed Products for use in applications that ACORDA has decided, in its business judgment, not to commercialize, ACORDA shall pay MAYO twenty-five percent (25%) of such amounts received, *provided however*, that MAYO shall not be entitled to any share of amounts received by ACORDA from its Affiliates or Sublicensees for:

(a) equity;

(b) debt;

(c) research and development;

(d) any payments attributable to performance based milestones;

(e) the license or sublicense of,

(i) any intellectual property other than the Licensed Patents,

(ii) any products other than the Licensed Products; or

(f) reimbursement for patent or other expenses.

3.6 Obligation to Pay Royalties . In no event shall more than one. royalty be due hereunder with respect to any unit of Licensed Product even if covered by more than one patent or Valid Claim of any patent included in the Licensed Patents. Except as provided in Section 3.5, there shall be no obligation to pay royalties to MAYO under this Section 3 on sales of Licensed Products between ACORDA and its Affiliates and Sublicensees, but in such instances the obligation to pay royalties shall arise upon the sale by ACORDA or its Affiliates or Sublicensees. Failure to make such royalty payments shall be deemed a Material Breach of this Agreement. Payments due under this Section 3 shall be deemed to accrue when payment is received by ACORDA for Licensed Products.

3.7 Royalties on Combined Products . Where a Licensed Product is sold in combination

with one or more other products that are not Licensed Products (the "Combined Product"), ACORDA shall pay royalties to MAYO based upon the value of the Combined Product attributable to the Licensed Patents. The Parties agree to negotiate in good faith to reach a mutual agreement concerning the value of Combined Product attributable to such Licensed Patents, *provided however*, that ACORDA shall pay MAYO no less than one quarter of one percent (0.25%) of the Net Sales of such Combined Product.

4. PAYMENTS AND RECORDS.

4.1 Payment . Except as otherwise provided herein, all royalties and other.payments due hereunder shall be paid quarterly within 45 days after the end of each calendar quarter in which such payments or royalties accrue. Each such payment shall be accompanied by a statement identifying the payments made, including a Licensed Product-by-Licensed Product and country-by-country statement of the amount of Net Sales during such quarter, the amount of royalties due on such Net Sales and the amount of any credits being applied to such royalties. Failure to make such payments on time shall be deemed a Material Breach of this Agreement.

4.2 Mode of Payment . ACORDA shall make all payments required under this Agreement in U.S. Dollars. The payments due shall be translated at the rate of exchange at which United States Dollars for the currency of the country in which the payment accrued, as listed in *The Wall Street Journal* on the last business day of the calendar quarter in which such sales, if any, were made.

4.3 Taxes . Royalties shall be paid to MAYO free and clear of all foreign taxes, including withholding and turnover taxes, except such taxes which ACORDA may be required to withhold by a foreign country. Any tax required to be withheld by ACORDA or its Affiliates or Sublicensees under the laws of any foreign country for the account of MAYO shall be promptly paid by ACORDA or its Affiliate or Sublicensee for and on behalf of MAYO, with proof of payment of such tax together with official or other appropriate evidence issued by the appropriate governmental authority sufficient to enable MAYO to support a claim for income tax credit in' respect to any sum so withheld. Any such tax required to be withheld shall be an expense of and borne solely by MAYO.

4.4 Records Retention . ACORDA shall keep complete and accurate records pertaining to the manufacture, use and sale of Licensed Products and in sufficient detail to permit MAYO to confirm the accuracy of royalty calculations under this Agreement.

4.5 Audit Request . At the request and expense of MAYO, ACORDA shall permit an independent, certified public accountant appointed by MAYO and acceptable to ACORDA, at reasonable times and upon reasonable notice, to examine those records as may be necessary to: (i) determine, with respect to any calendar year ending not more than three years prior to MAYO's request, the correctness of any report or payment made under this Agreement; or (ii) obtain

information as to the royalty payable for any calendar year in the case of ACORDA'S failure to report or pay pursuant to this Agreement. Results of any such examination shall be made available to both Parties. MAYO shall bear the full cost of the performance of any such audit; *provided however*, that in the event such audit reveals an underpayment by ACORDA in excess of five percent of the total amount of payment due by ACORDA to MAYO for any calendar year subject to such audit, ACORDA shall reimburse MAYO for the cost of such audit.

5. DUE DILIGENCE.

5.1 Diligence . ACORDA, directly or through its Affiliates or Sublicensees, shall use reasonable commercial efforts, consistent with its business judgment, to develop and commercialize Licensed Products during the term of this Agreement and obtain and maintain such approvals as may be necessary for the sale of Licensed Products in the United States and in such other worldwide markets as ACORDA selects to commercialize such Licensed Products.

5.2 Reports . During the term of this Agreement and until the First Commercial Sale of the first Licensed Product, ACORDA shall deliver to MAYO semi-annual reports, due within 45 days after the end of each June and December, summarizing the efforts of ACORDA, its Affiliates and its Sublicensees to develop and commercialize Licensed Products.

(a) If MAYO reasonably believes that ACORDA is not satisfying ACORDA's diligence obligations set forth in Section 5.1 (or does not have sufficient information to make such determination), it may request ACORDA to inform MAYO of such efforts as ACORDA, its Affiliates or Sublicensees are undertaking to comply with its obligations thereunder. Within 60 days from receipt of such request, ACORDA shall then report its efforts to develop and commercialize Licensed Products and, if either Party requests, the Parties shall meet to discuss the situation.

(b) At any time during such 60-day period, either Party may request the use of a mediator to assist in the resolution of such dispute. In such event, both Parties shall try in good faith to resolve such dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules by a single mediator, who shall have experience and be knowledgeable in the pharmaceutical industry, appointed in accordance with such rules. The Parties agree to submit to one day of mediation to take place within 30 days after the selection of such mediator, unless the Parties otherwise agree. The costs of any such mediation, including administrative fees and fees of the mediator, shall be shared equally by the Parties, and each Party shall bear its own expenses in such mediation.

(c) If, at the end of the later of the 60 day period referred to in Section 5.3(a) or the unsuccessful conclusion of the mediation, if any, commenced pursuant to Section 5.3(b), MAYO

still believes that ACORDA is not exercising sufficient efforts to satisfy the diligence obligations set forth in Section 5.1, MAYO shall initiate a Short-Form Arbitration proceeding pursuant to Section 5.4 within 30 days thereafter. The sole question before the arbitrator shall be whether ACORDA is exercising sufficient efforts to satisfy the diligence obligations set forth in Section 5.1. If MAYO fails to initiate such arbitration within such 30 day period, MAYO shall have no further right to dispute ACORDA's efforts to satisfy its diligence obligations with respect to the period in question.

(d) The foregoing is intended to provide MAYO the means to reasonably exercise its rights hereunder, and shall not be used to place unreasonable reporting burdens on ACORDA. MAYO may not commence a request for the foregoing information from ACORDA for at least one year after MAYO last commenced a request therefor.

5.3 Short-Form Arbitration . Any dispute subject to short-form arbitration as provided in Section 5.3 shall be finally settled by binding arbitration in New York City, New York (at a specific location to be agreed upon by the Parties) under the Licensing Rules of the American Arbitration Association by a panel of one or more arbitrators, who shall have experience and be knowledgeable in the pharmaceutical industry, appointed in accordance with such rules. (Such arbitrators shall make their determination on the basis of "baseball arbitration" principles. THE FOREGOING REMEDY SHALL BE EACH PARTY'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO ANY SUCH DISPUTE. Except as specifically otherwise set forth in Section 5.3 and this Section 5.4 such arbitration shall be conducted in accordance with the provisions of Exhibit D.

6. "OWNERSHIP; PATENTS; MARKETING EXCLUSIVI TY; PATENT TERM EXTENSIONS"

6.1 Ownership .

(a) Except as otherwise provided in Section 6.1(b) through (e), MAYO shall retain all right, title and interest in and to the Licensed Technology, regardless of which Party prepares and prosecutes the patent applications associated therewith, or maintains the patents or other intellectual property rights related, subject to the right and license granted to ACORDA pursuant to Section 2.

(b) Rights to Inventions for which employees or agents of MAYO are the sole inventor(s) as determined in accordance with U.S. patent laws shall belong to MAYO.

(c) Rights to Inventions for which employees or agents of ACORDA are the sole inventor(s) as determined in accordance with U.S. patent laws shall belong to ACORDA.

(d) Rights to Inventions made jointly by employees and agents of MAYO and by employees and agents of ACORDA as determined in accordance with U.S. patent laws shall belong jointly to MAYO and to ACORDA.

(e) Rights held by MAYO in any Inventions, including without limitation, rights in and to patent applications and patents which may be obtained thereon, shall be within the terms Licensed Patents and shall be subject to the license granted to ACORDA herein.

(f) In the event as to any Invention either Party determines that it may be advisable to consider special ownership or license arrangements among them in order to maximize the commercial protection or utility afforded under any applicable patent law, the Parties shall discuss and consider in good faith the implementation of such special arrangements as a means of maximizing the value of such Invention for their mutual benefit.

6.2 Patent Prosecution and Maintenance .

(a) ACORDA, at its sole cost and expense (including, without limitation, legal fees, filing and maintenance fees or other governmental charges), shall (i) commencing on the Effective Date, have full responsibility for and shall control the preparation and prosecution of all patent applications, and the maintenance of all patents, related to the Licensed Technology, and (ii) reimburse the reasonable expenses in connection with such activities prior to the Effective Date. actually incurred by MAYO, in connection with the filing, prosecution and maintenance of the Patent Rights, as shown by MAYO's books and records.

(b) ACORDA shall select qualified patent counsel to file and prosecute all such patent applications. ACORDA shall provide copies to MAYO of any proposed filings to made to any patent office relating to the Patent Rights in advance, shall consult with MAYO, and shall in good faith consider and give due respect to MAYO's position with respect thereto. In addition, ACORDA shall provide copies to MAYO of any written communications received from any patent office relating to the Patent Rights.

(c) MAYO shall provide ACORDA with a credit against earned royalties due MAYO in the amount of fifty percent (50%) of all expenses, costs and fees (including attorney's fee's) paid by ACORDA in pursuant to this Section 6.2. At MAYO's request, ACORDA shall provide MAYO with reasonable documentation of such costs.

(d) Each Party agrees to cooperate with the other Party to execute all lawful papers and instruments, to make all rightful oaths and declarations and to provide consultation and assistance as may be necessary in the preparation, prosecution, maintenance, and enforcement of all Patent Rights.

6.3 Patent Enforcement .

(a) If either Party learns of an infringement or other use, rights or ownership claim or threatened infringement or other such claim by a third party with respect to any Licensed

Technology within the Territory, such Party shall promptly notify the other Party and shall provide such other Party with available evidence of such infringement, whereupon the parties shall consult to determine if they will jointly bring action to terminate such infringement or misappropriation. The costs and expenses of any such action (including fees of attorneys and other professionals) shall be borne by the Parties in such proportions as they may agree in writing. Any recovery obtained by the Parties in such action shall be used to reimburse the cost of such action to the Parties in proportion to their respective contributions to the costs and expenses incurred in such action, and the remainder shall be divided equally between the Parties.

(b) In the event that the Parties fail to initiate an action to terminate such infringement or misappropriation within ninety (90) days after the last party receives notice of such infringement or misappropriation, MAYO shall have the first right, but not the duty, to institute at its sole cost and expense, actions against third parties based on any Licensed Technology under this Agreement. Any recovery obtained by MAYO in such action shall be used to reimburse the cost of such action and the remainder shall be retained by MAYO.

(c) In the event that the Parties fail to initiate an action to terminate such infringement or misappropriation within ninety (90) days after the last party receives notice of such infringement or misappropriation, and in the event MAYO does not institute an infringement proceeding against an offending third party within 180 days after the last party receives such notice, ACORDA shall have the right, but not the duty, to institute at its sole cost and expense, such an action with respect to any infringement or misappropriation by a third party. Any recovery obtained by ACORDA shall be used to reimburse the cost of such action and the remainder shall be retained by ACORDA, *provided however*, that such amount shall be deemed to constitute Net Sales for purposes of this Agreement.

(d) Unless the Parties otherwise agree in writing, each Party shall execute all necessary and proper documents and provide reasonable, but not financial, cooperation as shall be appropriate, to allow the other Party to institute and prosecute such infringement actions.

6.4 Infringement Action by Third Parties .

(a) In the event of the institution of any suit by a third party against ACORDA for patent infringement involving the manufacture, sale, offer for sale, distribution or marketing of any Product in the Territory, ACORDA shall have the right to defend such suit at its own expense, and MAYO hereby agrees to assist and cooperate with ACORDA, at ACORDA's expense, to the extent necessary in the defense of such suit. During the pendency of any such action, ACORDA shall continue to make all payments due under this Agreement, *provided however*, that ACORDA shall be entitled to a credit against such payments of an amount equal to one-half of the reasonable costs actually incurred in such action.

(b) If ACORDA finally prevails and receives an award from such third party as a result of such action (whether by way of judgment, award, decree, settlement or otherwise), such award shall be allocated, first, to ACORDA and MAYO to reimburse each Party for its pro rata share of costs and expenses incurred in such action, and the remaining amount shall be retained by ACORDA, *provided however*, that such amount shall be deemed to constitute Net Sales for purposes of this Agreement.

(c) If ACORDA finally loses, whether by judgment, award, decree or settlement, and is required to pay a royalty or damages to such third party, ACORDA shall continue to pay the royalties for such Licensed Product in the country(ies) which is the subject of such action, but shall be entitled to a credit against such payments in an amount-equal to the royalty or damages paid to such third party, but in no event shall such credit be more than 50% of the royalties due hereunder for such Licensed Product in such country(ies).

(d) If ACORDA is required to pay a royalty or damages to a third party pursuant to Section 6.4(c) and the amount of such royalty or damages exceeds 50% of the royalties due hereunder for such Licensed Product in such country(ies), ACORDA shall have the right to terminate this Agreement solely with respect to such Licensed Product in such country(ies). The effect of any such termination shall be the same as any termination by ACORDA pursuant to Section 9.4.

6.5 Marketing Exclusivity/Patent Term Extens ions

(a) ACORDA shall be responsible for taking all necessary steps to prosecute, perfect and maintain such applicable Marketing Exclusivity Rights as it deems appropriate.

(b) ACORDA grants to MAYO the exclusive right to rely on any Regulatory Review Period for any Licensed Product and agrees to be MAYO's agent for such purposes. In the event of any request from the Patent and Trademark Office for assurances that MAYO has the right to rely on the Regulatory Review Period, including assurances that ACORDA is MAYO's agent for such purposes, this Section 6.5 shall be conclusive evidence ofACORDA's agreement that MAYO has such right. Except as may otherwise be contemplated under this Agreement with respect to the transfer of rights or obligations to Affiliates, Sublicensees and permitted assignees, ACORDA may not transfer, assign, license, mortgage or hypothecate in whole or in part to any person, whether voluntarily or involuntarily, its right to a Regulatory Review Period for any Licensed Product without the prior written consent of MAYO, which consent shall not be unreasonably withheld or delayed.

(c) Subject to the provisions of Section 6.5 (e), MAYO reserves the right to determine that ACORDA should file and prosecute any application for a Patent Term Extension;

(d) ACORDA agrees to take all reasonable actions which MAYO determines to be necessary to ensure the complete and timely filing and prosecution of any application for a Patent

Term Extension, including but not limited to providing MAYO with relevant Patent Term Extension Information.

(e) In the event that more than one Licensed Patent could be the subject of an application for a Patent Term Extension, ACORDA shall have the right, after consultation with MAYO, to select the Licensed Patent.

7. PUBLICATION; CONFIDENTIALITY.

7.1 Publication . ACORDA acknowledges that MAYO is dedicated to free scholarly exchange and to public dissemination of the results of its scholarly activities. In the event MAYO, or any employee, student or other agent of MAYO who is performing any work with respect to the Program, wishes to make any publication or otherwise disseminate information concerning or obtained through the Program, MAYO will deliver to ACORDA copies of such scientific articles, papers and abstracts for review and comment at least 60 days prior to the date of submission for publication or presentation. ACORDA's permission to publish shall not be unduly withheld, and ACORDA's permission or withholding of such permission will be submitted to MAYO in writing not later than 30 days following' ACORDA's receipt of the material for review. If ACORDA determines that such proposed publication or presentation contains patentable subject matter that requires protection, ACORDA may require the delay of publication or presentation for a period not to exceed 90 days for the purpose of allowing the filing of patent applications. If ACORDA identifies any of ACORDA's Confidential Information (as defined herein) in such proposed publication or presentation, MAYO will delete such information from same, or modify the disclosure of such information from same in a manner reasonably acceptable to ACORDA.

7.2 Confidentiality; Exceptions .

(a) "Confidential Information of a party shall mean all reports, data and information disclosed by such party to another party, which is (i) in writing and marked "CONFIDENTIAL" or "PROPRIETARY or marked with words of similar import, or (ii) disclosed through oral, visual, or other non-written means, identified as confidential or proprietary at the time of initial disclosure, and summarized and confirmed as confidential or proprietary in writing to the receiving party within thirty (30) days of such disclosure. Any markings, stamps, or legends identifying confidential information shall not impose any obligations on either party inconsistent with this agreement. Any copies of the information made by the receiving party shall reproduce the confidential markings and any other legends contained on such information.

(b) Except to the extent expressly authorized by this Agreement or otherwise agreed in writing, the Parties agree that, during the term of this Agreement and for five years thereafter, the receiving Party, its Affiliates, its licensees and its Sublicensees shall keep, and shall ensure that their respective employees, officers, directors and trustees shall keep, completely confidential and shall not publish or otherwise disclose and shall not use any Confidential

Information for any purpose other than carrying out the obligations of the receiving Party under this Agreement except to the extent that it can be established by the receiving Party by competent proof in the form of written records maintained by the receiving Party that such information: (i) was already known to the receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the disclosing Party; (ii) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party; (iii) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the receiving Party in breach of this Agreement; or (iv) was disclosed to the receiving Party, other than under an obligation of confidentiality, by a third party who had no obligation to the disclosing Party not to disclose such information to others.

7.3 Exceptions to Obligation . The restrictions contained in Section 7.2 shall not apply to Confidential Information that: (i) is submitted by the recipient to governmental authorities to facilitate the issuance of marketing approvals for Licensed Products, provided that reasonable measures shall be taken to assure confidential treatment of such information; (ii) is provided by the receiving Party to third parties under appropriate terms and conditions, including confidentiality provisions substantially equivalent to those in this Agreement, for consulting, manufacturing development, manufacturing, external testing and marketing trials; or (iii) is otherwise required to be disclosed in compliance with applicable laws or regulations or order by a court or other regulatory body having competent jurisdiction, provided that if a Party is required to make any such disclosure of the other Party's Confidential Information it will, except where impracticable for necessary disclosures, for example to physicians conducting studies or to health authorities, give reasonable advance notice to the other Party of such disclosure requirement and, except to the extent inappropriate in the case of patent applications, will use its best efforts to secure confidential treatment of the Confidential Information required to be disclosed, and shall cooperate with efforts of the disclosing Party to limit disclosure, as appropriate.

7.4 Confidentiality regarding Patient Inform ation . Notwithstanding anything in this Section 7 to the contrary, identifiable patient information obtained in the performance of the Program shall be deemed Confidential Information and shall be kept confidential by both Parties permanently except: (i) when that information is required to be disclosed by regulatory authorities; or (ii) with the patient's consent.

8. INDEMNIFICATION.

8.1 Products Liability . ACORDA shall defend, indemnify and hold MAYO and MAYO's Affilitates, and their respective trustees, officers and employees, harmless from and against any and all claims, suits or demands for liability, damages, losses, costs and expenses (including the costs and expenses of attorneys and other professionals) (collectively, a "Claim") arising out of or resulting from third party claims or suits resulting from: (i) the use by ACORDA or its Affiliates

or Sublicensees of any of the Licensed Technology, (ii) the use by ACORDA or its Affiliates or Sublicensees of information concerning or obtained through the Program, or (iii) the manufacture, use, sale or offer for sale of a Licensed Product by ACORDA or its Affiliates or Sublicensees pursuant to this Agreement; provided that such Claim does not arise out of or result from a breach of any of MAYO's representations or warranties made under this Agreement, and provided further that such Claim is not covered by MAYO's indemnification provided in Section 8.2.

ACORDA shall, during the term of this Agreement, carry occurrence-based liability insurance with policy limits of at least THREE MILLION DOLLARS ($3,000,000). In addition, such policy shall name MAYO as an additional-named insured.

8.2 MAYO Indemnification .

(a) MAYO shall defend, indemnify and hold ACORDA and its Affiliates and Sublicensees and their respective directors, officers and employees, harmless from and against any and all Claims arising out of or resulting from third party claims or suits resulting from (a) any negligence, recklessness or wrongful intentional acts or omissions of MAYO and its trustees, officers, employees and agents, including Dr. Moses Rodriguez and Dr. Larry Pease in connection with (i) the work performed by MAYO, Dr. Moses Rodriguez or Dr. Larry Pease under the Program, and (ii) any other development and/or commercialization work relating to any Licensed Products or Licensed Technology before the Effective Date, or thereafter in connection with MAYO's, Dr. Rodriguez' or Dr. Pease's development of Licensed Products or Licensed Technology; excepting in any case to the extent any such Claims result from the negligence, recklessness or wrongful intentional acts or omissions of ACORDA or its Affiliates or Sublicensees, or their respective directors, officers, employees or agents.

(b) Notwithstanding any other provision of this Agreement, including those which may impose any obligation or cost on ACORDA in 'connection with patent prosecution, enforcement and infringement actions from third parties under Section .6, MAYO shall defend, indemnify and hold ACORDA and its Affiliates and Sublicensees and their respective directors, officers and employees, harmless from and against any and all Claims arising out of or resulting from third party claims or suits resulting from or in any way related to the TEVA Agreement and MAYO shall, at its sole expense, take all reasonable actions and adopt all reasonable positions with third parties in order to permit ACORDA full enjoyment of the exclusive license granted under this Agreement and to avoid or mitigate any conflicts between with the license hereunder and any rights which MAYO may have granted under the TEVA Agreement in ACORDA's favor.

8.4 Notice; Waiver of Subrogation .

(a) In the event that any person entitled to indemnification (an "Indemnitee") seeks indemnification under this Section 8, the Indemnitee agrees to: (i) promptly inform the indemnifying Party (the "Indemnitor") of any claim, suit or demand threatened or filed, (ii) permit

the Indemnitor to assume direction and control of the defense or Claims resulting therefrom (provided that Indemnitor may not settle any Claim against an Indemnitee without the consent of the Indemnitee, which consent shall not be unreasonably withheld), and (iii) cooperate as requested (at the expense of the Indemnitor) in the defense of the Claim.

(b) Except as otherwise expressly provide in this Agreement, each Indemnitor waives any right of subrogation that it may have against an Indemnitee resulting from any Claim for which an Indemnitor has agreed to indemnify an Indemnitee under Section 8 of this Agreement. Such waiver shall not, however, be deemed a waiver of any subrogation rights an Indemnitor may have against third parties.

9. TERM AND TERMINATION.

9.1 Term . This Agreement shall commence as of the Effective Date and, unless sooner terminated as provided hereunder, shall expire as follows:

(a) As to each Licensed Product and as to each country in the Territory, on a country-by-country and Licensed Product-by-Licensed Product basis upon the expiration of the last to expire Licensed Patent in such Licensed Product or in such country, as the case may be.

(b) This Agreement shall terminate in its entirety upon its termination as to all Licensed Patents in all countries.

9.2 Breach . A Material Breach by either Party of any of the obligations contained in this Agreement shall entitle the other Party to give to the Party in default notice specifying the nature of the Material Breach and requiring it to cure such Material Breach. If such Material Breach is not cured within 90 days after the receipt of such notice (or, if such Material Breach reasonably cannot be cured within such 90-day period, if the Party in default does not commence and diligently continue actions to cure such default during such 90-day period), the notifying Party shall be entitled, without prejudice to any of the other rights conferred on it by this Agreement, and in addition to any other remedies available to it at law or in equity, to terminate this Agreement by giving written notice to take effect on the date of such notice. The right of either Party to terminate this Agreement, as provided in this Section 9.2, shall not be affected in any way by its waiver or failure to take action with respect to any previous Material Breach.

9.3 Insolvency or Bankruptcy . In the event that either Party shall become insolvent, shall make an assignment to the benefit of creditors, or shall have a petition in bankruptcy filed for or against it (which, in the case of an involuntary petition, is not dismissed or stayed within sixty (60) days after such petition is.filed) (a “Bankrupt Party”), the other Party shall have the right to terminate this Agreement in its entirety immediately upon written notice of such Termination. All rights and

licenses granted by the Bankrupt Party under this Agreement are, and shall otherwise be deemed to be; for purposes of Section 365(n) of Title 11, US Code (the "Bankruptcy Code"), licenses of rights to "intellectual property" as defined under Section 101(60) of the Bankruptcy Code. Unless the other Party elects to terminate this Agreement under this Section, the Parties agree that the other Party, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code, subject to the continued fulfillment of its obligations under this Agreement.

9.4 Termination by ACORDA . ACORDA shall have the right to terminate the right and license granted herein, in whole or as to any Licensed Product in any country in the Territory, at any time, and from time to time, by giving written notice to MAYO. Such term ination shall be effective 90 days from the date such notice is given, and all of ACORDA's rights associated with such Licensed Product(s) and such country(ies) shall cease as of that date, subject to Sections 9.5 through 9.7.

9.5 Right to Sell Stock on Hand . Upon the termination of any right and license granted herein, in whole or as to any Licensed Product, for any reason other than ACORDA's failure to cure a Material Breach of this Agreement, ACORDA shall have the right for one year or such longer period as the Parties may reasonably agree in writing to dispose of all Licensed Products or substantially completed Licensed Products then on hand to which such termination applies, and royalties shall be paid to MAYO with respect to such Licensed Products as though this Agreement had not terminated.

9.6 Effect of Termination .

(a) Following the expiration of any right and license granted under this Agreement in whole or in part as to any Licensed Product in any country in the Territory pursuant to Section 9.1, ACORDA shall have the royalty-free, non-exclusive right to continue to use the Licensed Technology for the manufacture, use and sale of Licensed Products as theretofore licensed under this Agreement.

(b) Upon Termination of this Agreement by ACORDA pursuant to Section 9.2 or 9.3: (i) MAYO shall promptly transfer to ACORDA copies of all data, reports, records and materials in MAYO's possession or control that relate to the Licensed Products and return to ACORDA all relevant records and materials in MAYO's possession or control containing Confidential Information ofACORDA, including all information concerning or obtained through the Program; (ii) ownership of all INDs, PLAs and other regulatory filings made or filed for any Product shall be transferred solely to ACORDA, and (iii) at ACORDA's election, any sublicenses granted by ACORDA under the Licensed Technology shall be deemed terminated or automatically assigned to MAYO.

(c) Upon Termination of this Agreement by MAYO pursuant to Section 9.2 or 9.3: (i) ACORDA shall promptly transfer to MAYO copies of all data, reports, records and materials

in ACORDA's possession or control that relate to the Licensed Products and return to MAYO all relevant records and materials in ACORDA's possession or control containing Confidential Information of MAYO; (ii) all licenses granted for Licensed Technology by MAYO to ACORDA under Section 2 shall terminate; (iii) all sublicenses granted by ACORDA under the Licensed Technology shall be deemed automatically assigned to MAYO. Thereafter, MAYO shall have the right to develop, make, have made, use, sell or have sold any Licensed Product.

(d) Upon Termination of this Agreement by ACORDA pursuant to Section 9.4: (i) each Party shall promptly transfer to the other Party copies of all data, reports, records and materials of the other Party in the possession or control of such Party that relate to the Licensed Products; (ii) each Party shall promptly return to the other Party all relevant records and materials in such Party's possession or control containing Confidential Information of the other Party; and (ii) all licenses granted by either Party to the other Party under Section 2 shall terminate. Thereafter, each Party shall have the right to develop, make, have made, use, sell or have sold any Licensed Product, to the extent legally permissible.

9.7 Accrued and Surviving Rights and Obligat ions . Termination, relinquishment or expiration of this Agreement for any reason shall be without prejudice to any rights, obligations or liabilities which shall have accrued to the benefit of either Party prior to such Termination, relinquishment or expiration (including, without limitation, ACORDA's obligation to pay all royalties which shall have accrued hereunder as of the effective date of such Termination). The Parties' rights and obligations under Sections 4, 6, 7, 8, 9.5, 9.6, 9.7, 10.5, and 10.12 shall survive Termination.

10. MISCELLANEOUS PROVISIONS.

10.1 Relationship of 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. No Party shall incur any debts or make any commitments for the other, except to the extent, if at all, specifically provided herein.

10.2 Assignment . Except as otherwise provided herein, neither this Agreement nor any interest hereunder shall be assignable by any Party without the prior written consent of the other, which consent shall not be unreasonably withheld; *provided, however*, that either Party may assign this Agreement to any wholly-owned subsidiary or to any successor by merger or sale of substantially all of those of its assets to which this Agreement relates in a manner such that the assignor shall remain liable and responsible for the performance and observance of all its duties and obligations hereunder. This Agreement shall be binding upon the successors and permitted assigns of the Parties, and the name of a Party appearing herein shall be deemed to include the names of such Party's successors and permitted assigns to the extent necessary to carry out the intent of this Agreement. Any assignment not in accordance with this Section 10.2 shall be void.

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

10.4 Force Majeure . Neither Party shall be liable to the other for loss or damages or shall have any right to terminate this Agreement for any default or delay attributable to any act of God, flood, fire, explosion, strike, lockout, labor dispute, shortage of raw materials, casualty or accident, war, revolution, civil commotion, act of public enemies, blockage or embargo, injunction, law, order, proclamation, regulation, ordinance, demand or requirement of any government or subdivision, authority or representative of any such government, or any other. cause beyond the reasonable control of such Party, if the Party affected shall give prompt notice of any such cause to the other Party. The Party giving such notice shall thereupon be excused from such of its obligations hereunder as it is thereby disabled from performing for so long as it is so disabled and for 30 days thereafter.

10.5 No Trademark Rights . Except as otherwise provided herein, neither Party shall have any right, express or implied, to use in any manner, in connection with the performance of this Agreement, the name or other designation of the other Party or any other logo, name, tradename, service mark or trademark of the other Party, or the name of any employee or agent of the other Party, without that Party's prior, written, express consent. Either Party may withhold such consent in either Party's absolute discretion. For MAYO or its Affiliates, such names and marks include, but are not limited to, the terms "Mayo®," "Mayo Clinic®," or any simulation, abbreviation, or adaptation of the same. Violation of this Section 10.5 by either Party shall be deemed a Material Breach of this Agreement, entitling the other Party to appropriate equitable or legal relief.

10.6 Public Announcements . Except as required by law, including but not limited to, disclosures to prospective investors as required under applicable state and federal securities laws or as. required for documents or other communications to be filed or distributed pursuant to requirements of the Securities and Exchange Commission, any stock exchange or NASDAQ, ("Permitted Public Announcement") neither party shall make any public announcement concerning this Agreement or the subject matter hereof without the prior written consent of the other to the text of such public announcement. In the event of a Permitted Public Announcement, the Party making such announcement shall provide the other with a copy of the proposed text prior to such announcement. In the event that a party has obtained consent to the text of such other public announcement, such party shall be entitled to use and reuse, without limitation and in any form, such text in one or more public announcements.

10.7 Notices . All notices and other communications required or permitted to be given under or in connection with this Agreement shall be in writing, and shall be deemed given if delivered personally or by facsimile transmission (receipt verified), express courier service (signature required), or mailed by registered or certified mail (return receipt requested), postage prepaid, to the

Parties at the following addresses (or at such other address for a Party as shall be specified by like notice; provided, that notices of a change or address shall be effective only upon receipt thereof):

(a) If to ACORDA, to:

ACORDA THERAPEUTICS, INC.
15 Skyline Drive
Hawthorne, New York 10532
Attention: President
Facsimile No.: (914)347-4560

(b) If to MAYO, to:

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH
200 First Street, SW
Rochester, Minnesota 55905
Attention: Office of Technology Commercialization, Mayo Medical Ventures
Facsimile No.: 507-284-5410

If delivered personally or by facsimile transmission, the date of delivery shall be deemed to be the date on which such notice or request was given. If sent by overnight express courier service, the date of delivery shall be deemed to be the next business day after such notice or request was deposited with such service. If sent by registered or certified mail, the date of delivery shall be deemed to be the third business day after such notice or request was deposited with the U.S. Postal Service.

10.8 Amendment . No amendment, modification or supplement of any provision of this Agreement shall be valid or effective unless made in writing and signed by a duly authorized officer of each Party, and specifically referencing this Agreement.

10.9 Waiver . No provision of this Agreement shall be waived by any act, omission or knowledge of a Party or its agents or employees except by an instrument in writing expressly waiving such provision and signed by the waiving Party.

10.10 Severability . Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

10.11 Compliance with Law . Nothing in this Agreement shall be deemed to permit a Party to export, reexport or otherwise transfer any Know-How transferred hereunder or Licensed Products manufactured therefrom without compliance with applicable laws.

10.12 Governing Law and Jurisdiction . This Agreement shall be governed by Minnesota law, but specifically not including Article 2 of the Uniform Commercial Code as enacted in Minnesota. This is not a contract for the sale of goods. In addition, no Minnesota conflicts-of-law or choice-of-laws provisions apply to this Agreement. To the extent the substantive and procedural law of the United States would apply to this Agreement, it supersedes the application of Minnesota law. The parties agree that all disputes between them concerning this contract, *other than* as provided for in Section 5.4 hereto, whether arising before or after Termination, will be settled only according to the arbitration process described in Exhibit D, attached to and incorporated into this Agreement, and not through any action at law or in equity, except as otherwise permitted under Exhibit D.

10.13 Entire Agreement of the Parties . This Agreement, including the exhibits attached, constitutes and contains the entire understanding and agreement of the Parties and cancels and supersedes any and all prior negotiations, correspondence, understandings and agreements, whether oral or written, between the Parties respecting the subject matter hereof.

10.14 Descriptive Headings . The descriptive headings of this Agreement are for convenience only, and shall be of no force or effect in construing or interpreting any of the provisions of this Agreement.

10.15 Nondisclosure . Neither Party shall disclose any of the terms of this Agreement without the express, prior, written consent of the other Party, or unless required by law.

10.16 Counterparts . This Agreement maybe executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

* * *

IN WITNESS WHEREOF, each of the Parties has caused this License Agreement to be signed by its duly authorized representative as of the date first written above.

ACORDA THERAPEUTICS

By: /s/ Ron Cohen

Name: Ron Cohen

Title: President and CEO

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH

By: /s/ Rick F. Colvin

Name: Rick F. Colvin

Title: Assistant Treasurer

Exhibit A
to
License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000

APPENDIX A
SPONSORED RESEARCH AGREEMENT

Effective as of October 1,1995, MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH, a Minnesota charitable corporation (MAYO), with Moses Rodriguez, M.D. as principal investigator (INVESTIGATOR) and, Acorda Therapeutics, Inc. a Delaware corporation (ACORDA) agree as follows:

Article 1. Project Summary

1.1 — MAYO will undertake a research project described in the protocol attached here as Exhibit A (PROTOCOL). Summary data about the project is set forth as follows:

(a) TITLE: Preclinical Studies of a Monoclonal Antibody Designed to Promote Central Nervous Repair

(b) PURPOSE: Determine suitability of monoclonal antibody SCH 94.32 in promoting CNS remyelination in animal models of spinal cord injury and multiple sclerosis

(c) START DATE: October 1, 1995

(d) PROJECTED COMPLETION DATE: September 30, 1998

(e) FUNDING AMOUNT: $292,000

(f) PAYMENT PLAN: Quarterly payments in advance, except that final quarter payment in each year is payable on receipt of a written Annual Report Year 1 - $63,000; Year 2 - $110,000; Year 3 - $118,000

(g) CHECKS PAYABLE TO: Mayo Foundation for Medical Education and Research

(h) CHECKS MAILED TO:
Office of Technology Transfer
Mayo Medical Ventures
200 First Street S.W.
Rochester, Minnesota 55905
Attn: Susan L. Stoddard, Ph.D.

(i) MAYO ADMINISTRATIVE CONTACT:
Susan L. Stoddard, Ph.D.
Mayo Medical Ventures
200 First Street S.W.
Rochester, Minnesota 55905
507-284-8878

(j) ACORDA ADMINISTRATIVE CONTACT:
Ron Cohen, M.D.
Acorda Therapeutics, Inc.
1213 Park Avenue
New York, NY 10128
212-876-2522

1.2 — Anything contained in the PROTOCOL which is in conflict with anything in this Agreement is superseded by this Agreement.

Article 2. Proprietary Data Provided To Mayo By Acorda

2.1 — ACORDA may provide MAYO and INVESTIGATOR with proprietary data (DATA) relevant to the work under this Agreement. MAYO's and INVESTIGATOR'S acceptance and use of DATA shall be subject to the following:

a) DATA must be marked or designated in writing as proprietary to ACORDA by marking it "CONFIDENTIAL," or words of similar import. If oral, visual, or other non-written manner of disclosure of otherwise undisclosed confidential information is made, such information shall be entitled to protection if identified as confidential at the time of initial disclosure and if a written notice with a summary of such disclosures is delivered to the receiving party within thirty (30) days of such disclosure. Any markings, stamps, or legends identifying confidential information shall not impose any obligations on either party inconsistent with this agreement. Any copies of the information made by the receiving party shall reproduce the confidential markings and any other legends contained on such information.

b) MAYO and INVESTIGATOR retain the right to refuse to accept any DATA which they do not consider to be essential to the completion of the project or which they believe to be improperly designated or for any reason.

c) Where MAYO and INVESTIGATOR accept such DATA, they agree to exercise their best efforts not to use the DATA for any purpose except the conduct of the PROTOCOL and not to publish or otherwise reveal the DATA to others outside Mayo without the permission of the ACORDA, unless the DATA has already been published or disclosed publicly by third parties or is required to be disclosed by order of a court of law.

Article 3. Inventions, Discoveries And Patents

3.1 — All original data and records of the work completed under this Agreement shall remain the property of MAYO.

3.2 — MAYO shall own all of its inventions, discoveries and other developments, whether or not patentable arising out of research carried out under the provisions of this Agreement. ACORDA shall own all of its inventions, discoveries and other developments, whether or not patentable arising out of research carried out under the provisions of this Agreement. Inventions or discoveries made jointly by both MAYO and ACORDA shall be jointly owned by both parties and, if patent applications are filed, patents shall be applied for on behalf of both parties.

Article 4. Publication

4.1 — MAYO and INVESTIGATOR reserve the right to publish the results of work completed under this Agreement. Prior review of the proposed publication by ACORDA will be provided, but in the interest of free exchange of scientific information, MAYO and INVESTIGATOR may publish after the expiration of forty-five (45) days following mailing of the proposed publication to ACORDA. Publication of the results will not include DATA as defined in Article 2 without the permission of ACORDA. At ACORDA's request, MAYO will delay submission, disclosure, or publication for an additional sixty (60) days in order to enable the preparation and filing of a patent application on any such patentable subject matter.

Article 5. Use Of Name

5.1 — ACORDA and MAYO shall not use expressly or by implication, any trademark, trade name, or any contraction, abbreviation, simulation, or adaptation thereof of the other party, or the name of any of other party's staff in any news, publicity release, policy recommendation, advertising or any commercial communication without the express written approval of the other party.

Article 6. Indemnification And Negation Of Warranties

6.1 — ACORDA agrees to defend, indemnify and hold harmless MAYO and INVESTIGATOR against any and all costs, damages, expenses, including attorneys fees, arising from any claims, damages and liabilities asserted by third parties arising from ACORDA's use of the results of the work performed under this Agreement.

MAYO agrees to defend, indemnify and hold harmless ACORDA against any and all costs, damages, expenses, including attorneys fees, arising from any claims, damages and liabilities asserted by third parties arising from MAYO's conduct or use of the results of the work performed under this Agreement.

As used in the preceding parts of this paragraph, MAYO includes its Trustees, Officers, Agents, and Employees and ACORDA includes any of its "Affiliates". An "Affiliate" of ACORDA shall mean any corporation or other business entity controlled by, controlling, or under common control with ACORDA. For this purpose "control" means direct or indirect beneficial ownership of at least fifty (50%) percent of the voting stock, or at least fifty (50%) percent interest in the income of such corporation or other business

6.2 — MAYO makes no representations or warranties, expressed or implied, regarding its performance under this Agreement, including but not limited to, the marketability, use or fitness for any particular purpose of the research results developed under this work, or that such results do not infringe upon any third party property rights. Further, MAYO shall not be liable for special, consequential, or incidental damages, and MAYO's sole liability for damages hereunder shall be a sum equal to the amount paid by ACORDA to MAYO under this Agreement.

Article 7. Fiscal Management

7.1 — MAYO shall maintain complete and accurate accounting records in accordance with accepted accounting practices. These records shall be available for inspection, review and audit at reasonable times by ACORDA, or its duly authorized representative, at ACORDA's expense, for three (3) years following the end of the calendar year in which such costs are incurred.

7.2 — MAYO shall retain title to equipment and all other items purchased with funds provided by ACORDA.

7.3 — Mayo shall not utilize funds from any other commercial entity to conduct the PROTOCOL.

Article 8. Termination

8.1 — If for any reason INVESTIGATOR becomes unavailable to direct the performance of the work under this Agreement, MAYO shall notify ACORDA. If a mutually acceptable successor is not identified, this Agreement may be terminated immediately by either party and ACORDA shall have no further obligation to pay MAYO further funds for the conduct of the PROTOCOL, except as set forth in Section 8.3.

8.2 — Following nine (9) months after the effective date of the Option Agreement, ACORDA shall have the right to terminate this agreement at will within ninety (90) days notice; provided, ACORDA shall be obligated to pay MAYO the salary and benefits of one research technician until the second anniversary of the effective date of the Option Agreement, unless MAYO receives extramural contract or grant funds to support such technician. Should ACORDA terminate this Agreement under this Section 8.2, MAYO agrees to best efforts to find other sources of funding for the technical salary.

8.3 — If this Agreement is terminated, ACORDA shall pay for all direct costs incurred, up to and including the effective date of termination, and for all noncancellable obligations made before receipt of notice of termination, even though they may extend beyond such termination date. Any unexpended funds paid by ACORDA and held by MAYO after satisfying the obligations set forth in this paragraph will be returned to ACORDA.

8.4 ACORDA and MAYO maintain the right to terminate this Agreement if a material breach is committed by the other party, if this breach is not cured within thirty (30) days after written notice to the breaching party. If this Agreement is so terminated under this Section 8.4, the terminating party shall maintain no continuing financial obligation to the breaching parry.

Article 9. General

9.1 — This Agreement may be amended only by the written agreement of the parties.

9.2 — This Agreement may not be assigned by MAYO or ACORDA without the prior written consent of the other.

9.3 — The captions and headings used in this Agreement are for convenience and reference only and are not a part of this Agreement.

9.4 — All notices shall be in writing and shall be effective when mailed. Notices should be sent to the respective administrative contacts set forth in paragraph 1.1 of this Agreement.

9.5 — This Agreement and its effects are subject to and shall be construed and enforced in accordance with the laws of the State of Minnesota.

9.6 — There is one addenda to this Sponsored Research Agreement:

a) Exhibit A: Research Protocol

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH

By /s/ Rick F. Colvin

Title Assist. Treas.

Date Oct. 11, 1995

/s/ Moses Rodriguez
Investigator

ACORDA THERAPEUTICS, INC.

By /s/ Ron Cohen

Title President & CEO

Date 10/06/95

EXHIBIT A to SPONSORED RESEARCH AGREEMENT

Protocol

PROPOSAL FOR RON COHEN - ACORDA

TITLE : Pre-clinical Studies of a Monoclonal Antibody Designed to Promote Central Nervous System Repair

INVESTIGATOR: Moses Rodriguez, M.D.

INTRODUCTION AND SCIENTIFIC RATIONALE :

Our laboratory has been interested in developing novel strategies to promote central nervous system (CNS) remyelination. Even though there is experimental evidence in animals and humans that remyelination does occur in the CNS, at present there are no pharmacological approaches to promote CNS remyelination. We have used an experimental model induced by a virus to investigate ways to promote CNS remyelination in the spinal cord. Susceptible strains of mice infected intracerebrally with Theiler's murine encephalomyelitis virus (TMEV) develop chronic progressive immuna-mediated CNS demyelinating disease which is similar to multiple sclerosis (MS). Our previous reports indicated that polyclonal immunoglobulins from mice immunized with homogenized spinal cord promoted CNS remyelination when given to SJL/J mice chronically infected for 3 to 6 months with TMEV. To explore further the mechanisms of CNS remyelination, we made a panel of monoclonal antibodies (mAbs) derived from splenocytes of SJL/J mice injected with homogenized spinal cord. These mAbs were screened for function rather than for specific antigens. We identified two monoclonal IgM autoantibodies, designated SCH 94.03 and SCH 94.32, which promoted four-fold increase in CNS remyelination compared to isotype IgM kappa controls when given to chronically infected SJL/J mice. The results of these experiments are in press in the Journal of Neuroscience. CNS remyelination was detected morphologically by the presence of abnormally thin myelin sheaths relative to axon diameter. In these experiments, as little as 10 µg of antibody promoted CNS remyelination. We assessed whether morphologic remyelination was correlated with clinical signs of disease improvement. With each treatment injection, animals were assessed clinically. We correlated the change in clinical score with the percentage of lesion area showing remyelination. Using data from all treatment groups, there was a moderate but significant correlation with the percentage of lesion area showing remyelination with less progression of clinical disease. A few animals treated with mAb actually improved clinically. However, the majority of the animals showed less progressive disease than animals treated with isotype control antibody.

We are in the process in determining the antigen specificity for SCH 94.03 and SCH 94.32. To characterize initially the antigens recognized by mAbs, we immunostained various cell lines from glial, neural, fibroblast, epithelial and lymphoid origins. Thus far, the mAbs strain structural internal antigens of all cell lines tested. Only cells or primary cell lines of oligodendroglial lineage stain on the surface with these mAbs. Surface staining has been confirmed by flow cytometry. Surface labelling has also been detected on live rat, mouse, and human oligodendrocytes.

We have evidence that mAbs SCH 94.03 and SCH 94.32 are identical and are natural autoantibodies. This hypothesis was tested using a series of strategies including immunocytochemistry, Western blotting, enzyme-linked immunosorbent assays, and Ig variable region sequencing. Natural autoantibodies are typically encoded by germline Ig genes, with few if any V region somatic mutations. Therefore, we cloned and sequenced both the Ig V_L and V_H regions from SCH94.03. The SCH94.03 V_L region was encoded by a combination of V_k10 and J_k1 gene segments. In the coding region, the SCH94.03 V_k gene segment showed 99.6% nucleotide identity with a germline V_k10 gene, with only one silent nucleotide difference at the V gene segment 3' end, at the V-J junction (codon 95). Similarly, the SCH94.03 J_k gene segment showed 97.4% nucleotide identity with the germline J_k1 gene, with one silent nucleotide change at the J gene segment 3' end, at the J-C_k junction (codon 108). As both of these changes were in junction regions, and the genomic nucleotide immediately upstream from the coding regions of both J_k1 and C_k gene segments is a C, these changes may have resulted from imprecise joining during Ig gene rearrangement, rather than from somatic mutation. We concluded that the V_L region of SCH94.03 was encoded by germline Ig genes.

The V_H region of SCH94.03 was also encoded by germline Ig genes. The SCH94.03 V_K region was encoded by a combination of V23, DFL16.1, and J_K2 gene segments. The SC_H94.03 V_H gene segment showed 100% nucleotide identity with the germline V23 gene, a member of the V_KJ558 family. The SCH94.03 J_H gene segment showed 97.8% nucleotide identity with the germline J_H2 gene, with a T to A change in the most 5' nucleotide of the J_H segment, at the D-J_H junction (codon 100C). This resulted in a change from tyrosine to asparagine. The SCH94.03 D gene segment contained 15 contiguous nucleotides derived from the germline DFL16.1 gene. There were 8 nucleotides in the V_H-D junction, and 1 in the D-J_H junction which did not correspond to any known germline V_H, D, or J_H region genes, and probably represented non-coded (N) nucleotides inserted by the enzyme terminal deoxynucleotide transferase (TdT) during V-D-J recombination. All of these nucleotides were either G or C, consistent with the preferential insertion of G nucleotides by TdT. Therefore, similar to the SCH94.03 V_L region, all of the nucleotide changes in the SCH94.03 V_H region were in junctional regions, and may have been produced during Ig gene rearrangement by a variety of mechanisms, including imprecise joining, N-nucleotides, or P-nucleotide additions, rather than somatic mutations. We concluded from these data that the V_H region of SCH94.03 was encoded by germline Ig genes, with no definitive somatic mutations.

Even though the preliminary antigen reactivity results suggest that SCH 94.03 is a natural autoantibody, this does not represent a mechanism of how SCH 94.03 stimulates remyelination in the CNS. However, it does suggest an important physiological function of natural autoantibodies. We propose that autoantibodies that are produced during normal physiology or as a response to tissue damage may participate in promoting repair of damaged tissue. This active participation may be to facilitate removal of damaged tissue and mask autoantigens, therefore, preventing vigorous pathogenic immune responses, Natural auto antibodies may modulate immune responses which actually result in tissue destruction. Alternatively, this mAb could directly bind to the surface of oligodendrocytes and stimulate proliferation differentiation of these cells. Either hypothesis could result in functional improvement.

Specific Goals:

(1) To determine whether treatment with mAb SCH 94.32 promotes functional repair or improvement in conduction in an established animal model of acute spinal cord trauma.

(2) To determine whether treatment with mAb SCH 94.32 promotes CNS remyelination and improvement in neurological function in an established model of chronic spinal cord injury.

(3) To determine whether treatment with mAb SCH 94.32 alters disease in established models of autoimmunity such as collagen-induced arthritis (model of rheumatoid arthritis), experimental autoimmune encephalomyelitis (model of multiple sclerosis), experimental myasthenia gravis, and NOD diabetic mouse (spontaneous model of diabetes mellitus). This specific aim would test directly the hypothesis that the antibodies may be working through an immunological mechanism.

(4) To develop strategies to humanize mAb SCH 94.32.

(5) To complete toxicity and safety studies required by the FDA to bring mAb SCH94.32 to clinical trials.

General Approach to Accomplish Specific Aims:

The experiments involving the acute and chronic spinal cord injury models (Specific Aims 1 and 2) should be performed in collaboration with an established laboratory in this field. The laboratory of Dr. Weiss Young comes readily to mind. Titration and route of administration experiments would need to be done. We would provide mAbs, as well as control antibodies purified in a similar manner, so there would be no experimental bias. Rats or mice would be studied morphologically, clinically, behaviorally, and electrophysiologically at various timepoints following acute or chronic spinal cord injury. MAbs would be given prior to trauma in one group of experiments, but also 4 to 6 hours after trauma in an other group of experiments to simulate the clinical situation. Details of the experimental protocol would be finalized during a meeting between the two labs. The potential role of this antibody in "downregulating" the immune response may be beneficial in preventing secondary injury following trauma. Experiments would be designed to examine the extent of inflammatory infiltrates using immunocytochemistry and FACS of infiltrating cells within areas of spinal cord injury. These techniques are established in our laboratory.

The use of mAbs in other established models of autoimmunity (Specific Aim 3) would test the possibility that the mAbs are working through immunological mechanisms. Dr. Chella David's laboratory at the Mayo Clinic has expensive expertise in the field of collagen induced arthritis. We have already established collaborative arrangements with Dr. Ram Sriram at Vanderbilt University who is an expert in experimental autoimmune encephalomyelitis. Dr. Vanda Lennon at Mayo Clinic has expertise in experimental autoimmune myasthenia. Dr. Ed Lambert, a world-class electrophysiologist, could help with experiments to determine whether treatment with mAb has an effect on miniature end-plate potentials in myasthenia gravis.

Based on our preliminary data, we should consider humanizing the mAbs. Because we have identified the germline sequences, this could be accomplished readily. We have not done this previously in our own laboratory. However, there are a number of Mayo investigators with molecular biology expertise who have experience with this technology. Alternatively, it may be possible to collaborate with a pharmaceutical company to carry out this technical endeavor.

Last, it is important to determine from the FDA what are the toxicity and safety requirements before we could bring mAb SCH94.32 to clinical trials (Specific aim 5). Having a meeting with the FDA would be appropriate. At that point a detailed strategy could be outlined to bring this promising drug to clinical trials. Thus far we have not observed any untoward side effects with the mAb. Treatment of normal animals with mAb has not resulted in longterm deficits. In addition, we have done preliminary safety data in THEV-infected mice of resistant haplotypes. These mice have not converted to susceptibility following treatment with the mAb. It is possible that further studies need to be performed in other species (dogs, cats, monkeys, etc.). we have the technical expertise at Mayo to perform many of these experiments. At present we do not have a monkey facility at Mayo, even though these kinds of experiments have been done previously. It may be easier to perform these experiments in collaboration with a pharmaceutical company with this expertise.

SUMMARY :

We are very enthusiastic about the possibility of taking mAb SCH94.32 to clinical trials. The experiments outlined in this proposal could be accomplished within three or four years depending upon the collaborative arrangements. Specific Aims 1 and 2 (acute and chronic spinal cord injury) should be started immediately. This has direct relevance to the longterm plans of Acordn. This should be feasible to complete in approximately two years. Specific Aim 3 (testing of therapeutic efficacy in other established models of autoimmunity) may have a very important impact into the marketing of this mAb. If the mAb has an effect immunologically as well as directly on the CCS, it may be applicable to other established autoimmune diseases. We expect that these experiments could be accomplished in two to three years. Specific aim 4 (humanizing mAb) is dependent upon whether the help of a pharmaceutical company is requested. Specific aim 5 is dependent upon the requirements from the FDA. Therefore it is impossible to give an exact estimate of when this could be accomplished.

RELEVANT BIBLIOGRAPHY FROM OUR LABORATORY :

1. Rodriguez M . Lennon VA: Immunoglobulins Promote Remyelination the Central Nervous System. Ann. Neurol. 27:12-17, 1990.

2. Rodrigues M . Pierce ML, Thiemann R.L: Immunoglobulins stimulate CSS Remyelination: Electron Microscopic and Morphometric Analysis of Proliferating Calls. Lab. Invest. 64:358-370, 1991.

3. Patick AK, Thiemann RL, O'Brien PC, Rodriguez M : Persistence of Theiler's Virus Infection Following Promotion of CNS Remyelination. J. Neuropath. Exp. Neurol. 50:523-537, 1991.

4. Rodriguez M . Lindsley M: Immunosuppression Promotes Central Nervous System Remyelination in Chronic Virus-Induced Demyelinating Disease. Neurology 42:348-357, 1992.

5. van Engelen BGM, Hommes OR, Pinckers A, Cruysberg JRM, Barkhof F, Rodriguez M : Improved Vision in Non-Recovering Optic Neuritis after Intravenous Immunoglobulin Possibly due to Remyelination. Ann. Neurol. 32:834-835, 1992.

6. Prayoonwiwat N, Rodriguez M : The Potential for Oligodendrocyte Proliferation during Demyelinating Disease. J. Neuropath. Exp. Neurol. 52:55-63, 1993.

7. Miller DJ, Sanborn KS, Katzmann JA, Rodriguez M : Monoclonal Antibody- Mediated Nervous System Repair in a Viral Model of Multiple Sclerosis. J. Neuroscience, in press.

8. Rodriguez M . Miller DJ: Immune Promotion of Central Nervous System Remyelination. Progress in Brain Research, in press.

9. van Engelen BGM, Miller DJ, Pavelko KD, Hommes OR, Rodriguez M : Promotion of Remyelination by Polyclonal Immunoglobulin in Theiler's Virus-induced Demyelination and in Multiple Sclerosis, J. Neurol. Neurosurg, Psych., in press.

10. Noseworthy JH, O'Brien PC, van Engelen BGM, Rodriguez M : Intravenous Immunoglobulin Therapy in Multiple Sclerosis. Progress from the Theiler's Virus Model to a Randomized, Double-blinded, Placebo-controlled Clinical Trial, J. Neurol. Neurosurg, Psych., in press.

EXHIBIT A
ACORDA/MAYO
SPONSORED RESEARCH AGREEMENT

Effective as of March 15, 1998, Mayo Foundation, a Minnesota charitable corporation ("MAYO"), with Larry Pease, Ph.D., and Moses Rodriguez, M.D., as principal Investigators ("INVESTIGATORS") and, Acorda Therapeutics, Inc. a Delaware corporation ("ACORDA") agree as follows:

Article 1. Project summary

1.1 — MAYO will undertake a research project described in the Statement of Work and Budget attached here as Exhibit C (PROJECT). Summary data about the project is set forth as follows:

(a) TITLE: Molecular Characterization of Antibody-Induced Remyelination and isolation of Human Counterparts.

(b) PURPOSE:

(i) To Investigate the mechanisms underlying antibody-induced remyelination and to identify human equivalents of the biologically active mouse monoclonal antibodies that are known to induce remyelination. Understanding the mechanism for the basis of antibody-induced remyelination in the mouse is important for determining the biological requirements for mimicking this process in humans and could lead to the development of more effective modifications of the current approach for inducing myelin repair.

(ii) Because antibodies themselves may be the target of immune attack, the process could be improved by isolating less immunogenic, human counterparts of the currently known, biologically active mouse antibodies. The ability of human antibodies to induce remyelination in mouse models of demyelinating disease will be the basis for selecting human antibodies for further development for clinical trials.

(c) START DATE: The Effective Date of this Agreement.

(d) PROJECTED COMPLETION DATE: One year from Start Date.

(e) FUNDING AMOUNT: $233,431.00

(f) PAYMENT PLAN: Quarterly payments in advance, except that final quarter payment in each year is payable on receipt of a written Annual Report. Year 1 - $150,000.00 Year 2 - $40,897.00 Year 3 - $42,534.00.

(g) CHECKS PAYABLE TO: Mayo Foundation for Medical Education and Research

(h)	CHECKS MAILED TO:	Office of Technology Transfer Mayo Medical Ventures 200 First Street S.W. Rochester, Minnesota 55905 Attn: Susan L. Stoddard; Ph.D.
(i)	MAYO ADMINISTRATIVE CONTACT:	Susan L. Stoddard, Ph.D. Mayo Medical Ventures 200 First Street S.W. Rochester, Minnesota 55905 507-284-8878
(j)	ACORDA ADMINISTRATIVE CONTACT:	Ron Cohen, M.D. President & CEO Acorda Therapeutics, Inc. 145 West 58th Street, Suite 8J New York, NY 10019 212-376-7553

1.2 — Anything contained in the PROJECT which is in conflict with anything In this greement is superseded by this Agreement.

Article 2. Proprietary Data Provided To Mayo By Acorda

2.1 — AGORDA may provide MAYO and INVESTIGATORS with proprietary data (DATA) relevant to the work under this Agreement. MAYO's and INVESTIGATORS' acceptance and use of DATA shall be subject to the following:

a) DATA must be marked or designated in writing as propriatary to ACORDA by marking it "CONFIDENTIAL," or words of similar import. If oral, visual, or other non-written manner of disclosure of otherwise undisclosed confidential information is made, such information shall be entitled to protection if Identified as confidential at the time of initial disclosure and if a written notice with a summary of such disclosures is delivered to the receiving party within thirty (30) days of such disclosure. Any markings, stamps, or legends identifying confidential Information shall not impose any obligations on either party inconsistent with this agreement. Any copies of the information made by the receiving party shall reproduce the confidential markings and any other legends contained on such information.

b) MAYO and INVESTIGATORS retain the right to refuse to accept any DATA which they do not consider to be essential to the completion of the project or which they believe to be improperly designated or for any reason.

c) Where MAYO and INVESTIGATORS accept such DATA, they agree to exercise their best efforts not to use the DATA for any purpose except the conduct of the PROJECT and not to publish or otherwise reveal the DATA to others outside Mayo without the permission of ACORDA, unless the DATA has already been published or disclosed publicly by third parties or is required to be disclosed by order of a court of law.

Article 3. Term

3.1 The term of this Agreement shall commence on the Effective Date of the Agreement as set forth above and continue for a period of one (1) year. In the event that milestones are met in such year and, in ACORDA's opinion, the PROJECT continues to be of commercial Interest, the term of this Agreement shall be extended for a second and third year except that support of one (1) person shall be for the entire three year period in the amounts described in Article 4 and Exhibit C.

3.2 Except as provided in Section 3.1, any extension of this Agreement must be in writing upon terms mutually agreeable to the parties hereto.

Article 4. Payment

4.1 ACORDA agrees to pay $150,000.00 for services to be provided in the first year of this Agreement in accordance with the following payment schedule:

(a) $37,500.00 on execution of this Agreement,

(b) $37,500.00 on the later of either (i) the three (3) month anniversary of the effective date of this Agreement, or (ii) the three month anniversary of the date the work on the PROJECT began, and

(c) $37,500.00 on (i) the three (3) month anniversary of the date of payment by ACORDA under (b), and (ii) on each subsequent three (3) month anniversary thereafter until the sum of all the payments made by ACORDA pursuant to this Section 3.1 equals $150,000.00

ACORDA agrees to pay a minimum of $40,897,00 for services to be provided in the second year of this Agreement in accordance with the following payment schedule:

(d) $10,224,25 on the later of either (i) the one (1) year anniversary of the effective date of the Agreement, or (ii) the three (3) months anniversary of the date of the final payment by ACORDA under (c) above; and

(e) $10,224.25 on (i) the three (3) month anniversary of the date of payment by ACORDA under (d), and (ii) on each subsequent three (3) month anniversary thereof until the sum of all payments made by Sponsor pursuant to this Section 3.1 in the second year of this agreement equals $40,897.00

In the event that milestones are met in year one (1) and, in ACORDA's opinion, the PROJECT continues to be of commercial interest, ACORDA agrees to pay;

(f) Additional payments for supplies and equipment estimated at $99,000.00 in year two with the final budget to be determined by mutual written agreement of both parties and the agreed amount paid quarterly.

ACORDA agrees to pay a minimum of $42,534.00 for services to be provided In the third year of this Agreement in accordance with the following payment schedule:

(g) $10,633.50 on the later of either (i) the two (2) year anniversary of the effective date of the Agreement, or (ii) the three (3) months anniversary of the date of the final payment by ACORDA under (e) above, and

(h) $10,633.50 on (i) the three (3) month anniversary of the date of payment by ACORDA under (g), and (ii) on each subsequent three (3) month anniversary thereof until the sum of all payments made by Sponsor pursuant to this Section 3.1 in the third year of this agreement equals $42,534.00

In the event that milestones are met in year two (2) and, in ACORDA's opinion, the PROJECT continues to be of commercial interest, ACORDA agrees to pay:

(i) Additional payments for supplies and equipment estimated at S110,000.00 in year three with the final budget to be determined by mutual written agreement of both parties and the agreed amount paid quarterly.

4.2 MAYO shall not spend any amounts on the conduct of PROJECT except amounts provided by ACORDA hereunder with prior written agreement by both parties. MAYO shall not expend any amount on capital equipment in excess of $5,000 without the prior written consent of ACORDA.

4.3 The amounts set forth in Section 4.1 shall be ACORDA's full support of the research and shall cover all direct and indirect costs (including, without limitation, overhead) of conducting such research.

Article *5*. Reports

5.1 Every six (6) months following the beginning date of the PROJECT, MAYO shall provide ACORDA with an Interim written report describing activities, progress and results to date of the PROJECT. Within ninety (90) days after completion of the PROJECT by MAYO, of earlier termination of this Agreement, MAYO shall provide a final written report to ACORDA describing the services performed and such other information or data as may be specified in Exhibit B. MAYO shall also, at ACORDA's option, meet with ACORDA to discuss the PROJECT and the Interim and final reports.

5.2 ACORDA shall have the right to use such reports and data for any purposes, subject to Sections 7.2 and 10.1 below.

Article 6. Insurance

6.1 MAYO shall at its expense provide the necessary Workers' Compensation and Employers' Liability Insurance to meet statutory liability limits of State Of Minnesota for the employees of MAYO involved in the PROJECT.

Article 7. Liability

7.1 MAYO shall not be responsible or liable for any injuries or losses which may result from the implementation or use by ACORDA or its designees of the results from the PROJECT or research data generated by MAYO.

7.2 ACORDA agrees to indemnify, defend and hold harmless MAYO, Its trustees, officers, agents and employees (the "MAYO Indemnitees") with respect to any expense, claim, liability, loss, damage, or costs (including attorney's fees) in connection with or in any way arising out of the use by ACORDA of the data or results from the Project; provided, however, that ACORDA shall have not such obligation to the extent that any such claim, liability, loss damage or costs results from the negligence or willful misconduct of a MAYO Indemnitee.

7.3 MAYO agrees to indemnify, defend and hold harmless ACORDA, its trustees, officers, agents and employees ("ACORDA Indemnitees") with respect to any expense, claim, liability, loss, damage, or costs (including attorney's fees) in connection with or in any way arising out of the conduct of the PROJECT at the MAYO; provided, however, that MAYO shall have no such obligation to the extent that any such claim, liability, loss, damage or costs result from the negligence or willful misconduct of a ACORDA Indemnitee.

Article 8. Inventions, Discoveries And Patents

8.1 — All original data and records of the work completed under this Agreement shall remain the property of MAYO.

8.2 — MAYO shall own all rights and title to its Inventions. For purposes of this Agreement, "Inventions" shall mean Inventions, discoveries and other intellectual property conceived, reduced to practice, made or otherwise developed by MAYO employees or agents, whether or not patentable, during the term of this Agreement as it may be extended, relating to the PROJECT. Rights held by MAYO in any inventions, including without limitation rights in end to patent applications and patents which may be obtained thereon, shall be deemed to be within the term Technology as used in the License Agreement term sheet attached hereto and shall be subject to the license granted ACORDA therein. ACORDA shall own all of its inventions, discoveries and other developments, whether or not patentable, arising out of research carried out under the provisions of this Agreement. Inventions or discoveries made jointly by both MAYO and ACORDA shall be jointly owned by both parties and, if patent applications are filed, patents shall be applied for on behalf of both parties. MAYO's interest in any inventions, whether or not patentable, arising out of research carried out under the provisions of this Agreement, shall be subject to the Option Agreement.

Article 9. Publication

9.1 — MAYO and INVESTIGATORS reserve the right to publish or otherwise publicly disclose the results of work completed under this Agreement. MAYO agrees to submit to ACORDA any proposed publication or presentation for review sixty (60) days prior to submission. Acorda shall, within forty-five (45) days after receipt, advise in writing if there is any proprietary or patentable information which should not be disclosed at the present time. Publication of the results will not include DATA as defined in Article 2 without the express written permission of ACORDA. MAYO will acknowledge ACORDA's financial support of PROJECT in all publications unless ACORDA requests otherwise.

9.2 — At ACORDA's request, MAYO will delay submission, disclosure, or publication for an additional sixty (60) days or longer by mutual written agreement of both parties in order to enable the preparation and filing of a patent application on any such patentable subject matter.

9.3 — MAYO acknowledges that it may be necessary for INVESTIGATORS to disclose information which ACORDA considers proprietary or confidential in order to perform the PROJECT. If ACORDA considers any such information confidential, it shall be clearly marked "CONFIDENTIAL INFORMATION' and sent by ACORDA in writing only to the INVESTIGATORS or orally disclosed to INVESTIGATORS and reduced to writing by ACORDA within thirty (30) days of disclosure. Except as expressly necessary for the performance of the PROJECT. MAYO and INVESTIGATORS shall maintain such information as confidential, not disclose it to others, limit access to it to those employees with a need to know, and take such action as shall be reasonably necessary to ensure that its employees will not disclose it to others.

Article 10. Use Of Name

10.1 — ACORDA and MAYO shall not use expressly or by implication, any trademark, trade name, or any contraction, abbreviation, simulation, or adaptation thereof of the other party, or the name of any of other party's staff in any news, publicity release, policy recommendation, advertising or any commercial communication without the express written approval of the other party; provided, however, once a public announcement has been approved, further approvals need not be obtained for further announcements which are not materially different from an earlier approved announcement.

Article 11. Indemnification And Negation Of Warranties

11.1 — ACORDA agrees to defend, indemnify and hold harmless MAYO and INVESTIGATORS against any and all costs, damages, expenses, including attorneys fees, arising from any claims, damages and liabilities asserted by third parties arising from ACORDA's use of the results of the work performed under this Agreement.

MAYO agrees to defend, indemnify and hold harmless ACORDA against any and all costs, damages, expenses, including attorneys fees, arising from any claims, damages and liabilities asserted by third parties arising from MAYO's conduct or use of the results of the work performed under this Agreement.

As used in the preceding parts of this paragraph, MAYO includes its Trustees, Officers, Agents, and Employees and ACORDA includes any of its "Affiliates". An "Affiliate" of ACORDA shall mean any corporation or other business entity controlled by, controlling, or under common control with ACORDA. For this purpose "control" means direct or indirect beneficial ownership of at least fifty (50%) percent of the voting stock, or at least fifty (50%), percent interest in the income of such corporation or other business

11.2 — MAYO makes no representations or warranties, expressed or implied, regarding its performance under this Agreement, including but not limited to, the marketability, use or fitness for any particular purpose of the research results developed under this work, or that such results do not infringe upon any third party property rights. Further, MAYO shall not be liable for special, consequential, or incidental damages, and MAYO's sole liability for damages hereunder shall be a sum equal to the amount paid by ACORDA to MAYO under this Agreement.

Article 12. Fiscal Management

12.1 — MAYO costs shall follow the proposed budget as contained in Exhibit C. MAYO shall maintain complete and accurate accounting records in accordance with accepted accounting practices. These records shall be available for inspection, review and audit at reasonable times

by ACORDA, or its duly authorized representative, at ACORDA's expense, for three (3) years following the end of the calendar year in which such costs are incurred.

12.2 — MAYO shall retain title to equipment and all other items purchased with funds provided by ACORDA, MAYO shall not expend any amount on capital equipment in excess of $5,000 without the prior written consent of ACORDA.

