AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JANUARY 24, 2000

REGISTRATION NO. 333-91747

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 2

TO

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ANTIGENICS INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	2836	06-1562417
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)

630 FIFTH AVENUE, SUITE 2100
NEW YORK, NEW YORK 10111
(212) 332-4774
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

GARO H. ARMEN, PH.D.
CHIEF EXECUTIVE OFFICER
ANTIGENICS INC.
630 FIFTH AVENUE, SUITE 2100
NEW YORK, NEW YORK 10111
(212) 332-4774
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPIES TO:

MICHAEL LYTTON, ESQ. PAUL KINSELLA, ESQ. PALMER & DODGE LLP ONE BEACON STREET BOSTON, MASSACHUSETTS 02108 (617) 573-0100	DANIELLE CARBONE, ESQ. SHEARMAN & STERLING 599 LEXINGTON AVENUE NEW YORK, NEW YORK 10022 (212) 848-4000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. [ ]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. [ ] ----------

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. [ ] ----------

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. [ ] ----------

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. [ ]

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION

STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

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THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE SECURITIES AND EXCHANGE COMMISSION DECLARES OUR REGISTRATION STATEMENT EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED JANUARY 24, 2000

PRELIMINARY PROSPECTUS

3,000,000 SHARES

ANTIGENICS INC. [ANTIGENICS INC. LOGO]
COMMON STOCK
$ PER SHARE

- - We anticipate that the initial public offering price will be between $14.00 and $16.00 per share.

- - This is a firm commitment initial public offering and no public market currently exists for our shares.

- - Proposed trading symbol: Nasdaq National Market - AGEN

THIS INVESTMENT INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 8.

	PER SHARE	TOTAL
Public offering price	$	$
Underwriting discount	$	$
Proceeds to Antigenics	$	$

The underwriters have a 30-day option to purchase up to 450,000 additional shares of common stock from us to cover over-allotments, if any.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

U.S. BANCORP PIPER JAFFRAY ROBERTSON STEPHENS

THE DATE OF THIS PROSPECTUS IS , 2000.

[Antigenics Logo]

- - Technology platform broadly applicable to cancer, infectious diseases and autoimmune disorders

- - Evaluating lead product, Oncophage(R), in multiple phase II clinical trials including kidney cancer, melanoma and colorectal cancer

- - Phase III clinical trial to commence in mid-2000

- - Lead infectious disease products in preclinical testing for genital herpes

- - Commercial scale manufacturing capacity in place

- - Nine issued United States patents cover use of our technology in treatment of cancer, infectious diseases and autoimmune diseases

Personalized Medicine

[Photo of vial]

Product	Indication	Research	Preclinical	Clinical Phase I/II	Clinical Phase II
CANCER					
Oncophage(R)	Kidney Cancer	.....			
	Melanoma	.....			
	Colorectal Cancer	.....			
	Gastric Cancer	.....			
	Pancreatic Cancer	.....			
	NHL	.....			
	Sarcoma	.....			
HSPPC-70-C	Various Cancers	.....			
HSPPC-90-C	Various Cancers	.....			
HSPPC-56-C	Various Cancers	.....			
INFECTIOUS DISEASES					
HSPPC-96-GH	Genital Herpes	.....			
HSPPC-70-GH	Genital Herpes	.....			
HSPPC-56-I	Various Infectious Diseases	.....			
HSPPC-70-I	Various Infectious Diseases	.....			
AUTOIMMUNE DISORDERS					
gp96	Type 1 Diabetes	.....			
	Multiple Sclerosis	.....			

[ANTIGENICS LOGO]

[PHOTO OF OUTSIDE OF BUILDING]

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SUMMARY

We describe the items in the following summary in more detail later in this prospectus. This summary provides an overview of selected information and does not contain all the information you should consider. Therefore, you should also read the more detailed information set out in this prospectus, including the financial information. We present information in this prospectus, except in the consolidated financial statements or where we otherwise specify, to give effect to our change from a limited liability company to a corporation which will occur concurrently with the closing of this offering. In addition, except where we indicate otherwise, we present information in this prospectus assuming that the underwriters do not exercise their over-allotment option.