12.3 — Mayo shall not utilize funds from any other commercial entity to conduct the PROJECT.

Article 13. Termination

13.1 — If for any reason INVESTIGATORS becomes unavailable to direct the performance of the work under this Agreement, MAYO shall notify ACORDA. If a mutually acceptable successor is not identified within forty-five (45) days, this Agreement may be terminated immediately by either party and ACORDA shall have no further obligation to pay MAYO further funds for the conduct of the PROJECT, except as set forth in Section 13.2 and 13.3.

13.2 — Following nine (9) months after the effective date of the Option Agreement, ACORDA shall have the right to terminate this agreement at will within ninety (90) days notice; provided, ACORDA shall be obligated to pay MAYO the salary and benefits of one research technician until the third anniversary of the effective date of the Option Agreement, unless MAYO receives extramural contract or grant funds to support such technician. Should ACORDA terminate this Agreement under this Section 13.2, MAYO agrees to use best efforts to find other sources of funding for the technical salary.

13.3 — If this Agreement is terminated, ACORDA shall pay for all direct costs incurred, up to and including the effective date of termination, and for all noncancellable obligations made before receipt of notice of termination, even though they may extend beyond such termination date. Any unexpended funds paid by ACORDA and held by MAYO after satisfying the obligations set forth in this paragraph will be returned to ACORDA.

13.4 ACORDA and MAYO maintain the right to terminate this Agreement if a material breach is committed by the other party, if this breach is not cured within thirty (30) days after written notice to the breaching party. If this Agreement is so terminated under this Section 13.4, the terminating party shall maintain no continuing financial obligation to the breaching party.

Article 14. General

14.1 — This Agreement may be amended only by the written agreement of the parties.

14.2 — This Agreement may not be assigned by MAYO or ACORDA without the prior written consent of the other.

14.3 — The captions and headings used in this Agreement are for convenience and reference only and are not a part of this Agreement.

14.4 — All notices shall be in writing and shall be effective when mailed. Notices should be sent to the respective administrative contacts set forth in paragraph 1.1 of this Agreement.

14.5 — This Agreement and its effects are subject to end shall be construed and enforced in accordance with the laws of the State of Minnesota.

14.6 — There is one addenda to this Sponsored Research Agreement:

a) Exhibit B: Statement of Work and Budget

14.7 — Both parties agree that execution of this Sponsored Research Agreement may be effected by the receipt of facsimile signature pages

MAYO FOUNDATION		**ACORDA THERAPEUTICS, INC.**	
Signed:	/s/ John H. Herrell	Signed:	/s/ Ron Cohen
Name:	John H. Herrell	Name:	Ron Cohen, M.D.
Title:	Vice President	Title:	President & CEO
Date:	March 24, 1998	Date:	3/20/98
INVESTIGATORS			
Signed:	/s/ Moses Rodriguez	Signed:	Larry R. Pease
Name:	Moses Rodriguez	Name:	Larry R. Pease
Title:	M.D.	Title:	Ph.D.
Date:	March 25, 1998	Date:	3/25/98

EXHIBIT B
ACORDA/MAYO
STATEMENT OF WORK AND BUDGET

1. Statement of work

(a) TITLE: Molecular Characterization of Antibody-Induced Remyelination and Isolation of Human Counterparts.

(b) PURPOSE

(i) To investigate the mechanisms underlying antibody-induced remyelination and to identify human equivalents of the biologically active mouse monoclonal antibodies that are known to induce remyelination. Understanding the mechanism for the basis of antibody-induced remyelination in the mouse is important for determining the biological requirements for mimicking this process in humans and could lead to the development of more effective modifications of the current approach for inducing myelin repair.

(ii) Because antibodies themselves may be the target of immune attack, the process could be improved by isolating less immunogenic, human counterparts of the currently known, biologically active mouse antibodies. The ability of human antibodies to induce remyelination in mouse models demyelinating disease will be the basis for selecting human antibodies for further development for clinical trials.

2. Milestones & Budget; Year One (1)

A) First six (6) months :

1. Hire research fellow end technician.

2. Screen EBV transformed cell lines available for IgM secreting cells (culturing of first 11 lines initiated, Eliza assay being developed to screen antibody).

3. Screen tissue culture supernatants from IgM+ lines for binding activity using rat oligodendrocytes.

4. Subclone EBV lines that are making IgM antibody, with emphasis on lines with demonstrable oligodendrocyte-binding activity.

5. Generate cassette expression system for manipulation of antibody gens structures and for expression of antibodies gene in transfected hybridoma cells.

6. Construct chimeric 94.03/human IgM constant region antibody to evaluate the ability of the human Fo portion of IgM to Induce remyellnation in mice.

7. Establish parameters of transfectoma technology in house.

8. Initiate biochemical analysis of 94.03 antibody. Prepare monomeric IgM, evaluate in vivo half life comparisons between pentameric and monomeric forms.

B) Second six (6) months - items carried over (A) above :

1. Completed.

2,3. Continue screening. Note: As of 1/98 have approximately 60 lines to evaluate: timing will depend on results as program progresses.

4. In the event that no lines produce demonstrable antibodies, we will proceed to subclone cells from 10 lines to evaluate the possibility that clones of desired phenotype exist but cannot be visualized in the pool. Lines from normal individuals and five from individuals who have been diagnosed with MS will be evaluated by cloning. It will be necessary to develop an assay that will enable us to estimate the complexity of the line. The most straight forward approach would be to generate Southern blot of the cloned cells using the most C proximal J region as a probe. Different restriction enzyme digestion patterns should be distinguish clones from each other depending on which V and which J was being used.

5. Generation of cassette system for manipulating Ig sequences should be completed in the first six months.

6. Generate and clone transfectoma of mouse/human chimeric antibody. Produce ascites and prepare antibody for testing in animal model.

7. Parameters for generating transfectomas should be established in first six months.

8. Assess the ability of monomeric antibody to induce remyellnation. If the *in vivo* half life is low, we may need to explore alternate route of antibody administration such as local administration.

9. Generate by site-directed mutagenesis a mouse IgM variant of 94.03 that cannot fix complement. Establish transfectoma that expresses this variant.

10. At the end of the first year, we will evaluate progress in each of the aims and establish milestones for year two (2).

Budget: Year One.

(1)	Personnel (Including benefits)	$	71,042.00
(2)	Supplies	$	40,280.00
(3)	Other Expenses - mouse husbandry	$	13,678.00
(4)	Overhead (20%)	$	25,000.00
	TOTAL	$	150,000.00

3. Milestones & Budget: Year Two (2)

A) Milestones to be determined

Minimum Budget: Year Two.

(1)	Personnel (including benefits)	$	34,081.00
(2)	Supplies	$	0.00
(3)	Other Expenses - mouse husbandry	$	0.00
(4)	Overhead (min. est. @ 20%)	$	6,816.00
	TOTAL	$	40,897.00

4. Milestones & Budget: Year Three (3)

A) Milestones to be determined

Minimum Budget: Year Three.

(1)	Personnel (including benefits)	$	35,445.00
(2)	Supplies	$	0.00
(3)	Other Expenses - mouse husbandry	$	0.00
(4)	Overhead (min. est. @ 20%)	$	7,089.00
	TOTAL	$	42,534.00

AMENDMENT No. 1
TO
SPONSORED RESEARCH AGREEMENT
BETWEEN
MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH
AND
ACORDA THERAPEUTICS, INC.

Effective as of 28 September 1999, the Sponsored Research Agreement dated March 15, 1998 between Mayo Foundation for Medical Education and Research (MAYO) and Acorda Therapeutics, Inc. (ACORDA) is hereby amended under the following terms:

Section 4.1(j) is inserted.

During the second year of the Agreement, ACORDA agrees to pay FIFTY DOLLARS (US $50,000.00) in excess of the amounts described in sections 4.1(d), 4.1(e) and 4.1(f) hereto, such funds to be directed specifically to the costs related to animal care and maintenance at MAYO.

The terms of this Amendment No. 1 supersede any conflicting or inconsistent terms in the Sponsored Research Agreement. All other provisions of the original Sponsored Research Agreement effective March 15, 1998 remain in full force and effect.

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH

Signature	/s/ Rick F. Colvin
Name	Rick F. Colvin
Title	Assistant Treasurer
Date	10/4/99

ACORDA THERAPEUTICS, INC.

Signature	/s/ Ron Cohen
Name	Ron Cohen
Title	President & CEO
Date	9/30/95

AMENDMENT TO
SPONSORED RESEARCH AGREEMENTS
BETWEEN
MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH
AND
ACORDA THERAPEUTICS, INC.
DATED JANUARY 2, 2001

Reference is made to the Sponsored Research Agreements between the parties dated October 1, 1995 and March 15, 1998. The research program attached hereto as Exhibit A shall be deemed additional research under these Sponsored Research Agreements. The parties agree that all results of this research shall be deemed to be included under the License Agreement between Mayo Foundation for Medical Education and Research and Acorda Therapeutics, Inc., dated September 9, 2000, and shall be treated for all purposes as Licensed Technology as defined in the License Agreement.

The new funded research program contemplated by this Amendment shall commence as of March 15, 2001 and will terminate on March 14, 2002, unless extended by mutual written agreement signed by both parties.

During the research period, ACORDA agrees to pay two hundred seventy seven thousand and two hundred dollars (US $277,200.00) payable in quarterly payments of sixty-nine thousand, three hundred dollars (US $69,300.00) each.

All other provisions of the License Agreement and the Sponsored Research Agreements, as previously amended, shall remain in full force and effect.

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH

Signature	/s/ Rick F. Colvin
Name	Rick F. Colvin
Title	Assistant Treasurer
Date	1/29/01

ACORDA THERAPEUTICS, INC.

Signature	/s/ Ron Cohen
Name	RON COHEN, M.D.
Title	PRESIDENT & CEO
Date	2/20/01

VIA FEDERAL EXPRESS

November 17, 2003

MAYO FOUNDATION FOR MEDICAL
EDUCATION AND RESEARCH
C/O Susan Stoddard, Ph.D.
Technology Licensing Manager
Office of Technology Commercialization
Mayo Medical Ventures
200 First Street SW
Rochester, Minnesota 55905

RE: Agreement between Acorda Therapeutics, Inc. and the Mayo Foundation for Education and Research

Dear Susan:

Reference is made to a certain License Agreement (the "Agreement") dated September 8, 2000 by and between Acorda Therapeutics, Inc. and The Mayo Foundation for Education and Research.

The agreement is amended as follows:

"Acorda and Mayo entered into a License Agreement dated September 8, 2000 (the "License Agreement") wherein "Licensed Technology", as defined therein, was developed in connection with two Mayo research programs previously sponsored by Acorda and referred to therein, as "Programs" (respectively entitled "Preclinical Studies of Monoclonal Antibody Designed to Promote Central Nervous Repair" and "Molecular Characterization of Antibody-Induced Remyelination and Isolation of Human Counterparts").

Acorda and Mayo wish to sponsor and conduct additional research pursuant to the attached research plan and to include the results of this new research within the meaning of "Licensed Technology" under the License Agreement.

Accordingly, the parties agree that the attached research plan shall be attached to the License Agreement as an additional part of Exhibit A, that it shall be considered an additional "Program" within the meaning of the License Agreement, and that for all purposes under the License Agreement the term "Program(s)" shall be deemed to include the two Programs originally referenced in the License Agreement, the attached research plan, and any other future research which the parties may agree in writing to incorporate into Exhibit A of the License Agreement by amendment.

Notwithstanding anything contained in the original License Agreement to the contrary, the parties agree that with respect to any new intellectual property conceived or first reduced to practice as result of the new research conducted under the attached research plan, the definitions of "Licensed Technology", "Licensed Patents", "Inventions" and "Know-How" under the License Agreement shall only be interpreted to include intellectual property conceived or first reduced to practice in

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HAWTHORNE, NY 10532
PHONE: (914) 347-4300
FAX: (914) 347-4560
E-MAIL: ACORDA@ACORDA.COM
WEBSITE: WWW.ACORDA.COM

the course of or arising from the conduct of such research and for a period of two years thereafter, and not to any improvements, modifications, derivatives of such new intellectual property that may be conceived or first reduced to practice by Mayo more than two years after the conclusion of such research.

The attached research plan identifies all Mayo personnel who will conduct research proposed under such plan and the parties agree to identify in advance all Mayo personnel who will conduct research under any future Program, as well.

Additionally, for the avoidance of doubt in the interpretation of the License Agreement, the parties each hereby acknowledge and confirm that the two Option Agreements between the parties dated October 1, 1995 and March 15, 1998 were exercised and shall each be deemed to have been terminated as of the effective date of the License Agreement."

This Letter Agreement amends the Agreement only to the extent specified herein and shall not constitute an amendment or modification of any other provision of the License Agreement. From and after the date hereof, all references to the Agreement shall be references to the amended Agreement hereby.

The Agreement amended hereby, constitutes the full and complete agreement among the parties hereto and supersedes any and all other agreements and understandings, whether oral or written, between the Parties.

If the foregoing accurately sets forth our agreement, please so indicate by executing this letter agreement and the enclosed copy in the spaces provided and returning one original to Tippy Lucarelli.

Very truly yours,

/s/ Harold Safferstein
Harold Safferstein, Ph.D., J.D.
Vice President, Business Development

AGREED TO AND ACCEPTED:

/s/ Rick F. Colvin

By: Rick F. Colvin

Title: Assistant Treasurer

Date: 11/18/03

Executive Summary
Pre-clinical Development of Remyelination Promoting Antibodies
September 2003

Investigators

Magdalena Hofer, Ph.D.	Principal Investigator	Acorda Therapeutics
Allan J. Bieber, Ph.D.	Principal Investigator	Mayo Clinic
Moses Rodriguez, M.D.	Co-Principal Investigator	Mayo Clinic
Larry R. Pease, Ph.D.	Investigator	Mayo Clinic
Arthur Warrington, Ph.D.	Investigator	Mayo Clinic
Charles Howe, Ph.D.	Investigator	Mayo Clinic

The long-term goal of this agreement is to continue to study and develop monoclonal antibodies that promote remyelination of central system nerve fibers and to bring these antibodies to clinical trials.

We have demonstrated that certain human antibodies can promote CNS remyelination and have identified human monoclonal antibodies (sHIgM22 and sHIgM46) which strongly and consistently enhance remyelination in the Theiler's virus and lysolecithin models of demyelination in mice. We have constructed vectors that direct the expression of recombinant forms of these antibodies (RcHIgM22 and RcHIgM46) when introduced into cultured cells, making the large-scale production of these antibodies possible. Recently, the expression vectors have been modified to allow for the expression of both IgM (22M-5,6 and 46M-6) and IgG4 (22G4-9 and 46G4-8,9) forms of both antibodies under good manufacturing practice (GMP) conditions.

This agreement, "Pre-clinical Development of Remyelination Promoting Antibodies", will focus on research in four Research Areas: 1) *in vivo* efficacy testing and dose determination for the four candidate antibodies produced under GMP conditions, in the Theiler's virus model of demyelinating disease in mice, 2) use of cDNA microarrays to assess gene expression changes that take place in response to antibody treatment under a variety of conditions and in different cell types, 3) biochemical characterization of the cellular signaling pathways that are induced by antibody binding, and 4) characterization of the functionally relevant cell surface antigens that are bound by remyelination promoting antibodies. Specific details for experiments addressing each of these areas are presented in the attached document. The Mayo MS Research group will make a good-faith effort to deliver data for the experiments enumerated for Research Areas 1, 2 and 3, and will supply material for use in the antigen characterization studies in Research Area 4. Acorda will make a good-faith effort to indentify the most relevant antigens with regard to antibody enhanced remyelination (Research Area 4). Acorda will supply funding for the Mayo research, as indicated in the attached budget. The current funding agreement will be for 1 year. The experimental and financial scope of future agreements will be contingent upon progress towards completion of the current agreement.

Pre-clinical Development of Remyelination Promoting Antibodies
Budget — 2003/2004

Proposed total $ to Mayo from Acorda (including entire STTR directs)		$ 400,000		
Total $ from STTR directs		$ 105,000		
STTR directs spent in 2002 (estimated)		$ (10,000)		
(STTR indirects are not considered here)			$	95,000
Funds from Acorda:		$ 295,000		
Direct			$	204,000
Indirect (44.5%)			$	91,000
Total direct $ to lab			= $	299,000
Total $ (direct+indirect) to Mayo			= $	390,000

Personnel: (estimates only)

	Budgeted % effort	Budgeted % support	Budgeted Salary	Budgeted Benefits	Total
Allan Bieber, Ph.D. (Principal Investigator)	40%	40%	$ —	$ —	$ 22,000
Moses Rodriguez, M.D. (Co-Principal Investigator)	5%	5%	$ —	$ —	$ 9,552
Larry R. Pease, Ph.D. (Co-investigator)	5%	5%	$ —	$ —	$ 9,552
Art Warrington, Ph.D. (Co-investigator)	20%	20%	$ —	$ —	$ 11,000
Charles Howe, Ph.D. (Co-investigator)	20%	20%	$ —	$ —	$ 11,000
Total Personnel					$ 63,104

Supply Expenses:

2002/2003 Pre-clinical animal testing:		
Animals - 250 SJL/J mice, 6 weeks old females @ $16.90/mouse (Jackson Labs).	$	4,225
Animal Maintenance - Based on 100 cages @ $0.56/cage/day for 365 days.	$	20,440
Tissue preparation materials - araldite, osmium	$	15,000
Tissue and slide preparation - 10 slides/animals, 170 animals, @ $10.00/slide	$	17,000
Technician processing time - fixation, dissection, embedding	$	5,000
Supplies: 2002/03 in vivo testing	$	61,665
2003/2004 Pre-clinical animal testing:		
Animals - 250 SJL/J mice, 6 weeks old females @ $16.90/mouse (Jackson Labs).	$	4,225
Animal Maintenance - Based on 100 cages @ $0.56/cage/day for 365 days.	$	20,440

Tissue preparation materials - araldite, osmium	$	15,000
Tissue and slide preparation - 10 slides/animal, 160 animals, @ $10.00/slide	$	16,000
Technician processing time - fixation, dissection, embedding	$	4,500
Supplies: 2003/04 in vivo testing	$	60,165

Supply Expenses: Antibody-induced signaling.		
Microarrays - Affymetrix microarrays and array processing	$	50,000
Animals - Purchase and short-term housing for 50 Sprague-Dawley rats provided as untimed pregnancies for the generation of primary oligodendrocyte cultures.	$	4,000
Tissue Culture - Culture of primary oligodendrocytes derived from mixed glial cultures.		
Culture of CG4 cells under defined media conditions. Cost includes growth factors, hormones, media, supplements, serum, and plasticware.	$	12,000
Antibodies - anti-phosphotyrosine (4G10), anti-phospho-JNK, anti-phospho-IkB and NFkB, anti-phospho-ERK 1/2 anti-phospho-p38, anti-phospho-Akt, anti-EGFR, anti-PDGFR, anti-IGFR, anti-FGFR, anti-src family members, anti-caspases, secondaries and immunoprecipitation materials	$	10,000
Pharmacological Agents - JNK inhibitors, NFkB inhibitors, TNFa and Fasm, B-MCD and Filipin.	$	4,000
Radiation - $^{35}SO_4$ and ^{3}H lipid derivatives	$	4,000
PAGE Materials - Basic materials for 1 and 2-D PAGE	$	2,500
TLC Materials - Basic Materials for 2-D TLC		
Cell Fractionation Materials - cost includes plasticware and fractionation chemicals (e.g. OptiPrep)	$	2,500
Supplies: Ab-induced signaling	$	91,500
Supply Expenses: Antigen characterization.		
Animals -		
Purchase and short-term housing for 50 rats provided as untimed pregnancies for the generation of primary glial cultures.	$	3,000
Purchase and short-term housing for 200 SJL mice for the generation of primary glial cultures.	$	3,500
Tissue Culture - primary culture of rat, mouse, human glia, rat neurons, PC12 cells	$	12,000
Enzymes and antibodies - carbohydrate specific enzymes, anti-chondroitin sulfate, anti-myelin basic protein, anti-phophotyrosine	$	4,000
Supplies: Ag characterization	$	22,500
Total personnel	$	63,104
Total supplies	$	235,830
Total DIRECT	$	298,934
Total INDIRECT @ 44.5%	$	91,000
Total cost	$	389,934

Research Area 1: ***In vivo Antibody Treatment Experiments***

Experiments 1 & 2 were completes in 2002/2003. These experiments determined the in vivo dose titration for remyelination in response to Rc22 treatment, examined the effect of co-treatment with methyl prednisolone and Rc22, and examined the effect pf co-treatment with Rc22 and Rc46.

Expt. 1 Rc22 Dosing; Rc22 + MePrednisolone 70 mice

Rc22 at:
- 500 µg
- 125 µg
- 50 µg
- 5 µg

PBS

MePr
MePr + Rc22, 500 µg

Expt. 2 Rc22 Dosing (repeat); Rc22 + MePrednisolone (repeat); Dbl;. Ab treatment 100 mice

Rc22 at:
- 500 µg
- 50 µg
- 5 µg
- 500 ng
- 50 ng

PBS

MePr
MePr + Rc22, 500 µg

Rc46, 500 µg
Rc46 + Rc22 250 µg

Experiments 3 & 4 will be completed in 2003/2004. Experiment 3 will determined the *in vivo* efficacy of the IgM and IgG4 forms of Lym22 and Lym46, with regard to promotion of remyelination. A best candidate will be selected based on the results of Expt. 3 and Expt. 4 will determine the *in vivo* dose titration for remyelination in response to treatment with these (this) antibodies.

Expt. 3 IgMs vs. IgG4s 80 mice

Rc22 (all at 500 µg)
22M-5,6
22G4-9
46G4-8,9
46M-6
Kappa IgG4
human IgM
Acorda buffer

Expt. 4 IgMs vs. IgG4s: Repeat and Dosing 80 mice

Rc22, 500 µg
Best candidates at:
- 500 µg
- 50 µg
- 5 µg
- 500 ng
- 50 ng

Control Ab, 500 µg
Buffer

Research Area 2: Microarray Analysis

Experiment 1 will examine the effect of treatment of rat mixed primary glia with the IgM and IgG forms of Lym22 and Lym46. Gene expression data will be compared to our previous microarray experiments using Mayo Rc22, O4, and other antibodies. **Experiment 2** will determine the dose response for the effect of best candidate antibodies on gene expression in MPG.

Expt. 1 IgMs vs. IgG4s (on rat MPGs)
Rc22 (all at 10 ug/ml)
22M-5,6
22G4-9
46G4-8,9
46M-6
kappa IgG4
human IgM
Buffer

Expt. 2 IgMs vs. IgG4s: Repeat and Dosing (on rat MPGs)
Rc22 (10 ug/ml)
Best candidates at:
10 ug/ml
500 ng/ml
50 ng/ml
10 ng/ml
Buffer

Our previous experiments suggest that treatment with remyelination promoting antibodies may have direct and distinct effects on gene expression in a wide variety of cells. **Experiment 3** will test best candidate antibodies for their direct effect on gene expression in oligodendrocytes, astrocytes, macrophages, brain infiltrating lymphocytes and neurons.

Expt. 3 Best candidate effects on specific rat cell types (Oligos, astrocytes, macrophages, BILs, neurons)
Best candidate and dose (5 cell types)
Ab negative control (5 cell types)

Experiment 4 will determine whether the binding of antibody to the surface of oligodendrocytes correlates directly with observed effects on gene transcription. CGT mutant mice produce no sulfatide, the putative O4 antigen. We will isolate glia from these mice and test the gene expression responses of these cells to O4, Rc22 and other antibodies. Glia from normal mice will serve as controls.

Expt. 4 O4 signaling in mouse CGT MPGs
Rc22, 10 ug/ml on B6
O4, 10 ug/ml on B6
s39, 10 ug/ml on B6
PBS on B6

Rc22, 10 ug/ml on CGT
O4, 10 ug/ml on CGT
s39, 10 ug/ml on CGT
PBS on CGT

Experiment 5 is designed to demonstrate the relevance of the microarray data from rodent cells by repeating the basic antibody treatment experiment using a best candidate antibody and human mixed primary glia.

Expt. 5 Ab signaling in human MPGs
Rc22 (or best candidate), 10 ug/ml
O4, 10 ug/ml
s39, 10 ug/ml
PBS

Our previous data demonstrates significant effects of antibody treatment on CNS gene expression in SJL mice that are chronically infected with TMEV, **Experiment 6** will repeat these experiments and will examine the dose response of the observed changes.

Expt. 6 ***In vivo*** **treatment of chronic SJL mice with antibody dosing**

Rc22 (or best candidate) at:
- 500 µg
- 50 µg
- 10 µg

O4 at:
- 500 µg
- 50 µg
- 10 µg

human IgM, 500 µg
PBS

Research Area 3: Antibody-induced Signaling Experiments

Hypothesis: Antibody-mediated enhancement of remyelination is the result of specific antibody-induced changes in the local architecture of the plasma membrane of glial cells that trigger specific second messenger systems and engage downstream signaling cascades. These signals result in transcriptional and translational events related to increased survival, proliferation, and differentiation of oligodendrocytes and oligodendrocyte precursors within and near demyelinating lesions. We will conduct experiments to identify antibody-induced signaling, cascades that are relevant to the induction of transcriptional changes involved in oligodendrocyte survival, proliferation, and differentiation.

Expt. 1 Identification of immediate second messenger signals triggered by antibody-induced plasma membrane reorganization.

Our preliminary data indicate that remyelination-promoting antibodies induce an immediate increase in intracellular calcium levels in astrocyte-like cells and a delayed calcium influx in oligodendrocyte-like cells. The immediate rise in calcium concentration is sensitive to perturbations of the PLCy signaling cascade, while the delayed calcium influx is dependent upon mobilization of extracellular calcium through plasma membrane CNQX-sensitive AMPA-type glutamate receptors. However, the precise locus and mode of activation of either calcium increase is undefined. Using immunoaffinity purification, we will prepare purified cultures of oligodendrocytes captured along a spectrum of developmental and differentiative stages. These purified and defined cell populations will then be subjected to ratiometrc fluorescent analysis of intracellular calcium concentration to determine the type of calcium signal induced by treatment with antibody. Using specific pharmacological agents we will determine whether the delayed calcium influx is the result of AMPA receptor agonism (e.g. autocrine or paracrine release of glutamate), desensitization (conformational change or alleviation of receptor antagonism), or capacitative calcium influx (calcium release activated calcium influx).

Expt. 2 Identification of downstream signaling cascades engaged by remyelination-promoting antibodies.

Isotope-coded affinity tag (ICAT) analysis is a sophisticated method for measuring differential protein expression in cultured cells. We propose to use the ICAT method to analyze changes in protein expression following treatment of oligodendroglia with remyelination promoting antibodies. We specifically propose to analyze the following domains: lipid rafts and AMPA receptor-enriched domains from oligodendrocytcs, and spinal cord demyelinated lesions induced by lysolecithin injection.

Two-dimensional gel electrophoresis (2-DGE) analysis coupled to western blotting with phosphorylation-state specific antibodies is also a useful tool for analysis of global signaling responses and identification of uncharacterized signaling molecules. We propose to use this discovery technique to identify potential signaling cascades involved in the transmission of antibody-induced responses from the plasma membrane to the nucleus.

Expt. 3 Characterization of antibody-induced survival, proliferation, and differentiation signals.

Preliminary evidence suggests that remyelination-promoting antibodies function, at least in part, by protecting oligodendroglia from cell death. We propose to clarify the nature of this protection and probe its physiological relevance. We will model macrophage- and/or lymphocyte-mediated killing in vitro by challenging oligodendroglia with H_2O_2 TNFa $_1$ or FasL in the presence or absence of antibody. Cell death will be measured by MTT [3-(4,5-dimethylthiazol-2-yl)-2,5-diphenyltetrazolium bromide] assay, and death related signaling will be assessed by examination of changes in JNK, NFKB, Akt, and caspase-3 activity.

Remyelination-promoting antibodies may also exert effects on oligodendrocyte proliferation. We propose to measure this effect by treating oligodendroglia with antibodies in the presence of BrdU or ^{3}H-thymidine. BrdU incorporation will be assessed by imnunostaining, while ^{3}H-thymidine incorporation will be assessed by scintillation counting of cell lysates. Likewise, remyelination-promoting antibodies may exert a differentiative effect on oligodendrocyte precursors, pushing them to mature into myelin-producing cells. To test this effect, we propose to characterize the expression levels of myelin basic protein, proteolipid protein, and myelin associated glycoprotein in oligodendroglia cultured in the presence of remyelination-promoting antibodies.

Based on our hypothesis that remyelination-promoting antibodies specifically reorganize plasma membrane microdomains to initiate biologically relevant signals, we will determine whether disruption of lipid raft organization, either pharmacologically via B-MCD and filipin, or synthetically via cholesterol deprivation, will alter antibody-induced effects on oligodendroglial survival, proliferation, and differentiation. Likewise, based on the knowledge gained in the other proposed experiments, we will disrupt identified signal transduction cascades and measure the effect on cell survival, proliferation, and differentiation, For example, if signaling through Erk l/2 is identified as a relevant pathway, we will block O4-induced signaling with PD98059 (MEK inhibitor) or with the MTP $_{TAT}$-MEK1 $_{13}$ peptide inhibitor (Erk1/2 inhibitor). Similarly, if PKA signaling is identified above, we will attempt to block antibody-mediated effects on proliferation and survival using SQ22536 (adenylate cyclase inhibitor). H89 (PKA inhibitor), or Rp-cAMPs triethylamine (PKA inhibitor). We intend to take advantage of the availability of robust and specific pharmacological blockers for every pathway identified downstream from antibody binding to establish the signaling pathways most relevant to remyelination.

Research Area 4: Antigen Indentification Experiments

Antigen indentification is an important issue concerning the mechanism of action of remyelination promoting antibodies. Acorda will take the lead role in the antigen identification experiments. We will complete our experiments on the characterizatiuon of potential carbohydrate epitopes and will provide tissue to Acorda form their experiments.

Expt. 1 Determine class of carbohydrate bound by antibodies that promote remyelination.
We will treat oligodendrocytes with sialidase and related enzymes to determine class of carbohydrate bound by the antibodies. We will assess the effect of carbohydrate removal on Ca flux, protein phosphorylation and gene expression.

Expt. 2 We will isolate membrane and cell type specific antigens for antigen characterization experiments by our group and at Acorda.

Exhibit B
to
License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000

OPTION AGREEMENT

This Option Agreement is made this October 1, 1995 by and between Mayo Foundation for Medical Education and Research, a Minnesota charitable corporation located at 200 First Street SW, Rochester, Minnesota 55905 ("MAYO") and Acorda Therapeutics, Inc., a Delaware Corporation, located at 1213 Park Avenue, New York, NY 10128 ("ACORDA").

This Option Agreement has three addenda: 1) Stock Warrant Agreement, referred to in Section 2.5; supplied by Acorda; 2) Appendix A, Sponsored Research Agreement; 3) Appendix B, Technology License Contract Terms Sheet.

Certain inventions relating to the promotion of remyelination by monoclonal antibodies have been made in connection with MAYO's research, patient care, and education programs. By assignment of the inventions from the developers, MAYO is the owner of certain patent rights.

ACORDA desires to evaluate such inventions for the purpose of determining its interest in obtaining a license from MAYO to sell such inventions.

Now, therefore, the parties agree as follows:

Article 1. Definitions.

1.1 — "Technology" means:

a) U.S. patent application S.N. 08/236,520, filed April 19, 1994, and foreign patent applications and patent counterparts thereto (if any);

b) all U.S. and foreign patent applications disclosing inventions conceived or reduced to practice pursuant to the research conducted pursuant to the Sponsored Research Agreement;

c) all divisions, substitutions, continuations, continuations-in-part applications of (i) and (ii) of the preceding, and all U.S. and foreign patents issuing thereon, including reissues, reexaminations, and extensions; and

d) all trade secrets, know-how, and technical information developed by MAYO in connection with the research conducted pursuant to the Sponsored Research Agreement.

Article 2. Option.

2.1 — In order for ACORDA to evaluate the commercial and technical merits of this Technology, MAYO hereby grants the Company an exclusive worldwide option to become the exclusive licensee for the Technology. Said option shall expire thirty-six (36) months from the initiation of the sponsored research described in Appendix A.

2.2 — During the option period, ACORDA shall pay a maximum Two Hundred Ninety-Two Thousand Dollars ($292,000.00) to sponsor a mutually agreed upon research protocol to be performed by MAYO, according to the terms of Appendix A. Payments will be made on a quarterly basis beginning within thirty (30) days of the date whereby ACORDA accepts delivery of monoclonal antibody (ATCC Accession No. CRL-11627) from a contract manufacturer for use in MAYO's research protocol (hereby referred to as the "Effective Date" of this Option Agreement).

Notwithstanding the above, in the event that the delivery of antibody prepared on behalf of ACORDA for use in preclinical studies is delayed, through no fault of ACORDA, by more than six (6) months from the signing of this Option Agreement, the parties shall negotiate in good faith for an extension of the option, at no additional cost. Otherwise, MAYO may terminate this Option Agreement if the Effective Date of the Option Agreement is not within six (6) months of the signing of this Option Agreement. If the option to license is exercised or terminated by ACORDA before the expiration date and after twenty-four (24) months from the Effective Date of this Agreement, ACORDA's obligation to make payments to support such research shall be terminated as of that date. MAYO further agrees that it shall not negotiate with or enter into any agreement with a third party with respect to the Technology in the period from the signing of the Option Agreement until the effective date of the Option Agreement.

2.3 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide to license the Technology, then a License Agreement consistent with the terms sheet attached as Appendix B shall be negotiated and executed by both parties within ninety (90) days of ACORDA's notice to MAYO of its decision to license the Technology, or such longer period as may be agreed by the parties.

2.4 — ACORDA shall pay MAYO Five Thousand Dollars ($5,000.00) within thirty (30) days of the Effective Date of this Agreement and on each anniversary thereafter during the Option period as non-refundable and non-creditable consideration for the exclusive worldwide option granted by MAYO.

2.5 — As additional consideration for the exclusive worldwide option, ACORDA will issue MAYO warrants for the purchase of sixty thousand (60,000) shares of ACORDA common stock at the price of founders stock, pursuant to the terms of the Stock Warrant Agreement attached hereto. Such warrants shall be exercisable if ACORDA exercises its option to acquire a license for the Technology. The cost to MAYO for exercising its warrants will be reimbursed by ACORDA.

2.6 — During the option period, ACORDA shall pay reasonable expenses associated with the prosecution of the MAYO patent application entitled "Monoclonal Antibodies Which Promote Central Nervous System Remyelination" (Serial No. 08/236,520) as well as the corresponding national applications filed under the Patent Cooperation Treaty; such filings to have been agreed on by MAYO and ACORDA. Only expenses incurred after March 24, 1994, and related to U.S. Patent application S.N. 08/236,520 are subject to reimbursement. The patent prosecution will be controlled by ACORDA, using counsel of ACORDA's choice, reasonably acceptable to MAYO.

2.7 — During the option period, MAYO may not disclose the Technology to third parties without ACORDA's prior written consent, but MAYO shall retain the right to use the Technology for its internal research purposes.

2.8 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide not to license the Technology, MAYO shall be provided with all the research information generated during the option by ACORDA and MAYO jointly, or given to ACORDA by MAYO. All data jointly generated during the option by MAYO and ACORDA and provided to MAYO shall be only for internal use by MAYO.

Article 3. Confidentiality

3.1 — "Confidential Information" is defined as any written confidential information disclosed by one party to the other and entitled to protection under this agreement which is marked "CONFIDENTIAL," or words of similar import. If oral, visual, or other non-written manner of disclosure of otherwise undisclosed confidential information is made by one party to the other, such information shall be entitled to protection if identified as confidential at the time of initial disclosure and if a written notice with a summary of such disclosures is delivered to the receiving party within thirty (30) days of such disclosure. Any markings, stamps, or legends identifying confidential information shall not impose any obligations on either party inconsistent with this agreement. Any copies of the information made by the receiving party shall reproduce the confidential markings and any other legends contained on such information.

3.2 — Both ACORDA and MAYO covenant and agree that they shall hold the Confidential Information they receive from the other party inviolate, keep it secret, and shall not use any such Confidential Information, except as provided in Article 4 below. The foregoing restrictions on disclosure of Confidential Information shall not apply to any information that properly comes into the public domain through no action of the other party or its agents or was already known by the other party as evidenced by its that party's written records. Each party may use its own discretion to disclose information that was independently developed by that party.

3.3 — Confidential Information shall not be afforded the protection of this Agreement if, on the date of signing this Agreement, such information is or later becomes:

a) developed by the Recipient independently of the disclosed proprietary information of the other party, and reasonable written documentation exists to demonstrate such development; or

b) rightfully obtained without restriction by the Recipient from any third party who is not restricted from making such disclosure by any direct or indirect obligation of confidentiality to the other party herein; or

c) publicly available other than through the fault of the Recipient; or

d) known to the Recipient at the time of its disclosure by the other party hereto, and reasonable written documentation exists to demonstrate such knowledge.

e) subject to disclosure under a facially valid court order, warrant, or subpoena, but only if the Recipient first gives the other party immediate oral and written notice of the court order, warrant, or subpoena to permit that party to take appropriate legal action in the circumstances.

3.4 — ACORDA shall not disclose, provide or otherwise make the Technology or the Confidential Information available to any person or entity other than employees, consultants, advisors, or agents of ACORDA that have signed secrecy agreements at least as restrictive as the provisions of this Agreement. Before the Confidential Information or Technology is made available to any person directly responsible for the evaluation of the Technology for licensure, ACORDA will notify the person of the obligations of confidentiality contained in this Agreement and obtain an agreement from that person to abide by said obligations.

3.5 — The obligations of confidentiality stated in 3.1 and 3.2 shall survive the termination or expiration of this Agreement for five (5) years.

Article 4. Authorized Use

4.1 — During the term of this Option Agreement, ACORDA shall use the Technology and the Confidential Information only for the purpose of evaluating the Technology for licensure.

4.2 — ACORDA and MAYO shall not use, expressly or by implication, any trademark or trade name of the other party, or any contraction, abbreviation, simulation or adaptation thereof, or the name of any of the other party's staff in any news, publicity release, policy recommendation, advertising or any commercial communication without the express written approval of the other party. The provisions of this Section 4.2 shall survive the Termination or expiration of this Agreement.

Article 5. Termination

5.1 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide to exercise its option and execute the License Agreement, the terms of this Option Agreement will be superseded by the terms of the License Agreement at the time the License Agreement is executed by both parties and becomes effective.

5.2 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide not to license the Technology, ACORDA may terminate this Agreement by providing written notice of its decision to MAYO. Furthermore, Section 2.2 of this Agreement remains enforceable subsequent to any termination of this Option Agreement by ACORDA, subject to the terms and conditions of the Sponsored Research Agreement.

5.3 — Following nine (9) months after the Effective Date of this Option Agreement, ACORDA shall have the right to terminate its support of the Sponsored Research with ninety (90) days notice; provided ACORDA shall be obligated to pay to MAYO the salary of one (1) technician until the second anniversary of the Effective Date of the Option Agreement, unless MAYO receives contract or grant funds from an external source to support said technician.

Article 6. General

6.1 — ACORDA may not assign or subcontract any of its obligations or rights under this Option Agreement without MAYO's prior, express, written consent, which consent may not be unreasonably withheld, except that ACORDA may assign its rights and obligations under this Agreement to an affiliate wholly-owned or majority-owned or controlled by ACORDA, or to any entity that acquires substantially all of the assets of ACORDA, or entities to which ACORDA has assigned all or substantially all of its assets relating to the Agreement whether by merger, acquisition, sale, operation of law, or otherwise.

6.2 — This Option Agreement and its effects are subject to and shall be construed and enforced in accordance with the laws of the State of Minnesota except that no part of Minnesota law shall apply that directs the application of another jurisdiction's law.

6.3 — The failure of either party to insist at any time upon the strict observance or performance of any of the provisions of the Option Agreement, or to exercise any right or remedy as provided in this Option Agreement, shall not impair any such right or remedy and shall not be construed to be a waiver or relinquishment. Furthermore, no waiver of any provision of this

Option Agreement by either party shall be construed as a waiver of any other provision or as a waiver of the same provision at any subsequent time.

6.4 — This Option Agreement (including Appendixes A and B) constitutes the entire agreement between the parties and supersedes all prior or contemporaneous, oral and written agreements, proposals and discussions relating to the same subject matter. The Option Agreement may be amended only through a writing signed by each of the parties.

6.5 — Neither party shall disclose the terms of this Agreement to any third party, and neither party shall issue any press release or other statement to the media regarding the existence of the Agreement or its subject matter (if the other party is mentioned) without the prior written consent of the other party.

IN WITNESS WHEREOF , each of the parties has caused this Agreement to be executed on its behalf by its duly authorized representative.

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH		ACORDA THERAPEUTICS, INC.	
Signed:	/s/ Rick F. Colvin	Signed:	/s/ RON COHEN
Name:	Rick F. Colvin	Name:	RON COHEN
Title:	Assist. treas.	Title:	President, CEO
Date:	Oct. 11, 1995	Date:	10/06/95

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED.

THE SALE OF THESE SECURITIES HAS NOT BEEN QUALIFIED WITH ANY STATE SECURITIES AUTHORITIES. THE RIGHTS OF ALL PARTIES TO THIS WARRANT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED UNLESS THE SALE IS SO EXEMPT.

THIS WARRANT MAY NOT BE EXERCISED EXCEPT IN COMPLIANCE WITH ALL APPLICABLE FEDERAL AND STATE SECURITIES LAWS TO THE REASONABLE SATISFACTION OF THE COMPANY AND LEGAL COUNSEL FOR THE COMPANY.

STOCK WARRANT AGREEMENT

To Purchase 60,000 Shares of the Common Stock of

ACORDA THERAPEUTICS, INC.

Dated as of October , 1995

1. GRANT OF THE RIGHT TO PURCHASE COMMON STOCK .

For value received, Acorda Therapeutics, Inc., a Delaware corporation (the "Company"), hereby grants to Mayo Foundation for Medical Education and Research, a Minnesota charitable corporation (the "Warrantholder"), and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase from the Company up to 60,000 fully paid and non-assessable shares of the Company's Common Stock ("Common Stock"). This Warrant Agreement is entered between the parties and the rights to purchase Common Stock are granted pursuant to Section 2.5 of the Option Agreement of even date herewith between the Company and the Warrantholder (the "Option Agreement"). The purchase rights set forth in this Warrant Agreement shall become exercisable immediately upon the Company's exercise of its option as set forth in the Option Agreement to license certain technology of the Warrantholder. The exercise price ("Exercise Price") shall be equal to $0.01 per share. The number and purchase price of such shares are subject to adjustment as provided in Section 8 hereof.

2. TERM Of THE WARRANT AGREEMENT .

Except as otherwise provided for herein, the term of this Warrant Agreement and the right to purchase Common Stock as granted herein shall commence on the date of this Agreement and shall expire upon the first to occur of (i) the expiration of the Option Agreement in accordance with its terms, (ii) the effective date of the Company's firmly underwritten initial public offering pursuant to a registration statement filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), or (iii) the completion date of the sale of the Company, or of

all or substantially all of its assets, by merger, acquisition, or otherwise (in which the stockholders of the Company immediately prior to such sale hold less than a majority-in-interest of the voting equity of any successor corporation following such sale), or the sale of all or substantially all of the assets of the Company.

3. EXERCISE OF THE PURCHASE RIGHTS .

Subject to Section 1 above, the purchase rights set forth in this Warrant Agreement are exercisable by the Warrantholder, in whole or in part, at any time or from time to time, prior to the expiration of the term set forth in Section 2 above, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the "Notice of Exercise"), duly completed and executed. Upon receipt of the Notice of Exercise and the payment of the purchase price in accordance with the terms set forth below, the Company shall issue to the Warrantholder a certificate for the number of shares of Common Stock purchased and shall execute the Notice of Exercise indicating the number of shares which remain subject to future purchases, if any.

The Warrantholder may either (i) exercise all or any portion of the outstanding warrants by paying to the Company, by cash or check, an amount equal to the aggregate Exercise Price of the shares being purchased or (ii) receive shares equal to the value (as determined below) of this Warrant by surrender of the Warrant at the principal office of the Company together with notice of such election in which event the Company shall issue to the Warrantholder a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where: X = The number of shares of Common to be issued to the Warrantholder.

Y = The number of shares of Common to be exercised under this Warrant.

A = The fair market value of one share of Common.

B = The Exercise Price.

As used herein, current fair market value of Common Stock shall mean with respect to each share of Common Stock the average of the closing prices of the Company's Common Stock sold on all securities exchanges on which the Common Stock may at the time be listed, or, if there have been no sales on any such exchange on any day, the average of the highest bid and lowest asked prices on all such exchanges at the end of such day, or, if on any day the Common Stock is not so listed, the average of the representative bid and asked prices quoted in the NASDAQ System as of 4:00 p.m., New York City time, or, of on any day the Common Stock is not quoted in the NASDAQ System, the average of the highest bid and lowest asked price on such day in the domestic over-the-counter market as reported by the National Quotation Bureau, Incorporated, or any similar successor organization, in each such case averaged over a period of 10 days consisting of the day as of which the current fair market value of

Common Stock is being determined and the 9 consecutive business days prior to such day. If at any time the Common Stock is not listed on any securities exchange or quoted in the NASDAQ System or the over-the-counter market, the current fair market value of Common Stock shall be the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors of the Company, unless (i) the Company shall become subject to a merger, acquisition, or other consolidation pursuant to which the Company is not the surviving party, in which case the current fair market value of the Common Stock shall be deemed to be the value received by the holders of the Company's stock for each share of stock, pursuant to the Company's acquisition or (ii) the Warrantholder shall purchase such shares in conjunction with the initial underwritten public offering of the Company's Common Stock pursuant to a registration statement filed under the Securities Act, in which case, the fair market value of the shares of stock subject to this Warrant shall be the price at which all registered shares are sold to the public in such offering.

4. RESERVATION OF SHARES .

During the term of this Warrant Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights to purchase Common Stock as provided for herein.

5. NO FRACTIONAL SHARES OR SCRIP .

No fractional share or scrip representing fractional shares shall be issued upon the exercise of the Warrantholder's right to purchase Common Stock, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

6. NO RIGHTS AS STOCKHOLDERS .

The Warrant Agreement does not entitle the Warrantholder to any voting right or other rights as a stockholder of the Company prior to the exercise of the Warrantholder's rights to purchase Common Stock as provided for herein.

7. WARRANTHOLDER REGISTRY .

The Company shall maintain a registry showing the name and address of the registered holder of this Warrant Agreement.

8. ADJUSTMENT RIGHTS .

The purchase price per share and the number of shares of Common Stock purchasable hereunder are subject to adjustment from time to time, as follows:

(a) Merger . If at any time there shall be a capital reorganization of the shares of the Company's stock (other than a combination, reclassification, exchange, or subdivision of shares otherwise

provided for herein), or a merger or consolidation of the Company with or into another corporation when the Company is not the surviving corporation (but its stockholders nevertheless control not less than a majority-in-interest of the voting equity of any successor corporation), then, as a part of such reorganization, merger, or consolidation, lawful provision shall be made so that the Warrantholder shall thereafter be entitled to receive upon exercise of its rights to purchase Common Stock, the number of shares of common stock or other securities of the successor corporation resulting from such reorganization, merger or consolidation, to which a holder of the Common Stock deliverable upon exercise of the right to purchase Common Stock hereunder would have been entitled in such reorganization, merger or consolidation if the right to purchase such Common Stock hereunder had been exercised immediately prior to such reorganization, merger or consolidation. In any such case, appropriate adjustment (as determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Warrant Agreement with respect to the rights and interests of the Warrantholder after the reorganization, merger, or consolidation to the end that the provisions of this Warrant Agreement (including adjustments of the Exercise Price and number of shares of Common Stock purchasable pursuant to the terms and conditions of this Warrant Agreement) shall be applicable after the event, as near as reasonably may be, in relation to any shares deliverable after that event upon the exercise of the Warrantholder's rights to purchase Common Stock pursuant to this Warrant Agreement.

(b) Reclassification of Shares . If the Company at any time shall, by combination, reclassification, exchange, or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Warrant Agreement exist into the same or a different number of securities of any other class or classes, this Warrant Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant Agreement immediately prior to such combination, reclassification, exchange, subdivision, or other change.

(c) Subdivision or Combination of Shares . If the Company at any time shall combine or subdivide its Common Stock, the Exercise Price shall be proportionately decreased in the case of a subdivision, or proportionately increased in the case of a combination.

(d) Notice of Adjustments . In the event that (i) the Company shall declare any dividend or distribution upon its stock, whether in cash, property, stock, or other securities; (ii) the Company shall offer for subscription pro rata to the holders of any class of its Common or other convertible stock any additional shares of stock of any class or other rights; (iii) there shall be any capital reorganization, reclassification, consolidation, merger or sale of all or substantially all of the Company's assets; or (iv) there shall be any voluntary or involuntary dissolution, liquidation, or winding up of the Company, then, in connection with each such event, the Company shall send to the Warrantholder:

(i) At least 20 days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such dividend, distribution, subscription rights (specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote in respect of such capital reorganization, reclassification, consolidation, merger, dissolution, liquidation, or winding up; and

(ii) In the case of any such capital reorganization, reclassification, consolidation, merger or sale of all or substantially all of the Company's assets, dissolution, liquidation or winding up, at least 20 days' prior written notice of the date when the same shall take place and specifying the date on which the holders of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon such capital reorganization, reclassification, consolidation, merger, or sale of all or substantially all of the Company's assets, dissolution, liquidation, or winding up).

Each such written notice shall set forth, as applicable and in reasonable detail, (i) the event requiring the adjustment, (ii) the amount of the adjustment, (iii) the method by which such adjustment was calculated, (iv) the Exercise Price, and (v) the number of shares subject to purchase hereunder after giving effect to such adjustment, and shall be given by first class mail, postage prepaid, addressed to the Warrantholder, at the address as shown on the books of the Company.

9. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER .

This Warrant Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder, which by its execution hereof the Warrantholder hereby confirms:

(a) Investment Purpose . The Common Stock issuable upon exercise of the Warrantholder's rights contained herein will be acquired for investment and not with a view to the sale or distribution of any part thereof, and the Warrantholder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption.

(b) Private Issue . The Warrantholder understands (i) that the Common Stock issuable upon exercise of the Warrantholder's rights contained herein is not registered under the Securities Act or qualified under applicable state securities laws on the ground that the issuance contemplated by this Warrant Agreement will be exempt from the registration and qualifications requirements thereof and (ii) that the Company's reliance on such exemption is predicated on the representations set forth in this Section 9.

(c) Disposition of Warrantholder's Rights . In no event will the Warrantholder make a disposition of any of its rights to acquire Common Stock issuable upon exercise of such rights unless and until (i) it shall have notified the Company of the proposed disposition and (ii) if requested by the Company, it shall have furnished the Company with an opinion of counsel (which counsel may either be inside or outside counsel to the Warrantholder) satisfactory to the Company and its counsel to the effect that (A) appropriate action necessary for compliance with the Securities Act has been taken, or (B) an exemption from the registration requirements of the Securities Act is available. Notwithstanding the foregoing, the restrictions imposed upon the transferability of any of its rights to acquire Common Stock issuable on the exercise of such rights do not apply to transfers from the beneficial owner of any of the aforementioned securities to its nominee or from such nominee to its beneficial owner, and shall terminate as to any particular share of Common Stock when (1) such security shall have been effectively registered under the Securities Act and sold by the holder thereof in accordance with such registration or (2) such

security shall have been sold without registration in compliance with Rule 144 under the Securities Act, or (3) a letter shall have been issued to the Warrantholder at its request by the staff of the United States Securities and Exchange Commission or a ruling shall have been issued to the Warrantholder at its request by such Commission stating that no action shall be recommended by such staff or taken by such Commission, as the case may be, if such security is transferred without registration under the Securities Act in accordance with the conditions set forth in such letter or ruling and such letter or ruling specifies that no subsequent restrictions on transfer are required. Whenever the restrictions imposed hereunder shall terminate, as hereinabove provided, the Warrantholder or holder of a share of Common Stock then outstanding as to which such restrictions have terminated shall be entitled to receive From the Company, without expense to such holder, one or more new certificates for the Warrant or for such shares of Common Stock not bearing any restrictive legend.

(d) Financial Risk . The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment and has the ability to bear the economic risks of its investment.

(e) Risk of No Registration . The Warrantholder understands that if the Company does not register with the Securities and Exchange Commission pursuant to Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act"), or file reports pursuant to Section 15(d) of the Exchange Act, or if a registration statement covering the securities under the Securities Act is not in effect when it desires to sell the Common Stock issuable upon exercise of the right to purchase, it may be required to hold such securities for an indefinite period. The Warrantholder also understands that any sale of its Common Stock which might be made by it in reliance upon Rule 144 under the Securities Act may be made only in accordance with the terms and conditions of that Rule.

10. TRANSFERS .

This Warrant may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised only by the Warrantholder or his permitted assignee. Any transfer of this Warrant must comply with the requirements of this Section 10, and any assignee or transferee of this Warrant ("permitted assignee") shall be required to accept this Warrant subject to all rights and obligations of the Warrantholder as set forth herein. Any securities to be issued upon exercise of this Warrant may not be sold, assigned, transferred or otherwise disposed of unless the securities are registered under the Securities Act or unless the person seeking to effect such disposition shall have requested and the Company shall have received an opinion of the Company's counsel that the proposed disposition may be effected without registration of such securities under the Securities Act or any applicable state securities laws. Unless a registration statement with respect to such shares of Common Stock is effective at the time, any shares of Common Stock issued upon the exercise of this Warrant shall bear the following legend:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE MOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED THE ("ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED.

11. MARKET STANDOFF AGREEMENT .

The Warrantholder hereby agrees, if so requested by the managing underwriters in an initial public offering by the Company of its Common Stock, that, without the prior written consent of such managing underwriters, the Warrantholder will not offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of or make a distribution of any capital stock of the Company held by or on behalf of the Warrantholder or beneficially owned by the Warrantholder in accordance with the rules and regulations of the United States Securities and Exchange Commission for a period of up to 180 days after the date of the final prospectus relating to the Company's initial public offering.

12. MLSCELLANEOUS .

(a) Effective Date . The provisions of this Warrant Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Warrant Agreement shall be binding upon any successors or assigns of the Company.

(b) Attorneys' Fees . In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Warrant Agreement.

(c) Governing Law . This Warrant Agreement shall be governed by and construed for all purposes under and in accordance with the laws of the State of Delaware as applied to agreements between Delaware residents entered and to be performed entirely within Delaware.

(d) Counterparts . This Warrant Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(e) Titles and Subtitles . The titles of the paragraphs and subparagraphs of this Warrant Agreement are for convenience and are not to be considered in construing this Agreement.

(f) Notices . Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail, by registered or certified mail, addressed (i) to the Warrantholder at the address set forth on the signature

page hereof and (ii) to the Company at its principal executive offices to the attention of its president or at such other address as any such party may subsequently designate by written notice to the other party.

(g) Survival . The representations, warranties, covenants and conditions of the respective parties contained herein or made pursuant to this Warrant Agreement shall survive the execution and delivery of this Warrant Agreement.

(h) Amendments . Any provision of this Warrant Agreement may be amended by a written instrument signed by the Company and by the Warrantholder.

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed by its officers thereunto duly authorized.

Company:

ACORDA THERAPEUTICS, INC.

Dated August , 1995

By: _____
Ron Cohen, M.D., President

Warrantholder:

MAYO FOUNDATION FOR MEDICAL EDUCATION
AND RESEARCH

By: _____

Title: _____

Address: c/o Office of Technology Transfer
Mayo Medical Ventures
200 First Street Southwest
Rochester, Minnesota 55905
Attn:

EXHIBIT I

NOTICE OF EXERCISE

Ron Cohen, M.D.
To: Acorda Therapeutics, Inc.

(1) The undersigned Warrantholder hereby elects to purchase 60,000 shares of the Common Stock of ACORDA THERAPEUTICS, INC., pursuant to the terms of the Warrant Agreement dated the day of October, 1995 (the "Warrant Agreement") between ACORDA THERAPEUTICS, INC. and the Warrantholder, and tenders herewith payment of the purchase price for such shares in full, together with all applicable transfer taxes, if any.

(2) In exercising its rights to purchase the Common Stock of ACORDA THERAPEUTICS, INC., the undersigned hereby confirms and acknowledges the investment representations and warranties made in Section 9 of the Warrant Agreement.

(3) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below.

Mayo Foundation for Medical Education and Research
(Name)

200 First Street SW
Rochester, MN 55905
(Address)

Warrantholder: Mayo Foundation for Medical Education and Research

By: /s/ Rick F. Colvin
Rick F. Colvin

Title: Assistant Treasurer

Date: 10/6/00

Appendix A
to
Acorda/Mayo Option Agreement dated October 1, 1995

(Included as Exhibit A to License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000)

ACORDA - MAYO CLINIC

License Agreement Terms

License:	Mayo Clinic ("Mayo") will grant Acorda an exclusive license, with the right to grant and authorize sublicenses, under the Licensed Patents to make, have made, use and sell Licensed Products in the Territory.
Territory:	Worldwide.
Licensed Technology:	Licensed Technology includes (i) the Licensed Patents and (ii) Project Know How.
Licensed Patents:	Licensed Patents include (i) the patent applications listed on Exhibit A hereto, (ii) all patent applications filed with respect to inventions conceived or otherwise developed in the course of and in connection with the Sponsored Research, and (iii) all divisions, substitutions, continuations, continuations-in-part applications, and reissues, re-examinations, and extensions of (i) and (ii) above, all patents issuing on the preceding, and all foreign counterparts of the preceding.
Project Know-How:	All trade secrets and other intellectual property conceived or otherwise developed in the course of and in connection with the Sponsored Research, and all subsequent modifications, enhancements and improvements, excluding the patent applications and patents within the Licensed Patents.
Licensed Products:	Products covered by a valid issued or pending claim of a Licensed Patent in the country which such Product is sold, or which directly incorporate Project Know-How.

Equity: On the Effective Date of the license agreement, Mayo may exercise the warrants granted Mayo to purchase 60,000 shares of Acorda common stock, at the price of founder's stock.

Royalties: Acorda will pay Mayo royalties on net sales of Licensed Products by Acorda and its affiliates, as follows:

1% on net sales of Licensed Products covered by a valid claim of an issued patent within the Licensed Patents in the country which such Licensed Product is sold.

0.5% on net sales of Licensed Products covered by a claim of a pending patent application within the Licensed Patents in the country which such Licensed Product is sold, or which directly incorporate Project Know-How.

Beginning on the first anniversary of the commercial sale of a Licensed Product, Acorda will pay Mayo the following minimum annual royalties:

Year 1	$	20,000
Year 2	$	25,000
Year 3	$	30,000
Year 4 and thereafter	$	35,000

In addition, Acorda will pay Mayo 25% of the amounts received by Acorda from sublicensees with respect to the sale of such Licensed Products.

Notwithstanding the above, it is understood and agreed that Mayo shall not be entitled to any share of amounts received by Acorda from sublicensees for equity, research and development, performance-based milestones, the license or sublicense of any intellectual property other than the

Licensed Technology, or reimbursement for patent or other expenses.

In the event that a Licensed Product is sold in combination with another product which is not a Licensed Product, the amount paid to Mayo shall be based on the proportion of the value of such combination product reasonably attributable to the Licensed Technology; provided in no event shall Mayo receive less than 0.25% of the net sales of Licensed Products sold by Acorda.

Due Diligence:

Acorda will use reasonable efforts to enter into an agreement with a contract manufacturer for the production of Mayo's mylenating monoclonal antibody, by the later of June 1, 1995, or within sixty (60) days following the close of Acorda's Series A financing.

Acorda will use reasonable commercial efforts, consistent with its prudent business judgment, to develop Licensed Products and obtain and maintain such approvals as may be necessary for the sale of Licensed Products in the U.S. and such other worldwide markets as Acorda elects to sell such Licensed Products.

Milestone Payments:

Acorda will pay to Mayo the following amounts on the achievement of the following events:

Effective Date of license	$	25,000
Issue of first U.S. patent within the Licensed Patents	$	25,000
Initiation of Phase I clinical trials for the first Licensed Product	$	50,000
FDA marketing approval of the first Licensed Product	$	500,000

Patent Prosecution:	Acorda will be responsible, using patent counsel of its choice, for preparing, filing, prosecuting and maintaining patent applications and patents within the Licensed Patents. Acorda will pay the costs incurred in connection with such activities, and reimburse Mayo for reasonable costs incurred in connection with such activities prior to the effective date of the license; 50% of all such amounts (including attorneys fees) shall be creditable against earned royalties due Mayo. At Mayo's request, Acorda shall provide Mayo with reasonable documentation of such costs. Mayo and Acorda will cooperate and consult with each other in the prosecution of the Licensed Patents.
Patent Enforcement:	In the event of any infringement of the Licensed Patents or misappropriation of the Project Know-How, the parties shall consult to determine if they will jointly bring action to terminate such infringement or misappropriation. Any recovery obtained by the parties in such an action shall be used first to reimburse the costs of such action, and the remainder divided equally between the parties. In the event that the parties fail to initiate such action within ninety (90) days of receiving notice of such infringement or misappropriation, Mayo shall have the right, but not the obligation, to initiate suit to stop such infringement or misappropriation; provided if Mayo does not initiate such an action within a further ninety (90) days, Acorda shall have the right to pursue any infringement of the Licensed Patents, or opposition or interference with respect thereto, or any misappropriation of Project Know-How, or defend any declaratory judgment relating thereto. Any recovery obtained by

	Acorda in such an action shall be used first to reimburse the costs of such action, and the remainder shall be retained by Acorda and treated as net sales of Licensed Products, subject to the royalty obligations to Mayo herein.
Royalties to Third Parties:	In the event that in connection with its sale of Licensed Products, Acorda pays a third party royalties or other amounts to avoid or settle a claim of infringement of the intellectual property rights of such third party, Acorda may offset such amounts against up to 50% of the amounts due Mayo; provided, however, in no event shall Mayo receive less than 0.25% of the net sales of Licensed Products sold by Acorda and its affiliates.
Sublicenses:	Any sublicenses granted by Acorda under the Licensed Technology shall remain in effect and be assigned to Mayo in the event this license terminates.
Assignment:	Acorda may not assign the license without the consent of Mayo, which consent shall not be unreasonably withheld; provided, Acorda may assign the license in connection with the sale or transfer of all or substantially all the rights and obligations of Acorda relating to the Licensed Products , without the prior consent of Mayo.
Term:	The license shall terminate on a country-by-country basis upon the expiration of the last to expire Licensed Patent in such country, or, if no Licensed Patent issues in a country, twelve years following the first commercial sale of a Licensed Product in such country, on a Licensed Product-by-Licensed Product basis. Acorda shall have the right to terminate the license agreement with respect to any Licensed

Technology or any country, on ninety (90) days written notice.

Other: The formal agreement will include other customary provisions to be agreed by the parties, including indemnification, royalty reporting, audit rights and the like.

Amendment No. 1 to Option Agreement

This Amendment No. 1 to Option Agreement (the "Amendment") is effective as of October 2, 1995 between Acorda Therapeutics, Inc. ("Acorda") and Mayo Foundation for Medical Education and Research ("Mayo") concerning the Option Agreement between Acorda and Mayo effective October 1, 1995.

1. The parties have agreed to broaden the scope of the Technology to include certain additional monoclonal antibodies.

2. Section 1.1(a) is hereby amended to read in its entirety as follows:

(a) U.S. patent application S.N. 08/236, 520, filed April 19, 1994, and all patent applications disclosing any invention or other intellectual property developed by Moses Rodriguez, M.D. and owned in whole or part by MAYO relating to monoclonal antibodies associated with myelination, or derivatives and analogs thereof, including without limitation, compositions and methods of making and using thereof, and foreign patent applications and patent counterparts thereto (if any);

3. Add new Section 1.l(e), which provides in its entirety:

(e) the biological materials listed on Exhibit A hereto.

4. Section 2.6 is hereby amended to read in its entirety as follows:

2.6 — During the option period, ACORDA shall pay reasonable expenses associated with the prosecution of the MAYO patent application entitled "Monoclonal Antibodies Which Promote Central Nervous System Remyelination" (Serial No. 08/236, 520) and other patent applications included in Section 1.1(a) above, as well as the corresponding national applications filed under the Patent Cooperation Treaty; such filings to have been agreed on by MAYO and ACORDA. Only expenses incurred after March 24, 1994, and related to the preceding patent applications are subject to reimbursement. The patent prosecution will be controlled by ACORDA, using counsel of ACORDA's choice, reasonably acceptable to MAYO.

5. Except as specifically modified or amended hereby, the Option Agreement shall remain in full force and effect and, as so modified or amended, is hereby ratified, confirmed and approved. No provision of this Amendment may be modified or amended except expressly in a writing signed by both parties nor shall any terms be waived except expressly in writing signed by the party charged therewith. This Amendment shall be governed in accordance with the laws of the State of Minnesota, without reference to principles of conflicts of laws.

IN WITNESS WHEREOF, the parties have duly executed this Amendment as of the date shown above.

ACORDA THERAPEUTICS, INC.

By: /s/ Ron Cohen

Print Name: Ron Cohen, MD

Title: President & CEO

MAYO FOUNDATION FOR
MEDICAL EDUCATION AND
RESEARCH

By: /s/ Rick F. Colvin

Print Name: Rick F. Colvin

Title: Assistant Treasurer

Exhibit A to Amendment Number 1 to Option Agreement
between
Mayo Foundation for Medical Education and Research
and
Acorda Therapeutics, Inc.

Biologic materials include:

1. monoclonal antibody 94.03
2. monoclonal antibody SCH 79.03

This list may be amended from time to time during the course of the Agreement.

Wednesday, July 31, 1996

Susan Stoddard, Ph.D.
Mayo Medical Ventures
200 First Street S.W.
Rochester, MN 55905

Dear Susan:

This letter confirms that, with regard to the Option Agreement (the "Agreement") of October 1, 1995 between Acorda Therapeutics, Inc. ("Acorda") and the Mayo Foundation for Medical Education and Research ("Mayo"), relating to U.S. patent application S.N. 08/236, 520, Acorda and Mayo agree that the Effective Date of the Option Agreement may be extended up to December 1, 1996.

All other provisions of the Agreement shall remain in effect unless amended in writing by mutual agreement of Acorda and Mayo.

If the foregoing is satisfactory, please sign, or have another appropriate representative of Mayo sign, both copies of this letter to indicate Mayo's agreement, and return one copy to my attention at Acorda.

Thank you for your consideration. If you have any questions, please do not hesitate to call.

Sincerely yours,
/s/ Ron Cohen
Ron Cohen, M.D.
President and Chief Executive Officer

AGREED TO by the
MAYO FOUNDATION FOR MEDICAL
EDUCATION AND RESEARCH:

Signed: /s/ Rick F. Colvin

Name: Rick F. Colvin

Title: Assistant Treasurer

Date: 8/9/96

145 WEST 58TH STREET
SUITE #8J
NEW YORK, NY 10019
PHONE: (212) 376-7552
FAX: (212) 765-8637
E-MAIL: DRRON18@ADL.COM

December 31, 1996

Susan Stoddard, Ph.D.
Mayo Medical Ventures
200 First Street S.W.
Rochester, MN 55905

Dear Susan:

This letter (the "Second Extension Letter") confirms that, with regard to the Option Agreement (the "Agreement") of October 1, 1995 between Acorda Therapeutics, Inc. ("Acorda") and the Mayo Foundation for Medical Education and Research ("Mayo"), relating to U.S. patent application S.N. 08/236, 520, and with regard to the letter of July 31, 1996 extending the Effective Date of the Option Agreement up to December 1, 1996 (the "First Extension Letter"), Acorda and Mayo agree that the Effective Date of the Option Agreement may be extended up to January 2, 1997, and that this Second Extension Letter supersedes the First Extension Letter.

All other provisions of the Agreement shall remain in effect unless amended in writing by mutual agreement of Acorda and Mayo.

If the foregoing is satisfactory, please sign, or have another appropriate representative of Mayo sign, both copies of this letter to indicate Mayo's agreement, and return one copy to my attention at Acorda.

Thank you for your consideration. If you have any questions, please do not hesitate to call.

Sincerely yours,
/s/ Ron Cohen
Ron Cohen, M.D.
President and Chief Executive Officer

AGREED TO by the
MAYO FOUNDATION FOR MEDICAL
EDUCATION AND RESEARCH:

Signed: /s/ Rick F. Colvin

Name: Rick F. Colvin

Title: Assistant Treasurer

Date: 1/7/97

145 WEST 58TH STREET
SUITE #8J
NEW YORK, NY 10019
PHONE: (212) 376-7552
FAX: (212) 765-8637
E-MAIL: DRRON18@ADL.COM

ACORDA/MAYO

Amendment No. 3 to Option Agreement

This Amendment No. 3 to Option Agreement (the "AMENDMENT") is effective as of March 15, 1998 between Acorda Therapeutics, Inc. ("ACORDA") and Mayo Foundation for Medical Education and Research ("MAYO") concerning the Option Agreement between Acorda and Mayo Effective October 1, 1995.

1. The parties have agreed to include humanization of MAbs by Larry Pease, Ph.D, and Moses Rodriguez, M.D.

2. Section 1.1 (a) is hereby amended to read in its entirety as follows;

(a) U.S. patent application S.N. 08/236,520, filed April 19, 1994, and all patent applications disclosing any invention or other intellectual property developed in whole or in part by Moses Rodriguez and/or Larry Pease owned in whole or in part by MAYO relating to humanized and non-humanized monoclonal antibodies associated with myelination and/or remyelination, or derivatives and analogs thereof, including without limitation, compositions and methods of making and using thereof, and foreign patent applications and counterparts thereto (if any);

3. Except as specifically modified or amended hereby or in Amendment No. 1 to the Option Agreement, the Option Agreement shall remain in full force and effect and, as so modified or amended, is hereby ratified, confirmed and approved. No provision of this Amendment may be modified or amended except expressly in a writing signed by the party charged therewith. This amendment shall be governed in accordance with the laws of the State of Minnesota, without reference to principals of conflicts of laws.

IN WITNESS WHEREOF, the parties have duly executed this Amendment as of the date shown above.

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH

Signed: /s/ John H. Herrell

Name: John H. Herrell

Title: Vice President

Date: March 24, 1998

ACORDA THERAPEUTICS, INC.

Signed: /s/ Ron Cohen, M.D.

Name: Ron Cohen, M.D.

Title: President & CEO

Date: 3/20/98

ACORDA/MAYO
OPTION TO LICENSE, SPONSORED RESEARCH AGREEMENT
AND LICENSE TERM SHEET

This Option Agreement is made with an Effective Date of March 15, 1998 by and between Mayo Foundation for Medical Education and Research, a Minnesota charitable corporation located at 200 First Street SW, Rochester, Minnesota 55905 ("MAYO") and Acorda Therapeutics, Inc., a Delaware Corporation, located at 145 West-58th Street, Suite 8J, New York, NY 10019 ("ACORDA").

This Option Agreement has four addenda 1) Exhibit A, Sponsored Research Agreement; 2) Exhibit B, Statement of Work and Budget, 3) Exhibit C, Technology License Contract Term Sheet, and 4) Exhibit D, Mayo/Acorda Agreements

Certain Inventions relating to the prevention, mitigation and/or treatment of nervous system disorders, diseases or injuries by monoclonal antibodies have been made in connection with MAYO's research, patient care, and education programs. By assignment of the inventions from the developers, MAYO is the owner of certain patent rights.

ACORDA desires to evaluate such inventions for the purpose of determining its interest in obtaining a license from MAYO to sell such inventions.

Now, therefore, the parties agree as follows:

Article 1. Definitions.

1.1 — "Technology" means:

a) U.S. patent application S.N. 08/263,520, filed April 19, 1994, foreign patent applications and patent counterparts thereto (if any), and all patent applications disclosing any invention or other intellectual property developed in whole or in

part by Moses Rodriguez and/or Larry Pease owned in whole or in part by MAYO relating to monoclonal antibodies and pooled IgM for use in the prevention, mitigation and/or treatment of nervous system disorders, diseases or injuries, including without limitation pain, or derivatives and analogs thereof, excluding the Technology subject to the Option Agreement entered by ACORDA and MAYO October 1, 1995, as amended;

b) all U.S. and foreign patent applications disclosing inventions conceived or reduced to practice pursuant to the research conducted pursuant to the Sponsored Research Agreement;

c) all divisions, substitutions, continuations, continuations-in-part applications of (a) and (b) of the preceding, and all U.S. and foreign patents issuing thereon, including reissues, reexaminations, and extensions; and

d) all trade secrets, know-how, and technical information developed by MAYO in connection with the research conducted pursuant to the Sponsored Research Agreement.

1.2 — "Territory" means world-wide including but not limited to North America, Europe, Pacific Rim and Australia, Africa and the Middle East, South America, and the United States and its territories.

Article 2. Option.

2.1 — In order for ACORDA to evaluate the commercial and technical merits of this Technology, MAYO hereby grants the Company an exclusive worldwide option in the Territory to become the exclusive licensee for the Technology. Said option shall expire the earlier of thirty-six (36) months from the start of the sponsored research program (the "Effective Date") or the termination of minimum funding of such sponsored research program by ACORDA as described in Exhibits A and B. This option agreement may be extended by mutual written agreement of the parties.

2.2 — During the option period, ACORDA shall pay a minimum of (Two Hundred Thirty-Three Four-Hundred Thirty-One Dollars ($233,431.00) to sponsor a mutually agreed upon research protocol to be performed by MAYO, according to the terms of Exhibits A and B.

2.3 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide to license the Technology, then a License Agreement consistent with the terms sheet attached as Exhibit C shall be negotiated and executed by both parties within ninety (90) days of ACORDA's notice to MAYO of its decision to license the Technology, or such longer period as may be agreed to In writing by the parties.

2.4 — ACORDA shall pay MAYO Five Thousand Dollars ($5,000.00) within thirty (30) days of the Effective Date of this Option Agreement and on each anniversary thereafter as non-refundable and non-creditable consideration for the exclusive worldwide option granted by MAYO.

2.5 — During the option period, ACORDA shall pay reasonable expenses associated with the prosecution of patent applications disclosing any invention or other intellectual property owned in whole or in part by MAYO relating to monoclonal antibodies and pooled IgM for use in the prevention, mitigation and/or treatment of nervous system disorders, diseases or injuries, including without limitation pain, or derivatives and analogs thereof, including without

limitation compositions and methods of making and using thereof, excluding the Technology subject to the Option Agreement entered by ACORDA and MAYO October 1, 1995, as amended. The patent prosecution will be controlled by ACORDA, using counsel of ACORDA's choice, reasonably acceptable to MAYO.

Notwithstanding the above, in the event ACORDA chooses not to prosecute patent applications for an invention ACORDA shall notify MAYO in writing of such decision within sixty (60) days prior to the time action is required to avoid abandoning said patent. Once notified, MAYO shall have the right to prosecute patent applications for said invention independent of ACORDA. If MAYO prosecutes patent applications for said inventions ACORDA will have no further rights to those inventions and MAYO is free to license said inventions to third parties with no further obligation to ACORDA.

2.6 — During the option period, MAYO may not disclose the Technology to third parties without ACORDA's prior written consent, but MAYO shall retain the nontransferable right to use the Technology for its internal research purposes.

2.7 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide not to license the Technology, MAYO shall be provided with all the research information generated during the option period by ACORDA and MAYO jointly, or given to ACORDA by MAYO.

2.8 — All data jointly generated during the option period by MAYO and ACORDA and provided to MAYO shall be only for internal use by MAYO during the option period.

Article 3. Confidentiality

3.1 — "Confidential Information" is defined as any written confidential information disclosed by one party to the other and entitled to protection under this agreement which is marked "CONFIDENTIAL," or words of similar import. If oral, visual, or other non-written manner of disclosure of otherwise undisclosed confidential information is made by one party to the other, such information shall be entitled to protection if identified as confidential at the time of initial disclosure and if a written notice with a summary of such disclosures is delivered to the receiving party within thirty (30) days of such disclosure. Any markings, stamps, or legends identifying confidential information shall not impose any obligations on either party inconsistent with this agreement. Any copies of the information made by the receiving party shall reproduce the confidential markings and any other legends contained on such information.

3.2 — Both ACORDA and MAYO covenant and agree that they shall hold the Confidential Information they receive from the other party inviolate, keep it secret, and shall not use any such Confidential Information, except as provided in Article 4 below. The foregoing restrictions on disclosure of Confidential Information shall not apply to any information that properly comes into the public domain through no action of the other party or its agents or was already known by the other party as evidenced by its that party's written records. Each party may use its own discretion to disclose information that was independently developed by that party.

3.3 — Confidential Information shall not be afforded the protection of this Option Agreement if, on the date of signing this Option Agreement, such information is or later becomes:

a) developed by the Recipient independently of the disclosed proprietary information of the other party, and reasonable written documentation exists to demonstrate such development; or

b) rightfully obtained without restriction by the Recipient from any third party who is not restricted from making such disclosure by any direct or indirect obligation of confidentiality to the other party herein; or

c) publicly available other than through the fault of the Recipient; or

d) known to the Recipient at the time of its disclosure by the other party hereto, and reasonable written documentation exists to demonstrate such knowledge.

e) subject to disclosure under a facially valid court order, warrant, or subpoena, but only if the Recipient first gives the other party immediate oral and written notice of the court order, warrant, or subpoena to permit that party to take appropriate legal action in the circumstances.

3.4 — ACORDA shall not disclose, provide or otherwise make the Technology or the Confidential Information available to any person or entity other than employees, consultants, advisors, or agents of ACORDA that have signed secrecy agreements at least as restrictive as the provisions of this Option Agreement. Before the Confidential Information or Technology is made available to any person directly responsible for the evaluation of the Technology for licensure, ACORDA will notify the person of the obligations of confidentiality contained in this Option Agreement and obtain an agreement from that person to abide by said obligations.

3.5 — The obligations of confidentiality stated in 3.1 and 3.2 shall survive the termination or expiration of this Option Agreement for five (5) years.

Article 4. Authorized Use

4.1 — During the term of this Option Agreement, ACORDA shall use the Technology and the Confidential Information only for the purpose of evaluating the Technology both in the laboratory and in commercial assessments. Notwithstanding the above, the ACORDA may disclose confidential Information of MAYO (1) to their legal representative and employees, to Affiliates, to legal representatives and employees of Affiliates, to the extent such disclosure is reasonably necessary to achieve the purposes of this Contract, and provided such representative and employees are covered by obligations of confidentiality with respect to such information no less stringent than those set forth herein; (ii) In connection with the filing and support of patent applications; or (iii) as required by law or to comply with applicable governmental regulations or court order or otherwise submit information to tax or other governmental authorities, including the FDA and its foreign counterparts; provided that if the ACORDA is required to make any such disclosure of MAYO's confidential information, other than pursuant to a confidentiality agreement, it will give reasonable advance notice to MAYO of such disclosure and save to the extent inappropriate in the case of patent applications, will use its reasonable efforts to secure confidential treatment of such information prior to its disclosure and disclose only the minimum necessary to comply with such requirements.

4.2 — ACORDA and MAYO shall not use, expressly or by implication, any trademark or trade name of the other party, or any contraction, abbreviation, simulation or adaptation thereof, or the name of any of the other party's staff in any news, publicity release, policy recommendation, advertising or any commercial communication without the express written approval of the other party; provided, however, once a public announcement has been approved, further approvals need not be obtained for further announcement which are not materially different from an earlier approved announcement. The provisions of this Section 4.2 shall survive the Termination or expiration of this Option Agreement.

Article 5. Termination

5.1 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide to exercise its option and execute the License Agreement, the terms of this Option Agreement will be superseded by the terms of the License Agreement at the time the License Agreement is executed by both parties and becomes effective.

5.2 — Should ACORDA, on or before the expiration of the option granted in 2.1 above, decide not to license the Technology, ACORDA may terminate this Option Agreement by providing written notice of its decision to MAYO. Furthermore, Section 2.2 of this Option Agreement remains enforceable subsequent to any termination of this Option Agreement by ACORDA, subject to the terms and conditions of the Sponsored Research Agreement.

5.3 — Following nine (9) months after the Effective Date of this Option Agreement, ACORDA shall have the right to terminate its support of the Sponsored Research with ninety (90) days notice; provided ACORDA shall be obligated to pay to MAYO the salary of one (1) technician until the third anniversary of the Effective Date of the Option Agreement, unless MAYO receives contract or grant funds from an external source to support said technician. Should ACORDA terminate the Sponsored Research Mayo agrees to use best efforts to find other sources of funding for the technical salary.

Article 6. General

6.1 — ACORDA may not assign or subcontract any of its obligations or rights under this Option Agreement without MAYO's prior, express, written consent, which consent may not be unreasonably withheld, except that ACORDA may assign its rights and obligations under this Option Agreement without such consent to an affiliate wholly-owned or majority-owned or controlled by ACORDA, or to any entity that acquires substantially all of the assets of ACORDA, or entities to which ACORDA has assigned all or substantially all of its assets relating to the Option Agreement whether by merger, acquisition, sale, operation of law, or otherwise. Mayo, however, may object to such assignment of rights under this Option Agreement if ACORDA proposes to assign its rights to an entity whose image, reputation, or business goals are judged incompatible with MAYO's mission and reputation, in MAYO's reasonable Judgment.

6.2 — This Option Agreement and its effects are subject to and shall be construed and enforced in accordance with the laws of the State of Minnesota except that no part of Minnesota law shall apply that directs the application of another jurisdiction's law.

6.3 — The failure of either party to insist at any time upon the strict observance or performance of any of the provisions of the Option Agreement, or to exercise any right or remedy as provided in this Option Agreement, shall not impair any such right or remedy and shall not be construed to be a waiver or relinquishment. Furthermore, no waiver of any provision of this Option Agreement by either party shall be construed as a waiver of any other provision or as a waiver of the same provision at any subsequent time.

6.4 — This Option Agreement (including Exhibits A, B and C) constitutes the entire agreement between the parties and supersedes all prior or contemporaneous, oral and written agreements, proposals and discussions relating to the same subject matter. The Option Agreement may be amended only through a writing signed by each of the parties.

6.5 — Neither party shall disclose the terms of this Option Agreement to any third party, and neither party shall issue any press release or other statement to the media regarding the existence of the Option Agreement or its subject matter (if the other party is mentioned) without the prior written consent of the other party.

6.6 — Both parties agree that execution of this Option Agreement may be effected by the receipt of facsimile signature pages.

IN WITNESS WHEREOF, each of the parties has caused this Option Agreement to be executed on its behalf by its duly authorized representative.

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH

Signed: /s/ John H. Herrell

Name: John H. Herrell

Title: Vice President

Date: March 24, 1998

ACORDA THERAPEUTICS, INC.

Signed: /s/ Ron Cohen, M.D.

Name: Ron Cohen, M.D.

Title: President & CEO

Date: 3/20/98

Exhibits A and B
to
Acorda/Mayo Option Agreement,
dated March 15, 1998

(Included as Exhibit A to License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000)

EXHIBIT C
ACORDA/MAYO
TECHNOLOGY LICENSE CONTRACT TERM SHEET

Grant of Rights and Definitions

License:	Mayo Foundation for Medical Education and Research ("MAYO") will grant to Acorda Therapeutics ("ACORDA") an exclusive license, with the right to grant, offer for sale and authorize sublicenses, under the Licensed Patents to develop, make, have made, Import, Use, offer for sale, sell and otherwise exploit Licensed Product in the Territory.
Territory:	Worldwide (with specific regions to be defined in the final license for royalty accounting purposes).
Field of Use:	Use in the prevention, mitigation and/or treatment of nervous system disorders, diseases or injuries including, without limitation, pain.
Licensed Technology:	Licensed Technology includes (i) the Licensed Patents, (ii) Project Know-How, and (iii) all patent applications disclosing any invention or other intellectual property developed by Dr. Moses Rodriguez and/or Dr. Larry Pease and owned in whole or in part by MAYO relating to humanized and non-humanized monoclonal antibodies and pooled IgM for use in the prevention, mitigation and/or treatment of nervous system disorders, diseases or injuries, including without limitation pain, or derivatives and analogs thereof, including without limitation compositions and methods of making and using thereof, excluding the Technology subject to the Option Agreement entered by ACORDA and MAYO October 1, 1995, as amended. It is understood and agreed that any use of intellectual property outside of the field covered by the original option agreement entered by ACORDA and MAYO on October 1, 1995, shall be covered by this agreement as depicted in Exhibit D.
Licensed Patents:	Licensed Patents include (i) all patent applications (provisional or utility) filed with respect to inventions conceived or otherwise developed relating to humanized and non-humanized monoclonal antibodies and pooled IgM, or their derivatives or analogs, for use in the prevention, mitigation and/or treatment of nervous system disorders, diseases or injuries, including without limitation pain, and (ii) all divisions,

substitutions, continuations, continuations-in-part applications, and reissues, re-examinations, and extensions of (i) and (ii) above, (iii) all foreign counterparts of the preceding, and (iv) all patents issuing on the preceding.

Project Know-How: All trade secrets, biological materials and other Intellectual property conceived or otherwise developed in the course of and in connection with the Sponsored Research, and all subsequent modifications, enhancements and improvements hereto, excluding the patent applications and patents within the Licensed Patents.

Licensed Product: Products covered by a pending or issued claim of a Licensed Patent in the country which such product is sold, or which incorporate or utilize Project Know-How.

Consideration and Royalties

License Fee: Within thirty (30) days of the effective date of this agreement, ACORDA shall pay to MAYO a license fee of twenty-five thousand dollars ($25,000). (Fifteen Thousand ($15,000.00) of said License Fee will be deferred as long as ACORDA provides minimum financial support of a three (3) year sponsored research program in the laboratories of Drs. Larrry Pease and Moses Rodriguez.

Milestones: For the first (1st) Licensed Product ACORDA will pay MAYO the following amounts on the achievement of the following events:

(1) Issuance of the first U.S. patent within the Licensed Patents which contains an awarded claim for human monoclonal antibodies: $25,000.00.

(2) Initiation of the second (2nd) US Phase III clinical trial for the first Licensed Product: $125,000.00 in the event a second US Phase III trial is not initiated ACORDA will pay $125,000.00 at the time such decision is made.

(3) US FDA marketing approval of the first (1st) therapeutic Licensed Product: $500,000.00

For the second (2nd) Licensed Product ACORDA will pay MAYO the following amounts on the achievement of the following events:

(1) Initiation of the second (2nd) US Phase III clinical trial for the first Licensed Product: $150,000.00. In the event a second US Phase III trial for the second (2nd) Licensed Product is not initiated ACORDA will pay $150,000.00 at the time such decision is made.

(2) US FDA marketing approval of the second (2nd) therapeutic Licensed Product which is not a modification or extension of the first Licensed Product and has a therapeutic indication which is different from the first Licensed Product: $500,000.00

Royalties: It is understood and agreed that a higher royalty is only due for Licensed Product which is outside the field defined in the original option agreement entered by ACORDA and MAYO on October 1, 1995. ACORDA shall pay MAYO the greater of:

(i) a royalty of two percent (2%) of the net sales up to $400,000,000.00 of the Licensed Product sold by ACORDA in the Territory covered by a valid claim of an issued patent within the Licensed Patents which contains an awarded valid composition of matter claim in the country which such Licensed Product are sold, or

(ii) two and one-half, percent (2.5%) of the net sales greater than $400,000,000.00 of the Licensed Product sold by ACORDA in the Territory covered by a valid claim of an issued patent within the Licensed Patents which contains an awarded valid composition of matter claim the country which such Licensed Product are sold, or

(iii) a royalty of one percent (1%) of the net sales of the Licensed Product sold by ACORDA in the Territory covered by a pending patent within the Licensed Patents containing a pending composition of matter claim in the country which such Licensed Product are sold.

If the issued patents contain only awarded valid utility claims the parties agree to negotiate in good faith royalty rates for the sale of Licensed Product which reflect customary royalties for intellectual property of the type, degree of proprietary protection and value mutually agreed to by MAYO and ACORDA.

Royalties to Third Parties: In the event that in connection with its sale of Licensed Product, Acorda pays a third party royalties or other amounts to make, use or sell Licensed Product or to avoid or settle a claim of infringement of the intellectual property rights of such third party, Acorda may offset such amounts against up to 50% of the amounts due, Mayo; provided, however, in no event shall Mayo receive less than 0.50% of the net sales of Licensed Product sold by Acorda and its affiliates.

Sublicense Royalties:	ACORDA will pay MAYO twenty-five percent (25%) of the royalty received by ACORDA from sublicensees with respect to the sale of Licensed Product for use in applications which ACORDA decides, in its business judgment, not to commercialize. MAYO shall not be entitled to any share of amounts received by ACORDA from sublicensees for equity, debt, research and development, performance based milestones, the license or sublicense of any intellectual property other than the Licensed Patents, products other than the Licensed Product, or reimbursement for patent or other expenses.
Combination Product Royalties:	In the event that an Amended Licensed Product is sold in combination with another product which is not a Licensed Product, the amount paid to MAYO shall be based upon the proportion of the value of such combination products reasonably attributable, by mutual agreement of the parties, to the Licensed Patents.
Other Provisions	
Due Diligence:	ACORDA will use reasonable efforts, consistent with its prudent business judgment, to develop and commercialize Licensed Product and obtain and maintain such approvals as may be necessary for the sale of products in the US and such other worldwide markets as ACORDA selects to commercialize such Licensed Product. ACORDA shall use reasonable efforts to develop a Licensed Product for Multiple Sclerosis (MS) as long as it remains technically and commercially feasible. If ACORDA decides in its business Judgment not to commercialize a Licensed Product for MS the parties agree to discuss returning the patent rights for MS to MAYO.
Patents:	MAYO shall own all of its inventions, discoveries and other developments. whether or not patentable, arising out of research carried out related to the Amended Licensed Patents. ACORDA shall own all of its inventions, discoveries and other developments, whether or not patentable, arising out of research carried out related to the Licensed Technology. Inventions or discoveries made Jointly by both MAYO and ACORDA shall be Jointly owned by both parties and, if patent applications are filed, patents shall be applied for on behalf of both parties. Rights held by MAYO in any inventions, including without limitation rights in and to patent applications and patents which may be obtained thereon, shall be deemed to be within the terms Licensed Patents and shall be subject to the license granted Acorda Therapeutics herein.

Patent Prosecution:	ACORDA will be responsible, using patent counsel of its choice, for preparing, filing, prosecuting and maintaining patent applications and patents within the licensed patents. ACORDA will pay the costs incurred in connection with such activities, and reimburse MAYO for reasonable costs incurred in connection with such activities prior to the effective date of the license; fifty percent (50%) of all such amounts (including attorneys' fees) shall be creditable against earned royalties due MAYO. At MAYO's request, ACORDA shall provide MAYO with reasonable documentation of such costs. MAYO and ACORDA will cooperate and consult with each other in the prosecution of the licensed patents.
Patent Enforcement:	In the event of any infringement of the Licensed Patents or misappropriation of the Project Know-How, the parties shall consult to determine if they will Jointly bring action to terminate such infringement or misappropriation. Any recovery obtained by the parties in such an action shall be used first to reimburse the cost of such action and the remainder divided equally between the parties. In the event that the parties fail to initiate such action within ninety (90) days of receiving notice of such infringement or misappropriation, ACORDA shall have the right, but not the obligation, to initiate suit to stop such infringement or misappropriation. Any recovery obtained by ACORDA in such an action shall be used first to reimburse the cost of such action, and the remainder shall be retained by ACORDA and treated as net sales of Licensed Product, subject to the royalty obligations to MAYO herein. In the absense of an agreement to institute a suit jointly, and if ACORDA does not initiate such an action within a further ninety (90) days, MAYO may institute a suit for the infringement of the licensed patents, or opposition or interference with respect thereto, or any misappropriation of Project Know-How, or defend any declaratory judgment relating thereto. MAYO shall bear the entire cost of such litigation, including attorneys' fees, and shall be entitled to retain the entire amount of any recovery by way of judgment, award, decree, arbitration, or settlement. ACORDA shall cooperate reasonably with MAYO, except financially, in such litigation.
Sublincenses:	Any sublicense granted by Acorda under the Licensed Technology shall remain in effect and be assigned to MAYO in the event this license terminates.
Assignment:	ACORDA may not assign the license without the consent of MAYO, which consent shall not be unreasonably withheld; provided, ACORDA may assign the license in connection with the sale or transfer of all or substantially all the rights and obligations of ACORDA relating to the Licensed Product, without the prior consent of MAYO.
Term:	The License shall terminate on a country-by country and Licensed Product by Licensed Product basis upon the expiration of the last to expire Licensed Patent in such country. ACORDA shall have the right to

terminate the license agreement with respect to any aspect of the Licensed Technology and/or any country, on ninety (90) days written notice.

Other: The formal agreement will include other customary provisions to be agreed upon by the parties, including indemnification, royalty reporting, audit rights and the like.

Execution: Both parties agree that execution of this License Term Sheet may be effected by the receipt of facsimile signature pages.

MAYO FOUNDATION FOR MEDICAL EDUCATION AND RESEARCH		**ACORDA THERAPEUTICS, INC.**	
Signed:	/s/ John H. Herrell	Signed:	/s/ Ron Cohen, M.D.
Name:	John H. Herrell	Name:	Ron Cohen, M.D.
Title:	Vice President	Title:	President & CEO
Date:	March 24, 1998	Data:	3/20/98

Exhibit C
to
License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000

Exhibit C

Remvelination Monoclonal Antibody Cases

PCT/U.S. Serial No.	Title of Application	Date of Filing
US#5,591,629	Monoclonal Antibodies Which Promote Central Nervous System Remyelination	4/29/94
PCT/US 95/05262	Monoclonal Antibodies Which Promote Central Nervous System Remyelination	4/27/95
08/692,084	Promotion of Central Nervous System Remyelination Using Monoclonal Antibodies	8/8/96
08/779,784	Promotion of Central Nervous System Remyelination Using Monoclonal Antibodies	1/7/97
09/332,862	Human IgM Antibodies, and Diagnostic and Therapeutic Uses Thereof Particularly in the Central Nervous System	5/28/99
09/580,787	Human IgM Antibodies, and Diagnostic and Therapeutic Uses Thereof Particularly in the Central Nervous System	5/30/00
09/568,351	Human IgM Antibodies, and Diagnostic and Therapeutic Uses Thereof Particularly in the Central Nervous System	5/10/00
PCT/US 00/14902	Human IgM Antibodies, and Diagnostic and Therapeutic Uses Thereof Particularly in the Central Nervous System	5/30/00

Exhibit D
to
License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000

EXHIBIT D

MANDATORY MEDIATION AND BINDING ARBITRATION

1. NOTICE OF DISPUTE. Except to the extent otherwise expressly provided in Sections 5.3 and 5.4 of this Agreement, any dispute related to this Agreement between the Parties, including its formation, performance, or Termination, which cannot be resolved by the Parties themselves within thirty (30) days of written notice by one Party to the other of the existence of a dispute, may be referred by either of the parties to mandatory mediation and binding arbitration under the terms of this Exhibit. The Parties intend the mediation/arbitration procedure described in this Exhibit to substitute in all cases for litigation related to any such dispute, subject only to part 7, below, and this agreement to submit all such disputes to mandatory mediation and binding arbitration is irrevocable.

2. LIMITATION PERIOD. No demand for mediation/arbitration may be made regarding any claim more than one hundred eighty (180) days after written notice by one Party to the other of the existence of a dispute, regardless of any otherwise applicable statute of limitations.

3. MEDIATOR/ARBITRATOR. If the Parties cannot agree upon a single mediator/arbitrator within fourteen (14) days after written demand by either of them for mediation/arbitration, then a single mediator/arbitrator shall be chosen by the American Arbitration Association office in New York City, New York, within thirty (30) additional days after the fourteen (14) day period. The mediator/arbitrator shall be generally experienced in the legal and technical matters related to the dispute.

4. MEDIATION. Within thirty (30) days of the appointment of the mediator/arbitrator, the Parties must attend a mediation session at which the mediator/arbitrator personally shall attempt to guide the Parties to a settlement. Each Party may be represented by counsel at the mediation, but each Party must attend through an officer having authority to agree to a settlement at the mediation. The mediation session shall occur in New York City, New York, and shall extend no longer than a single day. Statements or offers made at the mediation session shall not be admissible in any later arbitration hearing.

5. ARBITRATION. If such mediation has not resulted in a mutually-executed settlement agreement (or withdrawal of claim) within five (5) business days after the date of mediation, then the Parties shall proceed to arbitration as described below. Such arbitration, which the Parties intend to be final and to substitute for litigation, shall occur in New York City, New York, and the arbitration results may be entered as a final judgment in any court with jurisdiction. The decision of the arbitrator shall be final and binding upon the Parties both as to law and fact.

(a) Initial Disclosures. Within twenty-one (21) days after the date of mediation, the Parties shall exchange written disclosures listing with reasonable specificity: (i) all exhibits expected to be used by the Party at arbitration, and complete copies of such exhibits, (ii) all witnesses expected to be called by the Party at arbitration, and (iii) the substance of

the testimony of each witness. Copies of such disclosures shall be sent to the arbitrator, No exhibit or witness may be called if the same does not appear on such disclosure, and no witness may testify as to matters not described in such disclosure, except for rebuttal testimony as may be permitted by the arbitrator.

(b) Discovery Period. Within fourteen (14) days after exchange of the disclosure notices, the Parties shall make specific discovery requests to the arbitrator, and within an additional fourteen (14) days the arbitrator shall issue to both parties a joint discovery order. The discovery period preceding the arbitration hearing shall not exceed sixty (60) days from the issuance of the discovery order by the arbitrator.

(c) Scope of Discovery. Discovery shall be limited to that ordered by the arbitrator as being reasonable and necessary, and in no case shall exceed the deposition of two (2) witnesses for each Party, and/or the exchange of more than a total of twenty-five (25) specific and non-compound interrogatories by each party, and/or two specific requests by each Party for the production of documents considered by the arbitrator to be reasonably relevant and not unduly burdensome.

(d) Hearing. The arbitration hearing, which shall be confidential to the parties and not open to the public, shall not exceed two (2) separate days, and shall be completed within thirty (30) days of the close of discovery. The arbitrator may admit any testimony or other evidence which the arbitrator decides is reasonably relevant to the issues of the arbitration, but excluding statements or offers made by either Party at the mediation session.

(e) Final Decision. The arbitrator shall issue a final written decision no later than sixty (60) days following the end of the arbitration hearing, stating findings as to law and fact. The decision shall be confidential to the Parties. The arbitrator shall be limited to determining and ordering the payment of actual and direct damages if any, and may order the payment of indirect, special, incidental, or consequential damages only where bad faith has been shown and/or to the extent required to fulfill any obligations under Article 8 of the Agreement. The arbitrator shall not order the payment of punitive or exemplary damages in any case.

6. COSTS AND FEES. Both Parties shall be responsible for their own costs and fees (including attorney's fees), and shall divide common costs and fees equally; however, if the arbitrator specifically finds bad faith on the Part of either Party, then the arbitrator may order a different division of costs and fees.

7. EQUITABLE RELIEF. Nothing in this Exhibit prohibits either Party from seeking equitable relief to protect its rights to the extent that irreparable harm may occur and damages would not be a sufficient remedy, except that neither Party shall seek to enjoin mediation/arbitration as described in this Exhibit.

(a) Specific Performance. Among the equitable remedies that a Party may seek under this part 7, either Party may petition a court for specific performance of the terms of this Exhibit, including following the failure of either Party without good cause to adhere to the time limits set out in this Exhibit. A Party securing an order for specific performance under this part 7(a) is entitled to recover costs and reasonable attorneys' fees in connection with such petition for specific performance and any related hearings.

8. **SURVIVAL.** The rights and obligations of the Parties described in this Exhibit survive the Termination, expiration, non-renewal, or rescission of this Agreement.

9. **GOVERNING RULES AND LAW.** To the extent not inconsistent with the terms of this Exhibit, the mediation and arbitration are governed by the rules of the American Arbitration Association, the Minnesota Arbitration Act, and the Federal Arbitration Act (9 U.S.C s. 1 et seq.).

Exhibit E
to
License Agreement between
Acorda Therapeutics, Inc. and the
Mayo Foundation for Education and Research,
dated September 8, 2000

MATERIAL TRANSFER AGREEMENT

1. The Effective Date of this Material Transfer Agreement is .

2. The parties to this Agreement are:

(a) MAYO Foundation for Medical Education and Research, 200 First Street SW, Rochester, MN 55905-0001, hereinafter "MAYO"; and

(b)

hereinafter "INSTITUTION".

3. The MATERIAL covered by this Agreement includes: {relevant Ab} , developed by Moses Rodriguez, M.D. and his colleagues at MAYO Rochester (MAYO files MMV-92-102 and MMV-97-055); (b) any related biological material or associated know-how and data received by INSTITUTION from MAYO; and (c) any progeny or unmodified derivatives produced from any of the foregoing by MAYO, its employees and/or agents. The MATERIAL covered by this Agreement is the subject of United States Patent No. 5,591,629, Application S.N. 08/236,520, filed April 19, 1994, entitled "Monoclonal Antibodies Which Promote Central Nervous System Remyelination," and foreign counterparts and [list specific CIPs or patents} and other pending patent claims of MAYO and is subject to an exclusive worldwide license granted by MAYO to Acorda Therapeutics, Inc, ("ACORDA") pursuant to a license agreement dated [insert date] for commercial exploitation of the MATERIAL under the foregoing patent rights (the "MAYO/ACORDA license agreement") INSTITUION AND MAYO acknowledge that MAYO may only transfer the MATERIAL to INSTITUION under terms and conditions of a material transfer agreement which has been approved in advance by ACORDA.

4. The MATERIAL and any related information disclosed by MAYO will be kept confidential and not made available or disclosed by INSTITUTION to third parties or disclosed in any publication. The MATERIAL shall be used solely for research in the laboratory of ("SCIENTIST") at INSTITUTION, such research to be limited to . MAYO and ACORDA shall be free, in their sole discretion, to distribute the MATERIAL to others and to use it for their own purposes.

5. INSTITUTION shall not distribute or release the MATERIAL to any person other than laboratory personnel under SCIENTIST's direct supervision who shall be made aware of the provisions of this agreement, including confidentiality and license of commercial rights to inventions, and who is bound by its terms. INSTITUTION shall ensure that no one will be allowed to take or send the MATERIAL to any other location, unless prior written permission is obtained from MAYO and ACORDA. This MATERIAL is made available for investigational use only in laboratory animals or *in vitro* experiments. INSTITUTION and SCIENTIST agree that the MATERIAL will not be used for any other purpose. Neither the MATERIAL nor any biological materials treated therewith will be used in human beings. INSTITUTION and SCIENTIST are specifically excluded from re-engineering or modifying the MATERIAL with the specific intent of designing around pending claims of United States and foreign patents.

6. This Agreement and the resulting transfer of MATERIAL constitute a license to use the MATERIAL solely for not-for-profit academic research purposes. INSTITUTION agrees that nothing herein shall be deemed a grant under any MAYO patents (either existing or future) or any rights to use the MATERIAL for any products or processes for profit-making or commercial purposes. The MATERIAL will not be used in research that is subject to consulting or licensing obligations to another institution, corporation or business entity unless prior written permission is obtained from both MAYO and ACORDA.

7. MAYO and INSTITUTION agree that all rights to sole MAYO inventions resulting from the use of the MATERIAL under this agreement, *i.e.* inventions made solely by MAYO faculty, staff, or students, shall be owned by MAYO; sole INSTITUTION inventions resulting from the use of the MATERIAL under this agreement, i .*e.* inventions made solely by the employees of INSTITUTION, shall be owned by INSTITUTION. All rights to joint inventions resulting from the use of the MATERIAL under this agreement, as determined under United States' Patent Law, shall be owned jointly between INSTITUTION and the MAYO.

8. Should INSTITUTION or SCIENTIST create, either alone or with MAYO, any new and useful invention, discovery, process, improvement or other intellectual property conceived of, first reduced to practice, made or otherwise developed during the research, whether for the MATERIAL, related to the MATERIAL, or resulting in part from use of the MATERIAL, (an "Invention") it hereby grants MAYO, and MAYO's licensee, ACORDA, the exclusive (even as to INSTITUTION and SCIENTIST) perpetual, worldwide, royalty-free license to develop, make, have made, use, import, export, lease, offer to sell, sell, have sold and otherwise exploit any and all products, processes or services making use of the invention for any and all commercial purposes and to grant, offer for sale and authorize sublicenses with respect to the right and license granted under this Section 8 to third parties, MAYO acknowledges and confirms that any license rights it may receive from INSTITUTION under this agreement shall be deemed part of the technology MAYO has licensed to ACORDA under the MAYO/ACORDA license agreement.

9. INSTITUTION shall have no rights in the MATERIAL other than as provided in this Agreement, and at the request of MAYO, INSTITUTION and/or SCIENTIST will return or destroy all unused MATERIAL.

10. SCIENTIST will inform MAYO and ACORDA in reasonable detail of all research results created by SCIENTIST and/or INSTITUTION related to the MATERIAL by personal written communication. INSTITUTION and/or SCIENTIST shall be free to use data and information from research results for any academic and non-commercial purpose, but will make proper acknowledgment of the work done by SCIENTIST, and agree to inform MAYO and ACORDA of any proposed public disclosure of research results at least one hundred twenty (120) days prior to such disclosure to permit MAYO and ACORDA to protect any proprietary information related thereto and to confirm that no information disclosed to INSTITUTION in confidence is included in such public disclosure. MAYO and ACORDA shall be free to use any and all research results for any purpose.

11. The MATERIAL is experimental in nature and it is provided WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. MAYO MAKES NO REPRESENTATION OR

WARRANTY THAT THE USE OF THE MATERIAL WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHT.

12. In no event shall MAYO be liable for any use by INSTITUTION, its employees and/or agents of the MATERIAL or any loss, claim, damage or liability, of whatsoever kind or nature, which may arise from or in connection with this Agreement or the use, handling or storage of the MATERIAL. Furthermore, to the extent permitted by applicable law, INSTITUTION agrees to indemnify MAYO and any of its employees and hold it and them harmless from any action, claim, or liability, including, without limitation, liability for death, personal injury, or property damage, arising directly or indirectly from INSTITUTION's possession, testing, screening, distribution or other use of the MATERIAL provided under this Agreement, and/or from INSTITUTION's publication or distribution of the test reports, data, and other information relating to said MATERIAL.

13. INSTITUTION will use the MATERIAL in compliance with all laws and governmental regulations and guidelines applicable to the MATERIAL, and when the MATERIAL is used in the United States, INSTITUTION and SCIENTIST will comply with current NIH guidelines.

14. This Agreement shall be governed by the laws of Minnesota. It may be amended only in writing signed by both MAYO and INSTITUTION and specifically referencing this Agreement. Any proposed amendment must also be approved in advance in writing by ACORDA. Neither this Agreement nor any of INSTITUTION's or SCIENTIST'S rights or obligations under the Agreement may be assigned by INSTITUTION or SCIENTIST without the written consent of MAYO. ACORDA is a third party beneficiary of this Agreement and shall have the right to enforce its provisions. The failure of MAYO or ACORDA to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any rights or remedy as provided in this Agreement, will not impair any such right or remedy and will not be construed to be a waiver or relinquishment of the right or remedy.

ACCEPTED AND AGREED TO:

SCIENTIST

Date:

Authorized Representative of the
RECIPIENT INSTITUTION

By:

Title:

Date:

MAYO FOUNDATION FOR MEDICAL
EDUCATION AND RESEARCH

By:

Title:

Date:

Authorized Representative of ACORDA
(Pursuant to Section 2.2 of its License Agreement with MAYO dated as of [date] ACORDA approves and consents to this Material Transfer Agreement)

By:

Title:

Date:

EXHIBIT 10.61

June 21, 2011

Dr. Ron Cohen
246 Harriman Road
Irvington, NY 10533

Re: Amendment to August 11, 2002, Employment Agreement

Dear Ron:

This letter serves as an amendment to your letter agreement, dated August 11, 2002, and amended September 26, 2005, May 10, 2007, and December 28, 2007 with Acorda Therapeutics, Inc. (the "Agreement"), in accordance with paragraph 9(b) of the Agreement. The purpose of this amendment is to modify the amount of certain of your severance benefits in the event your employment is terminated by the Company without "Cause" or by you with "Good Reason", as such terms are defined in the Agreement. Specifically, the Agreement is amended as follows, effective as of the date executed by you as indicated below:

A. **Termination by the Company Without Cause, or Voluntary Termination by You With Good Reason – Severance Period** . The first sentence in Paragraph 6(c)(i) is amended and restated in its entirety to read as follows:

The Company shall pay you a single lump sum payment equal to the base salary you would have received during the twenty-four-month period immediately following the date of your termination (the "Severance Period") had your employment not terminated.

B. **Termination by the Company Without Cause, or Voluntary Termination by You With Good Reason -- Bonus.** The first sentence in Paragraph 6(c)(ii) is amended and restated in its entirety to read as follows:

The Company shall also pay you a bonus equal to the last annual bonus you received (the "Prior Bonus") multiplied by a fraction, the numerator of which shall be the number of days in the calendar year elapsed as of the termination date and the denominator of which shall be 365, provided that if such termination occurs after a Change in Control, the amount of the bonus paid to you under this Paragraph 6(c)(ii) shall be two times the larger of (A) the Prior Bonus and (b) the target annual bonus for the year in which the termination occurs.

Except as provided in this letter, the Agreement remains in full force and effect. If this amendment is acceptable, please sign and date the copy of this letter provided herewith and return it to me at your earliest convenience.

Sincerely,

Acorda Therapeutics, Inc.

By : /s/David Lawrence
David Lawrence
Chief Financial Officer

Agreed to and Accepted:

By:/ s/Ron Cohen
Dr. Ron Cohen

Date: 6/21/11

EXHIBIT 10.62

LEASE

by and between

BMR-ARDSLEY PARK LLC,

a Delaware limited liability company

and

ACORDA THERAPEUTICS, INC.,

a Delaware corporation

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LEASE

THIS LEASE (this " Lease ") is entered into as of June 23, 2011 (the " Execution Date "), by and between BMR-ARDSLEY PARK LLC, a Delaware limited liability company (" Landlord "), and ACORDA THERAPEUTICS, INC., a Delaware corporation (" Tenant ").

RECITALS

A. Pursuant to that certain Purchase and Sale Agreement between Landlord's predecessor in interest, BioMed Realty, L.P., and (OSI) Ardsley LLC (the " Prior Owner "), dated as of December 21, 2010 (as amended, the " Purchase Agreement "), Landlord, on the date hereof, is simultaneously acquiring title to that certain real property (the " Property ") located at 410, 420, 430, 440, 444 A&B, and 460 Old Saw Mill Road, Ardsley, New York, as more particularly described in Exhibit A-1 and as depicted in the survey attached hereto as Exhibit A-2 , including buildings and condominium units (the " Condominium Units ") in the condominium established by the Declaration of Condominium and By-Laws (the " Declaration ") recorded in Liber 12133, Cp. 138 (the " Condominium ");

B. The Property is currently improved with the buildings located at 410 (the " 410 Building "), 420 (the " 420 Building "), 430 (the " 430 Building "), 440 (the " 440 Building "), 444 A&B (the " 444 Buildings ") and 460 (the " 460 Building ") Old Saw Mill Road, Ardsley, New York, as well as landscaping, parking facilities and other improvements and appurtenances related thereto (the Property as so improved, the " Existing Project ").

C. Pursuant to the terms of this Lease, Landlord intends to construct a new connector building (the " Connector Building ") between the 410 Building and the 420 Building.

D. Landlord wishes to lease to Tenant, and Tenant desires to lease from Landlord, the following space: (i) the entire 410 Building, (ii) the entire 420 Building, (iii) the to-be constructed Connector Building (the 410 Building, the 420 Building and the Connector Building, collectively, the " Initial Premises ," all as depicted on Exhibit B , attached hereto), and (iv) subject to the provisions set forth in Article 10 hereof, the Expansion Premises (defined in Section 10.1), in each case pursuant to the terms and conditions of this Lease, as set forth in the Recitals above and as detailed below.

E. Subject to the restrictions and options set forth in Article 10 hereof and elsewhere in the Lease, Landlord wishes to grant to Tenant certain expansion rights with respect the 430 Building and the 440 Building.

AGREEMENT

NOW, THEREFORE, Landlord and Tenant, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, agree as follows:

1. Lease of Premises . Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises. The "Premises" shall consist of each "Phase" (as both such terms are

defined in Section 2.3) to be delivered to Tenant in accordance with Section 4.2 . The Premises shall be deemed to include:

(a) from and after the Term Commencement Date (as determined in accordance with Section 5.2) for the 420 Building Phase, the 420 Building;

(b) from and after the Term Commencement Date for the 410 Building Phase, the 410 Building;

(c) from and after the Term Commencement Date for the Connector Building Phase, the Connector Building; and

(d) from and after the Expansion Delivery Date (as determined and defined in accordance with Section 10.1) for each portion of the Expansion Premises that is the subject of an Expansion Notice in accordance with Section 10.1 , the portion of the Expansion Premises specified in such Expansion Notice;

in each case subject to and with the benefit of the terms, covenants, conditions and provisions of this Lease.

2. Basic Lease Provisions . For convenience of the parties, certain basic provisions of this Lease are set forth herein. The provisions set forth herein are subject to the remaining terms and conditions of this Lease and are to be interpreted in light of such remaining terms and conditions.

2.1 This Lease shall take effect upon the Effective Date (defined in Section 3.1) and, except as specifically otherwise provided within this Lease, each of the provisions hereof shall be binding upon and inure to the benefit of Landlord and Tenant from the Effective Date.

2.2 The Initial Premises, Expansion Premises, and any landscaping, parking facilities and other improvements made hereafter, all as depicted on Exhibit C attached hereto, are hereinafter referred to collectively as the " Project ." All portions of the Project that are for the non-exclusive use of tenants, including, without limitation, driveways, sidewalks, parking areas, landscaped areas, service corridors, stairways, elevators, public restrooms, public lobbies and the powerhouse are hereinafter referred to as " Common Area ." The Project includes, or will include, the following buildings located on the Property, which the parties agree contain, or will contain, the following square feet of Rentable Area, subject to adjustment pursuant to Section 9.2 :

Address (Old Saw Mill River Road) or Building	Rentable Area
410	71,084
420	58,145
430	75,517
440	47,355
Connector Building	8,939

2.3 The Premises, the Buildings, and certain related terms are defined as set forth below. In these definitions, each Rentable Area is expressed in rentable square footage. Rentable Area and Tenant's Pro Rata Shares are all subject to adjustment under this Lease, including under Section 9.2 .

Definition or Provision	**Means the Following**
" Premises "	Each Phase, once delivered to Tenant in accordance with Section 4.2 .
" Buildings "	410 Building, 420 Building, 430 Building, 440 Building and Connector Building, in each case to the extent any portion of the Premises is located therein
" Phases "	410 Building 420 Building Connector Building Each portion of Expansion Premises that is the subject of an Expansion Notice, per Section 10.1
Approximate Rentable Area of Buildings	71,084 for 410 Building 58,145 for 420 Building 8,939 for Connector Building 72,517 for the 430 Building 47,355 for 440 Building
Approximate Rentable Area of Project as of the Term Commencement Date for the last Phase of the Initial Premises to be delivered to Tenant	258,040
Tenant's Pro Rata Share of Buildings (as of the Term Commencement Date for the last Phase of the Initial Premises to be delivered to Tenant (and assuming that the Expansion Term Commencement Date has not then occurred for any Expansion Premises)	100% of 410 Building 100% of 420 Building 100% of Connector Building 0% of 430 Building 0% of 440 Building

Definition or Provision	Means the Following
Tenant's approximate Pro Rata Share of the Project (as of the Term Commencement Date for the last Phase of the Initial Premises to be delivered to Tenant) (and assuming that the Expansion Term Commencement Date has not then occurred for any Expansion Premises)	53.55%

2.4 Initial Annual (and Monthly) Rental Installments of Basic Annual Rent for the portions of the Project which comprise the Initial Premises (" Initial Basic Annual Rent ") only (starting as of the Rent Commencement Date (defined in Section 2.6), subject to adjustment under this Lease) shall be as follows:

Phase	Total Annual	Total Monthly
410, 420 and Connector Buildings	$3,400,000	$283,333.33

2.5 Expansion Premises Basic Annual Rent is provided for and defined in Section 6.1 .

2.6 For the Initial Premises, the " Rent Commencement Date " shall be twelve (12) months following the Effective Date, subject to deferral based on the number of any applicable Rent Commencement Deferral Days (as defined in Section 5.1(a)).

2.7 The rent commencement date for each portion of the Expansion Premises (the " Expansion Rent Commencement Date ") shall be four (4) months after the Expansion Delivery Date for such Expansion Premises set forth in Tenant's respective Expansion Notice, subject to deferral based on the number of any applicable Rent Commencement Deferral Days (as defined in Section 5.1(a), all in accordance with Section 10.2(a). Landlord and Tenant shall each execute and deliver to the other written acknowledgment of the actual Expansion Rent Commencement Date for each portion of the Expansion Premises when such is established, and shall attach it to this Lease as Exhibit R . Failure to execute and deliver such acknowledgment, however, shall not affect the Rent Commencement Date of any portion of Expansion Premises or Landlord's or Tenant's liability hereunder.

2.8 The " Estimated Term Commencement Date " for "Substantial Completion" (as defined in Section 4.3) of Landlord's Work for each portion of the Landlord's Work is as follows:

Portion of Landlord's Work	Estimated Term Commencement Date
410 Work	The 8 month anniversary of the Effective Date

Portion of Landlord's Work	Estimated Term Commencement Date
420 Work	The 6 month anniversary of the Effective Date
Connector Building Work	The 11 month anniversary of the Effective Date
Project Site Work	The 11 month anniversary of the Effective Date

The Estimated Term Commencement Date for each portion of Landlord's Work shall be extended to the extent of Tenant Delay and (solely with respect to the Connector Building Work and the Project Site Work) to the extent Landlord's performance of such portion of Landlord's Work is delayed by Force Majeure or the existence of any Unknown Conditions (as defined below). As used herein, " Unknown Conditions " means conditions at the Project site that are (a) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Landlord's diligence reports listed on Exhibit T attached hereto, or (b) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for pursuant to this Lease; provided, however, that in no event shall the presence of mold or asbestos at the Project be deemed to be an Unknown Condition; the removal and abatement of both of which, unless introduced by Tenant, shall remain Landlord's obligation (at Landlord's cost and expense) throughout the Term. Landlord shall remediate or remove any asbestos that is known to be located in the Premises in accordance with, and to the extent required by, Applicable Laws and as part of Landlord's Work. Following the completion of such remediation, Landlord shall deliver to Tenant a notice containing a complete and unconditional sign off from a licensed independent/ third party engineer, certifying that, in such engineer's professional opinion, the Premises have been completely remediated and contain no asbestos, all as required by Applicable Law governing the same. In the performance of the work relating to any of said abatement and removal activity throughout the Term, Landlord shall perform the same in a good and workmanlike manner, free of defects, and restore all damage to the portion of the Premises affected thereby to their condition prior to the performance of any such work.

The actual " Term Commencement Date " for each Phase shall be as defined and set forth in Section 5.2 .

2.9 " Term Expiration Date ": Fifteen (15) years after the Rent Commencement Date.

2.10 Security Deposit: None.

2.11 Permitted Use: Any lawful use consistent with any one or more of the following uses: (a) general business; (b) scientific research; (c) office; (d) laboratory; (e) vivarium; (f) pilot manufacturing; or (g) uses ancillary to any of the foregoing, provided that any such use(s) ("a" through "g") shall conform to all laws, codes, ordinances, rules and regulations of governmental authorities, committees, associations, or other regulatory committees, agencies or governing bodies having jurisdiction over the Property, the Buildings, the Project, the Premises, Landlord or Tenant (the " Applicable Laws ").

2.12	Address for Rent Payment:	BMR-Ardsley Park LLC P.O. Box 51599 Los Angeles, California 90051-8154
2.13	Address for Notices to Landlord:	BMR-Ardsley Park LLC 17190 Bernardo Center Drive San Diego, California 92128 Facsimile: (858) 485-9843 Attention: Vice President, Real Estate Counsel

2.14 Address for Notices to Tenant:

After the Term Commencement Date for the first Phase to have its Term Commencement Date:

Acorda Therapeutics, Inc.
420 Old Saw Mill Road
Ardsley, New York 10502

Attention: President and CEO, and

Attention: Executive Vice President, General Counsel and Corporate Secretary

Until the Term Commencement Date for the first Phase to have its Term Commencement Date:

Acorda Therapeutics, Inc.
15 Skyline Drive, Suite 230
Hawthorne, New York 10532

Attention: President and CEO, and

Attention: Executive Vice President, General Counsel and Corporate Secretary

2.15 The following Exhibits are attached hereto and incorporated herein by reference:

Exhibit A-1	Real Property Description
Exhibit A-2	Survey
Exhibit B	Initial Premises
Exhibit C	Project (including location of signage and parking)
Exhibit C-1	Main Street Enlarged Plan
Exhibit C-2	Location and Elevations for Tenant Signage

Exhibit D	Connector Building Scope of Work
Exhibit E	Connector Building Initial Plans
Exhibit F	410 and 420 Scope of Work
Exhibit G	Project Site Scope of Work
Exhibit H	List of Approved Contractors for the Performance of Landlord's Work
Exhibit I	Landlord's Work Budget
Exhibit J	Work Letter
Exhibit K	Acknowledgement of Term Commencement Date and Term Expiration Date
Exhibit L	Intentionally Deleted
Exhibit M	CAM Pools and Service Allocation Matrix
Exhibit N	Expansion Premises Delivery Requirements
Exhibit O	Rules and Regulations
Exhibit P	Project Parking Chart
Exhibit Q	Form of Estoppel Certificate
Exhibit R	Acknowledgement of Expansion Rent Commencement Date for Expansion Premises
Exhibit S	Title Policy with CCRs
Exhibit T	Landlord's Diligence Reports
Exhibit U	Form of SNDA for Tenant
Exhibit V	Form of SNDA for Major Subtenant

3. Term .

3.1 This Lease shall take effect on the date hereof (the " Effective Date ") and Landlord represents that it has simultaneously acquired fee title to the Property from the Prior Owner pursuant to the Purchase Agreement free and clear of all mechanics liens and liens which secure the payment of borrowed money and free and clear of the existing PILOT program for the Property between the IDA, OSI Pharmaceuticals, Inc. and (OSI) Ardsley LLC (as such program is evidenced by, among other documents, that certain Payment in Lieu of Taxes Agreement, dated March 16, 2010, between the IDA, OSI Pharmaceuticals, Inc. and (OSI) Ardsley LLC and that certain Project Agreement, dated March 16, 2010, between the IDA, OSI Pharmaceuticals, Inc. and (OSI) Ardsley LLC).

3.2 The actual term of this Lease for each Phase shall begin on the respective Term Commencement Dates for such Phase set forth in Section 5.2 and shall continue through the Term Expiration Date (collectively, the " Term "), subject to earlier termination of this Lease as provided herein.

4. Construction of the Initial Premises .

4.1 Landlord's Work . " Landlord's Work " with respect to the Initial Premises shall consist of (a) construction of the core and shell of the Connector Building (the " Connector Building Work "), as more particularly described on the scope of work for such Connector Building Work attached hereto as Exhibit D (the " Connector Building Scope of Work ") and the initial specifications or schematic plans for such Connector Building Work agreed upon by

Landlord and Tenant and attached hereto as Exhibit E (the " Connector Building Initial Plans "), (b) the work in connection with the 410 Building (the " 410 Work ") and the 420 Building (the " 420 Work ," and together with the 410 Work, collectively, the " 410 and 420 Work ") as more particularly described on the scope of work for such 410 and 420 Work attached hereto as Exhibit F (the " 410 and 420 Scope of Work "), and (c) certain Project site work (the " Project Site Work ") as more particularly described on the scope of work for such Project Site Work attached hereto as Exhibit C , Exhibit C-1 and Exhibit G (the " Project Site Scope of Work ").

4.2 Commencement of Landlord's Work .

(a) Landlord shall designate a contractor or contractors to construct Landlord's Work for the Connector Building Work, the 410 and 420 Work and the Project Site Work, in each case subject to Tenant's reasonable approval (each, a " Contractor "). Tenant confirms that Tenant has approved the Contractors set forth on Exhibit H to perform the Landlord's Work. Landlord's budget for Landlord's Work approved by the parties is attached as Exhibit I (" Landlord's Work Budget "), which Landlord's Work Budget, for purpose of clarification, is a non-binding estimate and in no instances shall Landlord be deemed required to expend any specific amount in connection with Landlord's Work; provided that this clarification shall not abrogate Landlord's obligation to complete Landlord's Work as required pursuant to this Lease. Subject to Section 4.2(d), Tenant shall not be responsible for any amounts expended by Landlord which are greater than the line items for such amounts set forth in Landlord's Work Budget. Tenant shall cooperate reasonably and in good faith with Landlord's efforts to design and construct the Landlord's Work.

(i) Reasonably promptly after approval by Tenant of the design development plans and specifications for the Project Site Work in accordance with Section 4.2(c) below, Landlord shall cause the Contractor with respect to the Project Site Work to commence and thereafter diligently prosecute the Project Site Work. Landlord shall diligently seek to complete such Project Site Work on or before the Estimated Term Commencement Date for the Project Site Work (as such date may be extended for Force Majeure (as such term is defined in Section 16.2), Unknown Conditions (as such term is defined in Section 2.8) , or Tenant Delay (as such term is defined in Section 5.10(a)). Landlord shall perform such Project Site Work substantially in conformity with the Project Site Scope of Work subject only to: (a) de minimis variations from the Project Site Scope of Work (the " Project Site De Minimis Variations "); (b) Changes approved by Landlord, as defined and pursuant to Section 4.2(d) ; and (c) Permitted Changes made by Landlord, as defined and pursuant to Section 4.2(f) .

(ii) Reasonably promptly after approval by Tenant of the design development plans and specifications for the 410 and 420 Work in accordance with Section 4.2(c) below, Landlord shall cause the Contractor with respect to the 410 and 420 Work to commence and thereafter diligently prosecute the 410 and 420 Work. Landlord shall diligently seek to complete such 410 and 420 Work on or before the Estimated Term Commencement Date for the 410 Work and the 420 Work, respectively (as such date may be extended for, in each case, Tenant Delay) . Landlord shall perform such 410 and 420 Work substantially in conformity with the 410 and 420 Scope of Work subject only to: (a) de minimis variations from the 410 and 420 Scope of Work (the " 410

and 420 De Minimis Variations "); (b) Changes approved by Landlord pursuant to Section 4.2(d); and (c) Permitted Changes made by Landlord.

(iii) Reasonably promptly after the Plans and Specifications (as defined below) for the Connector Building have been approved by Landlord, Tenant and all required Governmental Authorities in accordance with Sections 4 below, and after the negotiation and execution of a construction contract with respect to the Connector Building Work, Landlord shall cause the Contractor with respect to the Connector Building Work to commence ar thereafter diligently prosecute the Connector Building Work. Landlord shall diligently seek to complete such Connector Building Work on or before the Estimated Term Commencement Date for the Connector Buildi Work (as such date may be extended for Force Majeure, Unknown Conditions or Tenant Delay). Landlord shall perform such Connector Building Work substantially in conformity with the Connector Building Plans a Specifications subject only to: (a) de minimis variations from the Connector Building Plans and Specifications (the " Connector Building De Minimis Variations " and, together with the 410 and 420 De Minimis Variat and Project Site De Minimis Variations, collectively the " De Minimis Variations "); (b) Changes approved by Landlord pursuant to Section 4.2(d) ; and (c) Permitted Changes made by Landlord.

(b) Within thirty (30) business days after the Effective Date, Landlord shall prepare and submit to Tenant for approval design development plans and specifications for the Project Site Work, the 410 and 420 Work and Connector Building Work, in each case prepared in conformity with the applicable provisions of this Lease (the " Draft Design Development Plans ") based on the Connector Building Initial Plans (with respect to the Connector Building Work), the 410 and 420 Scope of Work and the Project Site Scope of Work. The Draft Design Development Plans shall contain sufficient information and detail to accurately describe the proposed design to Tenant. Tenant shall notify Landlord in writing within ten (10) business days after receipt of the Draft Design Development Plans whether Tenant approves or objects to the Draft Design Development Plans and of the manner, if any, in which the Draft Design Development Plans are unacceptable, and whether Tenant requests that Landlord make a Change to the Draft Design Development Plans in accordance with Section 4.2(d) . Tenant shall object to the Draft Design Development Plans only in good faith, and only if, and then only to the extent, such Draft Design Development Plans: (i) are not consistent with, or are not a necessary logical evolution of, the Connector Building Initial Plans, the 410 and 420 Scope of Work, the Connector Building Scope of Work or the Project Site Scope of Work, as the case may be, or (ii) are not consistent with applicable building codes or other Applicable Laws. Tenant's failure to respond within such ten (10) business day period shall be deemed approval by Tenant. If Tenant objects to the Draft Design Development Plans for one of the reasons specified above, then Landlord shall revise the Draft Design Development Plans and cause such objections to be remedied in the revised Draft Design Development Plans. Landlord shall then resubmit the revised Draft Design Development Plans to Tenant for approval, and Tenant shall notify Landlord in writing within five (5) business days after receipt of the resubmitted Draft Design Development Plans whether Tenant approves or objects to the resubmitted Draft Design Development Plans and of the manner, if any, in which the Draft Design Development Plans are unacceptable. Tenant's failure to respond within any respective review period set forth in this Section 4.2(b) shall be deemed approval of the respective plans by Tenant. If Tenant objects to

the resubmitted Draft Design Development Plans for one of the reasons specified above, then Landlord shall revise the Draft Design Development Plans and cause such objections to be remedied in the revised Draft Design Development Plans. Landlord shall then resubmit the revised Draft Design Development Plans to Tenant for approval, and the process shall continue on an iterative basis until Tenant approves an iteration of the Draft Design Development Plans, except that Tenant shall not object on any basis on which Tenant did not previously object, unless such objection results from a change in the Draft Design Development Plans from the version Landlord previously delivered to Tenant. The iteration of the Draft Design Development Plans that is approved or deemed approved by Tenant without objection shall be referred to herein as the " Approved Design Development Plans ." When exercising its approval rights set forth in this Section 4.2(b) , Tenant shall have the right to approve or disapprove the Draft Design Development Plans in whole or in part (with respect to each of the Project Site Work, the 410 and 420 Work and the Connector Building Work). Disagreements regarding Tenant's approval of the Draft Design Development Documents shall be resolved by the Neutral Architect in accordance with Section 4.2(h) below.

(c) Within thirty (30) business days following the approval of the Approved Design Development Plans, Landlord shall prepare final plans and specifications for the Project Site Work, the 410 and 420 Work and Connector Building Work that (i) are consistent with and are necessary logical evolutions of the Approved Design Development Plans and (ii) incorporate any other Tenant-requested (and Landlord-approved) Changes (as defined below). As soon as such final plans and specifications (" Construction Plans ") are completed, Landlord shall deliver the same to Tenant for Tenant's approval. Tenant shall notify Landlord in writing within ten (10) business days after receipt of the Construction Plans whether Tenant approves or objects to the Construction Plans and of the manner, if any, in which the Construction Plans are unacceptable, and whether Tenant requests that Landlord make a Change to the Construction Plans in accordance with Section 4.2(c) . Tenant shall object to the Construction Plans only in good faith, and if, and then only to the extent, such Construction Plans: (i) are not consistent with, or are not a necessary logical evolution of, the Approved Design Development Plans or (ii) are not consistent with applicable building codes or other Applicable Laws. Tenant's failure to respond within such ten (10) business day period shall be deemed approval by Tenant. If Tenant objects to the Construction Plans for one of the reasons specified above, then Landlord shall revise the Construction Plans and cause such objections to be remedied in the revised Construction Plans. Landlord shall then resubmit the revised Construction Plans to Tenant for approval, and Tenant shall notify Landlord in writing within five (5) business days after receipt of the resubmitted Construction Plans whether Tenant approves or objects to the resubmitted Draft Construction Plans and of the manner, if any, in which the Construction Plans are unacceptable. If Tenant objects to the resubmitted Construction Plans for one of the reasons specified above, then Landlord shall revise the Construction Plans and cause such objections to be remedied in the revised Construction Plans. Tenant's failure to respond within any respective review period set forth in this Section 4.2(c) shall be deemed approval of the respective plans by Tenant. Landlord shall then resubmit the revised Construction Plans to Tenant for approval, and the process shall continue on an iterative basis until Tenant approves an iteration of the Construction Plans, except that Tenant shall not object on any basis on which Tenant did not previously object, unless such objection results from a change in the Construction Plans from the version Landlord previously delivered to Tenant. Promptly after the Construction Plans are approved by Landlord and Tenant, two (2) copies of such Construction Plans shall be initialed

and dated by Landlord and Tenant, and Landlord shall promptly submit such Construction Plans to all appropriate Governmental Authorities for approval. The Construction Plans so approved, and all change orders specifically permitted by this Lease, are referred to herein as the " Plans and Specifications ." When exercising its approval rights set forth in this Section 4.2(c) , Tenant shall have the right to approve or disapprove the Construction Plans in whole or in part (with respect to each of the Project Site Work, the 410 and 420 Work and the Connector Building Work). Disagreements regarding Tenant's approval of the Construction Plans shall be resolved by the Neutral Architect in accordance with Section 4.2(h) below.

(d) Any changes to the Project Site Scope of Work, 410 and 420 Scope of Work, Connector Building Scope of Work, the Connector Building Initial Plans, Draft Design Development Plans, Approved Design Development Plans, Construction Plans or Plans and Specifications requested by Tenant the scope of which does not fall within the permitted revisions under Section 4.2(b) or (c) above (each, a " Change ") shall be subject to the written approval of Landlord. Tenant may request Changes to the Project Site Scope of Work, 410 and 420 Scope of Work, the Connector Building Scope of Work, the Connector Building Initial Plans, Draft Design Development Plans, Approved Design Development Plans, Construction Plans or Plans and Specifications by notifying Landlord thereof in writing in substantially the same form as the AIA standard change order form (a " Change Request "), which Change Request shall detail the nature and extent of any requested Changes, including (a) the Change, (b) the party required to perform the Change and (c) any modification of the Project Site Scope of Work, 410 and 420 Scope of Work, Connector Building Scope of Work, Connector Building Initial Plans, Draft Design Development Plans, Approved Design Development Plans, Construction Plans or Plans and Specifications necessitated by the Change. If the nature of a Change is to modify the agreed upon scope of Landlord's Work as set forth in Exhibits C , C-1, D , E , F and G or requires revisions to the Project Site Scope of Work, 410 and 420 Scope of Work, Connector Building Scope of Work, Connector Building Initial Plans, Draft Design Development Plans, Approved Design Development Plans, Construction Plans or Plans and Specifications, then (i) if such Change increases the costs to Landlord, Tenant shall be solely responsible for the cost and expense of such revisions and any increases in the cost of Landlord's Work as a result of such Change and such costs and expenses shall, at Tenant's election, either be paid by Tenant to Landlord or be deducted from the amount of Base TI Allowance to be made available to Tenant pursuant to Section 5.5 , and (ii) if such Change constitutes eliminating (x) the landscaping from the Project Site Scope of Work, then the Base TI Allowance made available to Tenant pursuant to Section 5.5 shall be increased by $100,000, (y) the canopy from the 410 Scope of Work, then the Base TI Allowance made available to Tenant pursuant to Section 5.5 shall be increased by $200,000, or (z) the canopy from the 420 Scope of Work, then the Base TI Allowance made available to Tenant pursuant to Section 5.5 shall be increased by $50,000; provided, that the increases to the Base TI Allowance pursuant to the foregoing clauses (ii)(x), (ii)(y), and (ii)(z) shall be applicable only if Tenant requests the applicable Change in writing within ninety (90) days after the Effective Date. Any Change which increases the cost of the Landlord's Work as set forth in the Landlord's Work Budget, shall be paid for by Tenant in its entirety prior to Landlord implementing such Change. If Landlord is delayed in the performance of any Change in Landlord's Work as a result of Force Majeure or any Unknown Condition, then the schedule for Landlord's Work shall be extended, including the extension of the time periods with respect to the respective Milestone Dates for Landlord's Work in accordance with Section 4.6(b) ; provided, however, if Tenant requests in writing that Landlord

accelerate the schedule of performance of Landlord's Work to account for such delay, then Landlord shall use its good faith efforts to accelerate the performance of Landlord's Work, and all costs that Landlord incurs with respect to such acceleration (including, without limitation, any overtime costs and double shift operation costs), shall be shared equally between Landlord and Tenant and Tenant shall pay 50% of such costs within thirty (30) days after Landlord delivers an invoice therefor to Tenant. Disagreements regarding the cost of a Change or Permitted Change (as defined in Section 4.2(f) below) shall be resolved by the Neutral Architect in accordance with Section 4.2(h) below.

(e) All Change Requests shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed so long as such Change Request, as reasonably determined by Landlord, could not reasonably be expected to do any of the following: (i) adversely impact (A) the exterior appearance of the Project, (B) the structural aspects of the Project, or (C) any building system, including, without limitation, the HVAC, mechanical, electrical, plumbing or life safety systems; (ii) create a reasonably foreseeable risk of violating any Applicable Law or permit requirement or materially increasing insurance premiums; (iii) violate any recorded document affecting the Property; (iv) involve a use of the Premises that is inconsistent with the Permitted Use; (v) in Landlord's reasonable judgment, reduce the quality or value of the Project or the Property; or (vi) delay Substantial Completion or final completion of Landlord's Work for any Phase by more than 20 days in the aggregate when taken together with the effect of each other Change. Landlord shall have five (5) business days after receipt of a Change Request to notify Tenant in writing of Landlord's decision either to approve or object to the Change Request. Landlord's failure to respond within such five (5) business day period shall be deemed approval by Landlord. Landlord shall have fifteen (15) business days after receipt of a Change Request to notify Tenant in writing of Landlord's estimate of the cost and schedule impact associated with such Change Request.

(f) The " Permitted Changes " by Landlord shall mean: (a) minor field changes; (b) changes required by Governmental Authority; (c) any other change orders that neither increase nor change the size, configuration, functionality, quality, or overall appearance of the Initial Premises, except De Minimis Variations, or Tenant's ability to perform its Tenant Improvements or operate its business in the Initial Premises; and (d) ordinary development of the 410 and 420 Scope of Work or the Plans and Specifications in a manner not inconsistent with the 410 and 420 Scope of Work or the Plans and Specifications or Landlord's Work. Landlord shall promptly give a copy of any Permitted Change to Tenant after such Permitted Change has been issued and finalized (as opposed to constructed).

(g) Landlord shall develop the Plans and Specifications and administer Landlord's Work (including selection of subcontractors, bidding, Permitted Changes, value engineering, scheduling, and payment) in a commercially reasonable manner in accordance with Landlord's ordinary practices and procedures for construction projects undertaken on Landlord's account.

(h) In performing Landlord's Work and considering and approving Change Requests and Permitted Changes, Landlord shall (and shall cause any Contractor to) actively consult with (and provide full and timely oral reports to) Tenant's project manager, as designated in writing by Tenant from time to time. As of the Execution Date, Tenant's project manager is

Kelly Givens, Executive Managing Director, Studley, Inc., or such other representative as Tenant designates in writing from time to time. Landlord shall allow Tenant's project manager and consultants and advisers to Tenant to attend design and construction meetings. Landlord need not reschedule any meeting to accommodate such attendance. Upon Tenant's specific request, Landlord shall keep Tenant's project manager reasonably informed and answer Tenant's reasonable inquiries about the Project Site Scope of Work, the 410 and 420 Scope of Work, the Connector Building Scope of Work, the Plans and Specifications, and Changes and Permitted Changes regarding Landlord's construction and development of Landlord's Work. Landlord shall give Tenant's project manager copies of the following documents as developed by Landlord and its vendors in the ordinary course of construction of the Work: progress printings during the construction development phase; project meeting minutes or memoranda; Landlord's log of "requests for information"; and Landlord's log of change orders. The foregoing rights to receive information shall not be deemed to give Tenant any approval rights not otherwise expressly provided for in this Lease. Landlord may exclude from Tenant's informational deliveries any information about construction of improvements to be occupied by others. Landlord shall from time to time allow Tenant to inspect Landlord's Work in progress in a reasonable manner and in compliance with Contractor's reasonable instructions and procedures. Landlord shall reasonably consider all comments and requests made by Tenant. If the parties do not agree on whether a proposed change constitutes a Change or a Permitted Change, whether Tenant is entitled to object to Draft Design Development Plans or Construction Plans, or any other matter herein that is to be determined by the Neutral Architect, then the written determination of Dennis Noskin, AIA, with an office located at 55 South Broadway, Tarrytown, New York 10591 (the " Neutral Architect ") shall govern. The Neutral Architect shall render his determination within ten (10) business days of either party's request (provided that a copy of such request was given simultaneously to the other party) and his determination shall be final and binding upon the parties. The parties agree to cooperate fully with each other and the Neutral Architect, and to answer inquiries and provide evidence in good faith as requested by the Neutral Architect in connection with the fair and equitable disposal of the dispute. If Dennis Noskin retires, dies, resigns, or becomes disabled then the parties shall replace him with the following individual (who will become the Neutral Architect): Reza Agahian, AIA, of Research Academic Architecture, 208 Ivy Hill Lane, Rye Brook, New York 10573. If Reza Agahian retires, dies, resigns, or becomes disabled then the parties shall replace him with the following individual (who will become the Neutral Architect): Steve Pustola, AIA of Pustola Associates, with an office at 185 Meadow Street, Naugatuck, Connecticut 06770. If after such replacement the then current Neutral Architect retires, dies, resigns, or becomes disabled, then the parties shall mutually agree on a replacement for such individual to act as the Neutral Architect under the terms of this Lease. In every instance where this Lease or Exhibit J designates the Neutral Architect as the arbiter of a dispute, Tenant and Landlord agree to follow (and cause the Neutral Architect to follow) the protocol set forth in this Section 4.2(h) .

(i) For purposes of communicating with Tenant's project manager, Landlord designates John Bonanno as its representative (or such other representative as Landlord designates from time to time), with authority to issue approvals and consents that bind Landlord. For informal and unofficial communications, Landlord designates Tim Stoll.

4.3 Completion of Construction . Landlord's Work for any Phase shall be deemed " Substantially Complete " or there shall be " Substantial Completion " for such Phase if Landlord

has (a) completed all of Landlord's Work for such Phase identified on the Plans and Specifications, as evidenced by the Landlord's Architect's certificate of Substantial Completion, subject in each case only to Landlord's failure to complete (i) minor and insubstantial details of construction that do not, except in a de minimis manner, interfere with Tenant's performance of Tenant Improvements in such Phase (the " Punchlist Items ") and (ii) items that cannot or should not be completed during the time of the year that Landlord performs the appropriate portion of Landlord's Work (for example, the commissioning and testing of air conditioning and cooling systems during the winter months, the commissioning and testing of heating systems during summer months, or the installation of landscaping during winter months) (the " Seasonal Items "); and (b) if necessary for the occupancy of such Phase, received a temporary or permanent certificate of occupancy from the applicable Governmental Authority(ies). If the satisfaction of any condition set forth in clauses (a) or (b) is delayed because of Tenant Delay, then Substantial Completion shall be deemed to occur when Substantial Completion would have occurred had such Tenant Delay not arisen. If the parties do not agree on whether Landlord has achieved Substantial Completion for any Phase or on the scope of the Punchlist Items or Seasonal Items for such Phase, then the written determination of the Neutral Architect shall govern, whose determination shall be final and binding upon the parties.

4.4 Punchlist and Seasonal Items . Landlord shall endeavor to give Tenant ten (10) business days' prior notice before Landlord achieves Substantial Completion of Landlord's Work for each Phase. When Landlord determines that Landlord has reached Substantial Completion of Landlord's Work for such Phase, Landlord shall so notify Tenant. Within five (5) business days after the date of such notice, the parties shall jointly, with Landlord's architect, inspect Landlord's Work for such Phase and attempt to agree upon a list of the Punchlist Items (the " Punchlist "). If Landlord fails to give any notice described in this paragraph, that shall not constitute a default but shall merely extend the time for commencement of the Punchlist walkthrough. To the extent that the parties cannot agree on the Punchlist, the written determination of the Neutral Architect shall govern, whose determination shall be final and binding upon the parties. The parties shall promptly memorialize the Punchlist in writing. Landlord shall diligently endeavor to cause Contractor to complete all Punchlist Items with reasonable promptness and in any case within sixty (60) days after Substantial Completion of the applicable Phase (the " Punchlist Deadline "). Landlord shall diligently endeavor to complete the Seasonal Items after Substantial Completion of Landlord's Work within a reasonable period of time during the appropriate months of the year for such Seasonal Items.

4.5 Warranties; Defects . Landlord warrants to Tenant that (i) any and all materials, equipment and furnishings incorporated into Landlord's Work shall be of good quality and new unless otherwise required or permitted under the Plans and Specifications; (ii) Landlord's Work shall be free from defects not inherent in the quality required or permitted, and (iii) Landlord's Work shall substantially conform with the Plans and Specifications. For a period of one (1) year after the date of Substantial Completion of all elements of Landlord's Work for a Phase, Landlord shall repair with reasonable promptness all defects in Landlord's Work which constitute a breach of the foregoing warranty (the " Defects ") for such Phase as to which Tenant notifies Landlord in writing within such one (1) year period (the " Defect Reporting Period "). Except for such Defects reported within the applicable Defect Reporting Period and except for Landlord's continued maintenance, repair and replacement obligation set forth below, Tenant shall be deemed to have accepted each Phase of the Premises and Landlord's Work in the

condition delivered to it "As Is." After the Defect Reporting Period expires, Landlord shall maintain and repair Landlord's Work in accordance with this Lease, including Landlord's right to recover Operating Expenses from Tenant as this Lease permits.

4.6 Self- Help .

(a) Punchlist and Defects . If, thirty (30) days after (i) the Punchlist Deadline with respect to Punchlist Items, or (ii) Tenant has reported a Defect during the Defect Reporting Period with respect to Defects, Landlord has not completed or has not commenced the completion of and is not diligently prosecuting the completion of any Punchlist Item(s), or has not repaired and has not commenced the repair of and is not diligently prosecuting the repair of any Defect(s) that Tenant timely reported, then, in each case, Tenant may so notify Landlord, and, at its sole election also provide Landlord with Tenant's notice that Tenant intends to complete such Punchlist Item(s) or repair such Defect (s), which notice shall contain a reference to this Section 4.6(a) (a " Self-Help Warning Notice "). If, five (5) business days after receiving the Self-Help Warning Notice, Landlord has still not commenced the completion of, or Landlord subsequently fails to use reasonable diligent efforts to complete, the Punchlist Item(s) or to commence and diligently prosecute the repair of the applicable Defect(s) identified in the Self-Help Warning Notice, then notwithstanding anything to the contrary in this Lease, Tenant may complete such Punchlist Item(s) and repair such Defect(s) (the " Punchlist and Repair Self-Help Work "), provided that: (a) Tenant may perform Punchlist and Repair Self-Help Work only within the Premises, as well as outside of the Premises as it relates to the Project Site Work; (b) Punchlist and Repair Self-Help Work shall not adversely affect any other tenant or any Utilities; (c) Tenant shall act in a commercially reasonable manner and diligently endeavor to minimize the cost of the Punchlist and Repair Self-Help Work; and (d) all Punchlist and Repair Self-Help Work shall be performed in a good and workmanlike manner and in compliance with Applicable Laws. Notwithstanding the foregoing, Tenant shall not engage in Punchlist and Repair Self-Help Work involving building systems that serve both Tenant and any other tenant. Landlord shall promptly, but no later than ten (10) days following Tenant's demand, reimburse Tenant for Tenant's actual, reasonable, necessary, and reasonably documented cost of any Punchlist and Repair Self-Help Work. To the extent not paid by Landlord when due, all amounts due to Tenant under this Section 4.6 (x) shall accrue interest from the date due until paid (or offset against Basic Annual Rent) at the rate of "LIBOR" plus four percent (4%) per annum, and (y) at Tenant's option, may be offset by Tenant against its obligation in respect of Basic Annual Rent.

(b) Landlord's Work . Landlord shall use its commercially reasonable efforts to perform Landlord's Work so that, on or before the First Milestone Date (as defined below), the amount of the Hard Costs (as such term is defined below) incurred in connection with the performance of the Landlord's Work is equal to or greater than 35% of the total Hard Costs amount budgeted for the Landlord's Work in the Landlord's Work Budget (the " First Milestone "). The " First Milestone Date " means the date that is six (6) months after the Effective Date, as such date shall be extended to the extent Landlord's performance of the Landlord's Work is delayed by Force Majeure, Unknown Conditions or Tenant Delay. To evidence the percentage of amount expended by such date, on or before the First Milestone Date, Landlord shall deliver to Tenant a current G702 payment application (or other written certification) signed

by Landlord which certifies as to the total Hard Costs then incurred in connection with the Landlord's Work.

If the First Milestone has not been satisfied with respect to the amount of cumulative Hard Costs incurred in connection with the Landlord's Work by the First Milestone Date, then Landlord shall use its commercially reasonable efforts to perform Landlord's Work so that, on or before the Second Milestone Date (as defined below), the amount of cumulative Hard Costs incurred in connection with the performance of the Landlord's Work is equal to or greater than 50% of the total Hard Costs (net of overtime costs, double shift operation costs or other costs referred to below) amount budgeted for the Landlord's Work in the Landlord's Work Budget (the " Second Milestone "), by the payment of overtime, double shift operation or otherwise (it being acknowledged and agreed that any such overtime costs, double shift operation costs or other costs incurred by Landlord to timely complete Landlord's Work shall be borne solely by Landlord and shall neither constitute an increased cost to Tenant nor be added to or considered Hard Costs). The " Second Milestone Date " means the date that is thirty (30) days following the First Milestone Date or seven (7) months after the Effective Date, as such date shall be extended to the extent Landlord's performance of the Landlord's Work is delayed by Force Majeure, Unknown Conditions or Tenant Delay. As used herein, each of the First Milestone Date and the Second Milestone Date shall be collectively referred to as the " Milestone Dates ".

On or before the Second Milestone Date, Landlord shall deliver to Tenant a current G702 payment application (or other written certification) signed by Landlord which certifies to the total cumulative Hard Costs then expended in connection with the Landlord's Work then completed. If, pursuant to such signed certification, the Second Milestone has not been satisfied with respect to the Landlord's Work, then Tenant shall have the right to provide written notice to Landlord within five (5) days after the Second Milestone Date requesting that Landlord provide Tenant with a written plan (the " Schedule Restoration Plan ") to complete the Landlord's Work in order to achieve Substantial Completion of the Landlord's Work not later than thirty (30) days after the Estimated Term Commencement Date for the Phase with the latest Estimated Term Commencement Date (the " Outside Completion Date "). Landlord shall deliver the Schedule Restoration Plan to Tenant within ten (10) days after Tenant delivers such notice to Landlord. Tenant may approve or disapprove all or any portion of the Schedule Restoration Plan. Tenant shall approve or disapprove all or any portion of the Schedule Restoration Plan by delivering, within ten (10) days after receipt of the Schedule Restoration Plan, written approval and/or disapproval of all or a portion of the Schedule Restoration Plan to Landlord, the approval thereof to be withheld only if Substantial Completion of the Landlord's Work could not reasonably be expected to occur on or before the Outside Completion Date, assuming that Landlord properly implements such Schedule Restoration Plan. If Tenant disapproves any portion of the Schedule Restoration Plan, but approves other portions, Tenant shall reflect its approval of those portions that are acceptable and provide comments to those portions of the Schedule Restoration Plan that have been disapproved. If Tenant disapproves the entire Schedule Restoration Plan, Tenant likewise shall reflect its disapproval in writing. Landlord shall then resubmit a revised Schedule Restoration Plan addressing such comments as shall have been provided by Tenant within ten (10) additional days and Tenant shall deliver approval or disapproval of such revised Schedule Restoration Plan as set forth above, and upon approval by Tenant promptly proceed with such additional work as may be required under the Schedule Restoration Plan. If Tenant disapproves such revised Schedule Restoration Plan in accordance with this Section 4.6(b) , then

Tenant shall have the right, but shall not be obligated, to elect to complete Landlord's Work (such work, the " Self-Help Completion Work ," and together with the Punchlist and Repair Self-Help Work, the " Self-Help Work "); provided, however, that if Tenant does not notify Landlord of Tenant's election to perform such Self-Help Completion Work within ten (10) days after disapproving such revised Schedule Restoration Plan, then Tenant's self-help right pursuant to this Section 4.6(b) with respect to the Landlord's Work shall terminate. If Tenant exercises its aforesaid self-help rights to perform the Self-Help Completion Work, then Tenant shall manage the completion of the Self-Help Completion Work in a commercially reasonable manner and diligently endeavor to minimize the cost of such Self-Help Completion Work, and Tenant shall cause Tenant's Self-Help Completion Work to be performed (i) in a good, workmanlike manner and in accordance with Applicable Laws, (ii) in substantial accordance with the Project Site Scope of Work, the 410 and 420 Scope of Work, the Connector Building Scope of Work, the Connector Building Initial Plans, and the Plans and Specifications, and (iii) in a manner which does not adversely affect (even to a de minimis extent) other improvements or utilities located within the Project. Landlord shall reasonably cooperate with Tenant in good faith to permit Tenant to perform such Self-Help Completion Work, including without limitation, at Tenant's election (i) providing Tenant with access to the Project, the Buildings and the Premises, and (ii) assigning to Tenant all of Landlord's rights in and to its agreements with each design service provider, Contractor, subcontractors of any tier, vendors, consultants and other project team members, in each case to the extent necessary for, or useful in connection with, completing the Self-Help Completion Work.

For purposes of this Lease, the term hard costs (" Hard Costs ") as used herein shall mean all construction costs of Landlord's Work payable to Contractor, to subcontractors of any tier and to any vendor for labor, materials and equipment incorporated into Landlord's Work, inclusive of general conditions costs, overhead, fees, insurance premium costs, permit costs, taxes and other construction costs, which Hard Costs are estimated to be $8,560,609.

5. Possession .

5.1 Landlord shall tender possession of each Phase upon Substantial Completion of such Phase. If Landlord's Work for any such Phase is not Substantially Complete on or before the Estimated Term Commencement Date for such Phase set forth in Section 2.8 , then except as set forth in this Section 5.1 , this Lease shall not be void or voidable and Landlord shall not be liable to Tenant for any loss or damage resulting therefrom.

(a) Notwithstanding the foregoing, if Landlord has failed to Substantially Complete the 410 Work or the 420 Work on or prior to the Estimated Term Commencement Date with respect to the 410 Work or the 420 Work (as the case may be and subject to extension to the extent Landlord has been delayed in the performance of such 410 Work or 420 Work by Tenant Delay), and provided that Tenant has not elected to exercise its self-help rights (as permitted under Section 4.6 for the Phase under consideration) to perform the Self-Help Completion Work, then the Rent Commencement Date for the Initial Premises shall be deferred (in addition to any deferrals in the Rent Commencement Date otherwise provided in this Lease) by a number of calendar days equal to the sum of:

(i) the number of Force Majeure and Unknown Conditions Delay Days, and

(ii) the number of days for such Phase as is set forth in the chart below

(such days under clauses (i) and (ii) above, for purposes of subsection (a) and (b) of this Section 5.1, and for purposes of Section 10.2 being referred to as " Rent Commencement Deferral Days "); with the understanding that disputes over the determination of the Rent Commencement Deferral Days and the causes of the underlying delays with respect thereto shall be determined by arbitration under Section 50 of the Lease and with the further understanding that in the event that both 410 Work and the 420 Work are deferred beyond the Estimated Term Commencement Dates with respect to such Work, then the Rent Commencement Date shall be deferred by a number of Rent Commencement Deferral Days in accordance with this Section 5.1(a) solely with respect to the Phase with the largest number of Rent Commencement Deferral Days:

Portion of Landlord's Work	Number of Rent Commencement Deferral Days for each of the first 30 Unexcused Delay Days (Unexcused Delay Days 1-30):	Number of Rent Commencement Deferral Days for each of the second 30 Unexcused Delay Days (Unexcused Delay Days 31-60):	Number of Rent Commencement Deferral Days for each Unexcused Delay Day after the first 60 Unexcused Delay Days (Unexcused Delay Days 61 and greater):
410 Work	1 Day	2 Days	3 Days
420 Work	1 Day	2 Days	3 Days

As used herein, "Completion Delay Period" means with respect to the 410 Work or the 420 Work, the period between the applicable Estimated Term Commencement Date (subject to extension to the extent Landlord has been delayed in the performance of such Landlord's Work by Tenant Delay) and the day such portion of the Landlord's Work is Substantially Complete.

"Force Majeure and Unknown Conditions Delay Days" means days in the Completion Delay Period that are reasonably attributable to delays caused by Force Majeure or Unknown Conditions.

"Unexcused Delay Days" means days in the Completion Delay Period that are not Force Majeure and/or Unknown Conditions Delay Days.

For example, if Landlord (i) fails to Substantially Complete Landlord's Work for the 410 Work until the date that is forty-five (45) days after the Estimated Term Commencement Date for such 410 Work (thirty (30) days of such delay being fairly attributable to delays caused by Force Majeure and fifteen (15) days of delay not being fairly attributable to delays caused by Force Majeure or Unknown Conditions), and (ii) fails to Substantially Complete Landlord's Work for the 420 Work until the date that is seventy-five (75) days after the Estimated Term Commencement Date for such 420 Work (thirty (30) days of such delay being fairly attributable to delays caused by Force Majeure and forty-five (45) days of delay not being fairly attributable to delays caused by Force Majeure or Unknown Conditions), then for purposes of calculating the deferral of the Rent Commencement Date under this Section 5.1(a) , the delay in Landlord's completion of the 410 Work shall not be taken into account and the number of Rent

Commencement Deferral Days would be 90 (1 day for each of the 30 Force Majeure and Unknown Conditions Delay Days, 1 day for each of the first 30 Unexcused Delay Days, and 2 days for each of the last 15 Unexcused Delay Days (Unexcused Delay Days 31-45)).

(b) Notwithstanding the foregoing, if Landlord has failed to Substantially Complete Landlord's Work on or prior to (i) sixty (60) days following the Estimated Term Commencement Date with respect to the Connector Building Work, or (ii) provided that Tenant's occupancy and use of the 410 and/or the 420 Building is not delayed thereby, sixty (60) days following the Estimated Term Commencement Date for the Project Site Work (subject to extension to the extent Landlord has been delayed in the performance of such Landlord's Work by Force Majeure, Unknown Conditions or Tenant Delay), and provided that Tenant has not elected to exercise its self-help rights (as permitted under Section 4.6 for the Phase under consideration) to perform the Self-Help Completion Work with respect to any such Phase, then Tenant shall be entitled to, solely with respect to each such aforementioned portion of Landlord's Work for which Landlord fails to achieve Substantial Completion by the applicable deadline, the amounts of Rent abatement for such portion of Landlord's Work as is set forth below.

Portion of Landlord's Work	Amount of Rent abatement per day for days 1-30 of such failure:	Amount of Rent abatement per day for days 31-60 of such failure:	Amount of Rent abatement per day for days 61 onwards:
Connector Building Work	1 Day of Rent reasonably allocated by Landlord to the Connector Building Work	2 Days of Rent reasonably allocated by Landlord to the Connector Building Work	3 Days of Rent reasonably allocated by Landlord to the Connector Building Work
Project Site Work	1 Day of Rent reasonably allocated by Landlord to the Project Site Work	2 Days of Rent reasonably allocated by Landlord to the Project Site Work	3 Days of Rent reasonably allocated by Landlord to the Project Site Work

If Landlord has failed to Substantially Complete Landlord's Work for each of the 410 Work and the 420 Work on or prior to the twenty four (24) month anniversary of the Effective Date (subject to extension to the extent Landlord has been delayed in the performance of such Landlord's Work by Force Majeure, Unknown Conditions and Tenant Delay), Tenant may terminate this Lease and the Lease shall be of no further force or effect (except for those provisions which expressly survive such termination pursuant to their terms). Tenant acknowledges that the remedies set forth in Section 4.6 and in this Section 5.1 constitute Tenant's exclusive remedies for Landlord's failure to complete the Landlord's Work within the time periods set forth in this Lease.

5.2 The " Term Commencement Date " for each Phase shall be the day Landlord Substantially Completes Landlord's Work with regard to such Phase and delivers such Phase to Tenant. Notwithstanding that different Phases may have different Term Commencement Dates, the parties agree that the Rent Commencement Date for the Initial Premises shall be as set forth in Section 2.6, the Expansion Rent Commencement Date for any Expansion Premises shall be as set forth in Section 2.7, and the Term Expiration Date for the entire Premises shall be as set forth in Section 2.9 . Landlord and Tenant shall each execute and deliver to the other written

acknowledgment of the actual Term Commencement Date for each Phase and the Term Expiration Date when such is established, and shall attach it to this Lease as Exhibit K . Failure to execute and deliver such acknowledgment, however, shall not affect the Term Commencement Date of any Phase or Landlord's or Tenant's liability hereunder. Failure by Tenant to obtain validation by any medical review board or other similar governmental licensing of the Premises required for the Permitted Use by Tenant shall not serve to extend the Term Commencement Date for any Phase.

5.3 Prior to entering upon the Premises to construct Tenant Improvements, Tenant shall furnish to Landlord evidence satisfactory to Landlord that insurance coverages required of Tenant under the provisions of Article 22 and the Work Letter attached as Exhibit J are in effect, and such entry shall be subject to all the terms and conditions of this Lease other than the payment of Basic Annual Rent or Additional Rent (as defined below).

5.4 Possession of areas of the Premises necessary for Landlord-controlled utilities, services, safety and operation of the Buildings is reserved to Landlord.

5.5 TI Allowance . Tenant shall cause the Initial Premises to be improved (the " Tenant Improvements ") pursuant to the terms of this Lease and the " Work Letter " attached as Exhibit J at a cost to Landlord (the " Base TI Allowance ") not to exceed Five Million Seven Hundred and Fifty Thousand Dollars ($5,750,000) in the aggregate, (Two Hundred Fifty Thousand Dollars ($250,000) of which is being allocated for the purchase of furniture, fixtures and equipment under item (g) of the third sentence of this Section 5.5), subject to increases as a result of reductions of scope of Landlord's Work in the amounts and as set forth in Section 4.2(d) . The parties hereby agree that the entire Base TI Allowance will be made available by Landlord to Tenant to defray the costs of the Tenant Improvements as they are incurred by Tenant and before Tenant is required to incur or pay any costs without reimbursement by Landlord. Such amounts shall be applied to pay only the costs of the following (except as otherwise expressly provided in this Lease) (the " TI Costs "): (a) construction; (b) fee for Tenant's project manager, (c) plan check and building permits and other planning and inspection fees, (d) all design and engineering fees, (e) insurance costs, (f) cabling, and (g) costs of purchasing, furniture, fixtures and equipment from the Prior Owner, in an amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000). For purposes of this Lease, Tenant's cost of any Tenant Improvement shall include only items constituting "costs of improvement" within the meaning of the New York Lien Law, except that, with Landlord's reasonable approval, notwithstanding anything to the contrary in the preceding clauses "a" and "f," only up to ten percent (10%) of the Base TI Allowance may cover other costs directly related to the Tenant Improvements, such as architectural, engineering, space planning or other related services, planning and relocation costs, and legal costs related to this Lease and the Tenant Improvements (the " Other Costs "). Except as otherwise provided in item (g) of this Section 5.5 above, in no event shall the TI Allowance be used for costs of furniture, fixtures or equipment with respect to the Tenant Improvements or for costs that are recoverable by Tenant from a third party (e.g. insurers, warrantors or tortfeasors). The Base TI Allowance and the Expansion TI Allowance (as defined in Section 10.2(c)) are together referred to as the " TI Allowance ."

As used herein, " Incurred TI Costs " shall mean, at any time, the total amount of TI Costs and Other Costs actually incurred by Tenant at such time. Notwithstanding the foregoing, and

except for Tenant's purchase of furniture, fixtures and equipment from the Prior Owner referenced in item (g) of the third sentence of this Section 5.5 above, in no event shall amounts incurred in connection with any materials, machinery, fixtures, furniture, equipment or other items purchased or manufactured for incorporation into the Tenant Improvements but which are not located at the Project (" Offsite Materials ") be deemed to be "Incurred TI Costs" hereunder unless and until Tenant provides Landlord with (i) copies of any bills of sale, certificates of title or other evidence reasonably satisfactory to Landlord of Tenant's ownership of such Offsite Materials, and that all lien rights or claims of the supplier for such Offsite Materials have been or will be released simultaneously with payment therefor, (ii) evidence sufficient to Landlord that all Offsite Materials are insured against casualty, loss and theft for an amount equal to their replacement costs under policies naming Landlord as an additional insured, and (iii) a certificate from Tenant's architect confirming the accuracy of the deliverables set forth in clauses (i) and (ii) above. Landlord hereby agrees to disburse the entire amount set forth in item (g) of the third sentence of Section 5.5 above, without any withholding for Retainage (defined in Section 5.5(e)) within five (5) days of Landlord's receipt of Tenant's invoice therefor.

Tenant shall be solely responsible for the cost of the Tenant Improvements for the Initial Premises to the extent such cost is in excess of the Base TI Allowance. The excess of TI Costs and Other Costs as are projected by the Approved Budget (as defined below) for such Tenant Improvements over the entire Base TI Allowance for the Initial Premises shall be referred to herein as the " Excess Costs "). In no event shall Landlord be obligated to contribute more than the Base TI Allowance in connection with the Initial Premises. Tenant shall be responsible for all Excess Costs. Landlord shall disburse to Tenant the Base TI Allowance when and as requisitioned by Tenant in compliance with this Lease (including Tenant's satisfaction of the Disbursement Conditions below).

As a condition to obtaining each disbursement of the Base TI Allowance (other than the disbursement of the amount set forth in item (g) of the third sentence of this Section 5.5 above), Tenant shall satisfy the following conditions in each case (the " Disbursement Conditions "):

(a) Tenant Improvements performed to date shall comply with this Lease;

(b) Tenant shall not be in Default of either a monetary obligation or a material non-monetary obligation (or both) that remains uncured under this Lease (the parties agree that a material non-monetary obligation shall be one that creates a significant risk (and not merely de minimis risk) of potential liability or exposure for Landlord);

(c) Landlord, as further detailed in item (f) below, shall make each disbursement within fifteen (15) days after Tenant has delivered the following, all reasonably satisfactory to Landlord: a Disbursement Request; backup invoices (paid or presently due and payable) for Tenant's Incurred TI Costs; a certificate of Tenant's architect confirming that the Tenant Improvements to date substantially comply with the Approved Plans (as defined in the Work Letter attached hereto as Exhibit J); progress (or final, as appropriate) lien waivers; the Approved Plans for the Tenant Improvements and any revisions therein (to the extent not previously delivered); a consent by Tenant's architects and engineers to Landlord's use of such Approved Plans, as revised, if this Lease terminates, in such form as Landlord shall reasonably

require; and such other deliveries as Landlord reasonably requests if one of its lenders so requires;

(d) Notwithstanding anything to the contrary set forth elsewhere in the Lease or the Work Letter, Landlord shall have no obligation to disburse to Tenant any portion of the TI Allowance until Landlord shall have approved in writing the budget for the Tenant Improvements (the " Approved Budget "), which approval shall not be unreasonably withheld or delayed. Landlord shall notify Tenant in writing within (10) business days after receipt of any budget (complete with all supporting documentation for each budget line item) for the Tenant Improvements whether Landlord approves or objects to such budget and of the manner, if any, in which the budget is unacceptable. Landlord's failure to respond within such ten (10) business day period shall be deemed approval by Landlord. Tenant shall as necessary deliver to Landlord a modified Approved Budget. Prior to Landlord's approval of the Approved Budget, Tenant shall pay all of the costs and expenses incurred in connection with Tenant Improvements as they become due. Disagreements regarding the approval of the Approved Budget shall be resolved by the Neutral Architect in accordance with Section 4.2(h) . Landlord shall not be obligated to reimburse Tenant for costs or expenses relating to Tenant Improvements that exceed (a) the amount of the TI Allowance (other than pursuant to Section 7.2 of the Work Letter) or (b) the Approved Budget. Notwithstanding the foregoing, Landlord hereby approves Tenant's payment to the Prior Owner of the amount set forth in item (g) of the third sentence of this Section 5.5 above;

(e) Landlord shall retain ten percent (10%) of the Base TI Allowance, exclusive of the amount set forth in item (g) of the third sentence of this Section 5.5 above, (the " Retainage ") until such time as the Tenant Improvements for the Initial Premises have been completed. Upon completion of such Tenant Improvements in accordance with the provisions of the Work Letter and delivery of final lien waivers in connection with such Tenant Improvements in form and substance reasonably acceptable to Landlord, Landlord shall release the Retainage to Tenant as set forth in items (f) and (g) below;

(f) Upon submission by Tenant to Landlord of (a) a statement (a " Disbursement Request ") setting forth the total amount of TI Allowance requested, (b) a detailed summary of the Other Costs incurred related to the Tenant Improvements, (c) a detailed summary of the Incurred TI Costs of the portion of the Tenant Improvements performed using AIA standard form Application for Payment (G 702) executed by the Tenant's contractor and its architect), (c) lien releases from all of Tenant's contractors and subcontractors and material suppliers in form and substance reasonably acceptable to Landlord, then Landlord shall, within fifteen (15) days following receipt by Landlord of a Disbursement Request and the accompanying materials required by this Subsection 5.5(f) , relating to TI Costs and Other Costs, as the case may be, disburse to Tenant or at Tenant's request to a third party on behalf of Tenant the amount set forth in (g) below);

(g) With respect to each Disbursement Request properly prepared and delivered by Tenant to Landlord, Landlord shall disburse such amount of TI Allowance to Tenant as is equal to the Incurred TI Costs as of such time, as set forth and reasonably documented in the Disbursement Request, minus the amount of TI Allowance already disbursed by Landlord as of the date of such Disbursement Request, in each case subject to the 10% cap on

Other Costs as described in this Section 5.5 and Landlord's Retainage set forth in clause (e) above;

(h) Tenant may apply the TI Allowance at Tenant's sole discretion for the payment of TI Costs or Other Costs, in each case as reflected in the Approved Budget and the Approved Plans and subject to the limitations set forth in this Section 5.5 ;

(i) At Tenant's request, Landlord shall disburse directly to Tenant's contractors against unpaid invoices; and

(j) Tenant shall not be entitled to any further disbursements of TI Allowance for Tenant Improvements for any Phase for any Disbursement Requests submitted after the date that is two (2) years after the Term Commencement Date for such Phase (the " TI Disbursement Deadline "); provided that the TI Disbursement Deadline may be extended if the Tenant Improvements are delayed by Landlord Delay, Unknown Conditions or Force Majeure. As of the TI Disbursement Deadline: (a) any TI Allowance for any such Phase not disbursed may be retained by Landlord, free of any claim by Tenant; and (b) Landlord shall have no further obligation to disburse any TI Allowance for such Phase.

5.6 Tenant shall have the right, at Tenant's sole cost and expense, to (i) designate one or more construction managers/general contractors to construct the Tenant Improvements and Alterations, subject to Landlord's reasonable approval and (ii) hire a project manager and other consultants without Landlord's approval.

5.7 Subject to Section 5.13 , Tenant may enter each Phase of the Initial Premises as soon as reasonably practicable, but in no event later than thirty (30) days before the Estimated Term Commencement Date for such Phase to be delivered to Tenant (as then projected by Landlord), solely to begin construction of the Tenant Improvements (the " Early Access Date "), even if Landlord has not yet achieved Substantial Completion of Landlord's Work with respect to such Phase. Landlord shall determine the Early Access Date in reasonable consultation with Contractor and Tenant. Any access to the Premises after the Early Access Date must not: (i) impede or impair, in any manner, Landlord's achievement of Substantial Completion of Landlord's Work for any Phase; or (ii) begin until Landlord grants Tenant permission to begin constructing Tenant Improvements. Landlord shall reasonably endeavor to allow access at any reasonable time for Tenant's consultants to measure and inspect in compliance with Landlord's reasonable rules and restrictions, subject to Landlord's arrangements with Contractor.

5.8 While Tenant performs Tenant Improvements, Landlord shall make available to Tenant, at Tenant's option, reasonable amounts of temporary power, water, and other utility services. Tenant shall pay Landlord as Additional Rent an amount equal to Landlord's reasonable estimate of the cost of Tenant's consumption of such power, water, and other utility services. If any such utility services are not separately metered, Landlord may, at its option, monitor the usage of such utility services by Tenant and, with respect to any Buildings which are not solely occupied by Tenant, charge Tenant with the cost of purchasing, installing and monitoring such metering equipment, which cost shall be paid by Tenant as Additional Rent. Landlord shall make available without charge to Tenant upon Tenant's reasonable request a reasonable amount of "parking," "staging" and "lay-down" areas in reasonable proximity to the

Initial Premises to facilitate the Tenant Improvements. Tenant shall: (a) maintain such area in a neat, organized, and safe manner; and (b) comply with Landlord's reasonable requirements regarding security, safety, additional insurance, access controls, appearance, and scheduling of deliveries.

5.9 Landlord shall provide such assistance as Tenant reasonably requests in obtaining permits, licenses, and other similar third-party governmental approvals as necessary or appropriate for the Tenant Improvements, provided that: (a) all applications to be signed by Landlord shall be subject to Landlord's reasonable approval; (b) Tenant shall reimburse Landlord for all reasonable actual out of pocket costs (including legal, architectural, and expediting fees) in connection with such applications; and (c) Landlord has not given Tenant written notice that Tenant is in default under this Lease.

5.10 (a) For purposes of this Lease, " Tenant Delay " means any delay in Landlord's prosecution of Landlord's Work caused by any of the following, to the extent that such circumstance actually delays Substantial Completion of Landlord's Work for any Phase beyond the date when Substantial Completion would have otherwise occurred (as determined by the Neutral Architect if Landlord and Tenant disagree and whose determination shall be final and binding upon the parties): (i) Changes requested by Tenant in the 410 and 420 Scope of Work, Project Site Scope of Work, Connector Building Scope of Work, Connector Building Initial Plans, Draft Design Development Plans, Construction Plans or Plans and Specifications or in Landlord's Work; (ii) Tenant's delay in responding to any inquiries or requests from Landlord relating to Landlord's Work; (iii) Tenant's exercise of its early access rights under Section 5.7 or Section 5.13 in violation of Section 5.7 or Section 5.13 , as applicable; (iv) any delay caused by Tenant's objection to, or failure to approve, the Draft Design Development Plans or Construction Plans unless such objection for failure is in accordance with Section 4.2 ; (v) any Default by Tenant under this Lease; (vi) subject to the provisions of item (c) of Section 5.10(b) below, any delays caused by Tenant's use of "Non Union" labor for the performance of the Tenant Improvements, or (vii) any delays caused by any proceedings or threatened proceedings relating to or arising from any Tax Incentives or Tenant's anticipated occupancy of the Initial Premises. Notwithstanding any Tenant Delay, Landlord shall exercise diligent and commercially reasonable efforts to mitigate Tenant Delay to the extent reasonably practicable. In connection with managing issues arising out of Tenant's decision not to use unionized labor with respect to the Tenant Improvements, Landlord shall reasonably accommodate a "dual-gate" system by erecting its own gate within three (3) business days after receiving a written request with respect thereto from Tenant.

(b) For purposes of this Lease, " Landlord Delay " means any delay in Tenant's prosecution of Tenant Improvements caused by any of the following, to the extent that such circumstance actually delays substantial completion of the Tenant Improvements beyond the date when substantial completion would have otherwise occurred as contemplated under the Schedule to be developed by Tenant and approved by Landlord as provided in the Work Letter and as determined (in case of a dispute between the parties) by the Neutral Architect, whose determination shall be final and binding upon the parties: (a) Landlord's requests for changes in Tenant Improvements contrary to Landlord's rights to do so under Section 7.2 of the Work Letter attached as Exhibit J ; (b) Landlord's delay in responding to any inquiries or requests from Tenant for approvals from Landlord relating to the Tenant Improvements beyond the time

periods set forth under this Lease and in the Work Letter and (c) Landlord's failure to erect dual gates in connection with Tenant's potential use of Non-Union labor for the performance of any portion of the Tenant Improvements within three (3) business days of Tenant's request, as required under Section 5.12 .

5.11 If this Lease terminates for any reason except Landlord's default beyond applicable cure periods, then Tenant: (a) shall promptly deliver to Landlord any and all plans, specifications, and construction documents prepared by or for Tenant for the Tenant Improvements; and (b) hereby assigns and conveys to Landlord, without further consideration, effective upon such termination of this Lease, all of Tenant's rights and interest in any and all such plans and specifications. Tenant shall use commercially reasonable efforts to cause its agreements with its architects, engineers, and other consultants to include their consent to such assignment and conveyance, and the vendor's agreement that Landlord may use such plans and specifications to complete the Tenant Improvements or any other work within the Initial Premises.

5.12 The parties expressly agree that Tenant shall be permitted to use union and/or non-union contractors or subcontractors and Tenant's rights to do so and Landlord's obligations regarding the same shall be as governed under Section 1.3 and Section 2.4 of the Work Letter attached hereto as Exhibit J .

5.13 Landlord will use commercially reasonable efforts to have the current tenant in the 420 Building vacate the 420 Building on or before July 31, 2011. In addition to the early access rights granted in Section 5.7 , Tenant shall have the right to occupy up to two (2) floors in the 420 Building to conduct its business prior to the Estimated Term Commencement Date for the 420 Building set forth in Section 2.8 . Landlord shall give Tenant written notice promptly upon determining the date for vacancy of the 420 Building. Tenant shall give Landlord at least 30 days prior written notice of its intent to occupy the 420 Building and will supply all insurance certificates as required under this Lease except to the extent not applicable to the early occupancy based on the limited nature of the scope and activities during the early occupancy. Tenant shall be permitted to commence alterations and improvements pursuant to the Work Letter attached hereto as Exhibit J , provided that such improvement work shall neither interfere with nor impede or impair the Landlord's Work in any material respect. In connection with such occupancy, Tenant shall pay as Additional Rent, its prorata share of Operating Expenses related to the 420 Building based on its occupied footage for conduct of its business beginning on the date Tenant occupies any such portion of the 420 Building for conduct of its business pursuant to this Section 5.13 ; provided, however, that such early occupancy and the requirement to pay such Additional Rent shall not in any manner affect determinations under this Lease regarding the timing of the Rent Commencement Date or the obligation to pay Rent (other than such specified Additional Rent) upon the Rent Commencement Date or any matters related thereto.

6. Rent for the Premises .

6.1 Expansion Premises . Starting on the Expansion Rent Commencement Date for any Expansion Premises, as determined in accordance with Section 2.7, Tenant shall pay to Landlord each year as Basic Annual Rent for the Expansion Premises (" Expansion Premises Basic Annual Rent ") during the Term an amount as determined in accordance with the chart

below based on the Rentable Area of such Expansion Premises. Basic Annual Rent for partial years during the Term shall be pro rated based upon the actual number of days in such year. Expansion Premises Basic Annual Rent is subject to annual adjustment as provided in Article 7 .

Expansion Rent Commencement Date Applicable Expansion Premises	**Annual Base Rent per square foot of Rentable Area**
Effective Date through the day immediately preceding 24 month anniversary of the Effective Date	$17.50
The 24 month anniversary of the Effective Date through the day immediately preceding the 36 month anniversary of the Effective Date	$18.50
The 36 month anniversary of the Effective Date through the day immediately preceding the 48 month anniversary of the Effective Date	$19.50
The 48 month anniversary of the Effective Date through the day immediately preceding the 60 month anniversary of the Effective Date	$20.50
On or after the 60 month anniversary of the Effective Date	$21.50

(a) To the extent that Landlord disburses any portion of the Expansion TI Allowance, the Expansion Premises Basic Annual Rent shall be increased by One Dollar ($1.00) per square foot of Rentable Area year for every Ten Dollars ($10.00) of Expansion TI Allowance disbursed by Landlord.

6.2 Initial Premises . Starting on the Rent Commencement Date for the Initial Premises, and continuing throughout the Term, Tenant shall pay to Landlord the Initial Basic Annual Rent for such Phase as set forth in Section 2.3, as may be adjusted from time to time in accordance with Article 7 .

6.3 The Initial Basic Annual Rent and any Expansion Premises Basic Annual Rent (collectively, the " Basic Annual Rent ") shall be paid in equal monthly installments, each in advance on the first day of each and every calendar month starting as of the Rent Commencement Date for the Initial Premises and the relevant Expansion Rent Commencement Date for each portion of the Expansion Premises and continuing through the Term.

6.4 In addition to Basic Annual Rent, Tenant shall pay to Landlord as additional rent (" Additional Rent ") at times hereinafter specified in this Lease: (a) Tenant's aggregate pro rata share as determined in accordance with Section 8.1 (" Tenant's Pro Rata Share "), of Operating Expenses as provided in Article 8 for each of the Initial Premises and any Expansion Premises, (b) electricity charges incurred by Landlord with respect to the 440 Building, in an amount not to exceed $5,000 per month, and (c) any other amounts that Tenant assumes or agrees to pay under the provisions of this Lease that are owed to Landlord, including, without limitation, any and all other sums that may become due by reason of any default of Tenant or failure on Tenant's part to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant, after notice and the lapse of any applicable cure periods.

6.5 Basic Annual Rent and Additional Rent shall together be denominated " Rent ." Rent shall be paid to Landlord, without abatement, deduction or offset (except as this Lease otherwise expressly provides) in lawful money of the United States of America at the office of Landlord as set forth in Section 2.12 or to such other person or at such other place as Landlord may from time designate in writing. In the event the Rent Commencement Date or an Expansion Rent Commencement Date occurs on a day other than the first day of a calendar month, or the Term Expiration Date is on a day other than the first day of a calendar month, then the Rent for such fraction of a month shall be pro-rated for such period on the basis of a thirty (30) day month and shall be paid at the then-current rate for such fractional month.

6.6 With respect to delays in Tenant's prosecution of Tenant Improvements caused by Landlord Delays that actually delay substantial completion of the Tenant Improvements relating to each Phase of the Landlord's Work, Tenant shall be entitled to receive the equivalent and graduated Rent abatements (for delays in the Tenant Improvement work for the Connector Building) and/or Rent Commencement Deferral Days (for delays in the Tenant Improvement work for the 410 Building and/or the 420 Building (as the case may be)), as applicable, set forth under Section 5.1 . For purposes of Section 5.1 , as made applicable by this Section 6.6 : (a) the amount of Rent per day for each Phase of Landlord's Work means the Initial Annual Basic Rent divided by 365 and then reasonably allocated by Landlord to each Phase of the Landlord's Work, and (b) each day that substantial completion of the Tenant Improvements for the 410 Building or the 420 Building is delayed by a Landlord Delay shall be an Unexcused Delay Day. The aforesaid Rent abatements and Rent Commencement Deferral Days shall be cumulative, and not in lieu of the Rent abatements and/or Rent Commencement Deferral Days Tenant shall be entitled to receive under Section 5.1 by reason of Landlord's failure to tender possession as a result of unexcused delays in Landlord's Work (and all calculations shall be made on an aggregate basis, taking into account the aggregate delay that may impact any particular phase of the Project).

7. Rent Adjustments .

The Initial Basic Annual Rent and any Expansion Premises Basic Annual Rent shall be subject to an annual upward adjustment of two and one-half percent (2.5%) of the then-current Initial Basic Annual Rent and any Expansion Premises Basic Annual Rent, respectively (as adjusted under this Article 7). Such annual upward adjustment shall become effective (i) with respect to the Initial Basic Annual Rent, on the one (1) year anniversary of the Rent Commencement Date for the Initial Premises, and (ii) with respect to Expansion Premises Basic Annual Rent, on the one (1) year anniversary of the Expansion Rent Commencement Date for the applicable Expansion Premises. Subsequent adjustments shall become effective, on each successive anniversary of the foregoing dates for so long as this Lease continues in effect.

8. Operating Expenses .

8.1 As used herein, the term " Operating Expenses " shall be comprised of and include (i) Real Estate Taxes referred to in item (a) below and (ii) CAM Pool Charges referred to in item (b) below, as follows:

(a) Subject to the terms of Section 53 relating to real estate taxes now or in the future being abated, deferred, subsidized, fixed, reduced or forgiven as the result of the PILOT Agreement, Public Inducements, or otherwise as a result of Tenant's occupancy or

leasing of any part of the Premises, all government impositions (collectively, " Real Estate Taxes ") including, without limitation, any payments in connection with Public Inducements (including any payments in lieu of taxes), property tax costs consisting of real and personal property taxes and assessments, including amounts due under any improvement bond upon the Buildings or the Project (or the components thereof), including the parcel or parcels of real property upon which the Buildings and areas serving such Building are located or assessments in lieu thereof imposed by any federal, state, regional, local or municipal governmental authority, agency or subdivision (each, a " Governmental Authority ") are levied; taxes on or measured by gross rentals received from the rental of space in the Buildings; taxes based on the square footage of the Premises, the Buildings or the Project (or the components thereof), and the reasonable cost of attorneys or experts, reasonably incurred by Landlord in seeking reduction by the taxing authority of the applicable taxes, less tax refunds obtained as a result of an application for review thereof. Real Estate Taxes shall not include any net income, franchise, capital stock, estate or inheritance taxes, mortgage recording taxes, or transfer taxes imposed on Landlord arising out of a transaction involving Landlord and not Tenant or taxes that are the personal obligation of Tenant or of another tenant of the Project. Subject to Real Estate Taxes being abated, deferred, subsidized, fixed, reduced or forgiven as stated above, in no event shall Tenant's obligation for its allowable share for the same exceed the lower of (i) Tenant's share of the actual Real Estate Taxes and (ii) Five Hundred Thousand Dollars ($500,000) in the aggregate (the " Real Estate Tax Cap "); provided, however, that if the Tenant enters into a PILOT Agreement pursuant to Section 53 then Tenant shall be responsible for all payments in lieu of Real Estate Taxes assessed to it pursuant to such PILOT Agreement without regard to the limitations set forth in the foregoing clauses. Such Real Estate Tax Cap shall be increased on each anniversary of the Rent Commencement Date to equal the product of: (i) the Real Estate Tax Cap immediately before such adjustment, times (ii) the greater of (A) the CPI (as defined in Section 18.1) as of the date that is two (2) months before the date of such adjustment divided by the CPI as of the date fourteen (14) months before the date of such adjustment, or (B) one (1); and

(b) All other actual costs without duplication (the " CAM Pool Charges ") of any kind paid or incurred by Landlord in connection with the operation or maintenance of the Project, including the Common Areas, properly allocable to and pro-rated, if applicable, for the Initial Premises, all as depicted in detail in Exhibit M . The various CAM Pool Charges depicted in Exhibit M shall be allocated to Tenant only as stated in Exhibit M . Landlord may from time to time modify Landlord's calculation and allocation procedures for CAM Pool Charges, provided that such procedures shall produce dollar results substantially consistent with Exhibit M . Landlord shall modify Exhibit M at such time as Tenant exercises an Expansion Option pursuant to Article 10 to include the CAM Pool Charges, and reasonably allocate services, for such Expansion Premises.

Notwithstanding the foregoing, the CAM Pool Charges portion of Operating Expenses set forth on the attached Exhibit M shall not include: (i) any leasing commissions; (ii) expenses that relate to preparation of rental space for a tenant; (iii) expenses of initial development and construction, including, but not limited to, grading, paving, landscaping and decorating (as distinguished from maintenance, repair and replacement of the foregoing); (iv) legal expenses relating to other tenants; costs of repairs to the extent reimbursed by payment of insurance proceeds received by Landlord; (v) interest upon loans to Landlord or secured by a mortgage or deed of trust covering the Project or a portion thereof; (vi) salaries of executive officers of

Landlord; (vii) depreciation claimed by Landlord for tax purposes (provided that this exclusion of depreciation is not intended to exclude from Operating Expenses actual costs of repairs and replacements that are provided for in the CAM Pool Charges attached as Exhibit M); (viii) any interest or penalty charges incurred by Landlord due to Landlord's violation of any law, except for minor violations of law in the ordinary course of business; (ix) costs incurred with respect to a sale of all or any portion or interest (whether direct or indirect) in the Project, and any financing or refinancing costs; (x) the cost of the acquisition or leasing of any artwork or similar items; (xi) the cost of tenant installations and decorations incurred in connection with preparing space for a new or existing tenant and any contribution by Landlord to the cost of tenant improvements or other concessions; (xii) any administrative wages and salaries above the grade of building manager and building manager's supervisor, and any administrative wages and salaries (including, without limitation, salaries of personnel above the grade of building manager and such building manager's supervisor) not allocable to the Buildings except that the salaries of any Building secretaries or bookkeepers who report to the Buildings manager shall be includable, to the extent allocable to the Buildings; (xiii) any expense for which Landlord is otherwise compensated through the proceeds of insurance or is otherwise compensated by any tenant (including Tenant) of the Buildings; (xiv) the cost of any facilities furnished to any tenant of the Project (other than Tenant) to a greater extent or in a more favorable manner than that furnished to Tenant, (provided, however , Tenant shall pay as Operating Expenses the cost of any facilities furnished Tenant to a greater extent or in a more favorable manner than that furnished to any other tenant in the Project); (xv) the cost of any item that, under GAAP, would not be regarded as an operating, maintenance or management expense, except as the next grammatical paragraph provides; (xvi) any expense arising by reason of a default by Landlord or its agents under any agreement or lease affecting the Property or the Project (or any component thereof) to the extent such expense is incremental to the cost that would have been paid and charged to Operating Expenses in the absence of such default; (xvi) the cost of maintenance, repair or replacement of any part of Landlord's Work that constitute Defects and are discovered within the Defect Reporting Period under Section 4.5 ; (xviii) the cost of replacement of any component of Landlord's Work, if Landlord becomes aware of any Defect with respect thereto during the Defect Reporting Period; and (xix) Real Estate Taxes.

Operating Expenses shall also include, as part of the appropriate CAM Pool in Landlord's reasonable determination, the cost of all purchases of capital equipment, the making of all capital replacements, and the making of any other capital outlays, to the extent reasonably allocable to the Buildings or the Common Areas, provided that: (a) such cost or outlay is either required by Applicable Laws or Landlord incurs such cost or outlay in the exercise of its reasonable discretion for the benefit of the Buildings or the Common Areas, and in the latter case such cost or outlay does not arise from (i) an expansion of any structure; (ii) any construction work that benefits only particular tenant(s) other than Tenant; or (iii) construction of any new structure or substantial new site amenities that did not previously exist; and (b) any such cost shall be amortized, on a straight-line basis, over the shortest useful life permitted by GAAP (not to exceed a useful life of seven (7) years), with interest at an interest factor equal to two percent (2%) above the "prime rate" as quoted from time to time in the Wall Street Journal or other authoritative source Landlord designates (" Prime Rate ") at the time Landlord incurred such expenditure.

8.2 Subject to Section 8.4 Tenant shall pay to Landlord on the first day of each calendar month of the Term, as Additional Rent, (a) the Property Management Fee (as defined below) and (b) Landlord's reasonable good faith estimate of Tenant's Pro Rata Share of Operating Expenses, as applicable, for such month.

(a) The " Property Management Fee " shall equal 1.80% of the Basic Annual Rent (as the same may be increased pursuant to Section 6.1).

(b) On or before the date that is ninety (90) days after the conclusion of each calendar year (or such longer period as may be reasonably required by Landlord), Landlord shall furnish to Tenant a statement showing in reasonable detail the actual Operating Expenses and Tenant's Pro Rata Share of Operating Expenses for the previous calendar year. Any additional sum due from Tenant to Landlord shall be due and payable within thirty (30) days of receipt of Landlord's statement of Tenant's Pro Rata Share of Operating Expenses. If Tenant does not receive a statement showing in reasonable detail the actual Operating Expenses and Tenant's Pro Rata Share of Operating Expenses for a given calendar year within two (2) years after the end of such calendar year, Landlord shall be deemed to have waived payment of such Operating Expenses for such calendar year, provided , however , such period does not apply to supplemental tax bills, which Landlord shall not be deemed to waive payment of, unless after such two (2) year period Landlord fails to submit such supplemental tax bill to Tenant within thirty (30) days of Landlord's receipt thereof. If the amounts paid by Tenant pursuant to this Section 8.2 exceed Tenant's Pro Rata Share of Operating Expenses for the previous calendar year, then Landlord shall credit the difference against the Rent next due and owing from Tenant; provided that, if the Lease term has expired, Landlord shall accompany said statement with payment for the amount of such difference.

(c) Any amount due under this Section 8.2 for any period that is less than a full month shall be pro-rated (based on a thirty (30)-day month) for such fractional month.

8.3 Landlord's annual operating statement shall be prepared in accordance with Generally Accepted Accounting Principles (" GAAP "), except where the express requirements of this Lease vary from GAAP, and shall be final and binding upon Tenant unless, within ninety (90) days after Tenant's receipt thereof, Tenant notifies Landlord in writing that Tenant has elected to audit and review Landlord's books and records. Beginning ten (10) business days after the delivery of such notice, Tenant shall have the right to have an independent public accounting firm hired by Tenant on an hourly basis and not on a contingent-fee basis (at Tenant's sole cost and expense) and approved by Landlord (which approval Landlord shall not unreasonably withhold or delay) audit and review such of Landlord's books and records for the year in question as directly relate to the determination of Operating Expenses for such year (the " Independent Review "). Landlord shall promptly make such books and records available at the location where Landlord maintains them in the ordinary course of its business, provided that such location is within the Continental United States. Tenant shall use all reasonable commercial efforts to commence the Independent Review promptly after the date Landlord has given Tenant access to Landlord's books and records for the Independent Review. Tenant shall complete the Independent Review and notify Landlord in writing of Tenant's specific objections to Landlord's calculation of Operating Expenses (including Tenant's accounting firm's written statement of the basis, nature and amount of each proposed adjustment) no later than six (6)

months after Landlord has first given Tenant access to Landlord's books and records for the Independent Review. Landlord shall review the results of any such Independent Review. The parties shall endeavor to agree promptly and reasonably upon Operating Expenses taking into account the results of such Independent Review. If, as of ninety (90) days after Tenant has submitted the Independent Review to Landlord, the parties have not agreed on the appropriate adjustments to Operating Expenses, then the parties shall engage a mutually agreeable independent third party accountant with at least ten (10) years' experience in commercial real estate accounting in the New York metropolitan area (the " Accountant "). If the parties cannot agree on the Accountant, each shall within ten (10) days after such impasse appoint an Accountant (different from the accountant and accounting firm that conducted the Independent Review) and, within ten (10) days after the appointment of both such Accountants, those two Accountants shall select a third (which cannot be the accountant and accounting firm that conducted the Independent Review). If either party fails to timely appoint an Accountant, then the Accountant the other party appoints shall be the sole Accountant. Within ten (10) days after appointment of the Accountant(s), Landlord and Tenant shall each simultaneously give the Accountants (with a copy to the other party) its determination of Operating Expenses, with such supporting data or information as each submitting party determines appropriate. Within ten (10) days after such submissions, the Accountants shall by majority vote select either Landlord's or Tenant's determination of Operating Expenses. The Accountants may not select or designate any other determination of Operating Expenses. The determination of the Accountant(s) shall bind the parties. If the parties agree or the Accountant(s) determine that Tenant's Pro Rata Share of Operating Expenses actually paid for the calendar year in question exceeded Tenant's obligations for such calendar year, then Landlord shall, at Tenant's option, either (a) credit the excess to the next succeeding installments of Basic Annual Rent or (b) pay the excess to Tenant within thirty (30) days after delivery of such results. If the parties agree or the Accountant(s) determine that Tenant's payments of Tenant's Pro Rata Share of Operating Expenses for such calendar year were less than Tenant's obligation for the calendar year, then Tenant shall pay the deficiency to the Landlord within thirty (30) days after delivery of such results. If the final determination of the Independent Review (either by the Accountant(s) or if both parties agree) reveals that Operating Expenses as calculated by Landlord and Operating Expenses as determined in the Independent Review show Operating Expenses as calculated by Landlord exceed six (6%) percent of Operating Expenses as concluded in the final determination of the Independent Review, then Landlord shall pay the reasonable cost of the Independent Review and the Accountant(s).

8.4 Tenant shall be responsible for Operating Expenses and the Property Management Fee on the earlier of (a) the Rent Commencement Date or the relevant Expansion Rent Commencement Date for any Expansion Premises, or (b) the date on which Tenant occupies any Phase for the conduct of Tenant's business. Tenant's responsibility for Tenant's Pro Rata Share of Operating Expenses shall continue to the latest of (i) the date of termination of the Lease, (ii) the date Tenant has fully vacated the Premises or (iii) if termination of the Lease is due to a default beyond notice and opportunity to cure by Tenant, the date of rental commencement of a replacement tenant.

8.5 Operating Expenses for the calendar year in which Tenant's obligation to share therein commences and for the calendar year in which such obligation ceases shall be pro-rated on a per diem basis reasonably determined by Landlord. Expenses such as taxes, assessments

and insurance premiums that are incurred for an extended time period shall be pro-rated based upon the time periods to which they apply so that the amounts attributed to the Premises relate in a reasonable manner to the time period wherein Tenant has an obligation to share in Operating Expenses.

8.6 [Intentionally Omitted].

8.7 [Intentionally Omitted].

8.8 To the extent that Landlord constructs additional improvements (beyond the Project and the Connector Building) on the Property: (a) the definition of Project shall automatically expand to include such additional improvements; (b) Operating Expenses shall take into account amounts otherwise constituting Operating Expenses but attributable to such additional improvements (excluding, however, their initial design, development and construction); and (c) Landlord shall equitably adjust Tenant's Pro Rata Share of the Project to reflect the relative Rentable Areas of all Buildings within the Project, in accordance with Section 9.3 . The parties shall arbitrate in accordance with Article 50 any disagreement over the application of this paragraph.

9. Rentable Area .

9.1 The " Rentable Area " for the Buildings comprising the Project is set forth in Section 2.2 . The " Rentable Area " for each portion of Expansion Premises are set forth in Section 10.2(f) .

9.2 The " Rentable Area " for the Buildings, including the Connector Building, any future addition or contraction to any of the Buildings and any new building which becomes a portion of the Project, shall be determined by Landlord or Landlord's architect by making separate calculations of Rentable Area applicable to each floor within each of the Buildings and totaling the Rentable Area of all floors within the Buildings, as the same may be reasonably adjusted from time to time by Landlord in consultation with Landlord's architect to reflect changes to the Premises, the Buildings or the Project, as applicable. The Rentable Area of a floor is computed by measuring to the outside finished surface of the permanent outer building walls, without deductions for columns, vertical penetrations, including stairs, elevator shafts, flues, pipe shafts, vertical ducts and the like, as well as such items' enclosing walls; provided, however, that, solely with regard to any Expansion Premises which Tenant notifies Landlord will be, and that is, utilized as office space, the computation of such Rentable Area for such Expansion Premises shall deduct vertical partitions, including stairs, elevator shafts, as well as such items' enclosing walls. The parties acknowledge that adjustments to the Rentable Area may be required under this paragraph. Landlord may memorialize the intended adjustments during the course of design and construction, subject to final remeasurement in accordance with this paragraph. Disputes regarding the determination of Rentable Area for the Project or any portion of the Premises or Expansion Premises shall be resolved by the Neutral Architect in accordance with Section 4.2(h) .

9.3 Subject to Section 9.2 , the Rentable Area of the Project is the total Rentable Area of all Buildings within the Project.

9.4 Review of allocations of Rentable Areas as between tenants of the Buildings and the Project shall be made as frequently as Landlord deems appropriate in order to facilitate an equitable apportionment of Operating Expenses. If such review is by a licensed architect and allocations are certified by such licensed architect as being correct, then the Tenant shall be bound by such certifications. For the Connector Building and any future Buildings which become a portion of the Premises, any such review shall be performed in accordance with Section 9.2 .

10. Expansion Rights .

10.1 Expansion Options . Tenant shall have one or more options (exercised at Tenant's direction) to expand the Premises (each an " Expansion Option ") to include all or any portion of the 440 Building (the " 440 Expansion Premises ") and all or any portion of the 430 Building that is (i) unoccupied by any third party as of the date hereof and (ii) not subject to any expansion or other rights of occupancy or possession of any third party as of the date hereof (the " 430 Expansion Premises ," and together with the 440 Expansion Premises, collectively, the " Expansion Premises "), in each case exercisable by written notice (the " Expansion Notice ") delivered to Landlord specifying the portion of the Expansion Premises which Tenant elects to utilize as part of the Premises and the date when Tenant desires the term commencement date with regard to such Expansion Premises to occur (the " Expansion Delivery Date "); provided, however, that (a) all such Expansion Options must be exercised on or before the five (5) year anniversary of the Rent Commencement Date for the Initial Premises, the " Expansion Option Termination Date "), (b) the Expansion Delivery Date specified in such Expansion Notice shall be no earlier than six (6) months and no later than seven (7) months after the date of such Expansion Notice, (c) the Expansion Premises specified in such Expansion Notice shall be in full floor increments, (d) Tenant may not exercise an Expansion Option with respect to any 430 Expansion Premises unless it has previously or simultaneously with such exercise, exercised all of its Expansion Options with respect to the 440 Expansion Premises, and (e) Tenant shall not then be in Default. From and after the Expansion Delivery Date for any Expansion Premises, this Lease shall be automatically amended to include the Expansion Premises specified in such Expansion Notice within the Premises (without the need for any further agreement amending this Lease), it being expressly understood that, except as specifically provided otherwise, all of the terms and conditions set forth in this Lease shall apply to such Expansion Premises. Tenant's right to exercise any Expansion Option shall automatically terminate and be of no further force or effect as of the Expansion Option Termination Date.

10.2 Without limiting the generality of the foregoing, it is agreed that:

(a) Upon receipt of each Expansion Notice, Landlord shall make such improvements to the applicable Expansion Premises as are reasonably necessary to meet the delivery condition requirements for such Expansion Premises (the " Expansion Premises Delivery Requirements ") as are set forth on Exhibit N. Such Expansion Premises Delivery Requirements shall constitute "Landlord's Work" and shall be subject to the requirements for such Landlord's Work as are set forth in this Lease (including, without limitation, the provisions for Rent Commencement Deferral Days (but such Rent Commencement Deferral Days shall be with respect to Rent for such Expansion Premises only), but excluding Tenant's termination right set forth in Section 5.1), if Landlord's Work with respect to the applicable Expansion Premises is

not Substantially Complete within seven (7) months of Tenant's Expansion Notice for such Expansion Premises as if the last day of such seven (7) month period was the Estimated Term Commencement Date for such Expansion Premises (as the same may be extended by Tenant Delay). The Rent Commencement Deferral Days for the Expansion Premises shall be determined in accordance with Section 5.1(a) , except that "410 Work or 420 Work" shall mean the "Landlord's Work that is necessary to satisfy the Expansion Premises Delivery Requirements" and "Estimated Term Commencement Date" shall mean the Estimated Term Commencement Date for such Expansion Premises as described above.

(b) The provisions of Article 4 of this Lease (with appropriate modifications) regarding Landlord's Work shall apply to the Expansion Premises described in an Expansion Notice, as if Landlord's Work for such Expansion Premises were the 410 and 420 Work, except that, for purposes of such provisions, the "Scope of Work" for such Landlord's Work with respect to the Expansion Premises (the " Expansion Scope of Work ") shall be as set forth on Exhibit N , the terms "Phase" and "Initial Premises" shall refer to such Expansion Premises and the term "410 and 420 De Minimis Variations" shall refer to the de minimis variations with respect to the Expansion Scope of Work.

(c) At Tenant's request, Landlord shall make available to Tenant an additional TI Allowance for the Expansion Premises (the " Expansion TI Allowance ") in an amount not to exceed Fifty Dollars ($50.00) per square foot of Rentable Area contained within such Expansion Premises that is being added to the Premises in accordance with this Section 10.2 upon Tenant's exercise of any Expansion Option. The provisions of Article 5 (as well as the Work Letter) shall apply with regard to such Expansion TI Allowance, except that (i) Tenant shall pay to Landlord for Landlord's role in reviewing and approving any such Expansion Premises Tenant Improvements an amount equal to Landlord's reasonable and actual third party out of pocket costs incurred by Landlord and payable to such third parties for undertaking such review and approval, and, in addition, (ii) if Tenant requires Landlord to provide Material Landlord Assistance (defined below) with respect to the construction of the Expansion Premises Tenant Improvements (defined below), then Tenant shall pay Landlord a fee in an amount equal to three and one-half percent (3-1/2%) of the Hard Costs portion of the Expansion Premises Tenant Improvements. For these purposes, " Material Landlord Assistance " refers to assistance with respect to the construction of the Expansion Premises Tenant Improvements that is (1) expressly requested by the Tenant, (2) above and beyond, in a material respect, the efforts extended by Landlord in reviewing and approving Tenant plans as permitted and required under this Lease, or any other activities required by Landlord under this Lease, and (3) not customarily provided by landlords to tenants constructing tenant improvements in similarly situated projects, provided that (x) no activities shall constitute Material Landlord Assistance unless the Landlord first notifies Tenant in writing with a description of the assistance that it believes has been requested that constitutes Material Landlord Assistance, and then Tenant provides written confirmation (signed by a duly authorized officer of Tenant) of its agreement that such activities constitute Material Landlord Assistance and will be subject to the fee described in clause (ii) above, (y) any disagreement regarding whether services would constitute Material Landlord Assistance shall be resolved by the Neutral Architect in accordance with Section 4.2(h) , and (z) for the avoidance of doubt, in no event shall the Landlord be entitled to refuse to review and approve Tenant plans as required under this Lease on the basis that it believes the efforts required for such review and approval would constitute Material Landlord Assistance. For purposes of the provisions of the

Work Letter, references to the "Base TI Allowance" shall be references to the Expansion TI Allowance, references to any "Phase" or the "Initial Premises" shall be references to the applicable Expansion Premises, references to "TI Costs", "Other Costs" and "Incurred TI Costs" with respect to the Tenant Improvements shall be references to such costs and amounts in connection with the tenant improvements for such Expansion Premises (the " Expansion Premises Tenant Improvements ") and references to the "Approved Budget" and "Approved Plans" with respect to the Expansion Premises Tenant Improvements shall be references to such Approved Budget or Approved Plans delivered in connection with the Expansion Premises. Any payment made or to be made by Tenant to Landlord under this Section 10.2(c) shall be deemed a part of the Alteration Management Fee (defined in Section 18.9) and any dispute between the parties regarding it shall be resolved by the Neutral Architect in accordance with Section 4.2(h) .

(d) The Expansion Rent Commencement Date for the Expansion Premises under Section 2.7 , the Expansion Term Commencement Date under Section 5.2 and the Expansion Premises Basic Annual Rent under Section 6.1 for such Expansion Premises shall be determined separately under said Sections (as applied solely to the Expansion Premises without thereby affecting such variables for any other Premises);

(e) The Expansion Premises shall be delivered with Landlord's Work Substantially Completed in accordance with Section 4.3 ; and

(f) The Rentable Area in connection with such Expansion Premises shall be as set forth below, subject to adjustment in accordance with Section 9.2 :

Expansion Premises	**Rentable Area in Square Feet**
440 Building (1 st Floor)	21,950
440 Building (2 nd Floor)	25,405
430 Building (1 st Floor)	20,991
430 Building (2 nd Floor)	26,148
430 Building (3 rd Floor)	25,378

10.3 Landlord represents and warrants that, to its knowledge after reasonable inquiry, as of the Execution Date, the 430 Building and the 440 Building are currently unoccupied and are not subject to any lease, license or other agreement granting occupancy thereof to any third party except for a portion of the 430 Building comprised of approximately 22,332 square feet of space (the " Occupied 430 Premises ") . Landlord further represents and warrants that, to its knowledge after reasonable inquiry, the lease for the Occupied 430 Premises (the " 430 Lease ") is scheduled to expire on April 30, 2016 (after giving effect to the exercised one time option of the tenant under the 430 Lease to extend the term for an additional five (5) years), and that the tenant thereunder does not have any additional rights or options to extend or renew the term thereof. Landlord agrees that (i) prior to the Effective Date, it shall not consent to any amendment or modification of the 430 Lease that would extend the term of such lease or grant any extension or renewal rights to the tenant thereunder, or any expansion rights into the remainder of the 430 Building, nor grant any new lease, license or other rights to occupy or posses the Occupied 430 Premises or any other portion of the 430 Building to any other party, and (ii) shall not enter into any such amendment, modification or agreement at any time on or after the Effective Date until the Expansion Option Termination Date. As of May 1, 2016, or such earlier date upon which the

430 Lease is terminated or otherwise ceases to be effective (the " 430 Occupied Premises Expiration Date "), and provided that the tenant under the 430 Lease has vacated the Occupied 430 Premises and otherwise has satisfied all of its obligations with respect to such Occupied 430 Premises pursuant to the terms of the 430 Lease, the 430 Occupied Premises shall automatically become a part of the 430 Expansion Premises.

11. Use and Access .

11.1 Tenant shall use the Premises for any one or more of the purposes set forth in Section 2.11 , and shall not use the Premises, or permit or suffer the Premises to be used, for any other purpose without Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion.

11.2 Tenant shall not use or occupy the Premises in violation of Applicable Laws; zoning ordinances; or the certificate of occupancy issued for the Buildings, and shall, upon five (5) days' written notice from Landlord, discontinue any use of the Premises that is declared or claimed by any Governmental Authority having jurisdiction to be a violation of any of the above, or that in Landlord's reasonable opinion violates any of the above. Tenant shall comply with any direction of any Governmental Authority having jurisdiction that shall, by reason of the nature of Tenant's use or occupancy of the Premises, impose any duty upon Tenant or Landlord with respect to the Premises or with respect to the use or occupation thereof.

11.3 Tenant shall not do or permit to be done anything that will invalidate or increase the cost of any fire, environmental, extended coverage or any other insurance policy covering the Buildings and the Project, and shall comply with all rules, orders, regulations and requirements of the insurers of the Buildings and the Project, and Tenant shall promptly, within ten (10) business days of demand including reasonable back-up, reimburse Landlord for any additional premium charged for such policy by reason of Tenant's failure to comply with the provisions of this Section. As of the Effective Date, Landlord acknowledges that the use of the Premises for: (a) research and development, laboratory and related office uses, and the keeping of laboratory animals, (b) agency or professional office, and (c) general office, as opposed to Tenant's particular manner of use, will not result in a breach of the first sentence of this section.

11.4 Tenant shall keep all doors opening onto public corridors closed, except when in use for ingress and egress.

11.5 No additional locks or bolts of any kind shall be placed upon any of the doors or windows by Tenant, nor shall any changes be made to existing locks or the mechanisms thereof without Landlord's prior written consent; provided , however , (i) that Tenant shall have the right to install a card key security or lock system for the Premises, including common area stairways, provided that such card key or lock system: (a) has been approved by Landlord, such approval not to be unreasonably withheld or delayed; (b) does not limit Landlord's access rights under this Lease to any areas other than those designated as high security areas; (c) does not lock other tenants out from common area stairways, fire exits and Common Areas and only prevents them from entering within the Premises; and (d) is installed and maintained at Tenant's expense in accordance with all Applicable Laws (ii) Tenant shall also have the right, at its election, to install its own locks and access systems (without giving keys or codes to Landlord) in the Premises in

high security areas as Tenant designates, and restrict access to such designated high security areas provided that Tenant: (a) gives Landlord escorted entry into such designated high security areas upon Landlord's reasonable request (at least twenty-four (24) hours, except in an emergency, in which case Tenant must have a system in place that permits Landlord immediate, unrestricted access to any area in the Premises regardless of any designation as a high security area); and (b) maintains a reasonable system to allow entry into such high security areas in the event of an emergency. Except for the high security areas described in clause "ii," Tenant shall give Landlord keys and access codes for the entire Premises. Tenant acknowledges that Landlord shall have no obligation to provide any services allocated to Landlord on Exhibit M to such high security area. Tenant shall, upon termination of this Lease, return to Landlord all keys to offices and restrooms either furnished to or otherwise procured by Tenant. In the event any key so furnished to Tenant is lost, Tenant shall pay to Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change.

11.6 No curtains, blinds, shades or screens shall be attached to, hung in, or used in connection with, any window or exterior door of the Premises, except in conformity with Tenant's commercially reasonable (and reasonably satisfactory to Landlord) Premises-wide standards for such curtains, blinds, shades, and screens. Tenant shall neither coat nor otherwise sunscreen any window nor place any bottles, parcels or other articles on the windowsills. No equipment, furniture or other items of personal property shall be placed on any exterior balcony. All of the foregoing are subject to Landlord's prior written consent, which Landlord shall grant or withhold based on Landlord's reasonable requirements for the consistent, professional, and orderly appearance of the Project. Except as this Lease otherwise expressly provides, including, without limitation, floor loading, Tenant may place and organize equipment and personal property in the Premises at its reasonable discretion.

11.7 No sign, advertisement or notice (" Signage ") shall be exhibited, painted, or affixed by Tenant on any part of the Premises, the Buildings (e.g., signs in windows), or the Project, except: (a) in Tenant's interior spaces not visible outside the Buildings; (b) with Landlord's prior written consent; (c) in any Common Areas within the Buildings, provided it conforms to Landlord's reasonable Signage program for the Project, if any, or is otherwise reasonably satisfactory to Landlord; (d) on any Buildings which Tenant fully occupies provided such exterior Signage (i) is approved by municipal authorities (ii) does not contain any graphics which reasonably could be viewed as immoral or obscene or to disparage Landlord, and (iii) does not represent any competitor of Landlord; and (e) conforms to Landlord's reasonable Signage program for the Project, if any (or is otherwise reasonably satisfactory to Landlord) and the Landlord's design criteria for such signage attached hereto as Exhibit C-2 . Interior signs on doors and the directory tablet shall be inscribed, painted or affixed for Tenant by Landlord at Tenant's sole cost and expense, and, with respect to Buildings for which Tenant is not the sole occupant, shall be of a size, color and type and be located in a place reasonably acceptable to Landlord. The directory tablet shall be provided exclusively for the display of the name and location of tenants only. Tenant shall not place anything on the exterior of the corridor walls or corridor doors other than Landlord's standard lettering. Landlord shall use commercially reasonable efforts, at no cost to Landlord, to cooperate with and assist Tenant in acquiring all municipal and other required approvals in the form of permits, variances, design services and the like, governing Tenant's Signage. Notwithstanding the foregoing, so long as Tenant continues to

lease and actually occupy at least seventy-five (75%) percent of the total amount of space it leases in the Premises on the Term Commencement Date of the final Phase of the Initial Premises to be delivered to Tenant, Tenant shall be entitled to monument and pylon Signage in the Project (if there are any monument or pylon signs) approximately in proportion to Tenant's Pro Rata Share of the Project, either (a) consistent with Landlord's reasonable Signage program for the Project, if any, or (b) otherwise reasonably satisfactory to Landlord. All Signage must comply with Applicable Laws.

11.8 Tenant shall cause any office equipment or machinery to be installed in the Premises so as to reasonably prevent sounds or vibrations therefrom from extending into the Common Areas or other offices in the Buildings. Further, Tenant shall not place any equipment weighing greater than one hundred (100) pounds per square foot live load on the Premises, except to the extent that as a result of the Tenant Improvements the Premises can, in compliance with Applicable Laws, support a greater live load. All such equipment shall be placed in a location designed to carry the weight of such equipment.

11.9 Tenant shall not: (a) do or permit anything to be done in or about the Premises that shall in any way materially obstruct or materially interfere with the rights of other tenants or occupants of the Buildings or the Project, or injure or annoy them; (b) use or allow the Premises to be used for unlawful purposes; (c) cause, maintain or permit any annoyance or complaints by any other tenant or person in the Project or physical deterioration to, or about the Premises, the Buildings or the Project; or (d) take any other action that would in Landlord's reasonable determination in any manner adversely and materially affect other tenants' quiet use and enjoyment of their space or adversely and materially impact their ability to conduct business in a professional and suitable work environment.

11.10 Notwithstanding any other provision herein to the contrary, except as provided in this Section 11.10 , Tenant shall be responsible for all liabilities, costs and expenses arising out of or in connection with the compliance of the Premises with the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq. (together with regulations promulgated pursuant thereto, the " ADA "), and Tenant shall indemnify, defend and hold harmless Landlord from and against any loss, cost, liability or expense (including reasonable attorneys' fees and disbursements) arising out of any failure of the Premises to comply with the ADA. Tenant acknowledges that Tenant is familiar with the Initial Premises and Landlord has no further responsibility for ADA compliance in the Initial Premises except with regard to the Connector Building Work and the Project Site Work; all liabilities, costs and expenses arising out of or in connection with the compliance of the same with the ADA shall be Landlord's responsibility; and Landlord shall indemnify, defend and hold harmless Tenant from and against any loss, cost, liability or expense (including reasonable attorney's fees and disbursements) arising out of the same not complying with the ADA. Except as set forth in the immediately preceding sentence relating to the Connector Building Work and the Project Site Work, Tenant shall have sole responsibility for ADA compliance in the Initial Premises. Notwithstanding the foregoing, Landlord represents and warrants that upon Substantial Completion of the Landlord's Work (i) relating to the shell and core of the Connector Building and (ii) the entire Project Site Work, all such Landlord's Work referenced in the foregoing items (i) and (ii) shall conform with Applicable Laws, including the ADA. Nothing in this Section 11.10 shall limit Landlord's obligation to complete the Landlord's Work pursuant to

the provisions of Article 4 hereof. The provisions of this Section 11.10 shall survive the expiration or earlier termination of this Lease.

11.11 Tenant shall have the right to continuous access to the Premises twenty-four (24) hours per day, seven (7) days per week, 365/366 days per year, except during reasonable closures for repairs or maintenance, or as the result of casualty or other circumstances beyond Landlord's reasonable control.

11.12 Tenant shall have the nonexclusive right to use Building passenger elevator(s), if any, for access to the Premises, except during reasonable closures for breakdowns, repairs or maintenance. Landlord shall have no liability for any of the aforementioned closures. When the elevator is closed or broken, Tenant may use the stairways Landlord designates. Tenant shall schedule deliveries of building materials with Landlord. The foregoing sentence shall not apply to any Building so long as Tenant is in occupancy of the entire Building. Subject to Applicable Laws and Landlord's reasonable fire safety and security requirements, Tenant shall have the non-exclusive right to use common-area stairways in the Buildings allowing its employees to traverse between floors of the Premises. In the case of the 410 Building, the 420 Building, the Connector Building and any other Building which Tenant fully occupies, Tenant shall have the exclusive right to use the elevators and stairways, provided , however , Landlord and its agents may use and access them in Landlord's sole discretion.

11.13 Tenant may use the roof of the 410, 420 and Connector Buildings and its pro-rata share (in Landlord's determination) of the 430 Building and the 440 Building (based on the Rentable Area of space Tenant leases as Expansion Premises) solely to install Tenant's mechanical and heating, ventilation, and air conditioning equipment subject to Landlord's reasonable approval (the " Rooftop Equipment "). Tenant shall install Rooftop Equipment (or at Landlord's option, Landlord may install Rooftop Equipment), at Tenant's expense, so as not, in Landlord's reasonable judgment, to interfere with the operation of Landlord's Building equipment, systems, or services. Tenant's installation of Rooftop Equipment shall constitute Alterations for all purposes of this Lease. Any Rooftop Equipment shall be subject to Landlord's approval in its reasonable discretion. Landlord may require shielding and ballast for any Rooftop Equipment, or other measures as Landlord reasonably determines to mitigate vibration, noise, and other adverse impacts to other tenants.

12. Brokers .

12.1 Tenant and Landlord each represents and warrants to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease other than Studley, Inc. (" Broker "), and that it knows of no other real estate broker or agent that is or might be entitled to a commission in connection with this Lease. Landlord shall compensate Broker in relation to this Lease pursuant to a separate agreement between Landlord and Broker.

12.2 Tenant represents and warrants that no broker or agent has made any representation or warranty relied upon by Tenant in Tenant's decision to enter into this Lease, other than as contained in this Lease.

12.3 Tenant acknowledges and agrees that the employment of brokers by Landlord is for the purpose of solicitation of offers of leases from prospective tenants and that no authority is granted to any broker to furnish any representation (written or oral) or warranty from Landlord unless expressly contained within this Lease. Landlord is executing this Lease in reliance upon Tenant's representations, warranties and agreements contained within Sections 12.1, 12.2 and 12.3.

12.4 Tenant and Landlord agree to indemnify, defend and hold each other harmless from any and all costs or liabilities for compensation claimed by any other broker or agent, other than Broker, employed or engaged by it or claiming to have been employed or engaged by it.

13. Holding Over .

13.1 If Tenant holds possession of all or any part of any one or more of the Initial Premises, or Expansion Premises (each of those two, considered separately, a " Holdover Premises ") after the Term, Tenant shall become a tenant from month to month after the expiration or earlier termination of the Term (but only for the specific Holdover Premises in question), and in such case Tenant shall, for the Holdover Premises only, continue to pay (a) the Basic Annual Rent in accordance with Article 6 , as adjusted in accordance with Article 7 , and (b) Tenant's Pro Rata Share of Operating Expenses. Any such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein. If Tenant has vacated the entire Premises except some part of, for example, the Expansion Premises, then: (a) only the Expansion Premises shall constitute Holdover Premises; (b) all Premises except the Expansion Premises shall not constitute Holdover Premises; and (c) Landlord may exercise its rights under this paragraph only as to the entire Expansion Premises.

13.2 Notwithstanding the foregoing, if Tenant remains in possession of all or any part of any Holdover Premises longer than one hundred twenty (120) days after the expiration or earlier termination of the Term, Tenant shall become a tenant at sufferance of only the entire affected Holdover Premises subject to the terms and conditions of this Lease, except that the monthly rent beginning the first day after the expiration or earlier termination of the Term shall be retroactively recalculated to equal to one hundred fifty percent (150%) of the Rent in effect during the last thirty (30) days of the Term.

13.3 Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in an extension, renewal or reinstatement of this Lease.

13.4 The foregoing provisions of this Article 13 are in addition to and do not affect Landlord's right of reentry or any other rights of Landlord hereunder or as otherwise provided by Applicable Laws.

14. Taxes on Tenant's Property .

14.1 Tenant shall pay prior to delinquency any and all taxes levied against any personal property or trade fixtures placed by Tenant in or about the Premises.

14.2 If any such taxes on Tenant's Personal Property (as defined in Section 18.7) or trade fixtures are levied against Landlord or Landlord's property or, if the assessed valuation of

the Buildings or the Property is increased by inclusion therein of a value attributable to Tenant's Personal Property or trade fixtures, and if Landlord, after written notice to Tenant, pays the taxes based upon any such increase in the assessed value of the Buildings or the Project (or any component thereof), then Tenant shall, within ten (10) business days of demand, repay to Landlord the taxes so paid by Landlord.

15. Condition of Premises . Except as this Lease otherwise expressly provides, (a) Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the condition of the Premises, the Buildings or the Expansion Premises, or with respect to the suitability of the Premises, the Buildings or the Expansion Premises for the conduct of Tenant's business, and (b) Tenant's taking of possession of the Premises shall, except as otherwise agreed to in writing by Landlord and Tenant, conclusively establish that the Premises and the Buildings were at such time in good, sanitary and satisfactory condition and repair.

16. Common Areas and Parking Facilities .

16.1 Tenant shall have the non-exclusive right, in common with others, to use the Common Areas, subject to the rules and regulations adopted by Landlord and attached hereto as Exhibit O , together with such other reasonable and nondiscriminatory rules and regulations as are hereafter promulgated by Landlord in its sole and absolute discretion (the " Rules and Regulations "). Tenant shall faithfully observe and comply with the Rules and Regulations. Landlord shall not be responsible to Tenant for the violation or non-performance by any other tenant or any agent, employee or invitee thereof of any of the Rules and Regulations. Landlord will enforce the Rules and Regulations in a non-discriminatory manner.

16.2 As of the date Tenant first occupies the Premises in accordance with the provisions of this Lease, Tenant shall have an exclusive license to use the parking area in lots "A" and "C", and a non-exclusive, revocable license to use the other parking areas shown on Exhibit C-2 and more particularly described in Exhibit P attached hereto (the " Project Parking Chart "), in common on an unreserved basis with other tenants of the Building and the Project. As Tenant's Pro-Rata Share changes from time to time, Tenant shall have an exclusive license to use the parking area in lots "A" and "E", and a non-exclusive, revocable license to use the other parking areas shown on the Project Parking Chart for the Premises, such that (as reflected in the Project Parking Chart) the total number of parking spaces allocated to Tenant is not less than three (3) parking spaces per one thousand rentable square feet comprising the Premises, as provided in Section 2.3 (except that, in the case of any expansion into the second floor of the 440 Building, but not into the 430 Building, the ratio will drop to 2.92 per one thousand rentable square feet as reflected in the Project Parking Chart unless and until there is an expansion into the 430 Building). Tenant shall be permitted to place identifying Signage at the entrance to such parking lots as depicted on Exhibit C and Exhibit C-1 .

16.3 Tenant agrees not to unreasonably overburden the parking facilities and agrees to cooperate with Landlord and other tenants in the use of the parking facilities. Landlord reserves the right to determine that parking facilities are becoming overcrowded and to limit Tenant's use thereof. Upon such determination, Landlord may reasonably allocate parking spaces among Tenant and other tenants of the Buildings or the Project. Nothing in this Section, however, is

intended to create an affirmative duty on Landlord's part to monitor parking. Notwithstanding the foregoing, the amount of parking spaces available shall not be less than the amount required by applicable zoning laws.

16.4 Landlord reserves the right to (a) modify the Common Areas, including the right to add or remove exterior and interior landscaping and to subdivide real property, (b) relocate the parking facilities, and/or (c) add parking structures to the Project; provided , however, that, with respect to clauses (b) and (c), such relocated or additional parking structures and facilities shall not increase the average distance from any Building in which a portion of the Premises is located to the parking spaces allocated to such Building. The cost of such modifications by Landlord shall not be charged to Tenant as an Operating Expense so long as they are not part of Landlord's reasonable maintenance and repair of such Common Areas in the ordinary course of business. Tenant acknowledges that Landlord specifically reserves the right to allow the exclusive use of corridors and restroom facilities located on specific floors to one or more tenants occupying such floors; provided , however , that Tenant shall not be deprived of the use of the corridors reasonably required to serve the Premises or of restroom facilities serving the floor upon which the Premises are located.

17. Utilities and Services .

17.1 Subject to the other provisions of this Article 17 , Tenant shall pay Landlord as part of Operating Expenses for all water, gas, heat, light, power, electricity, telephone, internet service, cable television, other telecommunications, and other utilities supplied to the Premises, together with any fees, surcharges and taxes thereon (each a " Utility " collectively, the " Utilities "). If the amount of any such Utility service provided to Tenant at any Building of which Tenant leases less than all of the Rentable Area is not separately metered, then Tenant shall pay a reasonable proportion (to be determined by Landlord in good faith, in accordance with the provisions of Section 17.10) of all charges of such Utility jointly metered with other premises as part of Tenant's Operating Expenses unless Landlord, at its option and at its cost and expense (other than servicing, maintaining and monitoring such meter(s), which, as provided in Section 17.10 shall be at Tenant's cost and expense) elects to have a dedicated meter installed and bill Tenant for its actual usage of such Utilities.

Notwithstanding any provision of this Lease to the contrary, in no event shall Landlord be responsible for providing the services allocated to Tenant in Exhibit M (the " Excluded Services "). Tenant shall be solely responsible for such Excluded Services. Tenant hereby acknowledges and agrees that Landlord is obligated to provide only the services allocated to Landlord in Exhibit M (the " Landlord Provided Services "), and that Landlord, its agents and representatives, have made no representations whatsoever of any additional services or amenities to be provided by Landlord now or in the future under this Lease. Notwithstanding the foregoing, Tenant recognizes that Landlord may, at Landlord's sole option, elect to provide additional services or amenities for the tenants of the Project from time to time, and hereby agrees that Landlord's discontinuance of any provision of any such additional services or amenities shall not constitute a default of Landlord under this Lease nor entitle Tenant to any abatement of or reduction in Rent. Without limiting the foregoing, Landlord may elect not to provide any services other than the Landlord Provided Services, and may elect to terminate the

provision of any services it has been providing other than the Landlord Provided Services if a Default occurs hereunder.

17.2 If any Utilities provided by or through Landlord are interrupted for any reason, Landlord shall with reasonable diligence endeavor to restore the interrupted Utilities. Only if such interruption was caused by Landlord's gross negligence or intentionally wrongful acts (or those of someone acting at Landlord's direction), Landlord shall reimburse Tenant's actual, reasonable, and direct costs of obtaining replacement Utilities during Landlord's repairs, but not for any consequential or indirect losses (such as loss of data or product, or resulting from interference with any activities in the Premises). Landlord shall not otherwise be liable for, nor shall any eviction of Tenant result from, failure to furnish any utility or service, whether or not such failure is caused by: (i) industry-wide strikes; (ii) industry-wide labor troubles; (iii) governmental preemption in connection with a national emergency; (iv) industry-wide shortages or unavailability of labor, fuel, steam, water, electricity or materials by reason of the acts of a governmental body that affect the supply or availability of the same; (v) mechanical breakdown (other than as a result of such party's contractor's or subcontractors' acts or omissions or Landlord's gross negligence); (vi) acts of God; (vii) enemy action or action of terrorists; (viii) civil commotion; (ix) fire or other casualty; or (x) unusually abnormal weather (which events described in items (i) through (x) are hereafter individually or collectively referred to as " Force Majeure "). In the event of such failure resulting from Force Majeure, Tenant shall not be entitled to any abatement or reduction of Rent, and except as otherwise provided in Section 17.9 , Tenant shall not be relieved from the operation of any covenant or agreement of this Lease. Tenant shall be responsible for obtaining any and all back-up Utilities, generators, like equipment or services that it shall require in the event of a failure of Utilities.

17.3 Tenant shall pay for, prior to delinquency of payment therefor, any Utilities and services that may be furnished to the Premises during or, if Tenant occupies the Premises after the expiration or earlier termination of the Term, after the Term.

17.4 Tenant shall not, without Landlord's prior written consent, use any device in the Premises (including, without limitation, data processing machines) that will in any way exceed Tenant's Pro Rata Share of the applicable Building's capacity to provide such utilities or services.

17.5 Tenant has detailed and specific electrical needs and requirements for the Initial Premises. If the Initial Premises do not provide adequate electricity for Tenant's needs, then: (a) Landlord shall have no obligation to provide additional electricity service; but (b) Landlord shall assist Tenant as reasonably necessary to secure additional electrical service, at Tenant's sole cost and expense.

17.6 If Tenant shall require Utilities or services in excess of Tenant's proportionate share of the respective Building's capacity for any utility, then Tenant shall first procure Landlord's consent for the use thereof, which consent Landlord may condition upon the availability of such excess Utilities or services (after giving effect to other potential users of such Utilities in the applicable Building), and Tenant shall pay as Additional Rent an amount equal to the actual out-of-pocket cost of providing such excess utilities and services.

17.7 Utilities and services provided by Landlord to the Premises shall be paid by Tenant as part of Operating Expenses, except as this Lease expressly provides otherwise. Tenant shall have the right to contract directly with the Utility providers of its choosing, subject to Landlord's reasonable approval, except that electricity shall be submetered through Landlord as provided in Section 17.10 without mark-up by Landlord. Landlord shall provide Tenant with commercially reasonable assistance and cooperation to help Tenant meet its electrical needs, but Landlord makes no assurances regarding the availability of electricity from any Utility provider.

17.8 Landlord shall provide water in Common Areas for drinking and lavatory purposes only; provided , however , that if Landlord determines that Tenant requires, uses or consumes water for any purpose other than ordinary drinking and lavatory purposes, Landlord may install a water meter and thereby measure Tenant's water consumption for all purposes and bill Tenant for all such actual water consumption. Tenant shall pay Landlord for the costs of such meter and the installation thereof and, throughout the duration of Tenant's occupancy of the Premises, Tenant shall keep said meter and installation equipment in good working order and repair at Tenant's sole cost and expense. If Tenant fails to so maintain such meter and equipment, Landlord may repair or replace the same and shall collect the costs therefor from Tenant. Tenant agrees to pay for water consumed, as shown on said meter, as and when bills are rendered. If Tenant fails to timely make such payments, Landlord may pay such charges and collect the same from Tenant. Any such costs or expenses incurred, or payments made by Landlord for any of the reasons or purposes hereinabove stated, shall be deemed to be Additional Rent payment by Tenant and collectible by Landlord as such.

17.9 Upon two (2) business days' notice to Tenant, except in the case of an emergency (where no notice shall be required), Landlord reserves the right to stop service of the elevator, plumbing, ventilation, air conditioning and electric systems, when Landlord deems necessary, due to accident, emergency or the need to make repairs, alterations or improvements, until such repairs, alterations or improvements shall have been completed, and Landlord shall further have no responsibility or liability for failure to supply elevator facilities, plumbing, ventilation, air conditioning or electric service when prevented from doing so by Force Majeure or a failure by a third party to deliver gas, oil or another suitable fuel supply, or Landlord's inability by exercise of reasonable diligence to obtain gas, oil or another suitable fuel. Landlord will use commercially reasonable efforts to coordinate with Tenant any discretionary interruption of services for repairs, alterations or improvements that Landlord desires to make, but may not be strictly necessary. Without limiting the foregoing, except for any obligation to pay money, it is expressly understood and agreed that any covenants on Landlord's or Tenant's part to furnish any service pursuant to any of the terms, covenants, conditions, provisions or agreements of this Lease, or to perform any act or thing for the benefit of Tenant or Landlord, as the case may be, shall not be deemed breached if Landlord or Tenant, as the case may be, is unable to furnish or perform the same by virtue of Force Majeure. Landlord shall promptly notify Tenant of the occurrence of a Force Majeure event that would reasonably affect a service to Tenant hereunder.

17.10 Subject to the provisions of this Article 17 and Articles 10 and 49, Landlord shall furnish the electric energy that Tenant shall reasonably require in the Premises for the purposes permitted under this Lease. Electric energy shall be furnished through a meter or meters and related equipment measuring the amount of electric energy furnished to the Buildings in which the Premises are located. If Tenant occupies less than an entire Building and Tenant's Premises

in such Building are not separately metered, then Landlord, in good faith, shall allocate to Tenant a reasonable proportion of the cost of electricity provided to such Building. Such meter(s) and related equipment shall be installed, serviced, maintained, monitored, and (as appropriate from time to time), upgraded by Landlord, if Landlord deems necessary. Only the initial costs of the pu rchase and installation of upgraded equipment shall be at Landlord's cost and expense and not the costs associated with servicing, maintaining and monitoring such equipment, which shall be at Tenant's cost and expense. Notwithstanding the foregoing, Tenant shall pay the cost and expense of upgrading such equipment if Tenant's requirements for electric energy increase beyond those contemplated by this Lease and the Plans and Specifications. Tenant shall pay for such electric energy in accordance with Section 17.1 and Article 49 within ten (10) days after receipt of any bills related thereto. The amount Landlord charges Tenant for electric energy furnished to the Premises (" Basic Electric ") shall equal the amount of Landlord's cost of providing such Basic Electric, including, without limitation, those charges applicable to or computed on the basis of electric consumption, demand and hours of use, any sales or other taxes regularly passed on to or collected from similar consumers by such public utility company, fuel rate adjustments and surcharges, and weighted in each case to reflect differences in consumption or demand applicable to each rate level. Tenant and its authorized representatives may have access to such meter or meters (if any) on at least three (3) days' notice to Landlord, for the purposes of verifying Landlord's meter readings (if any). From, time to time during the Term of this lease, Landlord may, in its sole discretion, install or eliminate, or increase or reduce the number of, such meters or vary the portions of the Premises which they serve or replace any or all of such meters. Landlord shall diligently endeavor to minimize the amount of time, if any, that work or service on any meters interrupts or reduces the amount of electricity available to the Premises, and Landlord shall give Tenant reasonable prior notice of any scheduled interruption.

17.11 If pursuant to any Applicable Laws, the charges to Tenant pursuant to Section 17.10 shall be reduced below that to which Landlord is entitled under such Section, the deficiency shall be paid by Tenant within ten (10) days after being billed therefor, as additional rent for the use and maintenance of the electric distribution system of the Buildings.

17.12 Landlord shall not be liable in any event to Tenant for any failure or defect in the supply or character of electric energy furnished to the Premises by reason of any requirement, act or omission of the public utility serving the Buildings with electric energy or for any other reason not attributable solely to Landlord's willful misconduct or gross negligence.

17.13 Tenant, at its sole cost and expense, shall furnish and install all replacement lighting tubes, lamps, bulbs and ballasts required in the Premises, and Landlord shall not be responsible for any charges in connection therewith.

17.14 Tenant's use of electric energy in the Premises shall not at any time exceed the capacity of any of the electrical conductors and equipment in or otherwise serving the Premises. In order to insure that such capacity is not exceeded and to avert possible adverse effect upon the Buildings' distribution of electricity via the Buildings' electric system, Tenant shall not exceed its allotted electrical capacity, without Landlord's prior consent. Should Landlord grant such consent, all additional risers, distribution cables, or other equipment required therefor shall be provided: (i) by Landlord, and the cost thereof shall be paid by Tenant to Landlord within thirty (30) days of demand by Landlord, which demand shall include reasonable back-up

documentation detailing the estimated costs; or (ii) at Tenant's option, by Tenant pursuant to plans and contractors approved by Landlord, and otherwise in accordance with Article 18 of this Lease.

17.15 If required by any Applicable Laws and provided Tenant is able to obtain electrical service prior to the date of Landlord's discontinuance, Landlord, upon at least sixty (60) days' notice to Tenant, may discontinue Landlord's provision of electric energy hereunder. If Landlord discontinues provision of electric energy pursuant to this Section, Tenant shall not be released from any liability under this Lease, except that as of the date of such discontinuance, Tenant's obligation to pay Landlord Additional Charges under Section 17.9 for electric energy thereafter supplied to the Premises shall cease. As of such date, Landlord shall permit Tenant to receive electric energy directly from the public utility company supplying electric energy to the Project, and Tenant shall pay all costs and expenses of obtaining such direct electrical service. Such electric energy may be furnished to Tenant by means of the then existing Building system feeders, risers and wiring to the extent that the same are available, suitable and safe for such purpose. All meters and additional panel boards, feeders, risers, wiring and other conductors and equipment which may be required to obtain electric energy directly from such public utility company shall be furnished and installed by Landlord at Landlord's expense (which shall constitute an Operating Expense, amortized on a straight line basis over the useful life of the items in question, which shall not extend beyond the Term Expiration Date, in accordance with GAAP).

17.16 Notwithstanding anything to the contrary in this Article 17 , to the extent that the CAM Pools specifically provide for the allocation or payment of any Operating Expenses and are inconsistent with this Article 17 , such CAM Pools shall govern.

18. Alterations .

18.1 Subsequent to the completion of the Tenant Improvements (which shall be governed by the provisions of the Work Letter attached as Exhibit J and shall not be deemed Alterations for purposes of this Lease), Tenant shall make no additions, improvements or alterations in or to the Premises (" Alterations "), other than Minor Alterations, without Landlord's prior written approval, which approval Landlord shall not unreasonably withhold, condition or delay, except as the third and fourth sentences of this Section 18.1 state. Disputes relating to the reasonableness of Landlord withholding, conditioning or delaying its consent to Alterations shall be determined by arbitration under Section 50 of this Lease. The " Landlord's Building Systems and Structures " shall mean the following, except any within the Premises that Tenant installed: (a) any structural portions of the Buildings, including exterior walls, roof, foundation or core of the Buildings, (b) the exterior of the Buildings, and (c) any Building systems, including elevator, plumbing, air conditioning, heating, main electrical service equipment, security, life safety and power. If any proposed Alteration affects (to any degree that is more than de minimis) any Landlord's Building Systems and Structures, then Landlord may withhold consent to such proposed Alteration (to the extent it affects Landlord's Building Systems and Structures) in its sole and absolute discretion. Any Alteration costing less than Two Hundred Thousand Dollars ($200,000) (the " Alterations Threshold ") (for that particular Alteration or for any group of related Alterations) that do not affect Landlord's Building Systems and Structures (" Minor Alterations ") shall not require Landlord's prior written approval, but

Tenant shall give Landlord at least fourteen (14) days' prior written notice of such Minor Alterations. Landlord shall increase the Alterations Threshold, once every five (5) years, by multiplying the then current Alterations Threshold by the increase in the CPI (as defined below) since the Term Commencement Date for the first Phase to be delivered to Tenant and adding that amount to the then current Alterations Threshold to determine the new Alterations Threshold (a " CPI Adjustment " of the Alterations Threshold). Tenant shall, in making any Alterations, use only those architects, contractors, suppliers and mechanics of which Landlord has given prior written approval. In seeking Landlord's approval, Tenant shall provide Landlord, at least five (5) business days in advance of any proposed construction, with plans, specifications, bid proposals, work contracts, requests for lay down areas and such other information concerning the nature and cost of the Alterations as Landlord may reasonably request. To the extent Tenant must obtain Landlord's prior written approval to any Alterations under the Lease (an " Alterations Consent "), Landlord shall grant or deny such Alterations Consent within five (5) business days after it receives: (a) written notice of Tenant's request for such Alterations; and (b) all information reasonably necessary to permit Landlord to consider such request. If Landlord fails to grant or deny the requested Alterations Consent within five (5) business days after it receives Tenant's request (and all required additional information, if any), then Landlord shall be deemed to have granted its Alterations Consent. These deemed consent procedures for Alterations Consents shall have no application to any other consent by Landlord. In the event Tenant and Landlord shall disagree as to whether or not an Alteration or any group of related Alterations exceeds the Alterations Threshold, the dispute shall be resolved by the Neutral Architect pursuant to Subsection 4.2(d) , whose determination shall be final and binding upon the parties. As used herein, " CPI " means the West Urban Regional Consumer Price Index, for all urban consumers (CPI-U) for all items other than food and energy, not seasonably adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics (" BLS "); provided , however , that if said Consumer Price Index shall cease to exist or is changed, then the terms " CPI " or " Consumer Price Index " shall mean such successor index as is designated for such purpose by the BLS, and if not so designated then such other replacement index as is in the public domain and readily accessible to the general public as Landlord reasonably selects to measure change in purchasing power.

18.2 Tenant shall not construct or permit to be constructed partitions or other obstructions that might interfere with free access to Landlord's mechanical installation or Landlord's service facilities of the Buildings, or interfere with the moving of Landlord's equipment to or from the enclosures containing such installations or facilities.

18.3 Tenant shall use commercially reasonable efforts to accomplish any work performed on the Premises or the Buildings in such a manner as to permit any fire sprinkler system and fire water supply lines to remain fully operable at all times except at times of necessary cut-overs, but Tenant shall give Landlord prior advance written notice of the same.

18.4 Any work performed on or in the Premises (unless Tenant occupies all of the affected Building) by Tenant or Tenant's contractors shall be done at such times and in such manner as Landlord may from time to time reasonably designate. Tenant may perform work in any portion of the Premises if Tenant occupies all of the affected Building, at such time as Tenant elects from time to time in its sole discretion. Tenant covenants and agrees that all work done on the Premises by Tenant or Tenant's contractors shall be performed in full compliance

with Applicable Laws. Within sixty (60) days after final completion of any Alterations which need a building permit, Tenant shall provide Landlord with complete "as-built" drawing print sets and electronic CADD files (or files in such other current format in common use as Landlord reasonably approves or requires) on disc showing any changes in the Premises.

18.5 Before commencing any Major Work, Tenant shall give Landlord at least fourteen (14) days' prior written notice of the proposed commencement of such Major Work. For purposes of this Section, " Major Work " means any Alteration (or group of related Alterations) Tenant undertakes (except Tenant's original Tenant Improvements and any tenant improvements performed by Tenant in connection with its initial occupancy of any portion of the Expansion Premises) at an estimated cost (the " Estimated Cost ") exceeding Three Million Five Hundred Thousand Dollars ($3,500,000). Tenant shall not commence any Major Work unless: (a) Tenant is not in Default under this Lease beyond applicable notice and cure periods; (b) if the Estimated Cost is less than Ten Million Dollars ($10,000,000), then Tenant has capital resources enabling Tenant's continued operations, as stated in Tenant's most recent 10Q or 10K within "Management's Discussion and Analysis of Financial Condition and Results of Operations, Funding Requirements" for a minimum of eighteen (18) months past the date of such written notice; and (c) if the Estimated Cost is Ten Million Dollars ($10,000,000) or more (or if Tenant chooses not rely on clause "b" when entitled to do so), then Tenant has made arrangements reasonably satisfactory to Landlord to assure that Tenant will complete and pay for the Major Work (the " Completion Assurances "). Completion Assurances could, for example, consist of a letter of credit equal to the Estimated Cost; a cash deposit equal to the Estimated Cost; a bond covering Tenant's obligation to complete and pay for the Major Work (if such bond is then available); a guaranty of payment and completion from an entity satisfactory to Landlord in Landlord's reasonable discretion; or any other similar arrangement that Tenant proposes and Landlord approves. As Tenant completes and pays for Tenant's Major Work, the parties shall recalculate the Estimated Cost to reflect only the remaining estimated cost to complete. The amount of Completion Assurances shall be reduced accordingly.

18.6 All alterations, attached equipment, decorations, fixtures, trade fixtures, additions and improvements, subject to Section 18.7 , attached to or built into the Premises, made by either of the Parties, including, without limitation, all floor and wall coverings, built-in cabinet work and paneling, sinks and related plumbing fixtures, laboratory benches, exterior venting fume hoods and walk-in freezers and refrigerators, ductwork, conduits, electrical panels and circuits, shall (unless, prior to such construction or installation, Landlord elects otherwise) become the property of Landlord upon the expiration or earlier termination of the Term, and shall remain upon and be surrendered with the Premises as a part thereof.

18.7 Except for items of moveable personal property Tenant shall use in the Premises (" Tenant's Personal Property "), all business and trade fixtures, machinery and equipment, built-in furniture and cabinets installed in and upon the Premises shall be and remain the property of Landlord and shall not be moved by Tenant at any time during the Term. If Tenant shall fail to remove any of Tenant's Personal Property from the Premises prior to termination of this Lease, then Landlord may, at its option, remove the same in any manner that Landlord shall choose and store said effects without liability to Tenant for loss thereof or damage thereto, and Tenant shall pay Landlord, within thirty (30) days of demand, any costs and expenses incurred due to such removal and storage or Landlord may, at its sole option and without notice to Tenant, sell

Tenant's Personal Property or any portion thereof at private sale and without legal process for such price as Landlord may obtain and apply the proceeds of such sale against any (a) amounts due by Tenant to Landlord under this Lease and (b) any expenses incident to the removal, storage and sale of said personal property. Tenant shall repair any damage to the Premises caused by Tenant's removal of any of Tenant's Personal Property or Alterations from the Premises. After the first thirty (30) days after the date upon which Tenant receives notice from Landlord of such damage, Tenant shall pay Rent to Landlord as provided herein as if said space were otherwise occupied by Tenant.

18.8 Notwithstanding any other provision of this Article 18 to the contrary, in no event shall Tenant remove, replace (unless such replacement is commercially reasonable under the circumstances and made in compliance with this Lease), or make any substitutions for, any improvement from the Premises constituting Tenant Improvements made pursuant to the Work Letter, without Landlord's prior written consent, which consent Landlord may withhold in its reasonable discretion. The parties acknowledge that Tenant may remove Tenant's Personal Property from the Premises.

18.9 Tenant shall pay to Landlord, for Landlord's role in reviewing and approving any Alterations (or group of related Alterations) that Tenant undertakes at one time that cost more than Five Hundred Thousand Dollars ($500,000), an amount equal to the reasonable and actual third party out of pocket costs incurred by Landlord and payable to such third parties for undertaking such review and approval, and, in addition, if Tenant requires Landlord to provide Material Landlord Assistance (as defined in and subject to the conditions specified in Section 10.2(c) (except that references to Expansion Premises Tenant Improvements shall be deemed references to Alterations)) with respect to any such Alterations, then Tenant shall pay Landlord a fee in an amount equal to five percent (5%) of the Hard Costs portion of such Alterations. (The aforesaid payments to Landlord are hereafter collectively or individually referred to as the " Alterations Management Fee "). If Tenant and Landlord disagree on whether any Alterations require payment of an Alterations Management Fee, the matter shall be resolved by the Neutral Architect in accordance with Section 4.2 (h) .

18.10 Within sixty (60) days after final completion of any Alterations, Tenant shall submit to Landlord documentation showing the amounts expended by Tenant (other than the TI Allowance) with respect to such Alterations, together with supporting documentation reasonably acceptable to Landlord.

18.11 Except as otherwise set forth in this Lease, and subject to Landlord reserving the right to do so in its Alterations Consent as provided in the immediately succeeding sentence, by written notice to Tenant either before expiration of the Term or within a reasonable time after any earlier termination of this Lease, Landlord may require Tenant, at Tenant's sole expense, to remove any Alterations and restore the applicable portion of the Premises to their configuration and condition before such Alterations were made, but only if such Alterations, in Landlord's good faith determination, (a) are unusual or not customary for projects of similar nature and size to the Project, or (b) materially and adversely affect Landlord's ability to lease the Premises to a new tenant, and provided that Landlord may not in any event require Tenant to remove any Alterations after the expiration or termination of the Term unless Landlord provides commercially reasonable access to Tenant and its contractors for purposes of such removal. If

Landlord determines that either of the conditions set forth in the preceding clauses (a) or (b) exist, it shall reserve the rights set forth in this paragraph at the time it issues its Alterations Consent with respect to such Alteration. Failure of Landlord to reserve such right shall be deemed a waiver of Landlord's rights in this paragraph 18.11 with respect to such Alteration. If (i) Tenant fails to complete such required restoration before expiration of the Term, (ii) in the case of earlier termination, (x) Tenant fails to complete such required restoration within forty-five (45) days after the date of such earlier termination, or (y) Landlord chooses not to allow Tenant to have access to the premises after termination of the Term to complete such required restoration, then in any of such events Landlord may complete the restoration and charge the actual, commercially reasonable cost of the restoration (without markup) to Tenant.

19. Repairs and Maintenance .

19.1 Landlord shall repair and maintain in good condition and repair the Buildings and the Common Areas, including, without limitation, grounds, roofing and covering materials, foundations, exterior walls, plumbing, fire sprinkler systems (if any), heating, ventilating, air conditioning, elevators, and electrical systems. Notwithstanding anything to the contrary in this Lease, Landlord shall have no responsibility to maintain or repair any vivarium(s) or data center(s). Tenant shall have sole responsibility to maintain and repair any vivarium(s) and data center(s). Landlord shall maintain the Common Areas in accordance with its property maintenance protocols as established from time to time in accordance with Landlord's reasonable determinations of appropriate property maintenance protocols. Upon Tenant's request, Landlord shall explain such protocols and consider Tenant's comments. Any actual out-of-pocket costs related to the repair or maintenance activities specified in this Section 19.1 shall be included as a part of Operating Expenses subject to the CAM Pools, except Tenant shall pay for such repairs and maintenance to the extent that such repairs and maintenance are: (i) required in whole or in part because of any negligent act, neglect, fault or omissions of Tenant (where there is a duty to act), its agents, servants, employees or invitees, in which case Tenant shall pay to Landlord the cost of such repairs and maintenance; and (ii) not paid out of insurance proceeds. Landlord shall perform all work and have its contractors perform all work in accordance with Applicable Laws.

19.2 Except for services of Landlord, if any, required by Section 19.1 and elsewhere in this Lease, Tenant shall at Tenant's sole cost and expense maintain and keep the Premises and every part thereof in good condition and repair, damage thereto from ordinary wear and tear, insured casualty and permitted alterations excepted. Tenant shall, upon the expiration or sooner termination of the Term, surrender the Premises to Landlord in as good of a condition as when received, ordinary wear and tear and insured casualty excepted. Landlord shall have no obligation to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof, other than pursuant to the terms and provisions of the Work Letter and this Lease.

19.3 Landlord shall not be liable for any failure to make any repairs or to perform any maintenance that is an obligation of Landlord unless such failure shall persist for an unreasonable time after Tenant provides Landlord with written notice of the need of such repairs or maintenance. Subject to the terms of this Lease, Tenant waives its rights under Applicable Laws now or hereafter in effect to make repairs at Landlord's expense. Notwithstanding the foregoing, if Landlord fails to commence to make any necessary repair in any Building of which

Tenant is the sole tenant (other than completion of any Punchlist Item or repair of any Defect in Landlord's Work, which is governed by Section 4.5), that is Landlord's obligation under this Lease within fifteen (15) days after Tenant has reported to Landlord the need for such repair, or fails to diligently proceed to complete such repair, and does not commence to remedy such failure within five (5) business days after further written notice from Tenant, referring to this paragraph and Tenant's right to perform Self-Help Work, then Tenant may make such repairs as Self-Help Work, and the parties shall then have the same rights and obligations (subject to the same restrictions, except Tenant's obligation to give prior notices or allow the passage of any cure periods) as set forth in Article 4 for Self-Help Work. In the event of an emergency on the Premises, Tenant may perform Self-Help Work within any Building of which Tenant is the sole tenant if in its reasonable determination such Self-Help Work is necessary. The reasonable cost and expense of such emergency Self-Help Work will be reimbursable by Landlord within thirty (30) business days of its receipt of an invoice from Tenant as long as Tenant did not cause the emergency. In the event Tenant and Landlord shall disagree as to the party responsible for the emergency they shall resolve the dispute through arbitration under Article 50 .

19.4 Repairs under this Article 19 that are obligations of Landlord, including amounts paid by Landlord pursuant to Section 19.3 , are subject to allocation among Tenant and other tenants as Operating Expenses to the extent they are included in the definition thereof, except as otherwise provided in this Article 19 .

19.5 This Article 19 relates to repairs and maintenance arising in the ordinary course of operation of the Buildings and the Project and any related facilities. In the event of fire, earthquake, flood, vandalism, war, terrorism, natural disaster or similar cause of damage or destruction, Article 23 shall apply in lieu of this Article 19 .

20. Liens .

20.1 Subject to the immediately succeeding sentence, Tenant shall keep the Premises, the Buildings and the Project free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant. Tenant further covenants and agrees that any mechanic's lien filed against the Premises, the Buildings or the Project (or portion thereof) for work claimed to have been done for, or materials claimed to have been furnished to, shall be discharged or bonded by Tenant within the earlier of: (a) forty-five (45) days; and (b) five (5) days less than any shorter period of time provided for in Landlord's loan documents (but in the case of "b" no less than fifteen (15) days), after the filing thereof, at Tenant's sole cost and expense.

20.2 Should Tenant fail to discharge or bond against any lien of the nature described in Section 20.1 , Landlord may, at Landlord's election, pay such claim or post a bond or otherwise provide security to eliminate the lien as a claim against title, and Tenant shall immediately reimburse Landlord for the costs thereof as Additional Rent.

20.3 In the event that Tenant leases or finances the acquisition of office equipment, furnishings or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code financing statement executed by Tenant shall, upon its face or by exhibit thereto, indicate that such financing

statement is applicable only to removable personal property of Tenant located within the Premises. In no event shall the address of the Buildings be furnished on a financing statement without qualifying language as to applicability of the lien only to removable personal property located in an identified suite leased by Tenant. Should any holder of a financing statement executed by Tenant record or place of record a financing statement that appears to constitute a lien against any interest of Landlord or against equipment that may be located other than within an identified suite leased by Tenant, Tenant shall, within ten (10) days after filing such financing statement, cause (a) a copy of the lender security agreement or other documents to which the financing statement pertains to be furnished to Landlord to facilitate Landlord's ability to demonstrate that the lien of such financing statement is not applicable to Landlord's interest and (b) Tenant's lender to amend such financing statement and any other documents of record to clarify that any liens imposed thereby are not applicable to any interest of Landlord in the Premises, the Buildings or the Project. Landlord shall, upon request, deliver a consent, lien waiver or subordination in favor of Tenant's third party lender(s) upon Tenant's request, provided that the document: (1) is reasonably satisfactory to Landlord; (2) relates only to specific Tenant's Personal Property; and (3) relates to financing or leasing that complies with this paragraph.

21. Indemnification and E xculpation .

21.1 Subject to Sections 21.7 and 22.7 , to the extent permitted by applicable law, Tenant agrees to indemnify, defend and save Landlord harmless from and against any and all demands, claims, liabilities, actions, and causes of action (collectively, " Claims "), and all losses, costs, damages or judgments, and all reasonable expenses in connection with such Claims (including, without limitation, reasonable attorneys' fees, charges and disbursements) incurred in investigating or resisting any Claim, arising from (a) injury or death to any person or injury to any property occurring within or about the Premises, the Buildings or the Project arising out of Tenant's or Tenant's employees', agents' or guests' use or occupancy of the Premises, (b) Landlord's limited access to the designated high security area pursuant to Section 11.5 , (c) the performance of Tenant Improvements or of any portion of Landlord's Work if Tenant exercises any right that it may have to perform such Landlord's Work, (d) a breach or default by Tenant in the performance of any of its obligations hereunder, or (e) events which were caused as a result of Tenant's use of Non-Union labor for the performance of the Tenant Improvements, in each case ((a) – (e)) unless and to the extent caused by Landlord's (or Landlord's agents, employees, or guests') willful misconduct or gross negligence. This indemnity shall apply only after exhaustion of any insurance proceeds available to Landlord or the injured party on account of the damage or injury within the scope of Tenant's indemnity.

21.2 Landlord shall not be liable to Tenant for, and Tenant assumes all risk of, damage to personal property or scientific research, including, without limitation, loss of records kept by Tenant within the Premises and damage or losses caused by fire, electrical malfunction, gas explosion or water damage of any type (including, without limitation, broken water lines, malfunctioning fire sprinkler systems, roof leaks or stoppages of lines), unless any such loss is due to Landlord's (or Landlord's agents, employees' or guests') gross negligence, willful misconduct, or willful disregard of written notice by Tenant of need for a repair that Landlord is responsible to make for an unreasonable period of time. Tenant further waives any claim for injury to Tenant's business or loss of income relating to any such damage or destruction of

personal property as described in this Section 21.2 , subject to the exceptions described in this Section 21.2 .

21.3 Landlord shall not be liable for any damages arising from any act, omission or neglect of any other tenant in the Buildings or the Project, or of any other third party.

21.4 Tenant acknowledges that security devices and services, if any, while intended to deter crime, may not in given instances prevent theft or other criminal acts. Landlord shall not be liable for injuries or losses caused by criminal acts of third parties, and Tenant assumes the risk that any security device or service may malfunction or otherwise be circumvented by a criminal. If Tenant desires protection against such criminal acts, then Tenant shall, at Tenant's sole cost and expense, obtain appropriate insurance coverage.

21.5 Subject to Sections 21.2, 21.7 and 22.7 , Landlord agrees to indemnify, defend and save Tenant harmless from and against any and all Claims arising from injury or death to any person or injury to any property occurring within or about the Premises, the Buildings or the Project to the extent arising directly or indirectly out of (a) Landlord's or Landlord's employees', agents' or guests' willful misconduct or gross negligence; or (b) a breach or default by Landlord in the performance of any of its obligations hereunder. This indemnity shall apply only after exhaustion of any insurance proceeds available to Tenant or the injured party on account of the damage or injury within the scope of Landlord's indemnity.

21.6 Notwithstanding anything to the contrary in this Lease, neither party shall have any liability for punitive or indirect damages.

21.7 The party seeking indemnification under this Lease (" Indemnified Party ") agrees to notify the other party (" Indemnifying Party ") immediately after the Indemnified Party becomes aware of any claim, suit or other potential liability for which it may seek indemnification (" Liability ") and to cooperate fully with and upon request by Indemnifying Party to authorize Indemnifying Party to conduct and control the management of defense of the Liability, including the selection of counsel. Indemnified Party further agrees that it and its employees and agents shall cooperate with the Indemnifying Party and shall not compromise or settle any such loss or claim, or incur any expense, including, without limitation, any expenses related to outside legal counsel (except at its own expense) without the prior written approval of the Indemnifying Party.

21.8 The provisions of this Article 21 shall survive the expiration or earlier termination of this Lease.

21.9 Landlord waives any claim for injury to Landlord's business or loss of income relating to any damage or destruction of Landlord's personal property from the causes described in Section 21.2 , except to the extent caused by Tenant's gross negligence or willful misconduct or those of Tenant's agents, employees, or guests. Nothing in this paragraph limits Landlord's remedies against Tenant for failure to deliver the Premises back to Landlord upon Lease expiration or termination as this Lease requires.

22. Insurance; Waiver of Subrogation .

22.1 Landlord shall maintain: (a) beginning on the Effective Date through the Term Commencement Date for each Phase, builder's risk insurance for such Phase, as applicable (provided that Landlord may cause such builder's risk insurance to be maintained by its general contractor); and (b) after the Term Commencement Date for such Phase, property insurance for such Phase, and (c) beginning on the Effective Date property insurance for other portions of the Project benefiting the Premises and not insured by Tenant or other tenants. Such property insurance shall cover (subject to deductibles) one hundred percent (100%) of replacement cost, exclusive of the costs of excavation, foundations and footings and without reference to depreciation taken by Landlord upon its books or tax returns. Such insurance coverage shall provide protection against any peril generally included within the classification "Fire and Extended Coverage," together with insurance against sprinkler damage (if applicable), vandalism and malicious mischief. Landlord, subject to availability thereof, shall further insure, if Landlord deems it appropriate, coverage against flood, environmental hazard, earthquake, loss or failure of building equipment, rental loss during the period of repairs or rebuilding, workmen's compensation insurance and fidelity bonds for employees employed to perform services.

Tenant shall maintain: (y) during the construction of any Tenant Improvements or Alterations, builder's risk insurance for the Tenant Improvements or Alterations, as case may be, as more particularly described below, and (z) on and after the Substantial Completion of any Tenant Improvements for any Phase of the Premises, property insurance on (i) the Tenant Improvements in such Phase of the Premises or any other improvements now or in the future installed by Tenant in such Phase of the Premises and (ii) Tenant's Personal Property within the Premises in amounts equal to one hundred percent (100%) of replacement cost without reference to depreciation taken by Tenant upon its books or tax returns, which Tenant's casualty insurance coverage shall provide protection for and cover any peril generally included within the "broad form extended coverage endorsement", together with insurance against sprinkler damage (if applicable), vandalism and malicious mischief. Any costs incurred by Landlord pursuant to this Section 22.1 shall constitute a portion of Operating Expenses (to be allocated in accordance with the CAM Pools), provided such costs cover insurance that is: (A) commercially reasonable; (B) required by any lender to Landlord; or (C) consistent with Landlord's national portfolio insurance program, as equitably allocated and pro-rated to the Project among all the tenants (including Tenant) occupying the Project. Any costs incurred by Tenant pursuant to this Section 22.1 shall be paid for by Tenant. At all times during the period beginning with commencement of construction of the Tenant Improvements (or any Alterations) and ending with final completion of the same, Tenant shall maintain, or cause to be maintained, casualty insurance in Builder's All-Risk Form, insuring Landlord and Tenant's contractors, as their interests may appear. Such policy shall, on a completed values basis for the full insurable value at all times, insure against loss or damage by fire, vandalism and malicious mischief and other such risks as are customarily covered by the so-called "broad form extended coverage endorsement" upon all the Tenant Improvements (or Alterations) and the contractor's and any subcontractors' machinery, tools and equipment, all while each forms a part of, or is contained in, the Tenant Improvements (or Alterations) or any temporary structures on the Premises, or is adjacent thereto.

22.2 In addition, Landlord shall carry public liability insurance with a minimum single limit of not less than Ten Million Dollars ($10,000,000) for death or bodily injury, or property damage with respect to the Project. Any costs incurred by Landlord pursuant to this Section 22.1 shall constitute a portion of Operating Expenses and shall be equitably allocated and pro-rated among all the tenants (including Tenant) occupying the Project in accordance with the CAM Pools.

22.3 Tenant shall, at its own cost and expense, procure and maintain in effect, beginning on the Term Commencement Date for any Phase, or such earlier date on which Tenant enters the Premises under Section 5.8 or any other provision hereof, and continuing throughout the Term (and occupancy by Tenant, if any, after termination of this Lease) comprehensive public liability insurance with limits of not less than Ten Million Dollars ($10,000,000) per occurrence for death or bodily injury and not less than Two Million Dollars ($2,000,000) for property damage with respect to the Premises (including $1,000,000 fire legal liability (each loss)). The insurance required to be maintained by Tenant pursuant to this Lease shall name Landlord, BioMed Realty, L.P., BioMed Realty Trust, Inc., and their respective lenders, officers, employees, agents, general partners and members (" Landlord Parties ") as additional insured parties.

22.4 All insurance carried by Tenant shall be with companies having a rating of not less than policyholder rating of A- and financial category rating of at least Class VIII in "Best's Insurance Guide." Tenant shall obtain for Landlord from the insurance companies or cause the insurance companies to furnish certificates of coverage to Landlord. No such policy shall be cancelable except after thirty (30) days' prior written notice to Landlord from the insurer (except in the event of non-payment of premium, in which case ten (10) days written notice shall be given). All such policies shall be written as primary policies, not contributing with and not in excess of the coverage that Landlord may carry. Tenant's policy may be a "blanket policy" that specifically provides an amount of insurance that shall be sufficient to provide the coverage set forth in this Article 22 . Tenant shall, at least twenty (20) days prior to the expiration of such policies, furnish Landlord with renewals or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and at its cost to be paid by Tenant as Additional Rent.

22.5 Tenant assumes the risk of damage to all of the Tenant's Improvements in the Premises, and all of Tenant's Personal Property. Furthermore, Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom, relative to such damage, all as more particularly set forth within this Lease.

22.6 In each instance where insurance is to name Landlord Parties as additional insureds, Tenant shall, upon Landlord's written request, also designate and furnish certificates evidencing such Landlord Parties as additional insureds to (a) any Lender of Landlord holding a security interest in the Buildings or the Project (or any portion thereof), (b) the Landlord under any lease whereunder Landlord is a tenant of the real property upon which the Buildings is located if the interest of Landlord is or shall become that of a tenant under a ground lease rather than that of a fee owner, and (c) any management company retained by Landlord to manage the Project (or any portion thereof).

22.7 Landlord and Tenant (and in the case of Tenant, any subtenant) hereby waive any and all rights of recovery against the other or against the officers, directors, employees, agents and representatives of the other on account of loss or damage occasioned by such waiving party or its property or the property of others under such waiving party's control, in each case to the extent that such loss or damage is insured against under any fire and extended coverage insurance policy that either Landlord or Tenant may have in force at the time of such loss or damage with respect to the Project or any portion thereof. Such waivers shall continue so long as their respective insurers so permit. Any termination of such a waiver shall be by written notice to the other party, containing a description of the circumstances hereinafter set forth in this Section 22.7 . Landlord and Tenant, upon obtaining the policies of insurance required or permitted under this Lease, shall give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease. If such policies shall not be obtainable with such waiver or shall be so obtainable only at a premium over that chargeable without such waiver, then the party seeking such policy shall notify the other of such conditions, and the party so notified shall have ten (10) days thereafter to either (a) procure such insurance with companies reasonably satisfactory to the other party or (b) agree to pay such additional premium (in Tenant's case, in the proportion that the area of the Premises bears to the insured area). If the parties do not accomplish either (a) or (b), then this Section 22.7 shall have no effect during such time as such policies shall not be obtainable or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium. If such policies shall at any time be unobtainable, but shall be subsequently obtainable, then neither party shall be subsequently liable for a failure to obtain such insurance until a reasonable time after notification thereof by the other party. If the release of either Landlord or Tenant, as set forth in the first sentence of this Section 22.7 , shall contravene Applicable Laws, then the liability of the party in question shall be deemed not released but shall be secondary to the other party's insurer.

22.8 Landlord may require insurance policy limits required of Tenant under this Lease to be raised to conform with requirements of Landlord's Lender or to bring coverage limits to commercially reasonable levels.

22.9 Tenant shall, at its own cost and expense, procure and maintain in effect, beginning on the Term Commencement Date for any Phase, or such earlier date on which Tenant enters the Premises under Section 5.8 , and continuing throughout the Term (and occupancy by Tenant, if any, after termination of this Lease) pollution and environmental liability insurance (covering the environmental risks of Tenant's business) with limits of not less than Three Million Dollars ($3,000,000) per occurrence and not less than Five Million Dollars ($5,000,000) in aggregate, with respect to environmental contamination and pollution of the Premises caused by Tenant. Tenant shall name all Landlord Parties as additional insured parties under Tenant's environmental insurance policy. Tenant shall give Landlord certificates of the foregoing reasonably satisfactory to Landlord.

23. Damage or Destruction .

23.1 In the event of a partial destruction by fire or other perils covered by extended coverage insurance of any Building which Tenant occupies not exceeding thirty-five percent (35%) of the full insurable value thereof, and provided that the damage thereto is such that the affected Building which Tenant occupies may be repaired, reconstructed or restored within a

period of eight (8) months from the date of the happening of such casualty, Landlord shall commence and proceed diligently with the work of repair, reconstruction and restoration of the affected Building, and this Lease shall continue in full force and effect.

23.2 In the event of any damage to or destruction of any Building and/or the Project other than as described in Section 23.1 , Landlord may elect to repair, reconstruct and restore those buildings or the Project, as applicable, in which case this Lease shall continue in full force and effect and Landlord shall provide Tenant with a letter from an independent engineer, contractor or architect indicating the estimated time for the substantial completion of such repair, reconstruction or restoration (such time, " Landlord's Repair Estimate "). If the Landlord's Repair Estimate is later than twenty-four (24) months after the date of damage or destruction, then Tenant may elect to terminate this Lease by delivery of written notice of such election to Landlord within ten (10) business days after receiving Landlord's Repair Estimate. If Tenant fails to deliver such notice within such ten (10) business day period, then Landlord shall proceed with such repair, restoration or reconstruction. If Landlord elects not to repair, then this Lease shall terminate (for the affected Building only) as of the date of such damage or destruction. If Landlord terminates this Lease for the 410 Building or the 420 Building, then Tenant may terminate this Lease for all of the Premises, provided that after Landlord's termination the remaining Rentable Area of Tenant's occupancy in the Premises not affected by the damage or destruction is less than fifty percent (50%) of the Rentable Area of the Initial Premises on the Term Commencement Date for the last Phase of the Initial Premises. To the extent that this Lease terminates in whole or in part, Rent shall be reduced accordingly.

23.3 Landlord shall give written notice to Tenant of its election to exercise its right not to repair, reconstruct or restore any of the Buildings within sixty (60) days following the date of damage or destruction referred to in Section 23.2 , and Tenant shall give Landlord written notice of its election to exercise its termination option reserved to Tenant with respect to the remaining Premises not damaged or destroyed under said Section 23.2 within thirty (30) days after receipt of Landlord's termination notice.

23.4 Upon any partial or total termination of this Lease under the provisions of this Article 23 , the parties shall be released for all or the portion of the Premises and this Lease affected thereby without further obligation to the other from the date possession of all or the portion of the Premises is surrendered to the Landlord, except with regard to (a) items occurring prior to the damage or destruction and (b) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof.

23.5 In the event of repair, reconstruction and restoration as provided in this Article 23 , all Rent to be paid by Tenant under this Lease shall be abated proportionately based on the extent to which Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration, unless Landlord provides Tenant with other space during the period of repair that, in Tenant's reasonable opinion, is suitable for the temporary conduct of Tenant's business.

23.6 Notwithstanding anything to the contrary contained in this Article 23 , should Landlord be delayed or prevented from completing the repair, reconstruction or restoration of the damage or destruction by Force Majeure, then the time for Landlord to commence or complete

repairs shall be extended on a day-for-day basis. Tenant shall be released from any obligations under this Lease (except with regard to those provisions that, by their express terms, survive the expiration or earlier termination hereof) if, on the date that is twenty-four (24) months after the date of damage or destruction, the repair, reconstruction or restoration required to be performed by Landlord (if any) to provide Tenant use of the Premises is not then Substantially Completed.

23.7 If Landlord is obligated to or elects to repair, reconstruct or restore as herein provided, then Landlord shall be obligated to make such repair, reconstruction or restoration only with regard to those portions of the Premises, the Buildings or the Project that were acquired or constructed by Landlord and the repair, reconstruction or restoration of improvements constructed by Tenant shall remain the obligation of Tenant.

23.8 Notwithstanding anything to the contrary contained in this Article 23 , Landlord shall not have any obligation whatsoever to repair, reconstruct or restore its portions of the Premises if the damage resulting from any casualty covered under this Article 23 occurs during the last twenty-four (24) months of the Term or any extensions thereof.

23.9 If, at the time of any damage or destruction affecting any Premises, this Lease has already terminated as it applies to the affected Premises, then neither Landlord nor Tenant shall have any rights or obligations regarding such affected Premises, except for those provisions and indemnities that survive termination of the Lease.

24. Emin en t Domain .

24.1 In the event the whole of the Premises, or such part thereof as shall substantially interfere with the Tenant's use and occupancy thereof, shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, Tenant or Landlord may terminate this Lease effective as of the date possession is required to be surrendered to said authority.

24.2 In the event of a partial taking of the Premises, or of drives, walkways or parking areas serving the Premises, for any public or quasi-public purpose by any lawful power or authority by exercise of right of appropriation, condemnation, or eminent domain, or sold to prevent such taking, then, without regard to whether any portion of the Premises occupied by Tenant was so taken, either Tenant or Landlord may elect to terminate this Lease as of such taking if such taking is, in Landlord's reasonable opinion, of a material nature such as to make it uneconomical to continue use of the unappropriated portion of the Premises for purposes of renting office or laboratory space.

24.3 Tenant shall be entitled to any award that is specifically awarded as compensation for (a) the taking of Tenant's Personal Property that was installed at Tenant's expense; (b) the costs of Tenant moving to a new location; and (c) the taking of Tenant's permitted alterations performed at Tenant's expense other than the Tenant Improvements (based on Tenant's unamortized cost, in the case of clause "c"). Except as set forth in the previous sentence, any award for such taking shall be the property of Landlord. To the extent that Tenant intends to

make any claim for a taking, Landlord and Tenant shall cooperate to assert their claims jointly and share any proceeds in proportion to their full entitlement.

24.4 If, upon any taking of the nature described in this Article 24 , this Lease continues in effect, then Landlord shall promptly proceed to restore the Premises, the 410 Building, the 420 Building, the 430 Building, the 440 Building, the Connector Building and/or the Project (but not any other Building in the Project), as applicable (to the extent not taken), to substantially their same condition prior to such partial taking and within ninety (90) days of such taking Landlord shall provide Tenant with an independent engineer's letter stating the estimated time for such restoration. To the extent such restoration is feasible, as determined by Landlord in its reasonable discretion, upon completion of such restoration the Rent shall be adjusted to equal the Rent as it exists immediately after the restoration for the partial taking times a fraction. That fraction shall equal the Rentable Area of the Premises after such partial taking and restoration divided by the Rentable Area of the Premises before such partial taking and restoration.

24.5 Subject to Landlord's obligations in this Section 24 , in the event of any whole or partial taking of any portion of the Expansion Premises, then such Expansion Premises shall cease to be "Expansion Premises " under this Lease and any Expansion Options with respect to such portion of the taken Expansion Premises shall no longer be available to Tenant; provided , however , that any remaining Expansion Premises shall still constitute "Expansion Premises" hereunder.

25. Defaults and Remedies .

25.1 Late payment by Tenant to Landlord of Rent and other sums due shall cause Landlord to incur costs not contemplated by this Lease, the exact amount of which shall be extremely difficult and impracticable to ascertain. Such costs include, but are not limited to, processing and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within five (5) business days after the date such payment is due, Tenant shall pay to Landlord an additional sum of three percent (3%) of the overdue Rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord shall incur by reason of late payment by Tenant. In addition to the late charge, Rent not paid when due shall bear interest from the fifth (5 th) day after the date due until paid at the lesser of (a) three percent (3%) per annum plus the Prime Rate or (b) the maximum rate permitted by Applicable Laws. Notwithstanding the foregoing, Tenant need not pay a late charge or interest if: (a) within the preceding twelve (12) months Tenant has not been obligated to make a late payment; and (b) Tenant pays the installment of Rent at issue within fifteen (15) days of the due date.

25.2 No payment by Tenant or receipt by Landlord of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease or in equity or at law. If a dispute shall arise as to any amount or sum of money to be paid by Tenant to Landlord hereunder, Tenant shall have the right to make

payment "under protest," such payment shall not be regarded as a voluntary payment, and there shall survive the right on the part of Tenant to institute suit for recovery of the payment paid under protest.

25.3 If Tenant fails to pay any sum of money (other than Basic Annual Rent) required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, Landlord may, without waiving or releasing Tenant from any obligations of Tenant, but shall not be obligated to, make such payment or perform such act; provided that such failure by Tenant continues for three (3) business days after Landlord delivers notice to Tenant demanding performance by Tenant; or that such failure by Tenant unreasonably interfered with the use of the Buildings by any other tenant or with the efficient operation of the Buildings, or resulted or could have resulted in a violation of Applicable Laws or the cancellation of an insurance policy maintained by Landlord. Tenant shall pay to Landlord as Additional Rent all sums so paid or incurred by Landlord, together with interest thereon, from the date such sums were paid or incurred, at the annual rate equal to three percent (3%) per annum plus the "prime rate" or highest rate permitted by Applicable Laws, whichever is less.

25.4 The occurrence of any one or more of the following events shall constitute a " Default " hereunder by Tenant:

(a) The abandonment of the Premises by Tenant and the failure of Tenant to secure and maintain the Premises and perform all of its other obligations hereunder;

(b) The failure by Tenant to make any payment of Rent, as and when due, where such failure shall continue for a period of five (5) business days after written notice thereof from Landlord to Tenant;

(c) The failure by Tenant to observe or perform any material obligation or covenant contained herein (other than described in Subsections 25.4(a) and 25.4(b)) to be performed by Tenant, where such failure shall continue for a period of fifteen (15) days after written notice thereof from Landlord to Tenant; provided that, if the nature of Tenant's default is such that it reasonably requires more than fifteen (15) days to cure, Tenant shall not be deemed to be in default if Tenant shall commence such cure within said fifteen (15) day period and thereafter diligently prosecute the same to completion; and provided , further , that such cure is completed no later than sixty (60) days from the date of Tenant's receipt of written notice from Landlord unless: (a) such completion is not reasonably possible within sixty (60) days because of Force Majeure; and (b) Tenant continues to diligently prosecute completion;

(d) Tenant makes an assignment for the benefit of creditors;

(e) A receiver, trustee or custodian is appointed to or does take title, possession or control of all or substantially all of Tenant's assets;

(f) Tenant files a voluntary petition under the United States Bankruptcy Code or any successor statute (the " Code ");

(g) Any involuntary petition if filed against Tenant under any chapter of the Code and is not dismissed within one hundred twenty (120) days;

(h) Failure to deliver an estoppel certificate in accordance with Article 30 ; or

(i) Tenant's interest in this Lease is attached, executed upon or otherwise judicially seized and such action is not released within one hundred twenty (120) days of the action.

Notices given under this Section 25.4 shall specify the alleged default and shall demand that Tenant perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice.

25.5 In the event of a Default by Tenant, and any time thereafter unless Tenant cures the Default, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy that Landlord may have, Landlord shall be entitled to terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage that may be occasioned thereby. In the event that Landlord shall elect to so terminate this Lease, then Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including, without limitation:

(a) The worth at the time of award of any unpaid Rent that had accrued at the time of such termination; plus

(b) The worth at the time of award of the amount by which the unpaid Rent that would have accrued during the period commencing with termination of the Lease and ending at the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds that portion of the loss of Landlord's rental income from the Premises that Tenant proves to Landlord's reasonable satisfaction could have been reasonably avoided; plus

(d) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result therefrom, including, without limitation, the cost of restoring the Premises to the condition required under the terms of this Lease; plus

(e) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by Applicable Laws.

As used in Subsections 25.5(a) and 25.5(b) , "worth at the time of award" shall be computed by allowing interest at the rate specified in Section 25.1 . As used in Subsection 25.5(c) above, the "worth at the time of the award" shall be computed by taking the present value of such amount, using the discount rate of the Federal Reserve Bank of San Francisco at the time of the award plus one (1) percentage point.

25.6 If Landlord does not elect to terminate this Lease as provided in Section 25.5 , then Landlord may, from time to time, recover all Rent as it becomes due under this Lease.

25.7 In the event Landlord elects to terminate this Lease and relet the Premises, Landlord may execute any new lease in its own name. Tenant hereunder shall have no right or authority whatsoever to collect any Rent from such tenant. The proceeds of any such reletting shall be applied as follows:

(a) First, to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord, including, without limitation, storage charges or brokerage commissions owing from Tenant to Landlord as the result of such reletting;

(b) Second, to the payment of the costs and expenses of reletting the Premises, including (i) alterations and repairs that Landlord deems reasonably necessary and advisable and (ii) reasonable attorneys' fees, charges and disbursements incurred by Landlord in connection with the retaking of the Premises and such reletting;

(c) Third, to the payment of Rent and other charges due and unpaid hereunder; and

(d) Fourth, to the payment of future Rent and other damages payable by Tenant under this Lease.

25.8 All of Landlord's rights, options and remedies hereunder shall be construed and held to be nonexclusive and cumulative. Landlord shall have the right to pursue any one or all of such remedies, or any other remedy or relief that may be provided by Applicable Laws, whether or not stated in this Lease. No waiver of any default of Tenant hereunder shall be implied from any acceptance by Landlord of any Rent or other payments due hereunder or any omission by Landlord to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect defaults other than as specified in said waiver.

25.9 Landlord's termination of (a) this Lease or (b) Tenant's right to possession of the Premises shall not relieve Tenant of any liability to Landlord that has previously accrued or that shall arise based upon events that occurred prior to the later to occur of (i) the date of Lease termination or (ii) the date Tenant surrenders possession of the Premises.

25.10 To the extent permitted by Applicable Laws, Tenant waives any and all rights of redemption granted by or under any present or future Applicable Laws if Tenant is evicted or dispossessed for any cause, or if Landlord obtains possession of the Premises due to Tenant's default hereunder or otherwise.

25.11 Landlord shall not be in Default under this Lease unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event shall such failure continue for more than thirty (30) days after written notice from Tenant specifying the nature of Landlord's failure; provided , however , that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Nothing in this paragraph limits Tenant's right to make and be reimbursed (or credited for) Self-Help Work.

25.12 In the event of any Default by Landlord, Tenant shall give notice by registered or certified mail to any (a) beneficiary of a deed of trust or (b) mortgagee under a mortgage covering the Premises, the Buildings or the Project and to any landlord of any lease of land upon or within which the Premises, the Buildings or the Project is located, and shall offer such beneficiary, mortgagee or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Buildings by power of sale or a judicial action if such should prove necessary to effect a cure; provided that Landlord shall furnish to Tenant in writing, upon written request by Tenant, the names and addresses of all such persons who are to receive such notices. If Tenant intends to seek to terminate the Lease because of Landlord's Default, then Tenant shall give the notices this paragraph requires.

26. Assignment or Subletting .

26.1 Except as otherwise permitted under this Lease (including Article 53), Tenant shall not, either voluntarily or by operation of law, directly or indirectly sell, hypothecate, assign, pledge, encumber or otherwise transfer this Lease, or sublet the Premises or any part hereof (each, a " Transfer "), without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed (provided that Landlord shall not, in any event, be required to waive any conditions to a Transfer expressly set forth in this Article 26). Disputes relating to the reasonableness of Landlord withholding, conditioning or delaying its consent shall be determined by arbitration under Section 50 of this Lease. Occupancy and use of the Premises by Tenant's Affiliates not pursuant to a sublease is expressly permitted without Landlord's consent. Tenant shall have the right to Transfer without Landlord's prior written consent the Premises or any part of it as follows (each, an " Exempt Transfer "), provided that Tenant has satisfied the applicable Transfer Conditions for each such Exempt Transfer:

(a) To any person that as of the date of determination and at all times thereafter directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with Tenant (" Tenant's Affiliate ");

(b) To any purchaser of all or substantially of Tenant's assets; or

(c) To any successor of Tenant by merger, consolidation, acquisition of all of or a controlling interest in Tenant's stock or Tenant's equivalent ownership or membership interests, or operation of law.

26.2 For purposes of Section 26.1(a) , " control " requires both: (a) owning (directly or indirectly) more than fifty percent (50%) of the stock or other equity interests of another person;

and (b) possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such person.

26.3 Tenant shall not consummate any Exempt Transfer except upon: (a) giving Landlord at least ten (10) business days' prior written notice of such Exempt Transfer (unless Applicable Laws prohibit such prior written notice, in which case Tenant shall give written notice to Landlord within ten (10) business days after the Exempt Transfer); and (b) complying with all applicable Transfer Conditions.

26.4 In the event Tenant desires to effect a Transfer except an Exempt Transfer, then, at least thirty (30) but not more than forty-five (45) days prior to the date when Tenant desires the assignment or sublease to be effective (the " Transfer Date "), Tenant shall provide written notice to Landlord (the " Transfer Notice ") containing information (including references) concerning the character of the proposed transferee, assignee or sublessee; the Transfer Date; any ownership or commercial relationship between Tenant and the proposed transferee, assignee or sublessee; and the consideration and all other material terms and conditions of the proposed Transfer in the form of a term sheet, all in such detail as Landlord shall reasonably require. Tenant shall also pay to Landlord within thirty (30) days after demand, including invoice, reasonable and actual out-of-pocket attorneys' fees and other costs incurred by Landlord in reviewing Tenant's request for such Transfer.

26.5 Landlord, in determining whether consent should be given to a proposed Transfer except an Exempt Transfer, may give consideration to the financial strength of such transferee, assignee or sublessee (notwithstanding Tenant remaining liable for Tenant's performance), any change in use that such transferee, assignee or sublessee proposes to make in the use of the Premises, and Landlord's desire to exercise its rights under Section 26.11 to cancel this Lease. Notwithstanding the foregoing, Landlord shall provide its consent to permit Tenant to sublease any portion of the Premises so long as (a) such sublessee's financial qualifications reasonably demonstrate that as of the effective date of the proposed sublease the subtenant has cash and cash equivalents, or other sources of liquidity, to finance its operations as planned for a period of at least twenty-four (24) months commencing on the date of the sublease, without having to take any measures to raise additional funds or reduce cash use in any material respect, (b) such sublessee is not a direct competitor of Landlord, (c) such sublessee is not seeking a change in the Permitted Use, (d) such sublease and such sublessee will not jeopardize directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Code, (e) except as otherwise permitted under Article 53 , such sublessee is not a governmental organization, and (f) no portion of the Project or the Premises would likely become subject to additional or different laws as a consequence of the proposed sublease.

26.6 Except as expressly provided below, as conditions to Tenant subleasing the Premises or to Landlord considering a request by Tenant to Tenant's transfer of rights or sharing of the Premises, and as conditions to any Exempt Transfer, Tenant shall satisfy the following conditions (the " Transfer Conditions "), except to the extent Landlord waives them in writing:

(a) Tenant shall not enter into any sublease for any portion of the Premises unless the subleased portion of the Premises includes at least an entire floor of the 410 Building, the 420 Building, the 430 Building or the 440 Building;

(b) Based on the advice of Landlord's counsel, such Exempt Transfer shall not jeopardize directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Code;

(c) Except as set forth in Section 26.7 , Tenant shall remain fully liable under this Lease during the unexpired Term;

(d) Except in the case of an Exempt Transfer, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord regarding the relevant business experience and financial responsibility and status of the proposed transferee, assignee or sublessee, which evidence Landlord shall keep confidential in accordance with the Confidentiality Agreement;

(e) Tenant shall reimburse Landlord within thirty (30) days of demand, including reasonable back-up documentation for Landlord's actual costs and expenses, including, without limitation, reasonable attorneys' fees, charges and disbursements incurred in connection with the review, processing and documentation of such request;

(f) Except in the case of an Exempt Transfer, if Tenant's transfer of rights or sharing of the Premises provides for the receipt by, on behalf of or on account of Tenant of any consideration of any kind whatsoever (including, without limitation, a premium rental for a sublease or lump sum payment for an assignment, but excluding Tenant's reasonable costs in marketing and subleasing the Premises) in excess of the rental and other charges due to Landlord under this Lease, Tenant shall pay fifty percent (50%) of all of such excess to Landlord, after deductions from such excess for any actual and reasonable out-of-pocket transaction costs incurred by Tenant (which transaction costs shall be amortized over the term of such transaction), including without limitation, marketing expenses, tenant improvement allowances actually provided by Tenant, alterations, the unamortized cost of Tenant's improvements and alterations performed specifically in the subleased portion of the Premises in connection with such sublease, cash concessions, brokerage commissions, reasonable and actual out-of-pocket attorneys' fees and free rent. If said consideration consists of cash paid to Tenant, payment to Landlord shall be made upon receipt by Tenant of such cash payment;

(g) The proposed transferee, assignee or sublessee shall agree that, in the event Landlord gives such proposed transferee, assignee or sublessee notice that Tenant is in default under this Lease, such proposed transferee, assignee or sublessee shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments shall be received by Landlord without any liability being incurred by Landlord, except to credit such payment against those due by Tenant under this Lease, and any such proposed transferee, assignee or sublessee shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided , however, and except as otherwise provided for the benefit of a Major Subtenant (defined item (s) in this Section 26.6) in no event shall Landlord or its Lenders, successors or assigns be obligated to accept such attornment;

(h) Any such Transfer shall be effected on Landlord's standard forms;

(i) Tenant shall not then be in Default hereunder in any respect;

(j) Such proposed transferee, assignee or sublessee's use of the Premises shall be consistent with the Permitted Use, and such use shall not in Landlord's reasonable determination materially increase the risk of any discharge of Hazardous Materials;

(k) Landlord shall not be bound by any provision of any agreement pertaining to the Transfer, except for Landlord's written consent to the same;

(l) Tenant shall deliver to Landlord one executed copy of any and all written instruments evidencing or relating to the Transfer;

(m) Tenant shall pay all transfer and other taxes (including interest and penalties) assessed or payable, if any, with respect to any Transfer;

(n) Landlord's consent (or waiver of its rights) for any Transfer shall not waive Landlord's right to consent to any later Transfer;

(o) Tenant shall deliver to Landlord a list of Hazardous Materials (as defined in Section 40.5 below), certified by the proposed transferee, assignee or sublessee to be true and correct, that the proposed transferee, assignee or sublessee intends to use or store in the Premises. Additionally, Tenant shall deliver to Landlord, on or before the date any proposed transferee, assignee or sublessee takes occupancy of the Premises, all of the items relating to Hazardous Materials of such proposed transferee, assignee or sublessee as described in Section 40.2 ;

(p) The Transfer and any related construction, alterations, and occupancy shall comply with all Applicable Laws;

(q) For any portion of the Premises that is used for laboratory purposes, the configuration and demising lines of any subleased space shall be commercially reasonable for laboratory space;

(r) [intentionally deleted]; and

(s) Landlord shall deliver a subordination, nondisturbance and attornment agreement in the form attached as Exhibit V ("Major Subtenant SNDA") for any Major Subtenant (as defined below) so long as Tenant is not in Default (and there is no uncured notice of default sent by Landlord to Tenant); the Rent Commencement Date has occurred; the sublease is in form and substance reasonably satisfactory to Landlord, the sublease conforms to the requirements under this Lease; the sublease does not impose on the Landlord any obligations that exceed Landlord's obligations to Tenant under this Lease; and the Major Subtenant simultaneously countersigns such Major Subtenant SNDA and delivers it to Landlord. A "Major Subtenant" means a subtenant that (i) a reasonable landlord would accept as a tenant for the proposed sublease space (given the terms of the proposed sublease with such subtenant), and (ii) occupies at least two adjacent full floors within the Premises in accordance with the terms provided for in this Lease.

26.7 Notwithstanding any provision of this Lease to the contrary, Tenant shall be released from its obligations under this Lease and Landlord's consent shall be deemed given upon an assignment of all of Tenant's interest in the Lease for the entire remaining Term of the

Lease, if (a) such assignee assumes Tenant's obligations under the Lease pursuant to such documentation as is reasonably acceptable to Landlord (including appropriate legal opinions) and (b) Tenant demonstrates to Landlord's satisfaction that: (i) such assignee is not a direct competitor of Landlord; (ii) such assignee's financial condition meets Standard & Poors rating of "BBB-" or higher, (iii) such assignment and such assignee will not jeopardize directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Code; (iv) except as otherwise permitted in Article 53 , such assignee is not a governmental organization; (v) such assignee's Net Worth (defined below) as of the date of such assignment exceeds Tenant's Net Worth as of the day of the assignment; and (vi) each of the conditions for Landlord's consent to Transfer set forth in Section 26.5 , as well as each of the Transfer Conditions set forth in Section 26.6 (except for the condition set forth in clause (c) of Section 26.6) have been satisfied; provided , however , that such release of obligations shall be personal to the Tenant originally named herein and shall not apply to any assignee, transferee or sublessee of Tenant (or to such assignee's, transferee's or sublessee's subsequent assignees, transferees or sublessees). For purposes of this Section 26.7 , " Net Worth " of any entity means the difference of the amount of such entity's assets (excluding good will and other intangible assets) less the amount of such entity's liabilities, determined in accordance with GAAP.

26.8 Any Transfer that is not in compliance with the provisions of this Article 26 shall be void and shall constitute a breach of this Lease.

26.9 The consent by Landlord to a Transfer shall not relieve Tenant or proposed transferee, assignee or sublessee from obtaining Landlord's consent to any further Transfer. Except as otherwise provided in Section 26.7 , the consent by Landlord to a Transfer shall not release Tenant or any proposed transferee, assignee or sublessee of Tenant from full and primary liability under this Lease.

26.10 Notwithstanding any Transfer, Tenant shall remain fully and primarily liable for the payment of all Rent and other sums due or to become due hereunder, and for the full performance of all other terms, conditions and covenants to be kept and performed by Tenant. The acceptance of Rent or any other sum due hereunder, or the acceptance of performance of any other term, covenant or condition thereof, from any person or entity other than Tenant shall not be deemed a waiver of any of the provisions of this Lease or a consent to any Transfer.

26.11 If Tenant delivers to Landlord a Transfer Notice indicating a desire to transfer this Lease (or enter into a subletting) either in whole or affecting all or substantially all of the Premises for substantially the entire Term to a proposed transferee, assignee or sublessee other than an Exempt Transfer, then Landlord shall have the option, exercisable by giving notice to Tenant at any time within ten (10) days after Landlord's receipt of such Transfer Notice, to terminate this Lease as to the Premises contemplated in such Transfer Notice as of the date specified in the Transfer Notice as the Transfer Date, except for those provisions that, by their express terms, survive the expiration or earlier termination hereof. If Landlord exercises such option, then Tenant shall have the right to withdraw such Transfer Notice by delivering to Landlord written notice of such election within five (5) days after Landlord's delivery of notice electing to exercise Landlord's option to partially or wholly terminate this Lease. In the event Tenant withdraws the Transfer Notice as provided in this Section 26.11 , this Lease shall continue

in full force and effect. No failure of Landlord to exercise its option to terminate this Lease shall be deemed to be Landlord's consent to a proposed Transfer.

26.12 If Tenant sublets the Premises or any portion thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting, and appoints Landlord as assignee and attorney-in-fact for Tenant, and Landlord (or a receiver for Tenant appointed on Landlord's application) may collect such rent and apply it toward Tenant's obligations under this Lease; provided that, until the occurrence of a Default by Tenant, Tenant shall have the right to collect such rent.

26.13 Landlord acknowledges that Tenant may allow suppliers, vendors, auditors, and counsel to work on the Premises, but such individuals shall have no written or unwritten agreements evidencing any real property interest in the Premises and shall be the sole responsibility of Tenant as Tenant's business invitees and guests.

26.14 Notwithstanding the provisions of this Article 26, if: (a) any proposed transferee, assignee or sublessee of Tenant has been required by any prior landlord, lender or Governmental Authority to take remedial action in connection with Hazardous Materials contaminating a property if the contamination resulted from such party's action or omission or use of the property in question or (b) any proposed transferee, assignee or sublessee is subject to an enforcement order issued by any Governmental Authority in connection with the use, disposal or storage of Hazardous Materials, then Landlord shall have the right to withhold its consent to any proposed transfer (including an Exempt Transfer), assignment or subletting that would involve such proposed transferee, assignee, or sublessee.

27. Attorneys' Fees . In the event of any litigation between Landlord and Tenant arising out of or in connection with this Lease, then provided that Landlord or Tenant, as the case may be, substantially prevails, the prevailing party shall be entitled to have and recover from the other reasonable attorneys' fees, charges and disbursements and costs of suit.

28. Bankruptcy . In the event a debtor, trustee or debtor in possession under the Code, or another person with similar rights, duties and powers under any other Applicable Laws, proposes to cure any default under this Lease or to assume or assign this Lease and is obliged to provide adequate assurance to Landlord that (a) a default shall be cured, (b) Landlord shall be compensated for its damages arising from any breach of this Lease and (c) future performance of Tenant's obligations under this Lease shall occur, then such adequate assurances shall include any or all of the following, as designated by Landlord in its sole and absolute discretion:

28.1 Those acts specified in the Code or other Applicable Laws as included within the meaning of "adequate assurance," even if this Lease does not concern a shopping center or other facility described in such Applicable Laws;

28.2 A prompt cash payment to compensate Landlord for any monetary defaults or actual damages arising directly from a breach of this Lease;

28.3 A cash deposit in an amount at least equal to the then-current amount of the Security Deposit; or

28.4 The assumption or assignment of all of Tenant's interest and obligations under this Lease.

29. Definition of Landlord . With regard to obligations imposed upon Landlord pursuant to this Lease, the term "Landlord," as used in this Lease, shall refer only to Landlord or Landlord's then-current successor-in-interest. In the event of any transfer, assignment or conveyance of Landlord's interest in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, the Landlord herein named (and in case of any subsequent transfers or conveyances, the subsequent Landlord) shall be automatically freed and relieved, from and after the date of such transfer, assignment or conveyance, from all liability for the performance of any covenants or obligations contained in this Lease thereafter to be performed by Landlord and, without further agreement, the transferee, assignee or conveyee of Landlord's in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, shall be deemed to have assumed and agreed to observe and perform any and all covenants and obligations of Landlord hereunder during the tenure of its interest in the Lease or the Property. Landlord or any subsequent Landlord may transfer its interest in the Premises or this Lease without Tenant's consent.

30. Estoppel C e rtificate . Tenant shall, within ten (10) business days of receipt of written notice from Landlord, execute, and deliver a statement in writing substantially in the form attached to this Lease as Exhibit Q , or on any other form reasonably requested by a proposed Lender or purchaser and reasonably acceptable to Tenant, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which rental and other charges are paid in advance, if any, (b) acknowledging that there are not, to Tenant's knowledge (without having made inquiry), any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth such further information with respect to this Lease or the Premises as may be reasonably requested thereon. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. If Tenant fails to execute and deliver such a statement by the tenth (10th) day of its receipt such failure shall be a Default under this Lease and Tenant shall thereafter pay Landlord Five Thousand Dollars ($5,000) per day as liquidated damages for the period commencing after said tenth (10th) day and ending on the day prior to the day the statement is delivered. Tenant's failure to deliver such statement within the prescribed time shall, at Landlord's option, constitute a Default under this Lease, and, in any event, shall be binding upon Tenant that the Lease is in full force and effect and without modification except as may be represented by Landlord in any certificate prepared by Landlord and delivered to Tenant for execution.

31. Joint and Several Oblig a tions . If more than one person or entity executes this Lease as Tenant, then:

31.1 Each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Lease to be kept, observed or performed by Tenant; and

31.2 The term " Tenant " as used in this Lease shall mean and include each of them, jointly and severally. The act of, notice from, notice to, refund to, or signature of any one or more of them with respect to the tenancy under this Lease, including, without limitation, any renewal, extension, expiration, termination or modification of this Lease, shall be binding upon each and all of the persons executing this Lease as Tenant with the same force and effect as if each and all of them had so acted, so given or received such notice or refund, or so signed.

32. Limitation of Liability .

32.1 If Landlord is in default under this Lease and, as a consequence, Tenant recovers a monetary judgment against Landlord, then Tenant may satisfy such judgment (a) personally against Landlord in an amount up to Landlord's equity interest in the Buildings and the Project of which the Premises form a part; and/or, in Tenant's discretion (b) out of (i) the proceeds of sale received on execution of the judgment and levy against the right, title and interest of Landlord in the Buildings and the Project of which the Premises are a part, (ii) rent or other income from such real property receivable by Landlord or (iii) the consideration received by Landlord from the sale, financing, refinancing or other disposition of all or any part of Landlord's right, title or interest in the Buildings or the Project of which the Premises are a part.

32.2 Except as otherwise provided in Section 32.1 , Landlord shall not be personally liable for any deficiency under this Lease. If Landlord is a partnership or joint venture, then the partners of such partnership shall not be personally liable for Landlord's obligations under this Lease, and no partner of Landlord shall be sued or named as a party in any suit or action, and service of process shall not be made against any partner of Landlord except as may be necessary to secure jurisdiction of the partnership or joint venture. If Landlord is a limited liability company, then the members of such limited liability company shall not be personally liable for Landlord's obligations under this Lease, and no member of Landlord shall be sued or named as a party in any suit or action, and service of process shall not be made against any member of Landlord except as may be necessary to secure jurisdiction of the limited liability company. No partner, shareholder, director, employee, member or agent of Landlord shall be required to answer or otherwise plead to any service of process, and no judgment shall be taken or writ of execution levied against any partner, shareholder, director, employee or agent of Landlord.

32.3 Each of the covenants and agreements of this Article 32 shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by Applicable Laws and shall survive the expiration or earlier termination of this Lease.

32.4 If either party is a corporation, then the shareholders, directors, officers, employees and agents of such corporation shall not be personally liable for such corporation's obligations under this Lease, and no shareholder, director, officer, employee or agent of such corporation shall be sued or named as a party in any suit or action, and service of process shall not be made against any shareholder, director, officer, employee or agent of such corporation.

33. Project Control by Landlord .

33.1 Landlord reserves full control over the Buildings and the Project to the extent not inconsistent with Tenant's use and enjoyment of the Premises as provided by this Lease. This

reservation includes, without limitation, Landlord's right to subdivide the Project, convert the Buildings and other buildings within the Project to condominium units, grant easements and licenses to third parties, and maintain or establish ownership of the Buildings separate from fee title to the Property provided that the foregoing is at no cost to Tenant, does not increase Tenant's costs or materially adversely affect Tenant's rights hereunder.

33.2 Tenant shall, at Landlord's request, promptly execute such further documents as may be reasonably appropriate to assist Landlord in the performance of its obligations hereunder; provided that Tenant need not execute any document that creates additional liability for Tenant, materially impairs any of Tenant's rights under this Lease or deprives Tenant of the quiet enjoyment and use of the Premises as provided by this Lease.

33.3 Landlord may, at any and all reasonable times during business hours (or during non-business hours if Tenant so requests), and upon one (1) business day's prior notice (provided that no time restrictions shall apply or advance notice be required if an emergency necessitates immediate entry), enter the Premises to (a) inspect the same and to determine whether Tenant is in compliance with its obligations hereunder, (b) supply any service Landlord is required to provide hereunder, (c) show the Premises to prospective purchasers or tenants (but with respect to tenants, only during the final year of the Term), (d) post notices of nonresponsibility, (e) access the telephone equipment, electrical substation and fire risers and (f) alter, improve or repair any portion of the Buildings other than the Premises for which access to the Premises is reasonably necessary. In connection with any such alteration, improvement or repair as described in Subsection 33.3(f) above, Landlord may erect in the Premises or elsewhere in the Project scaffolding and other structures reasonably required for the alteration, improvement or repair work to be performed. In no event shall Tenant's Rent abate as a result of Landlord's activities pursuant to this Section 33.3 ; provided , however , that all such activities shall be conducted in such a manner so as to cause as little interference to Tenant as is reasonably possible. Landlord shall at all times retain access rights in the Premises pursuant to the terms set forth in Section 11.5 . If an emergency necessitates immediate access to the Premises, Landlord may use whatever force is necessary to enter the Premises, and any such entry to the Premises shall not constitute a forcible or unlawful entry to the Premises, a detainer of the Premises, or an eviction of Tenant from the Premises or any portion thereof. In accordance with the Confidentiality Agreement, Landlord and Tenant and their agents shall keep confidential any information they obtain as a result of acting under this Subsection.

34. Quiet Enjoyment . Landlord or anyone acting through or under Landlord shall not disturb Tenant's occupancy of the Premises, subject to the terms of this Lease.

35. Subordination, Non-Disturbance and Attornment .

35.1 Subject to Tenant receiving an SNDA as provided below, this Lease shall be subject and subordinate to the lien of any mortgage, deed of trust, or lease in which Landlord is tenant now or hereafter in force against the Buildings or the Project and to all advances made or hereafter to be made upon the security thereof without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination. Notwithstanding anything to the contrary in this Lease, Landlord agrees not to enter into any such mortgage, deed, of trust, or lease affecting any lot (i.e., tax lot or separately conveyable lot)

on which any portion of the 410 Building, the 420 Building, the 430 Building, the 440 Building or upon which the Landlord intends to construct the Connector Building (or any part of the Connector Building) unless either: (a) Landlord holds fee title to the entirety of such lot and has completed and paid for Landlord's Work and fully funded the Base TI Allowance; or (b) Landlord has delivered a corporate guaranty of Biomed Realty Trust, Inc., guaranteeing Landlord's payment and performance of Landlord's obligations to complete and pay for Landlord's Work and fully fund the Base TI Allowance. Any such corporate guaranty shall be in reasonable and customary form, reasonably satisfactory to Landlord and Tenant.

35.2. Notwithstanding the foregoing, Tenant shall execute and deliver within ten (10) business days after receipt of demand, such further instrument or instruments in form(s) reasonably satisfactory to Tenant evidencing such subordination of this Lease to the lien of any such mortgage or mortgages or deeds of trust or lease in which Landlord is tenant as may reasonably be required by Landlord. However, if any such mortgagee, beneficiary or Landlord under lease wherein Landlord is tenant so elects, this Lease shall be deemed prior in lien to any such lease, mortgage, or deed of trust upon or including the Premises regardless of date and Tenant shall execute a statement in writing to such effect at Landlord's request.

35.3 Upon written request of Landlord and opportunity for Tenant to review, Tenant agrees to execute any Lease amendments, in forms reasonably satisfactory to Tenant, not materially altering the terms of this Lease, if required by a mortgagee or beneficiary of a deed of trust encumbering real property of which the Premises constitute a part incident to the financing of the real property of which the Premises constitute a part. Any change (i) affecting the amount or timing of the consideration (including any Rent) to be paid by Tenant, (ii) modifying the term of this Lease, or (iii) materially increasing any obligations or materially diminishing any rights hereunder (including increasing or diminishing any rights to terminate this Lease or expand the Premises) shall be deemed to materially alter the terms hereof.

35.4 In the event any proceedings are brought for foreclosure, in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the Premises, or upon assumption of this Lease by a purchaser of Landlord's estate in the Premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under the terms of this Lease.

35.5 Notwithstanding anything to the contrary in this Article 35 , Landlord shall obtain recordable non-disturbance agreements substantially in the form of Exhibit U or such other reasonable and customary forms as the applicable third party requires and is reasonably satisfactory to Tenant (an " SNDA "), from all current and future mortgagees and from future lessors of Landlord and any other parties with rights in Landlord's estate superior to those of Tenant (which rights would give the holder thereof the power to terminate this Lease under any circumstance).

36. Surrender .

36.1 No surrender of possession of any part of the Premises shall release Tenant from any of its obligations hereunder, unless such surrender is accepted in writing by Landlord.

36.2 The voluntary or other surrender of this Lease by Tenant shall not effect a merger with Landlord's fee title or leasehold interest in the Premises, the Buildings or the Property, unless Landlord consents in writing, and shall, at Landlord's option, operate as an assignment to Landlord of any or all subleases.

36.3 The voluntary or other surrender of any ground or other underlying lease that now exists or may hereafter be executed affecting the Buildings or the Project, or a mutual cancellation thereof or of Landlord's interest therein by Landlord and its lessor shall not effect a merger with Landlord's fee title or leasehold interest in the Premises, the Buildings or the Property and shall, at the option of the successor to Landlord's interest in the Buildings or the Project, as applicable, operate as an assignment of this Lease.

37. Waiver and Modification . No provision of this Lease may be modified, amended or supplemented except by an agreement in writing signed by Landlord and Tenant. The waiver by Landlord of any breach by Tenant of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained. The waiver by Tenant of any breach by Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained.

38. Waiver of Jury Trial and Counterclaims . The parties waive trial by jury in any action, proceeding or counterclaim brought by the other party hereto related to matters arising out of or in any way connected with this Lease; the relationship between Landlord and Tenant; Tenant's use or occupancy of the Premises, the Buildings or the Project; or any claim of injury or damage related to this Lease or the Premises, the Buildings or the Project.

39. Acknowledgment of Rent Commencement Date . Landlord and Tenant shall each execute and deliver to the other written acknowledgment of the actual Expansion Rent Commencement Date for each Expansion Premises when such is established, and shall attach it to this Lease as Exhibit R .

40. Hazardous Materials .

40.1 Tenant shall not cause or permit any Hazardous Materials (as hereinafter defined) to be brought upon, kept or used in or about the Premises, the Buildings or the Project in violation of Applicable Laws by Tenant, its agents, employees, contractors or invitees. If Tenant breaches such obligation, or if the presence of Hazardous Materials as a result of such a breach results in contamination of the Premises, the Buildings, the Project or any adjacent property, or if contamination of the Premises, the Buildings, the Project or any adjacent property by Hazardous Materials otherwise occurs during the term of this Lease or any extension or renewal hereof or holding over hereunder due to such breach by Tenant, then Tenant shall indemnify, save, defend and hold Landlord, its agents and contractors harmless from and against any and all Claims (including sums paid in settlement, attorneys' fees, consultants' fees and experts' fees, all pursuant to Section 21.1 and Section 21.7) that arise during or after the Term as a result of such breach or contamination. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any Governmental Authority because of

Hazardous Materials present in the air, soil or groundwater above, on or under the Premises. Without limiting the foregoing, if the presence of any Hazardous Materials in, on, under or about the Premises, the Buildings, the Project or any adjacent property caused or permitted by Tenant results in any contamination of the Premises, the Buildings, the Project or any adjacent property, then Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Premises, the Buildings, the Project and any adjacent property to their respective condition existing prior to the time of such contamination; provided that Landlord's written approval of such action shall first be obtained, which approval Landlord shall not unreasonably withhold; and provided , further , that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Premises, the Buildings or the Project. Landlord acknowledges that Tenant shall not be responsible for environmental conditions or contamination now or hereafter existing on, under or in the Project, in the Connector Building, in the Expansion Premises or in the Premises caused by Landlord or tenants other than Tenant or by third parties in the Project prior to the Execution Date or after such date, or for environmental conditions or contamination coming from off-site so long as Tenant, Tenant's Affiliates, its permitted sublessees or its agents did not cause or contribute to such environmental conditions or contamination. If any such conditions or contamination first arise after the Execution Date (other than as a result of Landlord's actions or those of its contractors, employees, or other tenants), Landlord may treat as Operating Expenses the costs of correcting or remediating such conditions or contamination.

40.2 Landlord acknowledges that it is not the intent of this Article 40 to prohibit Tenant from operating its business as described in Section 2.11 above. Tenant may operate its business according to the custom of Tenant's industry so long as the use or presence of Hazardous Materials is strictly and properly monitored according to Applicable Laws. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord prior to the Term Commencement Date for the first Phase to be delivered to Tenant a list identifying each type of Hazardous Material to be present on the Premises and setting forth any and all governmental approvals or permits required in connection with the presence of such Hazardous Material on the Premises (the " Hazardous Materials List "). If Tenant is not the sole occupant of a Building which includes a portion of the Premises, then with respect to such Building, Tenant shall deliver to Landlord an updated Hazardous Materials List if reasonably requested by Landlord after a reasonable request by any Governmental Authority or Landlord's insurance carriers or any insurance rating organization, shall provide Landlord with copies of any documents or materials provided by Tenant to any Governmental Authority with respect to Hazardous Materials, and shall also deliver an updated Hazardous Materials List before any new Hazardous Materials (of a nature and magnitude that is material and not substantially consistent with past practice) are brought onto the Premises. If Tenant is the only occupant of a Building which includes a portion of the Premises, then with respect to such Building, Tenant shall deliver to Landlord copies of any documents with respect to Hazardous Materials if reasonably requested by Landlord after a request by any Governmental Authority or reasonable request by Landlord's insurance carriers or any insurance rating organization and shall provide Landlord with copies of any documents or materials provided by Tenant to any Governmental Authority with respect to Hazardous Materials. Tenant shall deliver to Landlord true and correct copies of the following documents (hereinafter referred to as the " Documents ") relating to the handling, storage, disposal and emission of Hazardous Materials prior to the Term Commencement Date for the first Phase to be delivered to Tenant or, if

unavailable at that time, concurrent with the receipt from or submission to any Governmental Authority: permits; approvals; reports and correspondence; storage and management plans; notices of violations of Applicable Laws; plans relating to the installation of any storage tanks to be installed in or under the Premises, the Buildings or the Project (provided that installation of storage tanks shall only be permitted after Landlord has given Tenant its written consent to do so, which consent Landlord may withhold in its sole and absolute discretion); and all closure plans or any other documents required by any and all Governmental Authority for any storage tanks installed in, on or under the Premises, the Buildings or the Project for the closure of any such storage tanks. Tenant shall not be required, however, to provide Landlord with any portion of the Documents containing information of a proprietary nature that, in and of themselves, do not contain a reference to any Hazardous Materials or activities related to Hazardous Materials. Upon Landlord's written request, Tenant agrees that it shall enter into a written agreement with other tenants of the Buildings and the Project concerning the equitable allocation of fire control areas (as defined in the Uniform Building Code as adopted by the local municipality(ies) (the " UBC ")) within the Buildings and the Project for the storage of Hazardous Materials. In the event that Tenant's use of Hazardous Materials is such that it utilizes fire control areas in the Buildings or the Project in excess of Tenant's Pro Rata Share of the Buildings or the Project, as applicable, as set forth in Section 2.3, Tenant agrees that it shall, at its sole cost and expense and upon Landlord's written request, establish and maintain a separate area of the Premises classified by the UBC as an "H" occupancy area for the use and storage of Hazardous Materials or take such other action as is necessary to ensure that its share of the fire control areas of the Buildings and the Project is not greater than Tenant's Pro Rata Share of the Buildings or the Project, as applicable. In accordance with the Confidentiality Agreement, information provided by either Landlord or Tenant to the other and its agents under this Subsection shall remain confidential.

40.3 Subject to Tenant's security requirements as set forth in this Lease, at any time, and from time to time, when Landlord reasonably believes there is a violation of this Lease, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests of the Premises, the Buildings and the Project to seek to determine whether Hazardous Materials are present in violation of this Lease or that contamination has occurred due to Tenant or Tenant's agents, employees or invitees. Tenant shall pay all reasonable costs of such tests of the Premises unless such tests demonstrate no contamination has occurred, in which case Landlord shall pay all reasonable costs of such tests. In Landlord's reasonable determination, no later than one (1) day before the Term Expiration Date, Tenant shall engage and pay for an Environmental Phase 1 study of the Premises and areas of the Project that may have been affected by Tenant's use of the Premises to be conducted by a consultant of Landlord's choice. In accordance with the Confidentiality Agreement, information obtained by either Landlord or Tenant and their respective agents under this Subsection shall remain confidential.

40.4 If underground or other storage tanks storing Hazardous Materials are located on the Project to serve the Premises or are hereafter placed on the Premises and/or the Project by Tenant or anyone for whom Tenant is responsible, Tenant shall monitor the storage tanks, maintain appropriate records, implement reporting procedures, properly close any underground storage tanks, and take or cause to be taken all other steps necessary or required under the Applicable Laws.

40.5 Tenant's obligations under this Article 40 shall survive the expiration or earlier termination of the Lease. During any period of time needed by Tenant or Landlord after the termination of this Lease to complete the removal from the Premises of any such Hazardous Materials, Tenant shall continue to pay Rent for the affected floor(s) in accordance with this Lease, which Rent shall be pro-rated daily, except Tenant shall be excused from paying the first thirty (30) days of Rent so payable after the Term Expiration Date.

40.6 As used herein, the term " Hazardous Material " means any hazardous or toxic substance, material or waste that is or becomes regulated by any Governmental Authority.

41. Early Termination Option .

41.1 Effective as of the ten (10) year anniversary of the Rent Commencement Date (the " Early Termination Date "), Tenant may elect to terminate this Lease (the " Early Termination Option "). In order to exercise the Early Termination Option, Tenant shall satisfy the following conditions, TIME BEING OF THE ESSENCE:

(a) Tenant shall give Landlord at least nine (9) months' prior written notice of Tenant's exercise of the Early Termination Option;

(b) When Tenant gives such notice, and on the day immediately before the Early Termination Date, Tenant shall not be in Default under this Lease beyond applicable cure periods;

(c) On the last business day before the Early Termination Date, Tenant shall pay Landlord an amount equal to the unamortized portion (as of the Early Termination Date) of the sum of, (i) all amounts paid as commissions to any brokers in connection with this Lease (and any other lease transaction between Landlord and Tenant after Effective Date of this Lease) and (ii) the Base TI Allowance and any Expansion TI Allowance. For purposes of this Section 41.1(c) , amortization of any amounts which are to be amortized shall be determined utilizing an interest rate of nine percent (9%) per annum based on the remaining principal balance which would be reducing over the Term utilizing equal monthly payments of interest and principal; and

(d) As of the Early Termination Date, Tenant shall perform all the obligations that this Lease requires Tenant to perform at the end of the Term.

Provided that the foregoing conditions have been satisfied, this Lease shall terminate as of the Early Termination Date and neither Landlord nor Tenant shall have any further obligations or liabilities to the other hereunder, except for such obligations or liabilities that expressly survive the termination hereof.

42. End of Term .

42.1 The Premises shall at all times remain the property of Landlord and shall be surrendered to Landlord upon the expiration or earlier termination of this Lease. All trade fixtures, equipment, Tenant Improvements, Alterations and Signage installed by or under Tenant (other than Tenant's Personal Property, which Tenant may remove at the end of the Term or earlier termination of this Lease) shall be the property of Landlord.

43. Miscellaneous .

43.1 Where applicable in this Lease, the singular includes the plural and the masculine or neuter includes the masculine, feminine and neuter. The Section headings of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

43.2 Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for a lease, and shall not be effective as a lease or otherwise until execution by and delivery to both Landlord and Tenant.

43.3 Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

43.4 Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

43.5 Whenever consent or approval of either party is required, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth to the contrary.

43.6 The terms of this Lease are intended by the parties as a final expression of their agreement with respect to the terms as are included herein, and may not be contradicted by evidence of any prior or contemporaneous agreement.

43.7 Any provision of this Lease that shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and all other provisions of this Lease shall remain in full force and effect and shall be interpreted as if the invalid, void or illegal provision did not exist.

43.8 Landlord or Tenant may, but shall not be obligated to, record a short form memorandum hereof subject to the reasonable approval as to form by the other party. Neither party shall record this Lease. The requesting party shall be responsible for the costs of filing and recording any memorandum of this Lease, including any transfer or other taxes incurred in connection with said recordation, and the reasonable attorneys' fees and related costs of the non-requesting party in connection with such memorandum of lease.

43.9 The language in all parts of this Lease shall be in all cases construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

43.10 Each of the covenants, conditions and agreements herein contained shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs; legatees; devisees; executors; administrators; and permitted successors, assigns, sublessees. Nothing in this Section 43.10 shall in any way alter the provisions of this Lease restricting assignment or subletting.

43.11 Any notice, consent, demand, bill, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by personal delivery,

overnight delivery with a reputable nationwide overnight delivery service, or certified mail (return receipt requested), and if given by personal delivery, shall be deemed delivered upon receipt; if given by overnight delivery, shall be deemed delivered one (1) day after deposit with a reputable nationwide overnight delivery service; and, if given by certified mail (return receipt requested), shall be deemed delivered upon receipt or return of delivery. Any notices given pursuant to this Lease shall be addressed to Landlord and Tenant at the addresses shown in S ections 2.12 and 2.13 , respectively. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

43.12 This Lease shall be governed by, construed and enforced in accordance with the laws of the state in which the Premises are located, without regard to such state's conflict of law principles.

43.13 Each of Landlord and Tenant represents that the individual or those individuals signing this Lease on behalf of Landlord or Tenant (respectively) have the power, authority and legal capacity to sign this Lease on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf said individual or individuals have signed.

43.14 To induce Landlord to enter into this Lease, Tenant agrees that it shall promptly furnish to Landlord, from time to time, upon Landlord's written request, the most recent audited year-end financial statements reflecting Tenant's current financial condition. So long as Tenant remains a public company, it need not comply with the previous sentence. Tenant and Landlord each represent and warrant to the other that all financial statements, records and information furnished by Tenant to Landlord or Landlord to Tenant in connection with this Lease are true, correct and complete in all respects.

43.15 This Lease may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document.

43.16 [Intentionally Omitted.]

43.17 This Lease is subject to any recorded covenants, conditions or restrictions on the Project or Property (the " CCRs ") as described in the title commitment or policy attached as Exhibit S . Tenant shall comply with the CCRs. Tenant shall be subject to amendments to the CCRs or new CCRs, provided however , if such amendments to the CCRs would adversely affect Tenant in any financial respect and/or otherwise materially adversely affect Tenant, they shall be subject to Tenant's prior approval, not to be unreasonably withheld, conditioned or delayed.

44. Option to Extend Term .

Tenant shall have three (3) options (each, an "Option," and collectively, the "Options") to extend the Term of this Lease (and, in each case, the Term Expiration Date) by five (5) years in each case on the same terms and conditions as this Lease except as provided below. If Tenant desires to exercise any Option, Tenant must do so by giving Landlord written notice of exercise at least twelve (12) months before the Term would otherwise expire. Tenant may exercise its Option to extend the Term as to the entire Initial Premises and, if Tenant occupies the entire Initial Premises, any portion of Expansion Premises specified in such written notice (provided that any such portion of Expansion Premises shall be in full floor

increments and Tenant shall be responsible for any reasonable demising costs incurred by Landlord with regard to Tenant's vacating of any Expansion Space). If Tenant fails to exercise any Option and the time to do so has lapsed, then Tenant shall no longer have any Option(s) for the Premises.

44.1 Basic Annual Rent shall be adjusted on the first (1st) day of each renewal term in accordance with this paragraph. Basic Annual Rent shall be adjusted on each January 1st thereafter in accordance with Article 7. The Basic Annual Rent during each renewal term (subject to adjustment under Article 7) shall equal the greater of: (a) 95% of Fair Market Value for the renewal term; and (b) the then-current Basic Annual Rent at the end of the then-current Term. "Fair Market Value" means the then-prevailing average annual rate being charged for comparable space in comparable buildings comparably located, taking into consideration all relevant factors, including, without limitation, location in the Project, the proposed lease term, the physical condition of the Premises (i.e., the existence of all the Tenant Improvements and the assumption that such Tenant Improvements are fully suitable and appropriate for the contemplated tenancy in their "as is" condition), the extent of the services provided or to be provided to the Premises, the status as a lease (as opposed to a sublease) and contraction and expansion options. If Landlord and Tenant cannot agree on the Fair Market Value for purposes of any renewal term then they shall engage a mutually agreeable independent third party appraiser with at least ten (10) years' experience in appraising the rental value of leased commercial premise (for research and development and laboratory uses) in the New York metropolitan area (the "Appraiser"). If the parties cannot agree on the Appraiser, each shall within ten (10) days after such impasse appoint an Appraiser and, within ten (10) days after the appointment of both such Appraisers, those two Appraisers shall select a third. If either party fails to timely appoint an Appraiser, then the Appraiser the other party appoints shall be the sole Appraiser. Within ten (10) days after appointment of all Appraiser(s), Landlord and Tenant shall each simultaneously give the Appraisers (with a copy to the other party) its determination of Fair Market Value, with such supporting data or information as each submitting party determines appropriate. Within ten (10) days after such submissions, the Appraisers shall by majority vote select either Landlord's or Tenant's Fair Market Value. The Appraisers may not select or designate any other Fair Market Value. The determination of the Appraiser(s) shall bind the parties.

44.2 The Option is not assignable separate and apart from this Lease.

44.3 The Option is conditional upon Tenant giving Landlord written notice of its election to exercise the Option at least twelve (12) months prior to the end of the expiration of the initial term of this Lease (or the applicable extension of such Term). TIME SHALL BE OF THE ESSENCE AS TO TENANT'S EXERCISE OF EACH OPTION. Tenant assumes full responsibility for maintaining a record of the deadlines to exercise any Option(s). Tenant acknowledges that it would be inequitable to require Landlord to accept any exercise of any Option(s) after the date provided for in this paragraph.

44.4 Notwithstanding anything contained in this Article 44 , Tenant shall not have the right to exercise the Option:

(a) Commencing from ten (10) days after Landlord delivers to Tenant a written notice that Tenant is in default under any provisions of this Lease and continuing until Tenant has cured the specified default to Landlord's reasonable satisfaction;

(b) At any time after any Default as described in Article 25 of the Lease is continuing until Tenant cures any such Default; or

(c) In the event that Tenant has committed two (2) or more events of Default during the twelve (12)-month period immediately prior to the date that Tenant purports to exercise the Option, whether or not Tenant has cured such event(s) of Default.

44.5 The period of time within which Tenant may exercise the Option shall not be extended or enlarged by reason of Tenant's inability to exercise the Option because of the provisions of Section 44.4 .

45. Right of First Ref u sal ; Right of First Offer .

From and after the Expansion Option Termination Date until the date that is twenty-four (24) months after such Expansion Option Termination Date (the "ROFR Termination Date"), Tenant shall have a right of first refusal ("ROFR") to lease any ROFR Premises if and when Landlord determines to seek a new tenant for such ROFR Premises (the "Available Premises"). Notwithstanding the foregoing, for each time Tenant timely exercises an Expansion Option prior to the Expansion Option Termination Date for any full floor increment (as distinguished from all of the Expansion Premises) pursuant to Article 10 hereof, the ROFR Termination Date shall be extended by one (1) year per each floor as to which Tenant timely exercises an Expansion Option (for example, if, prior to the Expansion Option Termination Date, Tenant exercises (i) two Expansion Options, each comprised of one (1) full floor or (ii) one Expansion Option comprised of two (2) full floors, then, in both events, the ROFR Termination Date hereunder shall be extended to the date that is forty-eight (48) months after the Expansion Option Termination Date). The "ROFR Premises" means any of the Expansion Premises that was not the subject of a timely Expansion Notice prior to the Expansion Option Termination Date. To the extent that Landlord renews or extends an existing lease with any existing tenant of any space, or enters into a new lease with such existing tenant, the affected space shall not be deemed Available Premises. If Landlord and a potential third party tenant execute a letter of intent containing the material terms and conditions for leasing Available Premises, Landlord shall provide written notice thereof to Tenant (the "ROFR Notice"), specifying such terms and conditions of the proposed lease of the Available Premises (the "ROFR Lease").

45.1 Within fifteen (15) business days after its receipt of a ROFR Notice (the " ROFR Response Period "), Tenant shall advise Landlord in writing whether Tenant elects to lease the Available Premises on the terms and conditions set forth in the ROFR Notice. If Tenant fails to notify Landlord of Tenant's election within the ROFR Response Period, then Tenant shall be deemed to have elected not to lease the Available Premises.

45.2 If Tenant within the ROFR Response Period notifies Landlord that Tenant elects to lease the Available Premises on the terms and conditions set forth in the ROFR Notice, then as of the proposed commencement date of the ROFR Lease, the Available Premises shall be added to the Premises under this Lease, upon the following terms and conditions: (a) the terms and conditions set forth in the ROFR Notice; and (b) except to the extent inconsistent with (a) above, the terms and conditions of this Lease. In any event, however, the termination date for the Available Premises shall be the same as the then-current Term Expiration Date under this Lease. (If the ROFR Lease would expire before the then-current Term Expiration Date, the Basic Annual Rent for the Available Premises for the period from such ROFR Lease expiration date through the then-current Term Expiration Date shall be determined by Landlord in accordance with Article 7 , based upon Tenant's basic annual rent for the Available Premises during the last year of the term of the ROFR Lease.) Thereafter, the Available Premises shall be subject to the Option in the same manner as all other Premises. Tenant shall, upon Landlord's request, promptly enter into an amendment to this Lease to confirm the addition of the Available Premises to the Premises as provided for in this paragraph and if a memorandum of lease has been recorded as provided for in Section 43.8 , the parties shall enter into and record an amendment to the memorandum of lease in accordance with Section 43.8 .

45.3 If Tenant notifies Landlord that Tenant elects not to lease the Available Premises on the terms and conditions set forth in the ROFR Notice, or if Tenant fails to notify Landlord of Tenant's election within the ROFR Response Period, then (a) Landlord shall have the right to consummate the lease of the Available Premises on the same terms as set forth in the ROFR Notice (or on other economic terms that are not materially (i.e., 5% or greater on a net effective basis) more favorable to the tenant considered in the aggregate, as determined by Landlord in consultation with Tenant to be completed within five (5) business days after Landlord's request) within one hundred eighty (180) days following Tenant's election (or deemed election) not to lease the Available Premises; and (b) the former Available Premises shall never again be deemed Available Premises or offered to Tenant pursuant to an ROFR Notice or an ROFO Notice (as defined below); provided, if Landlord does not lease the Available Premises on the terms and conditions set forth in the ROFR Notice (or on other economic terms that are not materially (i.e., 5% or greater on a net effective basis) more favorable to the tenant considered in the aggregate, as determined by Landlord in consultation with Tenant to be completed within two business days after Landlord's request) within said one hundred eighty (180)-day period, then Tenant's ROFR shall be fully reinstated, and Landlord shall not thereafter lease the Available Premises without first complying with the procedures set forth in this Article 45 .

45.4 Notwithstanding anything in this Article 45 to the contrary, Tenant shall not have the right to exercise the ROFR during such period of time that Tenant is in Default under any provision of this Lease. Any attempted exercise of the ROFR during a period of time in which Tenant is so in Default shall be void and of no effect.

45.5 Notwithstanding anything in this Lease to the contrary, Tenant shall not assign or transfer the ROFR except for assignments or transfers in connection with an Exempt Transfer, or a Transfer by assignment of Tenant's interest in this Lease consented to by Landlord under the applicable provisions of Article 26, without Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion. The ROFR shall automatically terminate upon any assignment or transfer of the Lease by Tenant, except for Exempt Transfers

or a Transfer by assignment as consented to by Landlord under the applicable provisions of Article 26.

45.6 From the period after the ROFR Termination Date through the remainder of the Term (the " ROFO Period "), so long as Tenant (which term for purposes hereof shall be deemed to include an assignee consented to by Landlord under the applicable provisions of Article 26) actually occupies the entire Premises and Tenant has added to this Lease all ROFR Premises offered to Tenant to date, Tenant shall have a right of first offer (" ROFO ") (before Landlord actively offers the space to any other person) to lease any portion of the Expansion Premises that becomes available for lease (the " ROFO Space "). Landlord shall promptly notify Tenant during the ROFO Period (a " ROFO Notice ") if Landlord anticipates any ROFO Space will become available or Landlord receives an offer to lease any ROFO Space. For ten (10) business days after Landlord gives Tenant a ROFO Notice, Landlord shall (at Tenant's request) entertain Tenant's offer for part or all of the ROFO Space and negotiate in good faith with Tenant to amend this Lease to add some or all ROFO Space to the Premises. If, ten (10) business days after Landlord gives Tenant a ROFO Notice, the parties have not entered into such a Lease amendment (or agreed in writing to extend such ten (10) business day period), then Landlord may lease the ROFO Space to third party(ies). If, however, Landlord later decides to lease less than 95% of the ROFO Space (previously offered to Tenant) to another tenant, Landlord shall give Tenant a ROFO Notice for such lesser amount of ROFO Space, and Tenant shall have a new ten-day response period to make an offer for that lesser ROFO Space.

46. Authority . Tenant hereby covenants and warrants that (a) Tenant is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) Tenant has and is duly qualified to do business in the state in which the Property is located, (c) Tenant has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform all Tenant's obligations hereunder, and (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of Tenant is duly and validly authorized to do so. Landlord hereby covenants and warrants that (a) Landlord is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) Landlord has and is duly qualified to do business in the state in which the Property is located, (c) Landlord has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform all Landlord's obligations hereunder, and (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of Landlord is duly and validly authorized to do so.

47. Confidentiality . Neither Tenant nor Landlord shall disclose any terms or conditions of this Lease (including Rent), or give a copy of this Lease to any third party, and neither party shall release to any third party any nonpublic financial information or nonpublic information about the other party (or any information that this Lease expressly obligates the parties to maintain as confidential), except: (a) if required by Law (including the rules and regulations of any stock exchange or trading market on which a party's securities are traded) or in any judicial proceeding, provided that the releasing party has given the other party reasonable notice of such requirement, if feasible; (b) to a party's attorneys, accountants, brokers, and other bona fide consultants or advisers, provided they agree to be bound by this paragraph; or (c) to bona fide prospective assignees or subtenants of this Lease, provided they agree in writing to be bound by

this paragraph. This Article of the Lease is sometimes referred to as the " Confidentiality Agreement ." The parties acknowledge that either party may be obligated to file a copy of this Lease with the United States Securities and Exchange Commission. Each party shall have the right to make such filing if required in accordance with Applicable Laws, but shall use reasonable efforts to keep confidential that information, including trade secrets, designated by the other party as confidential information. The filing party will provide the non-filing party with an advance copy of the Lease marked to show provisions for which the filing party intends to seek confidential treatment and will reasonably consider the non-filing party's timely comments thereon, but in no event will the filing party file the Lease without providing the non-filing party at least five (5) days' prior notice.

48. Odors and Exhaust . Tenant acknowledges that Landlord would not enter into this Lease with Tenant unless Tenant assured Landlord that under no circumstances will any other occupants of the Buildings or Project (including persons legally present in any outdoor areas of the Project) be subjected to odors or fumes (whether or not noxious), and the Buildings and Project will not be damaged by any exhaust, from Tenant's operations, including particularly Tenant's vivarium (if any). Landlord and Tenant therefore agree as follows:

48.1 Tenant shall not cause or permit (or conduct any activities that would cause) any release of any odors or fumes of any kind from the Premises, which odors or fumes would cause material annoyance or adverse effect on other persons.

48.2 If the Buildings have ventilation systems that in Landlord's judgment are adequate, suitable, and appropriate to vent the Premises in a manner that does not release odors affecting any indoor or outdoor part of the Project, Tenant shall vent the Premises through such system. If Landlord at any time determines that any existing ventilation system is inadequate, or if no ventilation system exists, Tenant shall in compliance with Applicable Law vent all fumes and odors from the Premises (and remove odors from Tenant's exhaust stream) as Landlord requires. The placement and configuration of all ventilation exhaust pipes, louvers, and other equipment shall be subject to Landlord's approval. Tenant acknowledges Landlord's legitimate desire to maintain the Project (indoor and outdoor areas) in an odor-free manner, and Landlord may require Tenant to abate and remove all odors in a manner that goes beyond the requirements of Applicable Laws.

48.3 Tenant shall, at Tenant's sole cost and expense, provide odor eliminators and other devices (such as filters, air cleaners, scrubbers, and whatever other equipment may in Landlord's judgment be necessary or appropriate from time to time) to remove, eliminate, and abate any odors, fumes, or other substances in Tenant's exhaust stream that, in Landlord's reasonable judgment, emanate from Tenant's Premises and cause material annoyance to, or adverse effect on, other tenants. Any work Tenant performs under this paragraph shall constitute Alterations.

48.4 Tenant's responsibility to remove, eliminate, and abate odors, fumes, and exhaust shall continue throughout the Term. Landlord's approval of the Tenant Improvements shall not preclude Landlord from requiring additional measures to eliminate odors, fumes, and other adverse impacts of Tenant's exhaust stream (as Landlord may designate in Landlord's discretion). Tenant shall install additional equipment as Landlord requires from time to time

under the preceding sentence. Such installations shall constitute Alterations. If Landlord and Tenant disagree as to what this Section requires, they shall resolve the dispute through arbitration under Article 50 .

48.5 If Tenant fails to install satisfactory odor control equipment within thirty (30) business days after Landlord's demand made at any time, then Landlord may, without limiting Landlord's other rights and remedies, require Tenant to cease and suspend any operations in the Premises that, in Landlord's reasonable determination, cause odors, fumes, or exhaust causing material annoyance to, or have an adverse effect on, other tenants. For example, if Landlord determines that Tenant's production of a certain type of product causes odors, fumes, or exhausts and Tenant does not install satisfactory odor control equipment within thirty (30) business days after Landlord's request, then Landlord may require Tenant to stop producing such type of product in the Premises unless and until Tenant has installed odor control equipment satisfactory to Landlord.

49. HVAC . For the entire Premises (the "Landlord's HVAC Premises"), Landlord shall: (a) as to heating, ventilating and air conditioning systems ("HVAC") installed by the Landlord as part of Landlord's Work or existing on the Effective Date (and any substitutions or replacements of such HVAC), Landlord shall maintain and operate such HVAC in good working order; and (b) furnish HVAC in conformance with the specifications set forth in the Connector Building Scope of Work, the Connector Building Initial Plans, the 410 and 420 Scope of Work, the Plans and Specifications, the Expansion Premises Delivery Requirements or the Expansion Premises Scope of Work, as applicable, provided Tenant complies with the next sentence. If Tenant will require HVAC outside normal business hours of business days (as reasonably designated by Landlord) in Landlord's HVAC Premises ("Overtime HVAC"), Landlord shall be obligated to provide Overtime HVAC only if Tenant requests it by 4 p.m. on the immediately preceding business day. To the extent that Tenant occupies all or any of the Premises for laboratory purposes, Tenant directs Landlord to provide Overtime HVAC at all times outside normal business hours of business days (as reasonably designated by Landlord) for such portion of the Premises, pending further written notice from Tenant. Notwithstanding anything to the contrary in this paragraph, Landlord shall have no liability, and Tenant shall have no right or remedy, on account of any interruption or impairment in HVAC services, provided that Landlord diligently uses commercially reasonable efforts to cure any such interruption or impairment as quickly as reasonably possible. As to any additional HVAC installed by Tenant at the Premises during the Term, Tenant shall be responsible for operating and maintaining such HVAC.

50. Arbitration . S olely with respect to the matters set forth below, either party shall have the right to submit certain disputes under this Lease to arbitration under the then prevailing rules of the American Arbitration Association or any successor thereto (the " AAA "), and the following further provisions:

50.1 Limitation of Disputes Subject to Arbitration . The disputes that may be submitted to arbitration under this Lease shall be limited (a) to the determination of whether Landlord's withholding of any consent or approval required by Section 18 governing Alterations and Section 26 governing assignment or subletting was unreasonably or improperly withheld, conditioned or delayed by Landlord, (b) disputes over the determination of Rent Commencement Deferral Days, and the causes of the underlying delays with respect thereto, under Section 5.1(a) ,

and (c) disputes regarding the amount of the sales and use tax exemption achieved under Section 54.

50.2 Arbitration Procedures . Any such arbitration shall be resolved solely by arbitration in the City of New York or the City of White Plains under the Expedited Procedures provisions of the AAA (it being the intention of the parties that such provisions shall apply even if the amount at issue exceeds $50,000, notwithstanding the fact that such provisions provide otherwise) of the Commercial Arbitration Rules of the AAA. The time periods set forth in this Section are of the essence. If any party fails to appear at a duly scheduled and noticed hearing, the arbitrator is hereby expressly authorized to enter judgment for the appearing party.

50.3 Submission of Two Proposals . No later than twenty four (24) hours prior to the scheduled hearing, Landlord and Tenant shall each: (i) first, simultaneously submit to the arbitrator and then (ii) second, simultaneously submit to the other such party's specific written proposal stating such party's last and final position and proposed award.

50.4 "Baseball" Selection by Arbitrator . The arbitrator shall within three (3) business days after the hearing choose either (a) Landlord's position with respect to all individual matters being arbitrated or (b) Tenant's position with respect to all such matters, in either case as set forth in the proposal described above, whichever of the two considered in the aggregate ("a" or "b") the arbitrator believes is closer to correct resolution of all such disputed matters. The arbitrator shall have no authority to establish or impose any solution or remedy other than "a" or "b" and may not combine elements of "a" and "b" to produce a hybrid award.

50.5 Authority of Arbitrator . The arbitrator conducting any arbitration shall be bound by the provisions of this Lease and shall not have the power to add to, subtract from, or otherwise modify such provisions. Landlord and Tenant agree to sign all documents and to do all other things necessary to submit any such matter to arbitration and further agree to, and hereby do, waive any and all rights they or either of them may at any time have to revoke their agreement hereunder to submit to arbitration and to abide by the decision rendered thereunder which shall be binding and conclusive on the parties and shall constitute an "award" by the arbitrator within the meaning of the AAA rules and Applicable Law; provided , however , that the parties hereto acknowledge and agree that any decision by such arbitrator shall be limited to the determination of the matters specified in Section 50.3 , and in no event shall the arbitrator "award" damages to either party in connection with such determination. The arbitrator shall be a qualified, disinterested and impartial person who shall have had at least ten (10) years experience in New York City or White Plains in a calling connected with the matter of the dispute. Landlord and Tenant shall each have the right to appear and be represented by counsel before said arbitrators and to submit such data and memoranda in support of their respective positions in the matter in dispute as may be reasonably necessary or appropriate in the circumstances. Each party hereunder shall pay its own costs, fees and expenses in connection with any arbitration or other action or proceeding brought under this Article, and the expenses and fees of the arbitrators selected shall be shared equally by Landlord and Tenant.

51. Tenant Directory . Landlord, at its expense, shall include Tenant's name on any Project directory that Landlord installs, operates, or maintains. Each such directory entry for Tenant shall have a degree of visibility and prominence that is, in Landlord's reasonable determination,

substantially comparable to the visibility and prominence of the names of other tenants occupying comparable amounts of space in the Project (or applicable portion thereof).

52. Name s . Landlord reserves the right to change the name of the Project or the Buildings in its sole discretion.

53. Public Inducements .

(a) Definitions: The following terms shall have the following meanings:

(i) "IDA" means the County of Westchester Industrial Development Agency.

(ii) "IDA Premises" means that portion of the Premises subject to the Tenant IDA Sublease documentation.

(iii) "PILOT Agreement" means a payment in lieu of taxes agreement to be entered into by Tenant and the IDA and/or the municipalities or school district(s).

(iv) "Public Inducements" mean and include Tax Incentives, as referred to above, and any and all subsidies, incentives, abatements or allowances available from any governmental authority or utility on account of Landlord's acquisition of the land and construction and installation of: Landlord's Work and the other improvements; Tenant's construction of the Tenant Improvements; and/or Tenant's Personal Property and Tenant's occupancy of the Premises.

(v) "Tax Incentives" mean any Real Estate Taxes which are abated, deferred, subsidized, fixed, reduced or forgiven as the result of the PILOT Agreement, the PILOT Program referred to in Section 54 or otherwise as a result of Tenant's occupancy or leasing of any part of the Premises.

(vi) "Tenant IDA Documentation" means the Tenant IDA Sublease, the Tenant IDA Subsublease, as defined below, and such other agreements (including the PILOT Agreement if applicable) as Tenant enters into with the IDA.

(b) It is acknowledged that Tenant has applied for Public Inducements.

(c) [Intentionally deleted].

(d) [Intentionally deleted].

(e) If necessary to obtain any of the Public Inducements, Tenant shall have the right, after obtaining the prior written consent of Landlord, to enter into various agreements with the IDA, including, but not limited to, an agreement pursuant to which Tenant shall sublease from time to time (including any interim sublease) all or any portion of the Premises to the IDA (the " Tenant IDA Sublease "), and the IDA shall subsublease such portion of the Premises to Tenant (the " Tenant IDA Subsublease "); provided that Landlord's consent shall not

be unreasonably withheld, conditioned or delayed so long as: (i) the Tenant IDA Sublease shall be entered into simultaneously with the entering into of the Tenant IDA Subsublease and shall have a scheduled expiration date no later than one (1) day prior to the scheduled expiration date of this Lease and shall terminate automatically upon the earlier termination of this Lease with respect to the portion of the Premises demised thereby; (ii) the Tenant IDA Documentation shall be entered into for the sole purpose of implementing the Public Inducements for Tenant; (iii) the Tenant IDA Documentation shall grant no right of occupancy to any party other than Tenant except for such right of occupancy as is immediately subleased in its entirety back to Tenant (provided, however, that the foregoing shall not be deemed to limit Tenant's rights under this Lease); (iv) the Tenant IDA Documentation shall not release Tenant from any liability or obligation of Tenant under this Lease, (v) the Tenant IDA Documentation shall not impose any obligation or liability on Landlord, but shall not relieve Landlord from Landlord's obligations under this Lease; (vi) Tenant shall comply with, and the Tenant IDA Documentation shall be in compliance with, the provisions of this Section 53 ; (vii) Tenant shall indemnify, defend and save and hold Landlord harmless from and against any and all losses, costs, demands, liabilities and expenses (including reasonable attorneys' fees and disbursements) which Landlord may incur arising out of or in connection with the Tenant IDA Documentation; and (viii) Tenant, as subsubtenant under the Tenant IDA Subsublease, shall be entitled to exercise all of Tenant's rights under this Lease, as if the Tenant IDA Documentation had not been executed. Without limiting the generality of clause (vii) of the immediately preceding sentence, if Landlord shall incur any out-of-pocket cost or expense in connection with the Tenant IDA Documentation, Tenant shall reimburse Landlord for such out-of-pocket costs or expenses, as Additional Rent within thirty (30) days after Landlord shall have rendered a bill therefor. Landlord shall provide Tenant with documentation reasonably supporting the amount of any such costs or expenses. Subject to the immediately following sentence, if any act or omission (where there is an obligation of Tenant under the Tenant IDA Documentation) of Tenant (for example, failure to create promised jobs or to retain a required minimum occupancy level) causes Landlord to suffer or incur any loss, cost, demand, liability, expense, interest, or penalties (including reasonable attorneys' fees), then Tenant shall pay and reimburse Landlord for the actual amount of such loss, cost, demand, liability, expense, interest, or penalties (including reasonable attorneys' fees).

(f) (i) Tenant may modify any Tenant IDA Documentation without the prior written consent of Landlord so long as the Tenant IDA Documentation as amended by such amendment or modification satisfies the requirements for such Tenant IDA Documentation set forth in Section 53(e) and does not increase Landlord's obligations or decrease Landlord's rights in any material respect.

(ii) If, pursuant to this Lease or by agreement between the parties, the Premises are increased, decreased, or modified (including such changes as may be necessary to reflect Tenant's exercise of the Expansion Premises options) then, at the Tenant's option, the Tenant may chose to modify the Tenant IDA Documentation so as to increase, decrease or modify the IDA Premises to conform to the changes in the Premises and Landlord shall cooperate with Tenant in obtaining any required IDA consent to such change in the IDA Premises.

(iii) If any portion of the Premises ceases to qualify as IDA Premises, then at the request of either party, the parties shall modify the Tenant IDA

Documentation so as to remove such portion of the Premises from the operation of such IDA Documents. Any such removed Premises shall continue to be leased to Tenant under this Lease unless and until otherwise removed from the Premises under this Lease.

54. Sales Tax Exemption . The parties understand that all costs comprising Landlord's Work within the 420 Building, the 410 Building and the Connector Building which are for the sole use and benefit of Tenant will be exempt from sales tax, to be evidenced by the "Preliminary Letter for Authorization for Sales Tax Exemption" or the "Letter for Authorization for Sales Tax Exemption" (each a " Certificate ") to be issued to Tenant by the Westchester County IDA, all as contemplated under Article 53 of this Lease. Tenant hereby agrees timely to deliver said Certificate(s) to Landlord as a sub-agent of Tenant for its use in purchasing all such materials. Landlord agrees that it shall only utilize the Certificates for materials purchased for the performance of Landlord's Work, and for no other purpose. Landlord further agrees that Landlord will cooperate with Tenant so as to ensure compliance with the requirements of the IDA Documentation regarding the use of the Certificates, including but not limited to any required reporting of purchases. Upon Substantial Completion of Landlord's Work, Landlord, in consultation with Tenant, shall reconcile and reach agreement on the aggregate amount of sales and use tax exemptions achieved and within 30 days thereafter Landlord shall deliver a check, payable to the order of Tenant, in the agreed to amount. Failing to reach agreement, the dispute shall be determined by arbitration under Section 50 of this Lease. Notwithstanding the foregoing, the parties hereto agree that Landlord may, up to an amount not to exceed $125,000, purchase any materials that would otherwise have the benefit of sales tax exemption prior to the date of Tenant's delivery of the Certificate and that if the date of said Certificate's delivery occurs after July, 15, 2011 and Tenant requests Landlord to further postpone purchase of materials in excess of said amount and beyond said date, then, in such event, any delays resulting therefrom that are a direct consequence of such request and that actually delay Landlord's ability to reach Substantial Completion of Landlord's Work on a date it would have otherwise been able to do so, shall constitute a "Tenant Delay" under Section 5.10(a) of this Lease, but only if such delay is not also attributable to Landlord's failure timely to approve and sign off on Tenant's IDA Documentation, in which event said July 15, 2011 date shall be postponed by the number of days attributable to such delay on the part of Landlord.

55. Conditional Limitation . In addition to Landlord's other rights and remedies under this Lease, if any Default occurs, then Landlord may serve upon Tenant a five-day notice of cancellation and termination of this Lease. Upon the expiration of such five-day period, this Lease and the Term shall automatically and without any action by anyone terminate, expire, and come to an end, by the mere lapse of time and by the express terms of this Lease, as fully and completely as if the expiration of such five-day period were the Term Expiration Date. The passage of such five-day period constitutes the limit beyond which Tenant's tenancy no longer exists, and no longer can exist. Upon the mere occurrence of the passage of five days after Landlord's notice of cancellation and termination, this Lease shall automatically expire by its express terms. No re-entry or other act shall be necessary to terminate this Lease. This paragraph establishes a conditional limitation and not a condition subsequent, but does not limit Landlord's other rights or remedies under this Lease or applicable law.

56. Delivery of Premises . Tenant waives the provisions of New York Real Property Law (the " RPL " § 223-a. The provisions of this Lease on Landlord's delivery of the Premises constitute "an express provision to the contrary" under RPL § 223-a.

57. Casualty . The provisions of this Lease on casualty are an express agreement as to damage or destruction of the Premises by fire or other casualty. RPL § 227, providing for such a contingency absent an express agreement, shall not apply.

58. Window Cleaning . Tenant shall not clean, nor require, permit, suffer or allow any window in the Premises to be cleaned, from the outside in violation of Labor Law § 202, or any other Law, including the rules of the Board of Standards and Appeals.

59. Statutory Right of Redemption . Tenant specifically waives the right of redemption provided for in Real Property Actions and Proceedings Law (" RPAPL ") § 761.

60. Intentionally Omitted .

61. Acceptance of Rent . If Landlord accepts any payment from Tenant after the Term expires, then Landlord shall credit such payment against any damages that Tenant may become obligated to pay Landlord. By accepting any such payment, Landlord shall not be deemed to have agreed to continue Tenant's tenancy or to accept Tenant as a month-to-month tenant of the Premises or as a tenant on any other basis. This paragraph constitutes "an agreement . . . providing otherwise" within the meaning of RPL § 232-c.

62. Consumer Contract Statutes . Tenant acknowledges that this Lease is not entered into for personal, family or household purposes, and therefore GOL § 5-327 (and any other law whose effect is limited to transactions entered into for personal, family, or household purposes) has no application to this Lease.

63. Waiver of Stay . Tenant expressly waives, for every tenant party, any rights under Civil Practice Law and Rules § 2201, in connection with any holdover proceeding or other action or proceeding about this Lease or Tenant's rights as a tenant of the Buildings.

64. No Implied Consent to Remaining in Possession . Notwithstanding anything to the contrary in RPAPL § 711(2) or any other Applicable Law or rule of procedure, Landlord's acceptance of any partial payment on account of Rent, even if acknowledged in writing, shall not be deemed to constitute Landlord's "express consent in writing to permit the tenant to continue in possession" as referred to in RPAPL § 711(2). Landlord shall not be deemed to have granted such "express consent in writing to permit the tenant to continue in possession" unless such alleged written consent by Landlord expressly refers to RPAPL § 711(2) and expressly states (i.e., contains substantially the following words): "Landlord consents to Tenant's remaining in possession notwithstanding nonpayment of Rent."

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first above written.

LANDLORD :

BMR-Ardsley Park LLC,

a Delaware limited liability company

By: /s/John Bonanno
Name: John Bonanno
Title: Senior Vice President, Leasing & Development

TENANT :

Acorda Therapeutics, Inc.,

a Delaware corporation

By: /s/ Ron Cohen
Name: Ron Cohen, M.D.
Title: President and CEO

Exhibit 10.63

Execution Copy

LICENSE AGREEMENT

BETWEEN

MEDTRONIC, INC.,

WARSAW ORTHOPEDIC, INC.

AND

ACORDA THERAPEUTICS, INC.

JUNE 27, 2011

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission.

TABLE OF CONTENTS

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LICENSE AGREEMENT

This License Agreement (this " **Agreement** ") is made and entered into effective as of June 27, 2011 (the " **Effective Date** ") by and between Medtronic, Inc., a Minnesota corporation, having a place of business at 710 Medtronic Parkway NE, Minneapolis, MN 55432-5604, Warsaw Orthopedic, Inc., an Indiana corporation, having a place of business at 2500 Silveus Crossing, Warsaw, Indiana 46581 (" **Warsaw** ;" collectively with Medtronic, Inc., " **Medtronic** ") and Acorda Therapeutics, Inc., a Delaware corporation, having its place of business at 15 Skyline Drive, Hawthorne, New York 10532 (" **Acorda** "). Medtronic and Acorda are sometimes referred to herein individually as a " **Party** " and collectively as the " **Parties** ."

RECITALS

WHEREAS, Medtronic is the owner of proprietary rights with respect to Exclusive Products and Licensed Products (each as defined below), and was engaged in the development of certain of such products;

WHEREAS, Acorda is interested in further developing and commercializing the Exclusive Products and Licensed Products; and

WHEREAS, Medtronic and its Affiliates desire to grant to Acorda and Acorda desires to take certain exclusive and non-exclusive licenses to develop and commercialize the above-mentioned Exclusive Products and Licensed Products in accordance with the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual promises and covenants of the Parties contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

ARTICLE 1
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 " **Acorda** " has the meaning set forth in the preamble hereto.

1.2 " **Acorda Indemnitees** " has the meaning set forth in Section 9.1.

1.3 " **Acorda Product** " means an Exclusive Product or a Licensed Product that is being Exploited in the Field by or on behalf of, or is otherwise controlled by, Acorda, its Affiliates, or its Sublicensees or Distributors.

1.4 " **Affiliate** " means, with respect to a Person, any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such first Person. For purposes of this definition, "control" and, with correlative meanings, the terms "controlled by" and "under common control with" mean (a) the possession, directly or indirectly, of the power to direct the management or policies of a Person, whether through the ownership of voting securities, by contract relating to voting rights or corporate governance, or otherwise, or (b) the

ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities or other ownership interest of a Person.

1.5 " **Agreement** " has the meaning set forth in the preamble hereto.

1.6 [***].

1.7 " **Applicable Law** " means applicable laws, rules and regulations, including any rules, regulations, guidelines or other requirements of the Regulatory Authorities, that may be in effect from time to time in the Territory.

1.8 " **Assigned Trademarks** " means the Trademarks set forth on Schedule 1.8 and any registrations thereof and any pending applications relating thereto.

1.9 " **Authorized Generic Version** " means, with respect to an Acorda Product being sold in a particular country, any other pharmaceutical product that (a) is sold under the Drug Approval Application for such Acorda Product in such country, (b) is sold under a different Trademark than such Acorda Product (as sold by Acorda, its Sublicensees or its or their Affiliates) or under a generic name with no Trademark in such country and (c) in the United States, has a National Drug Code number that differs from the National Drug Code number for such Acorda Product (other than on a temporary basis as may be necessary to launch the Authorized Generic Version in the applicable market).

1.10 " **Authorized Representative** " has the meaning set forth in Section 11.7.1.

1.11 " **Biomembrane Sealing Agent** " means [***].

1.12 " **Breaching Party** " has the meaning set forth in Section 10.2.

1.13 " **Business Day** " means a day that is not Saturday, Sunday or a day on which banking institutions in New York, New York are authorized or required by law to remain closed.

1.14 " **Calendar Quarter** " means each successive period of three (3) calendar months commencing on January 1, April 1, July 1 and October 1; *provided, however* , that the first Calendar Quarter of the Term shall commence on the Effective Date and end on the day immediately prior to the first to occur of January 1, April 1, July 1 or October 1 after the Effective Date, and the last Calendar Quarter shall end on the last day of the Term.

1.15 " **Calendar Year** " means each successive period of twelve (12) calendar months commencing on January 1 and ending on December 31; *provided, however* , that the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the year in which the Effective Date occurs, and the last Calendar Year shall end on the last day of the Term.

1.16 " **Change of Control** " of a Person means the occurrence of any of the following events:

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(a) a sale of all or substantial portion of the assets of such Person in a single transaction or in a series of related transactions;

(b) a liquidation or dissolution of such Person;

(c) a merger or consolidation involving such Person after the completion of which: (i) in the case of a merger (other than a triangular merger) or a consolidation, the beneficial shareholders of such Person immediately prior to the completion of such merger or consolidation beneficially own, directly or indirectly, outstanding voting securities representing no more than fifty percent (50%) of the combined voting power of the surviving entity in such merger or consolidation, and (ii) in the case of a triangular merger, the beneficial shareholders of such Person immediately prior to the completion of such triangular merger beneficially own, directly or indirectly, outstanding voting securities representing no more than fifty percent (50%) of the combined voting power of the parent of the surviving entity in such merger; or

(d) an acquisition by any Person or "group", including in a merger or consolidation of the type referred to in clause "(c)" of this definition, of beneficial ownership of outstanding voting securities representing more than fifty percent (50%) or more of the combined voting power (in a single transaction or series of transactions).

1.17 " **Clinical Studies** " means human clinical trials and other tests and studies in human subjects of an Exclusive Product or a Licensed Product, including such trials, tests and studies that are required by Applicable Law or are otherwise required by the Regulatory Authorities to obtain or maintain Regulatory Approvals for such product.

1.18 " **CMC Data** " means the chemistry, manufacturing and controls data required by Applicable Law to be included in a New Drug Application or in any other Drug Approval Application outside the United States.

1.19 " **Combination Product** " means [***].

1.20 " **Commercialization** " means, with respect to an Exclusive Product or a Licensed Product, any and all activities (whether before or after Regulatory Approval thereof) directed to the marketing, selling, offering for sale, detailing and promotion of such product after Regulatory Approval for commercial sale has been obtained, and shall include marketing, promoting, detailing, marketing research, distributing, offering to commercially sell, commercially selling, obtaining pricing and reimbursement approvals, market research, advertising, importing and exporting such product, transporting such product for commercial sale and regulatory affairs with respect to the foregoing. When used as a verb, " **Commercializing** " means to engage in Commercialization and " **Commercialize** " and " **Commercialized** " shall have corresponding meanings.

1.21 " **Commercially Reasonable Efforts** " means, with respect to the Development or Commercialization of an Exclusive Product or a Licensed Product, [***].

1.22 " **Complaining Party** " has the meaning set forth in Section 10.2.

1.23 " **Confidential Information** " has the meaning set forth in Section 7.1.1.

1.24 " **Control** " means, with respect to any Information, Know-How, Regulatory Documentation, Patent, Trademark or other intellectual property right, possession of the right, whether directly or indirectly, and whether by ownership, license or otherwise (other than by operation of the license and other grants in Article 3), to assign or grant, or direct the assignment or grant of, a license, sublicense or other right to or under such Information, Know-How, Regulatory Documentation, Patent, Trademark or other intellectual property right as provided for herein without violating the terms of any agreement or other binding arrangement with any Third Party, *provided* that if a Third Party's consent is required under any such agreement to assign or grant, or direct the assignment or grant of, any such license, sublicense or other right, the Party to such agreement shall use commercially reasonable efforts to promptly secure such consent.

1.25 " **Conversion Notice** " has the meaning set forth in Section 1.1.1.

1.26 " **CREATE Act** " has the meaning set forth in Section 5.2.8.

1.27 " **DDMAC** " means the Division of Drug Marketing, Advertising and Communications of the FDA and any successor agency thereto.

1.28 " **Designated Counsel** " has the meaning set forth in Section 5.2.1.

1.29 " **Designated Party** " has the meaning set forth in Section 5.2.1.

1.30 [***].

1.31 " **Development** " means, with respect to an Exclusive Product or a Licensed Product, all activities related to research, preclinical and other non-clinical testing, test method development and stability testing, toxicology, formulation, process development, packaging development, Clinical Studies, statistical analysis and report writing, the preparation and submission of Drug Approval Applications, regulatory affairs with respect to the foregoing and all other activities necessary or reasonably useful or otherwise required by a Regulatory Authority as a condition or in support of obtaining or maintaining a Regulatory Approval for such product. When used as a verb, " **Develop** " means to engage in Development.

1.32 " **Disclosing Party** " has the meaning set forth in Section 7.1.1.

1.33 " **Dispute** " has the meaning set forth in Section 11.7.1.

1.34 " **Distributor** " has the meaning set forth in Section 3.1.3.

1.35 " **Dollars** " or " **$** " means United States Dollars.

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1.36 " **Drug Approval Application** " means a New Drug Application (an " **NDA** ") as defined in the FFDCA and the regulations promulgated thereunder, or any corresponding foreign application in the Territory, including, with respect to the European Union, a Marketing Authorization Application filed with the EMEA pursuant to the centralized approval procedure or with the applicable Regulatory Authority of a country in European Union with respect to the mutual recognition or any other national approval procedure.

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

1.38 " **EMEA** " means the European Medicines Agency and any successor agency thereto.

1.39 " **Enforcing Party** " has the meaning set forth in Section 5.3.2

1.40 " **Europe** " means the countries comprising the European Economic Area as it may be constituted from time to time, which as of the Effective Date, consists of the member countries of the European Union, Iceland, Norway, Liechtenstein and Switzerland.

1.41 " **European Union** " means the economic, scientific and political organization of member states as it may be constituted from time to time, which, as of the Effective Date, consists of Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and the United Kingdom of Great Britain and Northern Ireland and a portion of Cyprus.

1.42 **"Exclusive Field** " means all Indications other than the Medtronic Field.

1.43 " **Exclusive Product** " means a product that [***].

1.44 " **Exploit** " means, with respect to an Exclusive Product or a Licensed Product, to make, have made, import, use, sell or offer for sale, including to research, Develop, Commercialize, Manufacture, register, hold or keep (whether for disposal or otherwise), have used, export, transport, distribute, promote, market or have sold or otherwise dispose of such product. When used as a noun, " **Exploitation** " means the act of Exploiting an Exclusive Product or a Licensed Product.

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

1.46 " **FFDCA** " means the United States Food, Drug, and Cosmetic Act, as amended from time to time.

1.47 " **Field** " means the Exclusive Field and the Medtronic Field.

1.48 " **First Commercial Sale** " means, with respect to an Acorda Product and country in the Territory, the first sale for use or consumption by the general public of such Acorda Product in such country.

1.49 " **Force Majeure Event** " has the meaning set forth in Section 11.1.

1.50 **"FTE Day"** means, with respect to an activity, the equivalent of the work of one (1) employee full time for one day (consisting of at least eight (8) hours) of work directly related to the activity. Any individual who actually works less than eight (8) hours in a day to such work shall be treated as having worked a partial FTE Day (calculated by dividing the actual number of hours worked by eight (8) hours). Any individual who actually works more than eight (8) hours in one day shall not be treated as having worked more than one (1) FTE Day.

1.51 **"FTE Rate"** means [***] per FTE Day.

1.52 " **GAAP** " means United States generally accepted accounting principles consistently applied.

1.53 " **Generic Version** " means, with respect to a particular Exclusive Product or a particular Licensed Product in a particular country, a pharmaceutical product that contains [***] and that is authorized for use in the country on the basis of a less than full Drug Approval Application in reliance, in whole or in part, on safety or efficacy data submitted in support of such Exclusive Product or such Licensed Product or on safety or efficacy findings with respect thereto, with or without an express right of reference or other authorization from Acorda or Medtronic, their respective Affiliates, or Acorda's Sublicensees, including, for example, an abbreviated new drug application under Section 505(j) or a new drug application under Section 505(b)(2) of the FFDCA or any biosimilar application under Section 351(k) of the U.S. Public Health Service Act or other U.S. legislation or any provision of Articles 10, 10a or 10b of Parliament and Council Directive 2001/83/EC as amended (including an application under Article 6.1 of Parliament and Council Regulation (EC) No 726/2004 that relies for its content on Articles 10, 10a or 10b of Parliament and Council Directive 2001/83/EC as amended), and all equivalents (in the United States, European Union or elsewhere) of such provisions.

1.54 " **Good Clinical Practices** " or " **GCP** " means the then-current requirements under Applicable Law and international ethical, scientific and quality standards for designing, conducting, recording, analyzing and reporting trials that involve the participation of human subjects, including as set forth in 21 C.F.R. parts 50, 54, 56 and 312 and in the International Conference on Harmonization Guideline for Good Clinical Practice (E6), in each case as amended from time to time.

1.55 " **Good Laboratory Practices** " or " **GLP** " means the then-current requirements under Applicable Law for non-clinical laboratory studies that support or are intended to support applications to conduct research in humans or to obtain marketing authorization, including as set forth in 21 C.F.R. part 58 and EC Directives 87/18/EEC, 88/320/EEC and 1999/11/EC, and as otherwise required by the Regulatory Authorities of the Territory, in each case as amended from time to time.

1.56 " **Good Manufacturing Practices** " or " **GMP** " means the then-current requirements under Applicable Law for the manufacturing, preparation, processing, labeling, packaging, and distribution of pharmaceutical products (and components thereof), including as set forth in 21 U.S.C. Section 351, 21 C.F.R. parts 210 and 211, European Commission Directive 2003/94/EEC of 08 October 2003, and as otherwise required by the Regulatory Authorities of the Territory, in each case as amended from time to time.

1.57 " **Hatch-Waxman Act** " means the Drug Price Competition and Patent Term Restoration Act of 1984, as amended.

1.58 " **ICC Rules** " has the meaning set forth in Section 11.7.2.

1.59 " **IND** " means an investigational new drug application filed with the FDA for authorization to commence Clinical Studies, and its equivalent in other countries or regulatory jurisdictions.

1.60 " **Indemnification Claim Notice** " has the meaning set forth in Section 9.3.

1.61 " **Indemnified Party** " has the meaning set forth in Section 9.3.

1.62 " **Indemnifying Party** " means a Party from which indemnification is sought pursuant to Section 9.1 or 9.2.

1.63 " **Indication** " means the diagnosis, treatment, prevention or cure, or delay in the progression of, as applicable, any specific disease, disorder or condition. When used as an adjective, " **Indicated** " means having an Indication.

1.64 " **Information** " means all technical, scientific and other know-how and information, trade secrets, knowledge, technology, means, methods, processes, practices, formulas, instructions, skills, techniques, procedures, experiences, ideas, technical assistance, designs, drawings, assembly procedures, computer programs, apparatuses, specifications, data, results and other material, including pre-clinical and clinical trial results, manufacturing procedures, test procedures, and purification and isolation techniques, (whether or not confidential, proprietary, patented or patentable) in written, electronic or any other form now known or hereafter developed, and all other discoveries, developments, inventions (whether or not confidential, proprietary, patented or patentable), and tangible embodiments of any of the foregoing.

1.65 " **Initial Transition Period** " means the period of time commencing on the Effective Date and ending [***].

1.66 " **Invoiced Sales** " has the meaning set forth in the definition of "Net Sales."

1.67 " **Joint Know-How** " means all Know-How, whether or not patented or patentable, that are conceived, discovered, developed or otherwise made during the Term, as necessary to establish authorship, inventorship or ownership under applicable United States law as such law exists as of the Effective Date irrespective of where such conception, discovery, development or making occurred, under or in connection with this Agreement jointly by one or more employees of or consultants to Medtronic or any of its Affiliates, on the one hand, and one or more employees of or consultants to Acorda, its Sublicensees or any of its or their respective Affiliates, on the other hand, excluding any inventions to the extent claimed or covered by published Joint Patent(s).

1.68 " **Joint Patents** " means all Patents that claim or cover any Joint Know-How (including, for clarity, any Information that was Joint Know-How prior to the publication of a Patent claiming or covering such Information).

1.69 " **Know-How** " means any Information that is not generally known.

1.70 " **Knowledge** " means, (a) with respect to Acorda, the good faith understanding of any officer, any employee with a title of vice president or above or any internal legal counsel of Acorda of the facts and information after performing a reasonably diligent investigation with respect to such facts and information, and (b) with respect to Medtronic, the good faith understanding of any officer, any employee with a title of vice president or above or any internal legal counsel of Medtronic, Inc., Warsaw or Medtronic Sofamor Danek U.S.A., Inc. or any other Affiliate of Medtronic of the facts and information after performing a reasonably diligent investigation with respect to such facts and information.

1.71 [***].

1.72 " **Licensed Information** " means any Information Controlled by Medtronic or its Affiliates [***].

1.73 " **Licensed Know-How** " means all Know-How Controlled by Medtronic or its Affiliates [***], but excluding any Joint Know-How and any Information to the extent covered or claimed by published Licensed Patent(s) or Joint Patent(s).

1.74 " **Licensed Patents** " means the (i) Scheduled Patents, (ii) all other Patents Controlled by Medtronic or its Affiliates [***], but excluding any Joint Patents; (iii) any Patents Controlled by Medtronic or its Affiliates during the Term that cover or claim Licensed Information or Licensed Know-How; and (iv) any patents and patent applications claiming priority to a patent or patent application described in clauses (i) or (ii).

1.75 " **Licensed Product"** means a product that [***].

1.76 " **Losses** " has the meaning set forth in Section 9.1.

1.77 " **Magnesium Compound** " means [***].

1.78 " **Major Market** " means [***].

1.79 " **Manufacture** " and " **Manufacturing** " means all activities related to the production, manufacture, processing, filling, finishing, packaging, labeling, shipping and holding of an

Exclusive Product or a Licensed Product or any intermediate thereof, including process development, process qualification and validation, scale-up, pre-clinical, clinical and commercial manufacture and analytic development, product characterization, stability testing, quality assurance and quality control.

1.80 " **Material Transfer Agreement** " means any material transfer agreement, sponsored research agreement or other agreement with a Third Party similar to a material transfer agreement or a sponsored research agreement, in each case relating to Magnesium Compounds, Biomembrane Sealing Agents, Exclusive Products or Licensed Products, or Development of any of the foregoing.

1.81 " **Medical Device** " means a 'device' (other than a Biomembrane Sealing Agent) as such term is defined in Section 201(h) of the FFDCA.

1.82 " **Medtronic Field** " means any of the following:

(a) [***];

(b) [***];

(c) musculoskeletal therapies [***]; or

(d) the treatment, reduction or alleviation of pain [***].

1.83 " **Medtronic Indemnitees** " has the meaning set forth in Section 9.2.

1.84 " **Medtronic Product** " means a Licensed Product that is not an Exclusive Product that is being Exploited in the Medtronic Field by or on behalf of Medtronic, its Affiliates, or its licensees or distributors (not including Acorda and Acorda's Affiliates, Sublicensees and Distributors).

1.85 " **Milestone Event** " means each of the events identified as a milestone event in Section 4.2.1.

1.86 " **NDA** " has the meaning set forth in the definition of "Drug Approval Application."

1.87 " **Net Sales** " means, for any period, the gross invoiced amount on sales of the Acorda Products in the Territory by Acorda and its Affiliates to Third Parties (including Distributors) (" **Invoiced Sales** "), less deductions for: (a) normal and customary trade or quantity or prompt settlement discounts (including chargebacks and allowances to managed care organizations and other Third Parties) actually allowed; (b) freight, postage, shipping and insurance expenses to the extent that such items are

included in the gross amount invoiced; (c) amounts repaid or credited by reason of rejection or returns or recalls of goods, rebates or bona fide price reductions determined and actually granted by Acorda or its Affiliates in good faith; (d) rebates, discounts, credits, price concessions, and other payments made with respect to sales paid for, or required as a condition of participation in, or reimbursement under, any program administered or funded by any governmental or regulatory authority in the United States of America (including those rebates, discounts, credits, price concessions and other payments required under the Federal Medicaid drug rebate agreement or any state supplemental Medicaid drug rebate agreement, any agreement with a Medicare Part D prescription drug plan, any Medicare Advantage plan with prescription drug coverage, any plan that qualifies for the retiree drug subsidy or any agreement with the Centers for Medicare & Medicaid Services (CMS) or any contractor for CMS relating to the Medicare coverage gap discount program) or similar state program in the United States of America or equivalent governmental program in any other country, including any rebates, discounts, credits, price concessions and other payments that may be required by any healthcare reform legislation or other Applicable Law, or required by Applicable Law as a condition of coverage by any government program of Acorda Products, that may be enacted or promulgated after the Effective Date; (e) that portion of the annual fee on prescription drug manufacturers imposed by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (as amended) attributable to sales of the Acorda Products; (f) excise taxes, value added taxes, sales taxes, consumption taxes and other similar taxes, customs duties, customs levies and import fees imposed on the sale, importation, use or distribution of the Acorda Products; (g) administrative fees paid to group purchasing organizations, pharmacy benefit management entities, managed care organizations and similar entities; (h) any other similar and customary deductions that are consistent with GAAP, or in the case of non-United States sales, other applicable accounting standards; and (i) as an allowance for transportation costs, distribution expenses, special packaging and related insurance charges, [***] of the amount arrived at after application of the provisions of items (a) to (h) above.

Net Sales shall not include transfers by Acorda, its Affiliates, Sublicensees, Distributors, and distributors of Authorized Generic Versions of Acorda Products, of free samples of Acorda Products or clinical trial supplies of Acorda Product, or to patients under patient assistance programs or other transfers or dispositions for charitable, compassionate, promotional, pre-clinical, clinical, Manufacturing, testing or qualification, regulatory or governmental purposes, in cases where such transfer is free of charge or at a de minimis transfer price.

Net Sales shall be calculated using Acorda's internally audited systems used to report such sales as adjusted for any of items (a) to (i) above not taken into account in such systems.

In the event that an Acorda Product is sold in any country in the form of a Combination Product, Net Sales of such Combination Product shall be adjusted by [***]. If either (i) an Exclusive Product or Licensed Product, as applicable, that contains the Licensed Components as its only active pharmaceutical ingredients or (ii) (A) with respect to an API Combination Product, a product that contains only the Other Components as its only active pharmaceutical ingredient(s) is not sold separately in a particular country, or (B) with respect to a Device Combination Product, the Medical Device is not sold separately in such country, then [***].

For purposes of the immediately preceding paragraph, the "invoice price" to be used for each Exclusive Product or Licensed Product that contains only Licensed Components and each product that contains only the Other Components for a particular country shall be for products with a quantity of such components comparable to that used in such Combination Product and of substantially the same class, purity and potency, in each case, with respect to such country.

In the case of pharmacy incentive programs, hospital performance incentive programs, chargebacks, disease management programs, similar programs or discounts on portfolio product offerings, all rebates, discounts and other forms of reimbursements shall be allocated among products on the basis on which such rebates, discounts and other forms of reimbursements were actually granted or, if such basis cannot be determined, in accordance with Acorda's, its Sublicensees' or its or their respective Affiliates' existing allocation method; *provided, however* , that any such allocation shall be done in accordance with Applicable Law, including any price reporting laws, rules and regulations.

1.88 " **Orphan Drug Law** " means, with respect to the United States, the Orphan Drug Act of 1983 and the implementing regulations at 21 C.F.R. 316, with respect to the European Union, Regulation (EC) No 141/2000 of the European Parliament and the Council of 16 December 1999 on orphan medicinal products, as implemented by Commission Regulation (EC) No 847/2000, and other similar laws and regulations outside the United States and the European Union.

1.89 " **Orphan Product** " means, with respect to a country, a pharmaceutical product that is granted a period of regulatory exclusivity under the applicable Orphan Drug Law in such country.

1.90 " **Other Components** " has the meaning set forth in the definition of "Net Sales."

1.91 " **Owned Patent** " has the meaning set forth in Section 8.3.4.

1.92 " **Party** " and " **Parties** " each has the meaning set forth in the preamble hereto.

1.93 " **Patent s** " means: (a) all national, regional and international patents and patent applications, including provisional patent applications; (b) all patent applications filed either from a patent or patent application described in clause (a) or from an application claiming priority to a patent or patent application described in clause (a), including continuing applications, divisionals, continuations, continuations-in-part, provisionals, converted provisionals, and continued prosecution applications; (c) any and all patents that have issued or in the future issue from the foregoing patent applications (clauses (a) and (b)), including utility models, petty patents and design patents and certificates of invention; (d) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications (clauses (a), (b) and (c)); and (e) any similar rights, including so-called pipeline protection, or any importation, revalidation, confirmation or introduction patent or registration patent or patent of additions to any such foregoing patent applications and patents.

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

1.94 " **Payments** " has the meaning set forth in Section 4.4.

1.95 " **PEG** " means polyethylene glycol.

1.96 " **Person** " means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

1.97 " **Phase II Trial** " means a Clinical Study conducted to show that treatment with an Exclusive Product or a Licensed Product produces results that are deemed sufficient by Acorda and the Regulatory Authorities to initiate a Pivotal Phase III Trial.

1.98 " **Pivotal Phase III Trial** " means a human clinical trial of an Exclusive Product or a Licensed Product on a sufficient number of subjects that is designed to establish that such product is safe and efficacious for its intended use and to determine warnings, precautions and adverse reactions that are associated with such product in the dosage range to be prescribed, which trial, together with earlier human clinical trials of such product, is intended to be sufficient to support Regulatory Approval of such product in a Major Market.

1.99 " **Product Data** " means all data, reports and results with respect to Exclusive Products and Licensed Products made, collected or otherwise generated under or in connection with the Development thereof.

1.100 **"Product Liability Claims"** means claims for personal injury or death based on alleged breach of product warranty, strict liability in tort, or negligent product design or manufacture.

1.101 " **Product Trademarks** " means the Trademarks for Acorda Products selected by Acorda pursuant to Section 2.7.1, any registrations thereof and any pending applications relating thereto.

1.102 " **Prosecuting Party** " has the meaning set forth in Section 5.2.3.

1.103 " **Receiving Party** " has the meaning set forth in Section 7.1.1.

1.104 " **Regulatory Approval** " means, with respect to an Exclusive Product or Licensed Product and country in the Territory, any and all approvals (including Drug Approval Applications), licenses, registrations or authorizations of any Regulatory Authority necessary to commercially distribute, sell or market such product in such country, including, where applicable, (a) pricing or reimbursement approval in such country, (b) pre- and post-approval marketing authorizations and (c) labeling approval.

1.105 " **Regulatory Authority** " means any applicable supra-national, federal, national, regional, state, provincial or local regulatory agencies, departments, bureaus, commissions, councils or other government entities regulating or otherwise exercising authority with respect to the Exploitation of Exclusive Products or Licensed Products in the Territory.

1.106 " **Regulatory Documentation** " means all applications, registrations, licenses, authorizations and approvals, all correspondence submitted to or received from Regulatory Authorities (including minutes and official contact reports relating to any communications with any Regulatory Authority), and all supporting documents and all clinical studies and tests, in each case, relating to Exclusive Products or Licensed Products, and all data contained in any of the foregoing, including all

INDs, Drug Approval Applications, Regulatory Approvals, regulatory drug lists, marketing and promotion documents, Product Data, adverse event files and complaint files, Manufacturing records (including any CMC Data), submission logs, Orphan Product designations and any related documentation that are (i) with respect to any such documents and data relating to Licensed Products that are not Exclusive Products, Controlled by Medtronic and its Affiliates as of the Effective Date or during the Transition Period, and (ii) with respect to any such documents and data relating to Exclusive Products, Controlled by Medtronic and its Affiliates as of the Effective Date or during the Term.

1.107 " **Required Information** " has the meaning set forth in Section 11.2.

1.108 " **Scheduled Patents** " means (a) the patents and patent applications set forth on Schedule 1.108, all international counterparts thereof, all provisional applications to which priority is claimed, and all patents and patent applications that claim priority to such provisional applications, Patents, and their international counterparts, (b) all patents and patent applications filed from a patent or patent application described in clause (a), including provisional patent applications, (c) all patents and patent applications claiming priority to a patent or patent application described in clauses (a) or (b), including continuing applications, divisionals, continuations, continuations-in-part, provisionals, converted provisionals, and continued prosecution applications; (d) any and all patents that have issued or in the future issue from the foregoing patent applications (clauses (b) and (c)), including utility models, petty patents and design patents and certificates of invention; and (e) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications (clauses (a), (b), (c) and (d)).

1.109 " **Six-Month Notice** " has the meaning set forth in Section 3.4.1.

1.110 " **Special Medtronic Breach** " means [***].

1.111 [***].

1.112 " **Sublicensee** " has the meaning set forth in Section Section 3.1.2.

1.113 **"Successful Completion"** means, with respect to a Clinical Study, that the report generated upon completion of such Clinical Study analyzing the complete data package generated by such Clinical Study concludes that the defined end points of such Clinical Study were achieved.

1.114 " **Term** " has the meaning set forth in Section 10.1.

1.115 " **Termination Notice Period** " has the meaning set forth in Section 10.2.

1.116 " **Territory** " means all of the countries and territories of the world.

1.117 " **Third Party** " means any Person other than Medtronic, Acorda and their respective Affiliates.

1.118 " **Third Party Clai m s** " has the meaning set forth in Section 9.1.

1.119 " **Trademark** " means any word, name, symbol, color, designation or device or any combination thereof, including any trademark, trade dress, brand mark, service mark, trade name,

brand name, logo or business symbol, whether or not registered, used to identify the source of goods or services.

1.120 " **Transition Period** " means the Initial Transition Period and, in the event that Acorda elects to extend the Initial Transition Period as set forth in Section 2.1.3, the duration of such extension.

1.121 [***].

1.122 " **United States** " or " **U.S.** " means the United States of America and its territories and possessions, including the District of Columbia and the Commonwealth of Puerto Rico.

1.123 " **Valid Claim** " means, with respect to a particular country, (a) any claim of an issued and unexpired Patent in such country that (i) has not been held permanently revoked, unenforceable or invalid by a decision of a court or governmental agency of competent jurisdiction, which decision is unappealable or unappealed within the time allowed for appeal and (ii) has not been abandoned, disclaimed, denied or admitted to be invalid or unenforceable through reexamination, opposition, reissue or disclaimer or otherwise in such country or (b) any claim of a pending Patent application that has not been abandoned or finally disallowed without the possibility of appeal or re-filing of the application, provided that such claim has not been pending for more than [***].

1.124 " **VAT** " has the meaning set forth in Section 4.4.

1.125 " **Warsaw** " has the meaning set forth in the preamble hereto.

ARTICLE 2
DEVELOPMENT, REGULATORY AND COMMERCIALIZATION

2.1 Medtronic Disclosures and Technology Transfers.

2.1.1. Development-Related Disclosures. Subject to Section 11.2, Medtronic shall, and shall cause its Affiliates to, without additional compensation except as set forth in Section 2.1.3:

(a) disclose and provide to Acorda promptly following the Effective Date (to the extent existing as of the Effective Date and not already disclosed and made available to Acorda) copies of all written or other tangible embodiments, in the form and format currently maintained by Medtronic in the ordinary course of business, of Regulatory Documentation with respect to Exclusive Products (including (i) all Product Data, (ii) copies of all regulatory submissions made to the FDA or any other Regulatory Authority by or on behalf of Medtronic or any of its Affiliates with respect to Exclusive Products and (iii) protocols for any ongoing Clinical Studies and proposed designs for any anticipated Clinical Studies with respect to Exclusive Products), and Licensed Information (including Licensed Know-How and any other Product Data) with respect to Exclusive Products;

(b) disclose and provide to Acorda promptly following the Effective Date (to the extent existing as of the Effective Date and not already disclosed and made available to

Acorda), copies of all written or other tangible embodiments, in the form and format currently maintained by Medtronic in the ordinary course of business, of Licensed Know-How or other Product Data;

(c) during the Transition Period, provide Acorda with all reasonable assistance required in order to transfer the Development of the Exclusive Products and Licensed Products to Acorda in a timely manner and assist Acorda with respect to the Exploitation of Exclusive Products and Licensed Products in the Field. Without prejudice to the generality of the foregoing, Medtronic shall cause appropriate employees and representatives of Medtronic and its Affiliates to meet with employees of Acorda or its designee at the facilities of Acorda or its designee, from time to time as reasonably designated by Acorda, in order to (i) permit Acorda to acquire expertise on the practical application of the Licensed Know-How and Licensed Information, (ii) effect a smooth and orderly transition of the Development, including any related regulatory, activities to Acorda, and (iii) provide other reasonable assistance on issues arising with respect to the Exploitation of the Exclusive Products and Licensed Products; and

(d) during the Transition Period, take all steps necessary or reasonably requested by Acorda to transfer the IND related to the Exclusive Product submitted by Medtronic to the FDA to Acorda's name.

2.1.2. Manufacturing Technology Transfer. During the Transition Period, subject to Section 11.2, Medtronic shall, and shall cause its Affiliates to, without additional compensation except as set forth in Section 2.1.3, provide Acorda or its designee with reasonable assistance in order to transfer the Manufacturing to Acorda or its designee. Without limiting the generality of the foregoing, Medtronic shall, and shall cause its Affiliates to:

(a) make available to Acorda or its designee all Licensed Information relating to Manufacturing, including documentation constituting material support, performance advice, shop practice, specifications as to materials to be used, control methods, standard operating procedures and any other material that is reasonably necessary to enable Acorda or its designee to Manufacture;

(b) assist with the working up and use of the Manufacturing process and with the training of Acorda's or its designee's personnel to the extent reasonably necessary or substantially useful to enable Acorda or its designee to Manufacture; and

(c) take such steps as are reasonably necessary to assist Acorda or its designee in obtaining any necessary license, permit or approval from any Regulatory Authority with respect to Acorda's or its designee's Manufacturing.

2.1.3. Extended Transition Period . Acorda may, at its request, extend the Initial Transition Period for an additional [***] period, and if so extended, Medtronic shall cause employees with suitable experience and expertise to continue to provide the assistance described in Sections 2.1.1(c), 2.1.1(d) and 2.1.2 to Acorda, *provided that* Acorda shall compensate Medtronic for its actual FTE Days at the FTE Rate for any assistance provided during such [***] period, and shall reimburse Medtronic and its Affiliates for out-of-pocket costs, including travel costs, related to such assistance.

2.2 Development of Exclusive Products and Licensed Products.

2.2.1. Ongoing Development. The Parties acknowledge and agree that additional Development will be required to obtain Regulatory Approvals for Exclusive Products and

Licensed Products in the Territory. During the Term of this Agreement, as between the Parties, Acorda shall have the sole and exclusive right to Develop (a) Exclusive Products in the Field and (b) Licensed Products in the Exclusive Field, in each case ((a) and (b)), in the Territory. Unless otherwise expressly agreed by the Parties in writing, Medtronic and its Affiliates shall not, directly or indirectly, whether alone or together with any Third Party, Develop any (a) Exclusive Product in the Field or (b) Licensed Product in the Exclusive Field, in each case ((a) and (b)), for any purpose during the Term.

2.2.2. Development Costs . Except as otherwise provided in this Agreement, Acorda shall be responsible for all of its costs and expenses in connection with its Development. For the avoidance of doubt, Medtronic shall bear, and shall not be entitled to reimbursement for, any costs and expenses incurred by Medtronic prior to the Effective Date and, except as otherwise expressly provided in this Agreement, any costs or expenses incurred by Medtronic in performing its obligations under this Agreement.

2.2.3. Assignment of Existing Inventory. Medtronic hereby assigns to Acorda all of its and its Affiliates' right, title and interest in and to any and all supply of Exclusive Product and Licensed Product owned by Medtronic and its Affiliates and existing as of the Effective Date, wherever located, including work in process and Exclusive Product and Licensed Product being used in stability studies, for no additional cost. Promptly following the Effective Date, Medtronic shall deliver or have delivered such supply to a location to be specified by Acorda by a carrier selected by Acorda, at Acorda's cost. Risk of loss shall pass to Acorda upon delivery to the carrier selected by Acorda.

2.3 Regulatory Matters . As between the Parties, Acorda shall have the sole and exclusive right to prepare and file all Regulatory Documentation and to communicate with the Regulatory Authorities in connection with obtaining Regulatory Approval for each Acorda Product in the Field in the Territory. As between the parties, Acorda shall have the sole and exclusive right to prepare and file all Regulatory Documentation with Regulatory Authorities in the name of Acorda or its designee and to make all decisions with respect to naming and labeling for each Acorda Product in the Field in the Territory. All Regulatory Approvals and related submissions within the Territory relating to Acorda Products in the Field shall be the property of Acorda or its designee and held in the name of Acorda or its designee.

2.4 Non-Compete . During the Term of this Agreement, and for a period of 12 months thereafter, Medtronic and its Affiliates shall not Exploit or assist or collaborate with any Third Party in Exploiting, any (a) Exclusive Product in the Field or (b) Licensed Product in the Exclusive Field.

2.5 Performance; Subcontracting. Acorda may subcontract with a Third Party to perform any or all of its obligations under this Agreement, *provided* that no such permitted subcontracting shall relieve Acorda of any liability or obligation hereunder except to the extent satisfactorily performed by such subcontractor.

2.6 Reports.

2.6.1. Reports. Upon [***] and thereafter [***] until Acorda has achieved each and every Milestone Event, and thereafter [***], Acorda shall present Medtronic with a report summarizing (a) the material Development and Commercialization activities with respect to Acorda Products in support of each Major Market that it has performed, or caused to be performed, since the preceding report, (b) its material Development and Commercialization activities with respect to Acorda Products in support of each Major Market in process, (c) the future material activities it expects to initiate with respect to Acorda Products in support of each

Major Market during [***] period and (d) any adverse events that materially affect Development or Commercialization activities with respect to Acorda Products in the Major Markets.

2.6.2. Adverse Event Reports. Acorda shall be responsible for reporting adverse events, technical complaints and any other information concerning the safety of Acorda Products to the applicable Regulatory Authority in the Territory. If Medtronic or its Affiliates elects to Develop any Medtronic Product in the Medtronic Field (or assist or collaborate with any Third Party in doing so), the Parties shall, to the extent required by Applicable Law, cooperate with respect to safety reporting, including by entering into (or requiring Medtronic's Affiliates or its or their collaboration partners to enter into) a pharmacovigilance agreement with respect to the Medtronic Product(s).

2.7 Commercialization of Exclusive Products and Licensed Products . As between the Parties, Acorda shall have the sole and exclusive right to Commercialize (a) Exclusive Products in the Field and (b) Licensed Products in the Exclusive Field, in each case ((a) and (b)) in the Territory.

2.7.1. Product Trademarks and Markings. Acorda shall have the sole and exclusive right to select the Trademarks, including any Assigned Trademarks, for the marketing and sale of Acorda Products in the Territory, including packaging designs and other trade dress. Acorda or its designee shall own such Trademarks and other rights and goodwill with respect thereto. Medtronic shall not, nor shall it permit its Affiliates to, (a) use, seek to register, or otherwise claim rights in the Territory in any Trademark used in connection with a product in the Field that is confusingly similar to, misleading or deceptive with respect to, or that dilutes any of the Product Trademarks, (b) do, cause to be done, or omit to do any act, the doing, causing or omitting of which endangers, undermines, impairs, destroys or similarly affects, in any material respect, the validity or strength of any of the Product Trademarks (including any registration or pending registration application relating thereto) or the value of the goodwill pertaining to any of the Product Trademarks or (c) attack, dispute or contest Acorda's or any of its Affiliates' or its or their sublicensees' right, title or interest in any of the Product Trademarks (including any registration or pending registration application relating thereto); *provided* that the prohibitions set forth in clauses (a), (b), and (c) shall not apply with respect to any Product Trademark selected by Acorda that is confusingly similar to a prior Trademark of Medtronic or its Affiliates.

2.7.2. Booking of Sales. As between the Parties, Acorda shall have the sole and exclusive right to (a) invoice and book sales, establish all terms of sale of all Acorda Products in the Field (including the price at which the Acorda Products will be sold, whether the Acorda Products will be subject to any trade or quantity discounts, whether any discount will be provided for payments on accounts receivable, whether the Acorda Products will be subject to rebates, returns and allowances or retroactive price reductions, the channels of distribution of the Acorda Products, and whether credit is to be granted or refused in connection with the sale of the Acorda Products), (b) warehouse and distribute all Acorda Products, (c) handle all returns, recalls or withdrawals of Acorda Products in accordance with Section 6.1 and (d) handle all order processing, invoicing and collection, distribution and inventory and receivables of Acorda Products in the Territory. If Medtronic or any of its Affiliates receives any orders for any Exclusive Product in the Field or any Licensed Product that is not an Exclusive Product in the Exclusive Field, in each case, for the Territory, it shall promptly refer such orders to Acorda or its designee.

2.8 Diligence. Acorda shall use Commercially Reasonable Efforts to Develop and Commercialize an Acorda Product in at least one (1) Major Market in accordance with the terms and conditions of this Agreement. Acorda shall have the right to satisfy its diligence obligations under this Section 2.8 through its Affiliates or authorized Sublicensees. Except as set forth in this Section 2.8, and subject to the terms of Section 3.4 regarding loss of exclusivity, Acorda shall have no other diligence

obligations, express or implied, with respect to Exclusive Products or Licensed Products. Medtronic acknowledges that Acorda is in the business of Exploiting pharmaceutical products and nothing in this Agreement shall be construed as restricting such business or imposing on Acorda the duty to Exploit any Exclusive Product or Licensed Product for which royalties are payable hereunder to the exclusion of, or in preference to, any other product, or in any way other than in accordance with its normal commercial practices.

ARTICLE 3
GRANT OF RIGHTS; ASSIGNMENT OF REGULATORY DOCUMENTATION

3.1 Grants to Acorda. Subject to the terms and conditions of this Agreement, Medtronic, on behalf of itself and its Affiliates (including Warsaw), hereby grants to Acorda:

(a) an exclusive (including with regard to Medtronic and its Affiliates), royalty-bearing (during the applicable royalty term as set forth in Section 4.3.2), perpetual right and license in the Territory, with the right to grant sublicenses pursuant to Section 3.1.2, under Medtronic's and its Affiliates' rights, titles, and interests in and to the Licensed Patents, Licensed Know-How, Licensed Information, Joint Patents and Joint Know-How to Exploit (i) Exclusive Products for all purposes in the Field, and (ii) Licensed Products that are not Exclusive Products for all purposes in the Exclusive Field (subject, in each case, ((i) and (ii)), to the provisions of Section 3.4 regarding loss of exclusivity);

(b) a non-exclusive, royalty-bearing (during the applicable royalty term as set forth in Section 4.3.2), perpetual right and license in the Territory, with the right to grant sublicenses pursuant to Section 3.1.2, under Medtronic's and its Affiliates' rights, titles, and interests in and to the Licensed Patents, Licensed Know-How, Licensed Information, Joint Patents and Joint Know-How to Exploit Licensed Products that are not Exclusive Products for all purposes in the Medtronic Field;

(c) to the extent not assigned pursuant to Section 3.2, an exclusive (including with regard to Medtronic and its Affiliates), perpetual right and license and right of reference in the Territory, with the right to grant sublicenses pursuant to Section 3.1.2, under Medtronic's and its Affiliates' rights, titles and interests in and to the Regulatory Approvals, to Exploit (i) Exclusive Products for all purposes in the Field, and (ii) Licensed Products that are not Exclusive Products for all purposes in the Exclusive Field (subject, in each case, ((i) and (ii)), to the provisions of Section 3.4 regarding loss of exclusivity); and

(d) to the extent not assigned pursuant to Section 3.2, a non-exclusive, perpetual right and license and right of reference in the Territory, with the right to grant sublicenses pursuant to Section 3.1.2, under Medtronic's and its Affiliates' rights, titles and interests in and to the Regulatory Approvals, to Exploit Licensed Products that are not Exclusive Products for all purposes in the Medtronic Field.

3.1.2. Sublicenses. Acorda shall have the right to grant sublicenses through multiple tiers of sublicensees under the rights and licenses granted to Acorda under Section 3.1 (or further rights of reference to sublicensees), and shall provide Medtronic with prompt written notice thereof; *provided*, *however* , that [***] will require the prior written consent of Medtronic [***].

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The grant of any such sublicense shall not relieve Acorda of its obligations under this Agreement, except to the extent they are satisfactorily performed by such sublicensee. Any such sublicenses shall be consistent with and subject to the terms and conditions of this Agreement. Where Acorda grants an authorized sublicense or a compulsory sublicense to a Person that is not an Affiliate of Acorda, and such Person is not a Distributor, such Person shall be a " **Sublicensee** " for purposes of this Agreement; *provided* that any distributor of an Authorized Generic Version of an Acorda Product shall not be deemed a Sublicensee solely as a result of such distribution arrangement.

3.1.3. Distributorships . Acorda and its Affiliates shall have the right, in their sole discretion, to appoint Third Parties, in the Territory or in any country of the Territory, to distribute, market and sell Acorda Products (with or without packaging rights), in circumstances where the Person purchases its requirements of Acorda Products from Acorda or its Affiliates but does not otherwise make any royalty or other payment to Acorda with respect to its intellectual property rights. Where Acorda or its Affiliates appoints such a Person and such Person is not an Affiliate of Acorda and is not a distributor of Authorized Generic Versions of an Acorda Product, that Person shall be a " **Distributor** " for purposes of this Agreement. The term "packaging rights" in this Section 3.1.3 shall mean the right for the Distributor to package Acorda Products supplied in unpackaged bulk form into individual ready-for-sale packs.

3.1.4. Co-Promotion Rights . For the avoidance of doubt, Acorda and its Affiliates shall have the right, in their sole discretion, to co-promote Acorda Products with any other Person(s), or to appoint one or more Third Parties to promote Acorda Products without Acorda in all or any part of the Territory.

3.1.5. Exercise of Rights by Affiliates . Acorda shall have the right to exercise its rights under the licenses set forth in Section 3.1 directly or through its Affiliates; *provided* that Acorda shall be fully responsible for any and all obligations performed or to be performed by such Affiliate to the same extent as if such obligations were performed or to be performed directly by Acorda.

3.1.6. No Implied Licenses . Medtronic does not grant to Acorda hereunder any rights or licenses in or to any intellectual property, whether by implication, estoppel, or otherwise, except to the extent expressly provided for under this Agreement.

3.1.7. [***] .

3.2 Assignment of Regulatory Documentation and Product Data . Medtronic hereby assigns to Acorda all of its and its Affiliates' rights, titles and interests in and to all Regulatory Documentation, including, to the extent permitted by Applicable Law, all INDs, all Regulatory Approvals and Product Data and all Orphan Product designations, in each case to the extent Controlled by Medtronic or its Affiliates and relating to Exclusive Products. Medtronic shall duly execute and deliver, or cause to

be duly executed and delivered, such instruments and shall do and cause to be done such reasonable acts and things, including the filing of such assignments, agreements, documents and instruments, as may be necessary under, or as Acorda may reasonably request in connection with, or to carry out more effectively the purpose of, or to better assure and confirm unto Acorda its rights under, this Section 3.2.

3.3 Confirmatory Patent License . Medtronic shall (and shall cause its Affiliates to), if requested to do so by Acorda, immediately enter into confirmatory license agreements in such form as Acorda may reasonably request for purposes of recording the licenses granted under this Agreement with such Patent Offices in the Territory, as Acorda considers appropriate. Until the execution of any such confirmatory licenses, so far as may be legally possible, Medtronic and Acorda (and their respective Affiliates) shall have the same rights in respect of the Licensed Patents and be under the same obligations to each other in all respects as if the said confirmatory licenses had been executed.

3.4 Loss of Exclusivity.

3.4.1. Six-Month Notice. If, [***] prior to the First Commercial Sale of an Acorda Product in a Major Market, Acorda (or its Affiliate, Sublicensee, or Distributor) is not then conducting and has failed to conduct during the six (6) prior months any material and good-faith Development or Commercialization activity in or in support of at least one (1) Major Market, Acorda shall provide Medtronic with notice of such fact (the " **Six-Month Notice** ") and a plan for Developing and Commercializing an Exclusive Product or a Licensed Product in support of at least one (1) Major Market, which plan would, if implemented, constitute Commercially Reasonable Efforts to do so. [***].

3.4.2. [***].

3.4.3. [***].

Execution Copy

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ARTICLE 4
CONSIDERATION

4.1 License Fee. Acorda shall pay to Medtronic a non-refundable, non-creditable license fee of three million Dollars ($3,000,000) within thirty (30) days after the Effective Date.

4.2 Milestone Payments.

4.2.1. Milestones. Acorda shall make each of the following payments to Medtronic within thirty (30) days after the first occurrence of the corresponding Milestone Event:

[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

Acorda shall notify Medtronic within ten (10) days of any determination, filing or approval that would trigger a payment by Acorda to Medtronic under this Section 4.2 and the amount of the payment required and shall pay such amount as provided herein.

No payment in this Section 4.2 will be made more than once irrespective of the number of Acorda Products that have achieved each Milestone Event, the number of countries in which a Milestone Event has been achieved, or the number of Indications for which an Acorda Product is Developed [***].

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[***].

[***].

[***].

[***].

Execution Copy

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4.3 Royalties. Subject to Section 4.3.1, Acorda shall pay to Medtronic royalties based on aggregate Net Sales of all Acorda Products in the Territory in the Field during each Calendar Year, at the rate [***]. Sales by Acorda to its Sublicensees and its and their Affiliates as well as sales by distributors of Authorized Generic Versions of Acorda Products shall not be subject to royalties pursuant to the preceding sentence. Instead, royalties shall be calculated on sales of Acorda Products by Sublicensees in accordance with Section 4.3.6 and royalties shall be calculated on sales of Acorda Products by distributors of Authorized Generic Versions of Acorda Products in accordance with Section 4.3.7. Royalties shall be calculated on Acorda's and its Affiliates' Net Sales of Acorda Products to a Third Party (including a Distributor) that is not a Sublicensee or a distributor of Authorized Generic Versions of Acorda Products. Royalties shall be payable only once for each unit of Acorda Product. For purposes of determining Net Sales, the Acorda Product shall be deemed to be sold when invoiced.

4.3.1. Reduction of Royalty.

(a) **Generic Competition.** In addition to any potential reductions in the royalty rate applicable pursuant to Sections 4.3.1(b) and 4.3.1(c), in the event that, in a country in the Territory, one or more Generic Versions of an Acorda Product are sold by any Person other than Acorda or any of its Affiliates, then the royalty rate applicable to sales of all Acorda Products in such country shall be reduced by [***].

(b) **No Exclusivity.** In addition to any potential reductions in the royalty rate applicable pursuant to Sections 4.3.1(a) and 4.3.1(c), in the event that, following the date on which an Acorda Product is Exploited in a country, the Acorda Product is not covered by a Valid Claim of a Licensed Patent or a Joint Patent in such country, then the royalty rate applicable to sales of such Acorda Product shall be reduced by [***]; *provided, however* , that if and only if, with respect to a particular country in the Territory, (i) such Acorda Product is an Orphan Product and is subject to exclusivity under the applicable Orphan Drug Law for such country for all Indications for which such Acorda Product has received Regulatory Approval in such country and (ii) a Licensed Patent or a Joint Patent with a Valid Claim that claims or covers such Acorda Product has never issued in such country, then such reduction shall not take effect until the earlier of (A) the end of period of exclusivity afforded by such Orphan Drug Law in such country for any Indication for which such Acorda Product has received Regulatory Approval in such country and (B) the date that any other pharmaceutical product has had a Drug Approval Application approved by the applicable Regulatory Authority for sale in such country for any Indication for which such Acorda Product has received Regulatory Approval in such country.

(c) **Compulsory Licenses** . In addition to any potential reductions in the royalty rate applicable pursuant to Sections 4.3.1(a) and 4.3.1(b), in the event that a court or a governmental agency of competent jurisdiction requires Acorda or any of its Affiliates or Sublicensees to grant a compulsory license to a Third Party permitting such Third Party to make and sell any Acorda Product in or for a country in the Territory, then [***].

(d) **Order of Royalty Reduction.** Any reductions set forth in this Section 4.3.1 shall be applied to the royalty rate payable to Medtronic under Section 4.3 in the order in which the event triggering such reduction occurs. In no event shall the royalty rate that may be payable to Medtronic under this Section 4.3 be decreased under any provision of this Section 4.3 by more than [***] (except following the applicable royalty term as set forth in Section 4.3.2).

4.3.2. Royalty Term. Acorda's obligation to pay royalties shall commence, on a country-by-country basis, with respect to each Acorda Product, on the date of First Commercial Sale of such Acorda Product in such country. The obligation shall expire, on a country-by-country basis, with respect to each separate Acorda Product:

(a) in the case of any country in Europe, on the latest to occur of (i) the tenth (10th) anniversary of the First Commercial Sale of the first Acorda Product in Europe, (ii) the expiration date in such country of the last to expire of any issued Licensed Patent or Joint Patent that includes at least one Valid Claim covering the sale of such Acorda Product in such country, and (iii) if and only if (x) a Licensed Patent or Joint Patent with a Valid Claim that claims or covers such Acorda Product has never issued in such country, and (y) such Acorda Product is an Orphan Product in each country in Europe and is subject to exclusivity under the applicable Orphan Drug Law for each such country for all Indications for which such Acorda Product has received Regulatory Approval in Europe, then such expiration shall not take effect until the earlier of (A) the end of period of exclusivity afforded by such Orphan Drug Law in Europe for any Indication for which such Acorda Product has received Regulatory Approval in Europe and (B) the date that any other product has had a Drug Approval Application approved by the applicable Regulatory Authority for sale in any country in Europe for any Indication for which such Acorda Product has received Regulatory Approval in any country in Europe.

(b) in the case of any country not in Europe, on the latest to occur of (i) the tenth (10th) anniversary of the First Commercial Sale of the first Acorda Product in such country, (ii) the expiration date in such country of the last to expire of any issued Licensed Patent or Joint Patent that includes at least one Valid Claim covering the sale of such Acorda Product in such country, and (iii) if and only if (x) a Licensed Patent or Joint Patent with a Valid Claim that claims or covers such Acorda Product has never issued in such country, and (y) such Acorda Product is an Orphan Product in such country and is subject to exclusivity under the applicable Orphan Drug Law for such country for all Indications for which such Acorda Product has received Regulatory Approval in such country, then such expiration shall not take effect until the earlier of (A) the end of period of exclusivity afforded by such Orphan Drug Law in such country for any Indication for which such Acorda Product has received Regulatory Approval in such country and (B) the date that any other product has had a Drug Approval Application approved by the applicable Regulatory Authority for sale in such country for any Indication for which such Acorda Product has received Regulatory Approval in such country.

(c) Upon termination of all royalty obligations of Acorda under this Section 4.3.2 with respect to an Acorda Product in a country, the license grants to Acorda in Section 3.1 shall become fully paid-up, irrevocable and perpetual with respect to such Acorda Product and such country.

4.3.3. Royalty Stacking. If, during the Term, Acorda enters into an agreement with a Third Party in order to obtain a license under a Patent right of one or more Third Parties that is [***], then, upon entry into any such agreement and thereafter during the remainder of the period during which Acorda owes royalties to Medtronic hereunder, Acorda shall have the right to credit [***] to be paid by Acorda to Medtronic with respect to the sale of Acorda Products under Section 4.3,

provided that in no case shall [***] (except following the applicable royalty term as set forth in Section 4.3.2); and *provided further* , that with respect to [***] (except following the applicable royalty term as set forth in Section 4.3.2). Any such credits that are not fully used by Acorda in a particular Calendar Quarter may be carried over to subsequent Calendar Quarters until fully used in accordance with this Section 4.3.3. If the scope of a license from a Third Party is broader than is required for the Exploitation of Licensed Products under this Agreement, only the royalties payable with respect to the Exploitation of Acorda Products under this Agreement shall be deductible under this Section 4.3.3. If the Parties disagree regarding whether a license under this Section 4.3.3 is necessary or substantially useful for Acorda, its Affiliates or any Sublicensee to Exploit any Acorda Product, either Party may seek to have the issue resolved in accordance with Section 11.7.

4.3.4. Royalty Payments. Running royalties shall be payable on a quarterly basis, within [***] after the end of each Calendar Quarter, based upon the aggregate Net Sales in the Territory during such Calendar Quarter. Royalties shall be calculated in accordance with GAAP or, in the case of non-United States sales, other applicable accounting standards, and with the terms of this Article 4. Only one (1) royalty payment shall be due on Net Sales even though the sale or use of a Acorda Product may be covered by or incorporate more than one Licensed Patent, regulatory exclusivity, or Licensed Know-How in the Territory.

4.3.5. Royalty Statements. Each royalty payment hereunder shall be accompanied by a statement in sufficient detail to allow for the calculation of royalties due hereunder, including by showing for the applicable Calendar Quarter (a) Invoiced Sales, (b) the number of units of Acorda Product sold in the Territory during such Calendar Quarter, (c) a detailed calculation of the Net Sales and (d) the amount of royalties due on such Net Sales.

4.3.6. Sublicensee Net Sales . Upon the grant of any sublicense as permitted hereunder by Acorda to a Sublicensee, Acorda shall elect to compensate Medtronic with respect to such sublicense in accordance with either clause (a) or clause (b): During the applicable royalty term as set forth in Section 4.3.2: (a) Acorda shall pay to Medtronic royalties on net sales by the Sublicensee or its Affiliates to Third Parties (that are not Affiliates of the Sublicensee and with respect to which Acorda would be required to pay royalties on net sales if the net sales were made by Acorda) equal to [***] , or (b) Acorda shall pay to Medtronic (i) royalties equal to the lesser of (A) the royalties payable under clause (a) and (B) [***], and (ii) with respect to any upfront or lump-sum payment from the Sublicensee received by Acorda in respect of sublicense rights under the rights granted pursuant to Section 3.1, including any licensee fee, milestone payment, upfront royalty payment or other similar payment, [***] of such upfront or lump-sum payment. For the avoidance of doubt, no consideration shall be due under Section 4.3.6(b)(ii) with respect to: [***].

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Within thirty (30) days following the date on which the sublicense becomes effective, Acorda shall notify Medtronic of whether Acorda has elected to compensate Medtronic pursuant to clause (a) or clause (b) of this Section 4.3.6 with respect to such sublicense.

4.3.7. Authorized Generic Sales . In the event that, in a country in the Territory, one or more Authorized Generic Versions of an Acorda Product are sold, then for the purposes of calculating the royalties due under Section 4.3 (as adjusted by the other provisions of this Article 4), (a) sales by Acorda or any of its Affiliates or its or their Sublicensees to any distributor of such [***].

4.4 Taxes. Except as provided in this Section 4.4, the royalties, milestones and other amounts payable by Acorda to Medtronic pursuant to this Agreement (the " **Payments** ") shall not be reduced on account of any taxes unless required by Applicable Law. Medtronic alone shall be responsible for paying any and all taxes (other than withholding taxes required by Applicable Law to be deducted from Payments and remitted by Acorda) levied on account of, or measured in whole or in part by reference to, any Payments it receives. Acorda shall reasonably cooperate to reduce tax withholding on Payments to the extent permitted by Applicable Law. Notwithstanding such efforts, if Acorda concludes that tax deductions or withholdings under the laws of any country are required with respect to payments to Medtronic, it shall deduct or withhold the required amount and pay it to the appropriate governmental authority. In such case, Acorda shall promptly provide to Medtronic, at Medtronic's cost, copies of receipts or other proof of such payment reasonably available to Acorda.

4.5 Mode of Payment. All payments by the paying Party under this Agreement shall be made by deposit of Dollars in the requisite amount to such bank account as the payee Party may from time to time designate by notice to the paying Party. With respect to sales outside the United States, payments shall be calculated using a currency exchange rate equal to the arithmetic mean of the daily exchange rates during the applicable Calendar Quarter obtained from *The Wall Street Journal* , Eastern Edition or, if not so available, as otherwise agreed by the Parties.

4.6 Interest on Late Payments. Any payments due to Medtronic or Acorda under this Agreement that are not paid within thirty (30) days of the due date shall be subject to interest at the annual rate of [***] as reported on the first Business Day of the month such payment was first due in *The Wall Street Journal* , Eastern Edition, such interest to run from the date upon which payment of such sum became due until payment thereof in full together with such interest. This Section 4.6 shall in no way limit any other remedies available to the Party owed interest under this Section 4.6.

4.7 Financial Records. Acorda shall, and shall cause its Sublicensees and its and their respective Affiliates to, keep complete and accurate books and records pertaining to the sale of the Acorda Products, including books and records of the Invoiced Sales (including any deductions therefrom) and Net Sales of Acorda Products. Acorda shall, and shall cause its Sublicensees and its and their

respective Affiliates to, retain such books and records, until the later of [***] after the end of the period to which such books and records pertain and the expiration of the applicable tax statute of limitations (or any extensions thereof), or for such longer period as may be required by Applicable Law.

4.8 Audit. At the request of Medtronic, Acorda shall, and shall cause its Sublicensees and its and their respective Affiliates to, permit an independent certified public accountant retained by Medtronic, and reasonably acceptable to Acorda, at reasonable times and upon reasonable notice, to audit the books and records maintained pursuant to Section 4.7. Such audits may not (a) be conducted for any Calendar Quarter more than [***] after the end of such Calendar Quarter, (b) be conducted more than [***] or (c) be repeated for any Calendar Quarter. Except as provided below, the cost of any audit shall be borne by Medtronic, unless the audit reveals a variance of more than [***] from the reported amounts, in which case Acorda shall bear the cost of the audit. Unless disputed pursuant to Section 4.9, if such audit concludes that additional payments were owed or that excess payments were made during such period, Acorda shall pay the additional amounts with interest from the date originally due as provided in Section 4.6, or Medtronic shall reimburse such excess payments with interest from the date originally paid at the rate provided in Section 4.6, in either case, within thirty (30) days after the date on which such audit is completed and the conclusions thereof are notified to the Parties.

4.9 Audit Dispute. In the event of a dispute over the results of any audit conducted pursuant to Section 4.8, such dispute shall be resolved pursuant to Section 11.7. Not later than ten (10) days after such decision, the Party obligated to pay the other Party under such decision shall make such payment, with interest from the date originally due as provided in Section 4.6.

4.10 Confidentiality. Medtronic shall treat all information subject to review under this Article 4 in accordance with the confidentiality provisions of Article 7 and Medtronic shall cause the certified public accountant retained by Medtronic under Section 4.8 to enter into a reasonably acceptable confidentiality agreement with Acorda obligating such accountant to retain all such financial information in confidence pursuant to such confidentiality agreement.

ARTICLE 5
INTELLECTUAL PROPERTY

5.1 Ownership of Intellectual Property .

5.1.1. General Intellectual Property Rights. Subject to Section 5.1.2, Article 10 and the license grants under Section 3.1, as between the Parties (and their respective Affiliates), each Party shall own and retain all right, title and interest in and to any and all: (a) Information that is conceived, discovered, developed or otherwise made by or on behalf of such Party (or its Affiliates or its licensees (other than Acorda and its Affiliates and Sublicensees in the case of Medtronic) or Sublicensees (in the case of Acorda) or distributors (including Distributors)) under or in connection with this Agreement during the Term, whether or not patented or patentable, and any and all Patent and other intellectual property rights with respect thereto, except to the extent that any such Information or any Patent or intellectual property rights with respect thereto, is Joint Know-How or Joint Patents, and (b) other Information, Patents and other intellectual property rights that are owned or otherwise Controlled (other than pursuant to the license grants set forth in Article 3) by such Party, its Affiliates or its licensees (other than Acorda and its Affiliates and Sublicensees in the case of Medtronic) or Sublicensees (in the case of Acorda) or distributors (including Distributors), including in the case of Medtronic, the Licensed Patents and the Licensed Know-How.

5.1.2. Joint Intellectual Property Rights . The Parties shall jointly own all Joint Know-How and Joint Patents.

5.2 Maintenance and Prosecution of Patents.

5.2.1. Scheduled Patents and Licensed Patents that are not Scheduled Patents . Subject to Section 5.2.4, as between the Parties (and their respective Affiliates), the Party designated as the "Party with Primary Prosecution Rights" on Schedule 1.108 for each of the Scheduled Patents (the " **Designated Party** ") shall have the first right, but not the obligation, in all countries in the world, to prepare, file, prosecute and maintain the designated Scheduled Patents and shall be responsible for related interference, re-issuance, re-examination and opposition proceedings. Subject to Section 5.2.4, as between the Parties (and their respective Affiliates), Medtronic shall have the first right, but not the obligation, in all countries in the world, to prepare, file, prosecute and maintain the Licensed Patents that are not Scheduled Patents and shall be responsible for related interference, re-issuance, re-examination and opposition proceedings. Without limiting the rights of [***] under this Section 5.2, the preparation, filing, prosecution and maintenance (collectively, together with any related interference, re-issuance, re-examination and opposition proceedings, " **Patent Prosecution** ") of Scheduled Patents and other Licensed Patents shall be undertaken through outside patent counsel (the " **Designated Counsel** ") [***]. The Designated Counsel shall be retained by both Parties and the control and cost of the Patent Prosecution shall be allocated as provided in this Section 5.2. The Prosecuting Party (as defined in Section 5.2.3) shall, and shall cause the Designated Counsel to (a) consult regularly with the other Party on the actions and decisions being considered in connection with the Patent Prosecution, (b) provide the other Party prior to submission to the applicable patent office with copies of all proposed patent applications and other material submissions and correspondence in sufficient time to allow for review and comment by the other Party, and (c) consider in good faith and reasonably incorporate the other's comments in such patent applications and other material submissions and correspondence; *provided* that if [***]. If the Prosecuting Party plans to abandon any Licensed Patent or Scheduled Patent, the Prosecuting Party shall notify the other in writing at least [***] in advance of the due date of any payment or other action that is required to prepare, file, prosecute or maintain such Patent, and the other Party may elect, upon written notice to the Prosecuting Party, to make such payment or take such action, at the other Party's expense and in the other Party's name, and the abandoning Party shall reasonably cooperate with the other Party (which shall thereafter be deemed the "Prosecuting Party" and the "Designated Party" with respect to such Patent) in connection with such activities. [***].

5.2.2. Acorda Patents. For the avoidance of doubt, Acorda shall have the sole right to prepare, file, prosecute and maintain any Patent claiming or covering Information or inventions conceived, reduced to practice, discovered, developed or otherwise made or otherwise controlled by or on behalf of Acorda and its Affiliates.

5.2.3. Joint Patents . Subject to Section 5.2.4, Acorda shall have the first right, but not the obligation, to prepare, file, prosecute and maintain Joint Patents and shall be responsible for related interference, re-issuance, re-examination and opposition proceedings. If Acorda plans to abandon any Joint Patent, Acorda shall notify Medtronic in writing at least [***] in advance of the due date of any payment or other action that is required to prepare, file, prosecute or maintain such Joint Patent, and Medtronic may elect, upon written notice to Acorda, to make such payment or take such action, at Medtronic's expense and in Medtronic's name, and Acorda shall reasonably cooperate with Medtronic in connection with such activities; *provided, however* , that [***]. The Party conducting (or whose Affiliate is conducting) the Patent Prosecution of a Scheduled Patent, Licensed Patent that is not a Scheduled Patent, or Joint Patent pursuant to Sections 5.2.1 through 5.2.3 shall be the " **Prosecuting Party** ."

5.2.4. Cooperation. Each Party shall assist (and shall cause its relevant Affiliates to assist) the other Party at the reasonable request of the other Party from time to time in connection with its activities set forth in Sections 5.2.1, 5.2.2, 5.2.3 and 5.2.7. Subject to Section 11.2, each Party shall provide to or cause to be provided to the other Party copies of any patentability search reports generated by its patent counsel or the patent counsel of its Affiliates with respect to Licensed Patents or Joint Patents, including relevant Third Party patents and patent applications located. In addition, at the other Party's request, each Party shall provide to the other Party original or certified copies of all documents that were generated by and on behalf of such Party or any Affiliate relating to the development of a Licensed Patent or Joint Patent and the inventions disclosed and described therein, including filings, inventor notebooks, supporting data and material correspondence between or among any of the Party and its Affiliates, the inventors and any patent authorities.

5.2.5. Costs and Expenses . All costs and expenses of filing, prosecuting and maintaining (including any costs and expenses of patent interference, opposition, reissue and re-examination proceedings) (a) the [***].

5.2.6. Orange Book Listings . Acorda shall have the sole right to make all filings with the Regulatory Authorities with respect to the Licensed Patents and the Joint Patents with respect to Acorda Products, including as required or allowed in connection with: (i) in the United States, the FDA's Orange Book and (ii) outside the United States, under the national implementations of Article 10.1(a)(iii) of Directive 2001/EC/83 or other international equivalents. Medtronic shall cooperate with (and shall cause its relevant Affiliates to cooperate with) Acorda's reasonable requests in connection with any filings described above. Acorda shall notify Medtronic in writing of any such filings with the Regulatory Authorities with respect to the Licensed Patents.

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

5.2.7. Patent Term Extension . Medtronic shall (and shall cause its Affiliates to), upon Acorda's written request, at Acorda's expense, cooperate with Acorda to file all patent term extensions, including supplementary protection certificates and any other extensions that are now or become available in the future, wherever applicable, for the Licensed Patents, Scheduled Patents and Joint Patents; *provided* that neither Medtronic nor its Affiliates shall make any such filing extending the term of any Scheduled Patent without Acorda's prior written consent.

5.2.8. CREATE Act . Notwithstanding anything to the contrary in this Section 5.2, neither a Party nor their respective Affiliates shall have the right to make an election under the Cooperative Research and Technology Enhancement Act of 2004, 35 U.S.C. 103(c)(2)-(c)(3) (the " **CREATE Act** ") when exercising its rights under this Section 5.2 without the prior written consent of the other Party. With respect to any election under the CREATE Act by either such Party or any of its Affiliates, the other such Party shall use reasonable efforts to cooperate and coordinate its activities and the activities of its Affiliates with respect to any submissions, filings or other activities in support thereof. The Parties acknowledge and agree that this Agreement is a "joint research agreement" as defined in the CREATE Act.

5.3 Enforcement of Patents.

5.3.1. Notice. If any Licensed Patent or Joint Patent is allegedly or actually infringed by a Third Party, the Party first having knowledge of such infringement shall promptly notify the other Party in writing. The notice shall set forth the facts of such infringement in reasonable detail.

5.3.2. Rights. As between the Parties (and their respective Affiliates), Acorda shall have the first right, but not the obligation, through counsel of its choosing, to initiate an infringement action (including as a counterclaim in an action described in Section 5.5) with respect to any infringement described in Section 5.3.1 relating to a [***] or to grant the infringing Third Party the rights and licenses necessary for it to continue such activities. As between the Parties (and their respective Affiliates), Medtronic shall have the first right, but not the obligation, through counsel of its choosing, to initiate an infringement action (including as a counterclaim in an action described in Section 5.5) with respect to any infringement described in Section 5.3.1 relating to a [***], or to grant the infringing Third Party the rights and licenses necessary for it to continue such activities. If the Party authorized to initiate an infringement action or grant the infringing Third Party a license under this Section (the " **Enforcing Party** ") does not initiate an infringement action with respect to any Licensed Patent or Joint Patent within [***] (or [***] in the case of an action brought under the Hatch-Waxman Act) of learning of the infringement, or earlier notifies the other Party in writing of its intent not to so initiate an action, and the Enforcing Party has not granted such infringing Third Party rights and licenses to continue its otherwise infringing activities, then, the other Party shall have the right, but not the obligation, to initiate such an infringement action or to grant such rights and licenses; *provided, however* , that, except with respect to an action brought under the Hatch-Waxman Act, if the Enforcing Party has commenced negotiations with an alleged infringer for discontinuance of such infringement within such [***], the Enforcing Party shall have an additional [***] to conclude its negotiations before the other Party may bring suit for such infringement. The non-controlling Party shall have the right, at its own expense, to be represented by counsel of its own choice in, but not control, any action under this Section 5.3.2. If Medtronic is the Party pursuing the action (including through its Affiliates), then [***].

5.3.3. Cooperation . In the event a Party or its Affiliates is entitled to and brings an infringement action in accordance with this Section 5.3, the other Party shall (and shall cause its Affiliates to) cooperate fully, including, subject to Section 11.2, providing access to relevant documents and other evidence, making its and its Affiliates' employees available at reasonable business hours, and being joined as or causing its Affiliate to be joined as a party in such action at its own expense. Without limitation to Acorda's rights as set forth in the last sentence of Section 5.3.2, if a Party or its Affiliate pursues an action against such alleged infringement, it shall (or shall cause its relevant Affiliate to) (a) consult regularly with the other Party on the actions and decisions it is considering in connection therewith, (b) provide the other Party with copies of all proposed filings, submissions and correspondence in sufficient time to allow for review and comment by the other Party, and (c) consider in good faith and reasonably incorporate the other Party's comments thereto.

5.3.4. Costs and Recovery. The costs and expenses relating to any enforcement action commenced pursuant to this Section 5.3 shall be borne solely by the Party controlling such action (or whose Affiliate is controlling such action). Any damages or other amounts collected shall be first allocated to reimburse such controlling Party for its costs and expenses incurred in making such recovery and the non-controlling Party for any of its costs and expenses incurred in making such recovery to the extent that the Parties have agreed such costs of the non-controlling Party will be reimbursed (which amounts shall be allocated pro rata if insufficient to cover the totality of such expenses). Any balance remaining after such reimbursement is made shall be, with respect to an enforcement action controlled by Acorda, [***]. Any balance remaining after such reimbursement is made shall be, with respect to an enforcement action controlled by Medtronic, [***]. Notwithstanding the foregoing provisions of this Section 5.3, with respect to any Third Party Claim subject to indemnification and defense under Article 9, costs, expenses and liability with respect thereto shall be allocated as set forth in Article 9 (but the Parties' respective rights to control any enforcement action under this Section 5.3 shall be subject to the provisions of this Section).

5.4 Infringement Claims by Third Parties.

5.4.1. Defense of Third Party Claims. If a Third Party asserts that a Patent or other intellectual property right owned or otherwise controlled by it is infringed by the Exploitation of the Exclusive Products or Licensed Products, the Party first made aware of such a claim (or whose Affiliate is first made aware of such claim) shall immediately provide the other Party written notice of such claim along with the related facts in reasonable detail.

(a) As between the Parties (and their respective Affiliates), Acorda shall have the sole right, but not the obligation, to control the defense of any such claim with respect to the Exploitation of an Acorda Product, including by asserting claims or counterclaims against Third Party(ies) based on the Licensed Patents or the Joint Patents; *provided, however* , that [***].

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

(b) As between the Parties (and their respective Affiliates), Medtronic shall have the sole right, but not the obligation, to control the defense of any such claim with respect to the Exploitation of a Medtronic Product, including by asserting claims or counterclaims against Third Party(ies) based on the Licensed Patents or the Joint Patents; *provided, however* , that prior to asserting any such claim or counterclaim against a Third Party based on a Joint Patent or a Scheduled Patent for which Acorda is the Designated Party, Medtronic shall provide Acorda with notice of such intent and shall consider in good faith Acorda's views with respect thereto; and *provided further* , that [***].

(c) The non-controlling Party shall cooperate with the controlling Party, at the controlling Party's reasonable request and expense, in any such defense. Without limitation to each Party's rights under Sections 5.4.1(a) and 5.4.1(b), the controlling Party with respect to a claim pursuant to this Section 5.4.1 shall (or shall cause its relevant Affiliate to) (i) consult regularly with the other Party on the actions and decisions it is considering in connection therewith, (ii) provide the other Party with copies of all proposed filings, submissions and correspondence in sufficient time to allow for review and comment by the other Party, and (iii) consider in good faith and reasonably incorporate the other Party's comments thereto. The non-controlling Party shall have the right, at its own expense, to be represented separately by counsel of its own choice in, but not control, any such proceeding.

5.4.2. Settlement of Third Party Claims. The controlling Party with respect to a particular claim pursuant to Section 5.4.1 also shall have the right to control settlement of such claim; *provided, however* , that no settlement shall be entered into without the prior consent of the non-controlling Party if such settlement would substantially adversely affect or diminish the rights and benefits (other than a right to receive royalties or milestone payments) of the non-controlling Party under this Agreement, or impose any new obligations or adversely affect any obligations of the non-controlling Party under this Agreement.

5.4.3. Allocation of Costs. Except as otherwise provided in this Section 5.4, all costs and expenses relating to any defense, settlement and judgment in actions commenced pursuant to this Section 5.4 with respect to the Exclusive Products or Licensed Products (or the Exploitation thereof) shall be borne by the Party (or Parties) controlling such defense, settlement or judgment in actions. To the extent that any such costs or expenses, including any ongoing royalty or other payment obligations, are borne by Acorda, [***], *provided* that [***](except following the applicable royalty term as set forth in Section 4.3.2). If such credits exceed the milestone and royalty payments due under Sections 4.2 and 4.3 in any Calendar Quarter, the excess credits will carry over into the following Calendar Quarter (with any excess in such

Calendar Quarter to be further carried over into a later Calendar Quarter). Any damages or other amounts collected shall be first allocated to reimburse the controlling Party for its costs and expenses in making such recovery and the non-controlling Party for any of its or its Affiliates' costs and expenses incurred in making such recovery to the extent that the Parties have agreed such costs of the non-controlling Party will be reimbursed (which amounts shall be allocated *pro rata* if insufficient to cover the totality of such expenses). Any balance remaining after such reimbursement is made shall be [***]. Notwithstanding the foregoing provisions of this Section 5.4, with respect to any Third Party Claim subject to indemnification and defense under Article 9, costs, expenses and liability with respect thereto shall be allocated as set forth in Article 9 (but the Parties' respective rights to control the defense of claims under this Section 5.4 shall be subject to the provisions of this Section).

5.5 Invalidity or Unenforceability Defenses or Actions.

5.5.1. Third Party Declaratory Judgment, Defense or Counterclaim. If a Third Party asserts, in a declaratory judgment action or similar action or claim or as a defense or counterclaim under any action under Section 5.3 or 5.4, that any Licensed Patent or Joint Patent is invalid or unenforceable, then the Party first becoming aware (or whose Affiliate first becomes aware) of such action or claim shall promptly give written notice to the other Party. The Prosecuting Party shall have the first right, but not the obligation, through counsel of its choosing, to defend against such action or claim with respect to any Licensed Patent or Joint Patent; *provided* that the Prosecuting Party shall (or shall cause its relevant affiliate to) (a) consult regularly with the other Party on the actions and decisions it is considering in connection therewith, (b) provide the other Party with copies of all proposed filings, submissions and correspondence in sufficient time to allow for review and comment by the other, and (c) consider in good faith and reasonably incorporate the other party's comments thereto; and *provided further* , that if [***]. Any costs and expenses with respect to such defense shall be borne by the Party conducting such defense. If the Prosecuting Party determines not to assume a defense, the other Party shall, at its sole cost and expense, have the right to defend against such action or claim (in which case such other Party shall thereafter be deemed the Prosecuting Party with respect to such defense for purposes of this Section 5.5).

5.5.2. Assistance. Subject to Section 11.2, each Party shall provide (and shall cause its Affiliates to provide) to the other Party, free of charge, all reasonable assistance requested by the other Party in connection with any action, claim or suit under this Section 5.5, including (a) allowing such other Party access to the assisting Party's (or its Affiliates') files and documents and to the assisting Party's (or its Affiliates') personnel who may have possession of relevant information, (b) promptly making available to such other Party all documents and Information in the possession or control of the assisting Party or its Affiliates that would assist such other Party in responding to any such action, claim or suit and (c) being joined as (or causing its relevant Affiliate to be joined as) a party to such action, claim or suit (or any counterclaim therein).

5.5.3. Liability for Indemnifiable Claims. Notwithstanding the foregoing provisions of this Section 5.5, with respect to any Third Party Claim subject to indemnification and

defense under Article 9, costs, expenses and liability with respect thereto shall be allocated as set forth in Article 9 (but the Parties' respective rights to control the defense of claims under this Section 5.5 shall be subject to the provisions of this Section).

5.6 Product Trademarks .

5.6.1. Use of Assigned Trademarks . Medtronic shall assign or cause to be assigned to Acorda or its designee, at no expense to Acorda, all of Medtronic's (and its Affiliates') rights, title and interests worldwide in and to the Assigned Trademarks and any other registration for the Assigned Trademarks worldwide and all intellectual property rights and other rights and goodwill with respect to the Assigned Trademarks and Medtronic shall or shall cause its relevant Affiliates to execute and deliver to Acorda (or, as applicable, such designee) all documents that are necessary to assign and otherwise transfer the Assigned Trademarks to Acorda (or such designee).

5.6.2. Maintenance and Prosecution of Product Trademarks. As between the Parties (and their respective Affiliates), Acorda shall control and bear the costs and expenses of the registration, prosecution and maintenance of the Product Trademarks in the Territory.

5.6.3. Enforcement of Product Trademarks. Acorda shall have the sole right, but not the obligation, to enforce and defend the Product Trademarks in the Territory, including (a) defending against any alleged, threatened or actual claim by a Third Party that the use of the Product Trademarks infringes, dilutes or misappropriates any Trademark of that Third Party or constitutes unfair trade practices, or any other claims that may be brought by a Third Party against a Party in connection with the use of or relating to the Product Trademarks with respect to the Exclusive Products and the Licensed Products and (b) taking such action as Acorda deems necessary against a Third Party based on any alleged, threatened or actual infringement, dilution or misappropriation of, or unfair trade practices or any other like offense relating to, the Product Trademarks by a Third Party. The costs and expenses relating to any enforcement action or defense commenced pursuant to this Section 5.6.3 shall be borne by Acorda. Medtronic shall provide and shall cause its Affiliates to provide to Acorda all reasonable assistance requested by Acorda in connection with any such action, claim or suit under this Section 5.6.3, including allowing Acorda access to Medtronic's and its Affiliates' documents and to Medtronic's and its Affiliates' personnel who may have possession of relevant information.

5.7 Covenant Regarding Patent Challenges . Acorda agrees, for itself and for its Affiliates, Sublicensees, successors and assigns, not to voluntarily sue to challenge the validity of any Licensed Patent during the Term. In the event that Acorda or any of its Affiliates or Sublicensees voluntarily commences such an action with respect to any Licensed Patent during the Term, [***].

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

ARTICLE 6
RECALL

6.1 Notification and Recall . In the event that any Regulatory Authority issues or requests a recall or takes similar action in connection with an Exclusive Product or a Licensed Product, or in the event either Party determines that an event, incident or circumstance has occurred that may result in the need for a recall or market withdrawal, the Party notified of or desiring such recall or similar action shall, [***], advise the other Party thereof by telephone (and confirmed by email or facsimile), email or facsimile. Following such Regulatory Authority action or notification by the other Party, Acorda shall decide whether to conduct a recall of any Acorda Product (except in the case of a government-mandated recall) and the manner in which any such recall shall be conducted, and Medtronic shall decide whether to conduct a recall of any Medtronic Product (except in the case of a government-mandated recall) and the manner in which any such recall shall be conducted.

6.2 Recall Expenses . Without limiting any party's right to collect damages for breach under this Agreement, Acorda shall bear the expenses of any recall of an Acorda Product in the Territory (*provided* that Medtronic shall bear the expense of a recall to the extent that such recall resulted from Medtronic's or its Affiliate's breach of its obligations hereunder, including with respect to Exclusive Product or Licensed Product supplied to Acorda hereunder, or from Medtronic's or its Affiliate's negligence or willful misconduct), and Medtronic shall bear the expenses of any recall of a Medtronic Product in the Territory.

ARTICLE 7
CONFIDENTIALITY AND NON-DISCLOSURE

7.1 Confidentiality Obligations. At all times during the Term of this Agreement and for a period of [***] following termination or expiration hereof, each Party shall, and shall cause its Affiliates and its and their respective officers, directors, employees and agents to, keep completely confidential and not publish or otherwise disclose and not use, directly or indirectly, for any purpose, any Confidential Information furnished or otherwise made known to it, directly or indirectly, by or on behalf of the other Party, except to the extent such disclosure or use is expressly permitted by the terms of this Agreement or is otherwise necessary or useful for a Party or any of its Affiliates to exercise its rights or perform its obligations under this Agreement. For clarity, Medtronic and its Affiliates shall not have the right to use any Confidential Information relating to Exclusive Products or Licensed Products furnished or otherwise made known to Medtronic, directly or indirectly, by or on behalf of Acorda in connection with the Exploitation of any Medtronic Product.

7.1.1. " **Confidential Information** " means any information provided by one Party (the " **Disclosing Party** ") to the other Party (the " **Receiving Party** ") relating to the terms of this Agreement, Exclusive Products, Licensed Products (including the Regulatory Documentation, Regulatory Approvals, any Information or data contained therein or the Development or Commercialization of Exclusive Products or Licensed Products) or the scientific, regulatory or business affairs or other activities of the Disclosing Party or its Affiliates. Notwithstanding the foregoing, all Product Data with respect to Exclusive Products shall be Confidential Information of Acorda, whether or not Acorda discloses such Product Data, and Acorda shall be deemed to be the Disclosing Party and Medtronic the Receiving Party with respect to such Product Data, irrespective of the Party that actually disclosed (or caused or permitted to be disclosed) the Product Data. Notwithstanding the foregoing:

(a) Confidential Information (including Product Data that would otherwise be deemed to be Confidential Information of Acorda hereunder) shall not include any Information that is or hereafter becomes part of the public domain by public use, publication, general

knowledge or the like through no wrongful act, fault or negligence on the part of the Receiving Party or its Affiliates;

(b) Confidential Information (except for Product Data deemed to be Confidential Information of Acorda hereunder) shall not include any Information that can be demonstrated by documentation or other competent proof to have been in the Receiving Party's or its Affiliates' possession prior to disclosure by or on behalf of the Disclosing Party without any obligation of confidentiality with respect to said information;

(c) Confidential Information (including Product Data that would otherwise be deemed to be Confidential Information of Acorda hereunder) shall not include any Information that is subsequently received by the Receiving Party or its Affiliates from a Third Party who is not bound by any obligation of confidentiality with respect to said information;

(d) Confidential Information (including Product Data that would otherwise be deemed to be Confidential Information of Acorda hereunder) shall not include any Information that has been published by a Third Party or otherwise enters the public domain through no fault of the Receiving Party or its Affiliates in breach of this Agreement; or

(e) Confidential Information (except for Product Data deemed to be Confidential Information of Acorda hereunder) shall not include any Information that can be demonstrated by documentation or other competent evidence to have been independently developed by or for the Receiving Party or its Affiliates without reference to the Disclosing Party's Confidential Information.

7.1.2. Specific aspects or details of Confidential Information shall not be deemed to be within the public domain or in the possession of the Receiving Party or its Affiliates merely because the Confidential Information is embraced by more general Information in the public domain or in the possession of the Receiving Party or its Affiliates. Further, any combination of Confidential Information shall not be considered in the public domain or in the possession of the Receiving Party or its Affiliates merely because individual elements of such Confidential Information are in the public domain or in the possession of the Receiving Party or its Affiliates unless the combination and its principles are in the public domain or in the possession of the Receiving Party or its Affiliates.

7.2 Permitted Disclosures. Each Party may disclose or cause to be disclosed the Confidential Information of the other Party to the extent that such disclosure is:

7.2.1. made in response to a valid order of a court of competent jurisdiction or other supra-national, federal, national, regional, state, provincial and local governmental or regulatory body of competent jurisdiction or, if in the reasonable opinion of such first Party's legal counsel, such disclosure is otherwise required by law; *provided , however ,* that such first Party shall first have given notice, to the extent legally permitted, to the other Party and given such other Party a reasonable opportunity to quash such order and to obtain a protective order requiring that the Confidential Information and documents that are the subject of such order be held in confidence by such court or agency or, if disclosed, be used only for the purposes for which the order was issued; and *provided, further,* that if a disclosure order is not quashed or a protective order is not obtained, the Confidential Information disclosed in response to such court or governmental order shall be limited to Information that is legally required to be disclosed in response to such court or governmental order;

7.2.2. otherwise required by Applicable Law or the requirements of a national securities exchange or other similar regulatory body; *provided* that the Receiving Party shall (a) provide

the Disclosing Party with reasonable advance notice of, and an opportunity to comment on, any such required disclosure, to the extent such advance notice is legally permitted and practicable under the circumstances, (b) if requested by the Disclosing Party, seek confidential treatment with respect to any such disclosure to the extent available, and (c) consider incorporation of the comments of the Disclosing Party in any such disclosure or request for confidential treatment;

7.2.3. made by or on behalf of the Receiving Party to the Regulatory Authorities as required in connection with any filing, application or request for Regulatory Approval; *provided* , *however* , that reasonable measures shall be taken to assure confidential treatment of such information, when available and applicable;

7.2.4. made as necessary to establish rights or enforce obligations under this Agreement, including such disclosure made to file or prosecute Patent applications or to prosecute or defend litigation; *provided* that the Receiving Party shall (a) provide the Disclosing Party with reasonable advance notice of any such disclosure, to the extent such advance notice is legally permitted and practicable under the circumstances, and (b) take reasonable measures to assure confidential treatment of such information, when available and applicable;

7.2.5. made by the Receiving Party or its Sublicensees (with respect to Acorda as the Receiving Party) or its or their respective Affiliates to its attorneys, auditors, advisors, consultants, contractors, collaboration partners, licensees, sublicensees, distributors or other Third Parties as may be necessary or useful in connection with the Exploitation of the Exclusive Products or Licensed Products or otherwise in connection with the performance of its obligations or exercise of its rights as contemplated by this Agreement; *provided, however* , that such persons shall be subject to obligations of confidentiality and non-use with respect to such Confidential Information substantially similar to the obligations of confidentiality and non-use of the Receiving Party pursuant to this Article 7; or

7.2.6. made by the Receiving Party to actual or prospective collaboration partners, licensees, sublicensees, distributors, acquirers, merger candidates or investors (and to its and their respective Affiliates, representatives and financing sources); *provided* that each such Third Party signs an agreement that contains obligations that are at least as restrictive as the Receiving Party's obligations hereunder (except that the obligations under such agreement shall terminate a reasonable period of time after disclosure of the relevant information), and each such representative or financing source to whom information is disclosed shall (a) be subject to reasonable obligations of confidentiality, (b) be informed of the confidential nature of the Confidential Information so disclosed, and (c) agree to hold such Confidential Information subject to the terms thereof.

7.3 Use of Name. Neither Party (or any of their Affiliates) shall mention or otherwise use the name, insignia, symbol, Trademark, trade name or logotype of the other Party or its Affiliates (or any abbreviation or adaptation thereof) in any publication, press release, marketing and promotional material or other form of publicity without the prior written approval of such other Party in each instance. The restrictions imposed by this Section 7.3 shall not prohibit either Party or its Affiliates from making any disclosure (a) identifying the other Party as a counterparty to this Agreement to its investors, (b) that is required by Applicable Law or the requirements of a national securities exchange or another similar regulatory body (provided that any such disclosure shall be governed by this Article 7) or (c) with respect to which written consent has previously been obtained. Further, the restrictions imposed on each Party and their Affiliates under this Section 7.3 are not intended, and shall not be construed, to prohibit a Party or its Affiliates from identifying the other Party in their internal business communications, provided that any Confidential Information in such communications remains subject to this Article 7.

7.4 Press Releases. Neither Party (or any of their Affiliates) shall issue any press release or other similar public communication relating to this Agreement, its subject matter or the transactions covered by it, or the activities of the Parties or their Affiliates under or in connection with this Agreement, without the prior written approval of the other Party, except (a) for communications required by Applicable Law or the requirements of a national securities exchange or other similar regulatory body as reasonably advised by the issuing Party's counsel (provided that the other Party is given a reasonable opportunity to review and comment on any such press release or public communication in advance thereof to the extent legally permitted and practicable under the circumstances and the issuing Party shall act in good faith to consider incorporation of any comments provided by the other Party on such press release or public communication), (b) for information that has been previously disclosed publicly or (c) as otherwise set forth in this Agreement. Notwithstanding the foregoing, Acorda may, in its sole discretion, issue press releases or other similar public communications relating to the Development, Commercialization or other Exploitation of Acorda Products, including with respect to Product Data, Regulatory Approvals and other Regulatory Documentation and regulatory communications, so long as such press release or public communication does not disclose the terms or existence of this Agreement or mention or reference Medtronic or any of its Affiliates, without the prior written consent of Medtronic.

7.5 Publications. The Parties acknowledge that scientific publications must be strictly monitored to prevent any adverse effect from premature publication of results of the research and development activities hereunder. Accordingly, neither Medtronic nor any of its Affiliates may publish, present or otherwise disclose any material related to the Exploitation of the Exclusive Products in the Field or Exploitation of Licensed Products in the Exclusive Field without the prior written consent of Acorda.

7.6 Return or Destruction of Confidential Information. Within [***] after the earlier of (a) the expiration of the Term, (b) the termination of this Agreement in its entirety or with respect to one or more countries in the Territory, or (c) the earlier written request of the Disclosing Party, each Receiving Party shall at the Disclosing Party's discretion, promptly destroy or cause to be destroyed or return or cause to be returned to the Disclosing Party all documentary, electronic or other tangible embodiments of the Disclosing Party's Confidential Information to which the Receiving Party and its Affiliates do not retain rights hereunder and any and all copies thereof, and destroy or cause to be destroyed those portions of any documents that incorporate or are derived from the Disclosing Party's Confidential Information to which the Receiving Party and its Affiliates do not retain rights hereunder, and provide a written certification of such destruction, except that the Receiving Party may retain (i) one copy thereof, to the extent that the Receiving Party requires such Confidential Information for the purpose of performing any obligations or exercising any rights under this Agreement that may survive such expiration or termination, or for archival purposes, and (ii) such additional copies thereof or such computer records or files containing such Confidential Information that have been created solely by the Receiving Party's automatic archiving and back-up procedures, to the extent created and retained in a manner consistent with the Receiving Party's or its Affiliates' standard archiving and back-up procedures, but not for any other use or purpose.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.1 Representations, Warranties and Covenants . Each of Medtronic, Inc. and Warsaw, hereby represents, warrants and covenants to Acorda as of the Effective Date as follows, and Acorda hereby represents, warrants and covenants to Medtronic as of the Effective Date as follows:

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

8.1.1. Corporate Authority. Such Party (a) has the power and authority and the legal right to enter into this Agreement and perform its obligations hereunder and (b) has taken all necessary action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered by such Party and constitutes a legal, valid and binding obligation of such Party and is enforceable against it in accordance with its terms subject to the effects of bankruptcy, insolvency or other laws of general application affecting the enforcement of creditor rights and judicial principles affecting the availability of specific performance and general principles of equity, whether enforceability is considered in a proceeding at law or equity.

8.1.2. Consents and Approvals. All necessary consents, approvals and authorizations of all regulatory and governmental authorities and other Persons required to be obtained by such Party in connection with the execution and delivery of this Agreement and the performance of its obligations hereunder have been obtained.

8.1.3. Conflicts. The execution and delivery of this Agreement and the performance of such Party's obligations hereunder (a) do not conflict with or violate any requirement of Applicable Law or any provision of the articles of incorporation or bylaws of such Party in any material way and (b) do not conflict with, violate or breach or constitute a default or require any consent under, any contractual obligation or court or administrative order by which such Party is bound.

8.2 Additional Representations, Warranties and Covenants of Acorda. Acorda represents, warrants and covenants to Medtronic that:

8.2.1. Corporate Representations . Acorda (a) is a corporation duly organized and in good standing under the laws of Delaware and (b) has full power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as it is contemplated to be conducted by this Agreement.

8.2.2. Diligence . Acorda has the skills and resources to conduct due diligence on the Licensed Patents and on Medtronic's and its Affiliates' published patent portfolio and is entering this Agreement based on its independent evaluation thereof. Acorda acknowledges that it has studied the questions of validity and enforceability of the Licensed Patents.

8.3 Additional Representations, Warranties and Covenants of Medtronic . Each of Medtronic, Inc. and Warsaw hereby represents, warrants and covenants to Acorda as of the Effective Date as follows:

8.3.1. Corporate Representations for Medtronic, Inc . Medtronic, Inc. (a) is a corporation duly organized and in good standing under the laws of Minnesota and (b) has full power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as it is contemplated to be conducted by this Agreement.

8.3.2. Corporate Representations for Warsaw . Warsaw (a) is a corporation duly organized and in good standing under the laws of Indiana and (b) has full power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as it is contemplated to be conducted by this Agreement.

8.3.3. Diligence Information . Medtronic has made available to Acorda all the information reasonably available to Medtronic that Acorda has requested.

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

8.3.4. Ownership of IP . Warsaw and its Affiliates are the sole and exclusive owners of the entire right, title and interest in the Licensed Patents, Licensed Information, including Licensed Know-How, and Regulatory Approvals and are entitled to grant the rights and licenses specified herein with respect thereto. With respect to the Scheduled Patents and Licensed Information, including Licensed Know-How, such rights are not subject to any licenses, liens, claims of ownership mortgages, encumbrances, pledges, security interests, or claims or charges of any nature whatsoever by any Third Party. True, complete and correct copies of the complete file wrapper and other documents and materials relating to the prosecution, defense, maintenance, validity and enforceability of the Scheduled Patents have been provided to Acorda prior to the date first above written. During the term of this Agreement, Medtronic shall not encumber or diminish the rights granted to Acorda hereunder with respect to the Licensed Patents, including by not granting or relinquishing any rights to any Affiliates or Third Parties with respect to the Licensed Patents or the Licensed Know-How. To the Knowledge of Medtronic, the Scheduled Patents constitute all of the Patents of Medtronic and its Affiliates that would be infringed in the Field by the Exploitation of Exclusive Products or Licensed Products as they exist as of the Effective Date or as they are contemplated to be Developed hereunder. If, during the Term, Medtronic discovers that (or Acorda notifies Medtronic that) any other Licensed Patent that was owned or Controlled by Medtronic or its Affiliates as of the Effective Date would be infringed by the Exploitation of Exclusive Products in the Field or Licensed Products in the Exclusive Field, the Parties shall amend Schedule 1.108 to include such Licensed Patent.

8.3.5. Prosecution . The Licensed Patents have been filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment. All Licensed Patents that are patent applications are still in good standing and have not been withdrawn or abandoned. To the Knowledge of Medtronic, the correct inventors are properly identified on the patents and patent applications within the Licensed Patents, and Medtronic and its Affiliates have made all statutorily required filings to record its interest in the Licensed Patents. To the Knowledge of Medtronic, there are no facts or information that would affect the patentability of the Scheduled Patents; *provided* that information submitted to the U.S. Patent and Trademark Office shall not be considered a breach of the foregoing.

8.3.6. Material Transfer Agreements . Neither Medtronic nor any of its Affiliates is or has been a party to any Material Transfer Agreement.

8.3.7. No Infringement . To Medtronic's Knowledge, as of the Effective Date, (i) the Exploitation of the Exclusive Products and the Licensed Products hereunder does not infringe any valid and issued Patent of which Medtronic or its Affiliates are aware [***], and (ii) there is no actual or threatened infringement or misappropriation of the Licensed Patents, Regulatory Documentation, Product Data or other Licensed Know-How by any Person.

8.3.8. Validity and Enforceability . To Medtronic's Knowledge and without any obligation to perform any additional prior art search or freedom-to-operate analysis, any issued patents included within the Licensed Patents are valid and enforceable and have not been challenged in any judicial or administrative proceeding. To Medtronic's Knowledge, the conception, development and reduction to practice of any inventions claimed in the Licensed Patents or otherwise included in the Licensed Know-How existing as of the Effective Date have not constituted or involved the misappropriation of trade secrets or other rights or property of any Person. There are no claims, judgments or settlements against or amounts with respect thereto owed by Medtronic or any of its Affiliates relating to the Regulatory Documentation, the Licensed Patents or the Licensed Know-How. No claim or litigation has been brought or, to Medtronic's Knowledge, threatened by any Person alleging that any of the Licensed Patents are invalid or unenforceable.

8.3.9. No Agreements or Licenses . Except for (i) agreements and licenses between Medtronic and its Affiliates and (ii) agreements with and licenses granted to contract research organizations, investigators and clinical study sites in connection with the conduct of Clinical Studies (" **Clinical Study Agreements** "), neither Medtronic nor any of its Affiliates have previously entered into any agreement, whether written or oral, with respect to, or otherwise assigned, transferred, licensed, conveyed or otherwise encumbered its or their rights, titles or interests in or to, (a) the Scheduled Patents, (b) Product Data or any other Licensed Know-How or Regulatory Documentation, in each case relating to Exclusive Products in the Field or Licensed Products in the Exclusive Field, or (c) Exclusive Products in the Field or Licensed Products in the Exclusive Field, in each case ((a)-(c)), including by granting any covenant not to sue with respect thereto. Such licenses granted pursuant to Clinical Study Agreements granted rights only as necessary for the conduct of the clinical trials, and all such licenses have expired or been terminated.

8.3.10. Confidentiality of Licensed Know-How . All Licensed Know-How with respect to Exclusive Products in the Field or Licensed Products in the Exclusive Field has been kept confidential or has been disclosed to Third Parties only under terms of confidentiality.

8.3.11. Regulatory Documentation . As of the Effective Date, Medtronic and its Affiliates have prepared, maintained and retained all Regulatory Documentation that is required to be maintained or reported pursuant to and in accordance with GLP, GCP and other Applicable Law and all such information that is required to be maintained or reported pursuant to Applicable Law is true, complete and correct and what it purports to be and is free from fraud and material falsity.

8.3.12. Development . Medtronic and its Affiliates have used good faith efforts to conduct and cause its contractors and consultants to conduct, and will continue to use good faith efforts to conduct until the end of the Transition Period, all Development with respect to Exclusive Products in the Field and Licensed Products in the Exclusive Field in accordance with GLP, GCP and other Applicable Law.

8.3.13. Rights from Employees . To Medtronic's Knowledge, Medtronic has obtained from each of its Affiliates, employees and agents, and from the employees and agents of its Affiliates, who have performed or are performing tests or studies with respect to Exclusive Products or Licensed Products, or have otherwise participated or are otherwise participating in the Exploitation of Exclusive Products or Licensed Products or who have had or will have access to any Information in which Acorda has an interest in confidentiality pursuant to Article 7 or any other Confidential Information of Acorda, rights to any and all Information that relate to Exclusive Products or Licensed Products, such that Acorda shall, by virtue of this Agreement, receive from Medtronic, without payments beyond those required by Article 4, the licenses and other rights granted to Acorda hereunder.

8.3.14. Inventory of Exclusive Product and Licensed Product . All Exclusive Product and Licensed Product delivered by or on behalf of Medtronic pursuant to Section 2.2.3, will, when received by Acorda, (a) be in conformity with the applicable specifications therefore; (b) have been Manufactured in conformance with GMP and all other Applicable Law; (c) have been Manufactured in facilities that are in compliance with Applicable Law at the time of such Manufacture (including applicable inspection requirements of FDA and other Regulatory Authorities); (d) not be adulterated or misbranded under the FFDCA and similar provisions of the laws of other countries where INDs have been filed or human clinical trials have occurred; and (e) may be introduced into interstate commerce pursuant to the FFDCA, and similar provisions of the laws of other countries where INDs have been filed or human clinical trials have occurred.

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

8.4 DISCLAIMER OF WARRANTY. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN SECTIONS 8.1, 8.2 AND 8.3, NO PARTY MAKES ANY REPRESENTATIONS OR GRANTS ANY WARRANTY, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, AND EACH PARTY SPECIFICALLY DISCLAIMS ANY OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OR ANY WARRANTY AS TO THE VALIDITY OF ANY PATENTS OR THE NON-INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES.

ARTICLE 9
INDEMNITY

9.1 Indemnification of Medtronic. Acorda shall indemnify Medtronic, its Affiliates and its and their respective directors, officers, employees and agents (collectively, " **Medtronic Indemnitees** ,") and defend and save each of them harmless, from and against any and all losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) (collectively, " **Losses** ") in connection with any and all suits, investigations, claims or demands of Third Parties (collectively, " **Third Party Claims** ") arising from or occurring as a result of: (a) the breach by Acorda of any representation or warranty or covenant or other obligation of this Agreement; (b) the gross negligence or willful misconduct on the part of any Acorda Indemnitee in performing any activity under this Agreement; or (c) the Exploitation by Acorda, its Sublicensees or any of its or their respective Affiliates of Acorda Products in the Territory, including Product Liability Claims; *provided* that, with respect to any Third Party Claim for which Acorda has an obligation to indemnify any Medtronic Indemnitee pursuant to this Section 9.1 and Medtronic has an obligation to indemnify any Acorda Indemnitee pursuant to Section 9.2, each Party shall indemnify each of the other Party's Indemnitees for the applicable Losses to the extent of its responsibility, relative to the other Party, for the facts underlying such Third Party Claim.

9.2 Indemnification of Acorda. Medtronic shall indemnify Acorda, its Affiliates and its and their respective directors, officers, employees and agents (collectively, " **Acorda Indemnitees** "), and defend and save each of them harmless, from and against any and all Losses in connection with any and all Third Party Claims arising from or occurring as a result of: (a) the breach by Medtronic of any representation or warranty or covenant or other obligation of this Agreement; or (b) the gross negligence or willful misconduct on the part of any Medtronic Indemnitee in performing any activity or exercising its rights under this Agreement; or (c) the Exploitation by Medtronic, its licensees or sublicensees or any of its or their respective Affiliates (not including Acorda and Acorda's Affiliates, Sublicensees and Distributors) of Medtronic Products in the Territory, including Product Liability Claims; *provided* that, with respect to any Third Party Claim for which Acorda has an obligation to indemnify any Medtronic Indemnitee pursuant to Section 9.1 and Medtronic has an obligation to indemnify any Acorda Indemnitee pursuant to this Section 9.2, each Party shall indemnify each of the other Party's Indemnitees for the applicable Losses to the extent of its responsibility, relative to the other Party, for the facts underlying such Third Party Claim.

9.3 Notice of Claim. All indemnification claims in respect of a Medtronic Indemnitee or an Acorda Indemnitee shall be made solely by Medtronic or Acorda, as applicable (each of Medtronic or Acorda in such capacity, the " **Indemnified Party** "). The Indemnified Party shall give the Indemnifying Party prompt written notice (an " **Indemnification Claim Notice** ") of any Losses or discovery of fact upon which such Indemnified Party intends to base a request for indemnification under Section 9.1 or Section 9.2, but in no event shall the Indemnifying Party be liable for any Losses to the extent that they result from any delay in providing such notice. Each Indemnification Claim Notice must contain a description of the claim and the nature and amount of such Loss (to the extent that the nature

and amount of such Loss is known at such time). The Indemnified Party shall furnish promptly to the Indemnifying Party copies of all papers and official documents received in respect of any Losses and Third Party Claims.

9.4 Control of Defense .

9.4.1. Control of Defense . At its option, the Indemnifying Party may assume the defense of any Third Party Claim by giving written notice to the Indemnified Party within [***] after the Indemnifying Party's receipt of an Indemnification Claim Notice. The assumption of the defense of a Third Party Claim by the Indemnifying Party shall not be construed as an acknowledgment that the Indemnifying Party is liable to indemnify any Medtronic Indemnitee or Acorda Indemnitee, as applicable, in respect of the Third Party Claim, nor shall it constitute a waiver by the Indemnifying Party of any defenses it may assert against a Medtronic Indemnitee or an Acorda Indemnitee, as applicable, claim for indemnification. Upon assuming the defense of a Third Party Claim, the Indemnifying Party may appoint as lead counsel in the defense of the Third Party Claim any legal counsel selected by the Indemnifying Party. In the event the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnified Party shall immediately deliver to the Indemnifying Party all original notices and documents (including court papers) received by any Medtronic Indemnitee or Acorda Indemnitee, as applicable, in connection with the Third Party Claim. Should the Indemnifying Party assume the defense of a Third Party Claim, except as provided in Section 9.4.2, the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by such Indemnified Party or any Medtronic Indemnitee or Acorda Indemnitee, as applicable, in connection with the analysis, defense or settlement of such Third Party Claim. In the event that it is ultimately determined that the Indemnifying Party is not obligated to indemnify, defend or hold harmless a Medtronic Indemnitee or Acorda Indemnitee, as applicable, from and against a Third Party Claim, the Indemnified Party shall reimburse the Indemnifying Party for any and all costs and expenses (including attorneys' fees and costs of suit) incurred by the Indemnifying Party in its defense of such Third Party Claim.

9.4.2. Right to Participate in Defense. Without limiting Section 9.4.1, any Indemnified Party shall be entitled to participate in, but not control, the defense of a Third Party Claim and to employ counsel of its choice for such purpose; *provided, however* , that such employment shall be at the Indemnified Party's own expense unless (a) the employment thereof and reimbursement of expenses relating thereto has been specifically authorized by the Indemnifying Party in writing, (b) the Indemnifying Party has failed to assume the defense and employ counsel in accordance with Section 9.4.1 (in which case the Indemnified Party shall control the defense) or (c) the interests of the Indemnified Party and any Medtronic Indemnitee or Acorda Indemnitee, as applicable, on the one hand, and the Indemnifying Party, on the other hand, with respect to such Third Party Claim are sufficiently adverse to prohibit the representation by the same counsel of all such Persons under Applicable Law, ethical rules or equitable principles.

9.4.3. Settlement. With respect to any Third Party Claims relating solely to the payment of money damages in connection with a Third Party Claim that shall not result in a Medtronic Indemnitee or an Acorda Indemnitee, as applicable, becoming subject to injunctive or other relief or otherwise adversely affecting the business of such Medtronic Indemnitee or Acorda Indemnitee, as applicable, in any manner and as to which the Indemnifying Party shall have acknowledged in writing the obligation to indemnify such Medtronic Indemnitee or Acorda Indemnitee, as applicable, hereunder, the Indemnifying Party shall have the sole right to consent to the entry of any judgment, enter into any settlement or otherwise dispose of such Third Party Claim, on such terms as the Indemnifying Party, in its sole discretion, shall deem appropriate. With respect to all other Third Party Claims, where the Indemnifying Party has assumed the defense of the Third Party Claim in accordance with Section 9.4.1, the Indemnifying Party shall have authority to consent to the entry of any judgment, enter into any

settlement or otherwise dispose of such Third Party Claim, *provided* that it obtains the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed). The Indemnifying Party shall not be liable for any settlement or other disposition of a Third Party Claim by a Medtronic Indemnitee or an Acorda Indemnitee that is reached without the prior written consent of the Indemnifying Party. Regardless of whether the Indemnifying Party chooses to defend or prosecute any Third Party Claim, the Indemnified Party shall not, and the Indemnified Party shall ensure that each Medtronic Indemnitee or Acorda Indemnitee, as applicable, does not, admit any liability with respect to or settle, compromise or discharge, any Third Party Claim without the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld, conditioned or delayed.

9.4.4. Cooperation. Regardless of whether the Indemnifying Party chooses to defend or prosecute any Third Party Claim, the Indemnified Party shall, and shall cause each Medtronic Indemnitee or Acorda Indemnitee, as applicable, to, cooperate in the defense or prosecution thereof and shall furnish such records, information and testimony, provide such witnesses and attend such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested in connection therewith. Such cooperation shall include access during normal business hours afforded to the Indemnifying Party to, and reasonable retention by the Indemnified Party and any Medtronic Indemnitee or Acorda Indemnitee, as applicable, of, records and information that are reasonably relevant to such Third Party Claim, and making all Medtronic Indemnitees or Acorda Indemnitees, as applicable, and other employees and agents available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder; *provided* , that neither Party shall be required to disclose legally privileged information unless and until procedures reasonably acceptable to such Party are in place to protect such privilege, and the Indemnifying Party shall reimburse the Indemnified Party for all its reasonable out-of-pocket expenses in connection therewith.

9.4.5. Expenses. Except as provided above, the costs and expenses, including fees and disbursements of counsel, incurred by the Indemnified Party in connection with any claim shall be reimbursed on a Calendar Quarter basis by the Indemnifying Party, without prejudice to the Indemnifying Party's right to contest the right to indemnification of any Medtronic Indemnitee or Acorda Indemnitee, as applicable, subject to refund in the event the Indemnifying Party is ultimately held not to be obligated to indemnify a Medtronic Indemnitee or Acorda Indemnitee, as applicable.

9.4.6. Proceedings in Respect of Intellectual Property. Notwithstanding the foregoing provisions of this Article 9, the Parties' respective rights to control the prosecution, defense or enforcement of Licensed Patents, Licensed Know-How or Product Trademarks under Article 5 shall be subject to the provisions of Article 5 (but if such claims are Third Party Claims subject to indemnification and defense under this Article 9, the costs and expenses with respect to such defense, and liability with respect to such claims, shall be allocated as set forth in this Article 9).

9.5 Limitation on Damages and Liability. [***] .

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

9.6 Insurance . Each Party shall have and maintain such type and amounts of liability insurance covering the Exploitation of Acorda Products or Medtronic Products, as applicable, by or on behalf of such Party as is normal and customary in the pharmaceutical or medical device industry, as applicable, for parties similarly situated, and shall upon request provide the other Party with a copy of its policies of insurance in that regard, along with any amendments and revisions thereto.

ARTICLE 10
TERM AND TERMINATION

10.1 Term. This Agreement shall commence on the Effective Date and shall continue in each country in the Territory until such time as Acorda no longer owes any royalty payments under this Agreement with respect to such country, unless earlier terminated in accordance with this Article 10 (such period, the " **Term** ").

10.2 Termination of this Agreement in its Entirety for Material Breach. In the event that either Party (the " **Breaching Party** ") shall be in material breach in the performance of any of its material obligations under this Agreement, in addition to any other right and remedy the other Party (the " **Complaining Party** ") may have, the Complaining Party may terminate this Agreement, in its entirety upon [***] prior written notice (the " **Termination Notice Period** ") to the Breaching Party, specifying the breach and its claim of right to terminate; *provided* always that the termination shall not become effective at the end of the Termination Notice Period if the Breaching Party cures the breach complained of during the Termination Notice Period (or, if such breach cannot be cured within such [***] period, if the Breaching Party commences actions to cure such breach within the Termination Notice Period and thereafter diligently continues such actions).

10.3 Termination by Acorda . Acorda shall have the right in its sole discretion to terminate this Agreement in its entirety or with respect to one or more countries in the Territory upon [***] prior written notice to Medtronic.

10.4 Termination by Medtronic . In the event that Acorda fails to comply with any Applicable Law in any country in connection with the Exploitation of Exclusive Products or Licensed Products under this Agreement, Medtronic may, if such non-compliance is ongoing, terminate this Agreement in such country upon [***] prior written notice to Acorda, specifying such failure to comply (and subject to the resolution of any dispute with respect to such termination pursuant to Section 11.7); *provided* always that the termination shall not become effective at the end of such notice period if Acorda ceases the non-compliance during the notice period (or, if such non-compliance cannot be terminated within such [***] period, if Acorda commences actions to cease such non-compliance within the notice period and thereafter diligently continues such actions). Each separate violation of Applicable Law shall require a separate notice, cure period and termination under this Section 10.4.

10.5 Termination Upon Insolvency. Either Party may terminate this Agreement if, at any time, the other Party files in any court or agency pursuant to any statute or regulation of any state, country or jurisdiction, a petition in bankruptcy or insolvency or for reorganization or for an arrangement

or for the appointment of a receiver or trustee of such other Party or of its assets, or if the other Party proposes a written agreement of composition or extension of its debts, or if the other Party is served with an involuntary petition against it, filed in any insolvency proceeding, and such petition shall not be dismissed within [***] after the filing thereof, or if the other Party proposes or is a party to any dissolution or liquidation, or if the other Party makes an assignment for the benefit of its creditors.

10.6 Rights in Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by Acorda or Medtronic are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that the Parties, as licensees of such rights under this Agreement, shall retain and may fully exercise all of their rights and elections under the U.S. Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against either Party under the U.S. Bankruptcy Code, the Party that is not a party to such proceeding shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, which, if not already in the non-subject Party's possession, shall be promptly delivered to it (a) upon any such commencement of a bankruptcy proceeding upon the non-subject Party's written request therefor, unless the Party subject to such proceeding elects to continue to perform all of its obligations under this Agreement or (b) if not delivered under (a) above, following the rejection of this Agreement by or on behalf of the Party subject to such proceeding upon written request therefor by the non-subject Party.

10.7 Consequences of Termination .

10.7.1. Effect on Licenses, Regulatory Approvals and Patent and Other Intellectual Property Rights . Upon any termination of this Agreement with respect to one or more countries in the Territory or in its entirety pursuant to Section 10.2, 10.3 or 10.4, (i) all licenses granted by Medtronic to Acorda pursuant to Section 3.1 shall terminate with respect to the terminated countries in the Territory (or, in the event of a termination of this Agreement in its entirety, with respect to the entire Territory); (ii) Acorda shall relinquish its rights under and assign and cause its Affiliates and Sublicensees to assign all of their rights, title and interest, if any, in and to the Regulatory Approvals, Regulatory Documentation and Product Data, to Medtronic or its designee, in each case solely (A) to the extent relating solely to the terminated countries in the Territory (or, in the event of a termination of this Agreement in its entirety, with respect to the entire Territory), and (B) to the extent such Regulatory Approvals, Regulatory Documentation and Product Data were previously assigned to Acorda by Medtronic pursuant to Section 3.2; (iii) Acorda and Medtronic shall each have the right to practice the Joint Patents and the Joint Know-How in the terminated countries in the Territory (or, in the event of a termination of this Agreement in its entirety, throughout the entire Territory) (including by Exploiting products, including Exclusive Products and Licensed Products, under such rights and Know-How); (iv) Acorda shall cease the Exploitation of all Licensed Products and Exclusive Products in the terminated countries in the Territory (or, in the event of a termination of this Agreement in its entirety, with respect to the entire Territory) except in the event of any termination by Acorda pursuant to [***]; and (v) all Product Data required to be assigned to Medtronic or its designee pursuant to clause (ii) of this Section 10.7.1 shall thereafter cease to be deemed to be the Confidential Information of Acorda and shall thereafter be deemed to be Medtronic's Confidential Information. In the event of any termination of this Agreement in its entirety by Medtronic for Acorda's material breach pursuant to Section 10.2 or pursuant to Section 10.4 or by Acorda pursuant to Section 10.3, the non-compete restrictions set forth in Section 2.4 with respect to Medtronic and its Affiliates will immediately cease and have no further effect.

10.7.2. Right to Sell Stock on Hand. Notwithstanding the termination of Acorda's licenses and other rights under this Agreement in its entirety or with respect to particular

countries, as the case may be, unless such termination is the result of the breach or insolvency of Acorda, Acorda shall have the right for [***] after the effective date of such termination with respect to each country with respect to which such termination applies (or with respect to all countries in the case of termination of this Agreement in its entirety) to sell or otherwise dispose of all Exclusive Product and Licensed Product then in its inventory and any in-progress inventory, in each case that is intended for sale or disposition in such countries, as though this Agreement had not terminated with respect to such countries, and such sale or disposition shall not constitute infringement of Medtronic's or its Affiliates' Patent or other intellectual property rights. For the avoidance of doubt, Acorda shall continue to make payments thereon as provided in Article 4.

10.7.3. Remedies. Except as otherwise expressly provided herein, termination of this Agreement, in whole or in part, in accordance with the provisions hereof shall not limit remedies which may otherwise be available in law or equity.

10.7.4. Effect of Termination on Sublicenses. Termination of this Agreement by Medtronic pursuant to Section 10.2 or 10.4 shall not terminate any sublicense granted by Acorda pursuant to Section 3.1 with respect to a Sublicensee; *provided* that (a) such Sublicensee is not in breach of any provision of this Agreement or the applicable sublicense agreement, (b) such Sublicensee shall perform all obligations of Acorda under this Agreement that are applicable to the sublicensed rights, and (c) Medtronic shall have all rights with respect to any and all Sublicensees as it had hereunder with respect to Acorda prior to termination of this Agreement with respect to Acorda.

10.8 Accrued Rights; Surviving Obligations.

10.8.1. Accrued Rights. Termination or expiration of this Agreement for any reason shall be without prejudice to any rights that shall have accrued, including rights to payments, to the benefit of a Party prior to such termination or expiration. Such termination or expiration shall not relieve a Party from obligations that are expressly indicated to survive the termination or expiration of this Agreement, including any obligation of either party to pay any amount which became due and payable under the terms and conditions of this Agreement prior to expiration or such termination.

10.8.2. Survival. Without limiting the foregoing, Sections 2.4, 3.1.7 (in the circumstances set forth therein), 4.3.2(c), 4.5 through 4.9 (with respect to payments arising during the Term), 4.10, 5.1, 8.4, 10.6, 10.7 and this 10.8, and Articles 6, 7, 9 (other than Section 9.6) and 11 of this Agreement shall survive the termination or expiration of this Agreement for any reason.

ARTICLE 11
MISCELLANEOUS

11.1 Force Majeure. Neither Party shall be held liable or responsible to the other Party or be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement (other than an obligation to make payments) when such failure or delay is caused by or results from events beyond the reasonable control of the non-performing Party, including fires, floods, earthquakes, embargoes, shortages, epidemics, quarantines, war, acts of war (whether war be declared or not), terrorist acts, insurrections, riots, civil commotion, strikes, lockouts or other labor disturbances (whether involving the workforce of the non-performing Party or of any other Person), acts of God or acts, omissions or delays in acting by any governmental authority (each, a " **Force Majeure Event** "). The non-performing Party shall notify the other Party of a Force Majeure Event within [***] after the occurrence of such Force Majeure Event by giving written notice to the other Party stating the nature of such Force Majeure Event, its anticipated duration, and any action being taken to avoid or minimize its effect. The suspension of performance shall be of no greater scope and no

longer duration than is necessary and the non-performing Party shall use commercially reasonable efforts to remedy its inability to perform. In the event that such suspension of performance lasts for more than [***] and in the absence of such Force Majeure Event such suspension of performance would be a material breach of this Agreement, such other Party shall have the right to terminate this Agreement pursuant to Section 10.2.

11.2 Provision of Privileged Information . With respect to any Product Data, Licensed Know-How, Joint Know-How, correspondence, files, patentability reports, search results, inventor notebooks, documents, reports or other Information required to be provided or made available by a Party or its Affiliates to the other Party and its respective Affiliates pursuant to Sections 2.1.1, 2.1.2, 5.2.4, 5.3.3 or 5.5.2 that is subject to legal privilege or Third Party confidentiality obligations (collectively, the " **Required Information** "), the Party (or its Affiliate(s)) with the obligation to provide or make available such Required Information shall, prior to providing or making available the Required Information and without waiving any available privilege or violating any confidentiality obligations, furnish the other Party with such description of the Required Information as is necessary for the other Party to assess whether it wishes to receive such Required Information and the nature of any Third Party confidentiality obligations to which such Required Information is subject. If the receiving Party still wishes to receive such Required Information, the delivering Party shall (and shall cause its Affiliates to) enter into such agreements with the receiving Party as the receiving Party may reasonably request to preserve any privilege and confidential treatment of any such Required Information.

11.3 Export Control . This Agreement is made subject to any restrictions concerning the export of products or technical information from the United States or other countries that may be imposed on or related to the Parties from time to time. Each Party agrees that it will not export, directly or indirectly, any technical information acquired from the other Party under this Agreement or any products using such technical information to a location or in a manner that at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the appropriate agency or other governmental entity in accordance with Applicable Law.

11.4 Assignment . Without the prior written consent of the other Party hereto, neither Party shall sell, transfer, assign, delegate, pledge or otherwise dispose of this Agreement or any of its rights or duties hereunder; *provided, however* , that either Party may, without such consent, assign this Agreement and its rights and obligations hereunder to an Affiliate or to its successor entity or acquiror in the event of a merger, consolidation, other Change of Control or any sale, transfer or assignment of the business of such Party related to Exclusive Products and Licensed Products; *provided, further* , with respect to an assignment to an Affiliate, such assigning Party shall remain responsible for the performance by such Affiliate of the rights and obligations hereunder. Any attempted assignment or delegation in violation of the preceding sentence shall be void and of no effect. All validly assigned and delegated rights and obligations of the Parties hereunder shall be binding upon and inure to the benefit of and be enforceable by and against the successors and permitted assigns of Medtronic or Acorda, as the case may be. In the event either Party seeks and obtains the other Party's consent to assign or delegate its rights or obligations to a Third Party, the assignee or transferee shall assume all obligations of its assignor or transferor under this Agreement.

11.5 Severability. To the fullest extent permitted by Applicable Law, the Parties waive any provision of law that would render any provision in this Agreement invalid, illegal, or unenforceable in any respect. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, in any respect, then such provision will be given no effect by the Parties and shall not form part of this Agreement. To the fullest extent permitted by Applicable Law and if the rights or obligations of any Party will not be materially and adversely affected, all other provisions of this Agreement shall remain in full force and effect, and the Parties shall use their best efforts to negotiate a provision in

replacement of the provision held invalid, illegal, or unenforceable that is consistent with Applicable Law and achieves, as nearly as possible, the original intention of the Parties.

11.6 Governing Law, Jurisdiction, Venue and Service.

11.6.1. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. The Parties agree to exclude the application to this Agreement of the United Nations Convention on Contracts for the International Sale of Goods.

11.6.2. Jurisdiction. Subject to Section 11.7.4 and Section 11.11, the Parties hereby irrevocably and unconditionally consent to the exclusive jurisdiction of the courts of the State of New York and the United States District Court for the Southern District of New York for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding (other than appeals therefrom) related thereto except in such courts. The Parties irrevocably and unconditionally waive their right to a jury trial.

11.6.3. Venue. The Parties further hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement in the courts of the State of New York or in the United States District Court for the Southern District of New York, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

11.6.4. Service. Each Party further agrees that service of any process, summons, notice or document by registered mail to its address set forth in Section 11.8.2 shall be effective service of process for any action, suit or proceeding brought against it under this Agreement in any such court.

11.7 Dispute Resolution.

11.7.1. General. Subject to Section 11.7.4, if a dispute arises between the Parties in connection with the interpretation, validity or performance of this Agreement or any document or instrument delivered in connection herewith (a " **Dispute** "), then either Party shall have the right to refer such Dispute to its Authorized Representative for attempted resolution by good faith negotiations during a period of [***]. For purposes of this Section 11.7, an " **Authorized Representative** " shall mean an in-house counsel or senior executive who has authority to resolve the Dispute on behalf of the Parties. The Authorized Representatives shall confer as often as the Parties reasonably deem necessary in order to gather and furnish to the other all information with respect to the matter in issue, which the Parties believe to be appropriate and germane in connection with its resolution. The Authorized Representatives shall discuss the problem and negotiate in good faith in an effort to resolve the Dispute without the necessity of any formal proceeding. The specific format for the discussions will be left to the discretion of the Authorized Representatives, but may include the preparation of agreed-upon statements of fact or written statements of position. The Parties agree that any such written statements will be prepared in connection with settlement negotiations, and as such will be protected under FRE 408 and shall not be used against the Party who prepared such statement unless it is subsequently introduced by the preparing Party in formal proceedings . Any final decision mutually agreed to by the Authorized Representatives in writing shall be conclusive and binding on the Parties. If the Authorized Representatives are not able to agree on the resolution of a Dispute within such period, either Party may, by written notice to the other Party, elect to initiate mediation pursuant to Section 11.7.2 for purposes of having the Dispute resolved.

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission

11.7.2. Mediation . Subject to Section 11.7.4, any Dispute that cannot be resolved by the Authorized Representatives pursuant to Section 11.7.1, may be submitted to non-binding mediation under the then-current CPR Mediation Procedure within [***] following the close of the period for informal negotiations under Section 11.7.1. Either Party may commence mediation by sending written notice to the other Party requesting mediation. The mediation shall be held within [***] of the request for mediation. The venue of mediation shall be in New York City, New York, and the Parties will cooperate with one another to select a single mediator who is based in New York City, New York. If the Parties cannot agree on a mediator within [***] of the written mediation notice, they will notify CPR of their need for assistance in selecting a mediator, informing CPR of any preferences as to matters such as candidates' mediation style, subject matter expertise and geographic location. The mediator shall be selected from the CPR Panels of Neutrals. The mediator shall apply the substantive law of the State of New York in construing or interpreting this Agreement. The Parties covenant that they shall participate in the mediation in good faith, and that they shall share equally in its costs. Should the Parties fail to resolve the matter through mediation, either Party may commence litigation as set forth in Section 11.7.3 below. All proceedings and decisions of the mediator shall be deemed Confidential Information of each of the Parties, and shall be subject to Article 7.

11.7.3. Litigation . If, after completion of the required dispute resolution procedures provided in Sections 11.7.1 and 11.7.2, a Dispute between the Parties remains, any Party may commence a proceeding regarding such Dispute in the jurisdiction set forth in Section 11.6.2.

11.7.4. Interim Relief . Notwithstanding anything herein to the contrary, nothing in this Agreement shall preclude either Party from seeking interim or provisional relief, including a temporary restraining order, preliminary injunction, interlocutory decree, preliminary receivership, or other interim equitable relief concerning a Dispute in any court of competent jurisdiction. This Section 11.7.4 shall be specifically enforceable.

11.8 Notices.

11.8.1. Notice Requirements. Any notice, request, demand, waiver, consent, approval or other communication permitted or required under this Agreement shall be in writing, shall refer specifically to this Agreement and shall be deemed given only if delivered by hand or sent by facsimile transmission (with transmission confirmed) or by internationally recognized overnight delivery service that maintains records of delivery, addressed to the Parties at their respective addresses specified in Section 11.8.2 or to such other address as the Party to whom notice is to be given may have provided to the other Party in accordance with this Section 11.8. Such notice shall be deemed to have been given as of the date delivered by hand or transmitted by facsimile (with transmission confirmed) or on the third Business Day (at the place of delivery) after deposit with an internationally recognized overnight delivery service. Any notice delivered by facsimile shall be confirmed by a hard copy delivered as soon as practicable thereafter. This Section 11.8 is not intended to govern the day-to-day business communications necessary between the Parties in performing their obligations under the terms of this Agreement.

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11.8.2. Address for Notice.

If to Acorda, to:
Acorda Therapeutics, Inc.
15 Skyline Drive
Hawthorne, NY 10532
Attention: Chief Executive Officer
Facsimile: 914-347-4560

with a copy to (which shall not constitute notice):
General Counsel

If to Medtronic, to:
Medtronic, Inc.
710 Medtronic Parkway NE
Minneapolis, MN 55432-5604

with separate copies (which shall not constitute notice)

Attention: General Counsel
Mail Stop LC400
Facsimile No.: (763) 572-5459

and

Attention: Vice President and Chief Development Officer
Mail Stop LC270
Facsimile No.: (763) 505-2542

11.9 Entire Agreement; Amendments. This Agreement, together with the Schedules and Exhibits attached hereto, sets forth and constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and all prior agreements, understandings, promises and representations, whether written or oral, with respect thereto are superseded hereby. Each Party confirms that it is not relying on any representations or warranties of the other Party except as specifically set forth herein. No amendment, modification, release or discharge shall be binding upon the Parties unless in writing and duly executed by authorized representatives of both Parties.

11.10 English Language. This Agreement shall be written and executed in, and all other communications under or in connection with this Agreement shall be in, the English language. Any translation into any other language shall not be an official version thereof, and in the event of any conflict in interpretation between the English version and such translation, the English version shall control.

11.11 Equitable Relief. The Parties acknowledge and agree that the restrictions set forth in Section 2.4 and Article 7 are reasonable and necessary to protect the legitimate interests of the other Party and that such other Party would not have entered into this Agreement in the absence of such restrictions, and that any breach or threatened breach of any provision of Section 2.4 or Article 7 may result in irreparable injury to such other Party for which there will be no adequate remedy at law. In the event of a breach or threatened breach of any provision of Section 2.4 or Article 7, the non-breaching Party shall be authorized and entitled to obtain from any court of competent jurisdiction injunctive relief, whether preliminary or permanent, specific performance and an equitable accounting of all earnings, profits and other benefits arising from such breach, which rights shall be cumulative and in addition to any other rights or remedies to which such non-breaching Party may be entitled in law or equity. Both

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Parties agree to waive any requirement that the other (a) post a bond or other security as a condition for obtaining any such relief and (b) show irreparable harm, balancing of harms, consideration of the public interest or inadequacy of monetary damages as a remedy. Nothing in this Section 11.11 is intended, or should be construed, to limit either Party's right to equitable relief or any other remedy for a breach of any other provision of this Agreement.

11.12 Waiver and Non-Exclusion of Remedies. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. The waiver by either Party of any right hereunder or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by the other Party whether of a similar nature or otherwise.

11.13 No Benefit to Third Parties. The representations, warranties, covenants and agreements set forth in this Agreement are for the sole benefit of the Parties and their successors and permitted assigns, and they shall not be construed as conferring any rights on any other Persons.

11.14 Further Assurance. Each Party shall duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including the filing of such assignments, agreements, documents and instruments, as may be necessary or as the other Party may reasonably request in connection with this Agreement or to carry out more effectively the provisions and purposes hereof, or to better assure and confirm unto such other Party its rights and remedies under this Agreement.

11.15 Relationship of the Parties. It is expressly agreed that Acorda, on the one hand, and Medtronic, on the other hand, shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency. Neither Acorda, on the one hand, nor Medtronic, on the other hand, shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other, without the prior written consent of the other Party to do so. All persons employed by a Party shall be employees of such Party and not of the other Party and all costs and obligations incurred by reason of any such employment shall be for the account and expense of such Party.

11.16 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile or other electronic signatures and such signatures shall be deemed to bind each Party as if they were original signatures.

11.17 References. Unless otherwise specified, (a) references in this Agreement to any Article, Section or Schedule means references to such Article, Section or Schedule of this Agreement, (b) references in any section to any clause are references to such clause of such section and (c) references to any agreement, instrument or other document in this Agreement refer to such agreement, instrument or other document as originally executed or, if subsequently varied, replaced or supplemented from time to time, as so varied, replaced or supplemented and in effect at the relevant time of reference thereto.

11.18 Construction. Except where the context otherwise requires, wherever used, the singular shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders and the word "or" is used in the inclusive sense (and/or). The captions of this Agreement are for convenience of reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained in this Agreement. The term "including" as used herein means including, without limiting the generality of any description preceding such term. The

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language of this Agreement shall be deemed to be the language mutually chosen by the Parties and no rule of strict construction shall be applied against either Party.

[SIGNATURE PAGE FOLLOWS. **]**

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THIS AGREEMENT IS EXECUTED by the authorized representatives of the Parties as of the date first written above.

Acorda Therapeutics, Inc.
By: /s/Ron Cohen
Name: Ron Cohen
Title: President & CEO

Medtronic, Inc.
By: /s/Chad Cornell
Name: Chad Cornell
Title: V.P. Corp. Dev.

Warsaw Orthopedic, Inc.
By: /s/Gary L. Ellis
Name: Gary L. Ellis
Title: Vice President

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Schedule 1.8
Assigned Trademarks

Mark	Serial Number	Filing Date	Status	
Neuroshield	77344742	December 5, 2007	Allowed	

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Schedule 1.108
Scheduled Patents

Medtronic File No.	Country	Application No.	Filing Date	Status	Title	Party with Primary Prosecution Rights
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]

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[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]

Certain portions of this Exhibit have been omitted pursuant to a request for confidentiality. Such omitted portions, which are marked with brackets [ ] and an asterisk*, have been separately filed with the Commission.

[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]

Exhibit 31.1

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Ron Cohen, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 8, 2011

/s/ RON COHEN
Ron Cohen
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, David Lawrence, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 8, 2011

/s/ DAVID LAWRENCE
David Lawrence
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Acorda Therapeutics, Inc. (the "Company") for the fiscal quarter ended June 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ron Cohen, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ RON COHEN
RON COHEN
Chief Executive Officer
(Principal Executive Officer)
August 8, 2011

[A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Acorda Therapeutics, Inc. and will be retained by Acorda Therapeutics, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.]

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Acorda Therapeutics, Inc. (the "Company") for the fiscal quarter ended June 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Lawrence, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/ s / DAVID LAWRENCE
DAVID LAWRENCE
Chief Financial Officer
(Principal Financial Officer)
August 8, 2011

[A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Acorda Therapeutics, Inc. and will be retained by Acorda Therapeutics, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.]