BUSINESS OF ANTIGENICS

Antigenics is engaged in the discovery and development of a family of novel immunotherapeutics for the treatment of life threatening and chronic medical conditions. Immunotherapeutics are drugs that work by modulating the immune system to fight disease. We are currently evaluating our lead immunotherapeutic, Oncophage, in six separate phase II or phase I/II clinical trials in four different cancers, and we expect to start a pivotal phase III trial by mid-2000. We are also developing immunotherapeutics to treat infectious diseases, such as genital herpes, and autoimmune disorders, such as diabetes and multiple sclerosis. Based upon our scientific and drug development skills, our technology platform and our strategic expertise, we intend to become a leader in drug discovery, development and commercialization.

Our immunotherapeutics are based on a specific class of proteins known as heat shock proteins. Heat shock proteins are present in all cells throughout the body and published research suggests that they play a central role in the generation of immune responses. Inside cells, heat shock proteins naturally bind to protein fragments called peptides. We refer to these combinations of heat shock proteins and peptides as heat shock protein-peptide complexes. These complexes are our immunotherapeutics. We believe that our immunotherapeutics elicit a powerful immune response that is capable of systemically targeting and killing cancers or other diseased cells from which the specific heat shock proteins originate.

We believe our heat shock protein technology is applicable to the treatment of a wide variety of diseases. Each of our immunotherapeutics includes a heat shock protein that is constant and a repertoire of peptides that varies depending on the target disease. For a disease such as cancer, which varies among individuals, we derive heat shock protein-peptide complexes from a patient's own cancer and therefore our cancer immunotherapeutics are patient-specific, or autologous. For each infectious disease, which is generally caused by a common pathogen such as a virus or bacterium, we intend to produce a disease-specific immunotherapeutic using that same common pathogen. In a wide range of preclinical studies, we have shown that our immunotherapeutics stimulate the immune system to target and destroy diseased cells. In addition, over one dozen scientific institutions world-wide have independently confirmed various aspects of our technology platform.

Our lead immunotherapeutic, Oncophage, consists of purified, patient-specific heat shock protein-peptide complexes. The manufacturing process for Oncophage begins when a surgeon removes a patient's tumor and ships it frozen by overnight courier to our manufacturing facility. Using our proprietary methods, we purify Oncophage from the tumor tissue in a process that takes less than 10 hours. We then ship Oncophage frozen to the hospital for administration to the patient. Four to six weeks after surgery, a doctor or nurse injects Oncophage into the patient. The typical course of treatment involves a series of injections into the skin once per week for four to six weeks.

To date, we have treated approximately 160 advanced stage cancer patients with Oncophage in our clinical trial programs. We have initially targeted cancers for which there are limited or no treatment alternatives and cancers and stages of disease that involve tumors that a doctor can surgically remove. Further, we have targeted cancers and stages of disease which allow us to evaluate our immunotherapeutics in clinical trials with near term endpoints. This should permit us to rapidly and efficiently complete clinical trials and submit regulatory filings. We are currently conducting separate phase II or phase I/II clinical trials with Oncophage for the treatment of:

- renal cell carcinoma, a type of kidney cancer;
- metastatic melanoma, a type of skin cancer;
- colorectal cancer, or cancer of the colon and rectum; and
- gastric cancer, or stomach cancer.

In addition, we are planning to start separate phase II clinical trials evaluating Oncophage as a treatment for sarcoma, a type of soft tissue cancer, and non-Hodgkin's lymphoma, a type of cancer that originates in the lymph tissue. We also expect to begin a pivotal phase III trial for Oncophage as a treatment for renal cell carcinoma by mid-2000.

Preliminary results from our completed and ongoing clinical trials indicate that Oncophage is generally safe and well tolerated. These results also demonstrate preliminary indications of clinical benefit in a number of patients. For example, in our renal cell carcinoma clinical trial, Oncophage has achieved a response rate, a common measure of clinical benefit, comparable to that of the existing approved treatment without the significant side effects associated with that treatment. We have also shown that in all patients who responded clinically, the number of immune cells increased after treatment with Oncophage. Moreover, we have shown that we can manufacture Oncophage consistently and in sufficient quantities from most tumor types.

In addition to cancer, we believe our immunotherapeutics may be effective in treating various infectious diseases and autoimmune disorders. Our immunotherapeutics for treating infectious diseases will consist of heat shock proteins bound to peptides that are produced by disease-causing pathogens. Our first infectious disease immunotherapeutic is intended for the treatment of genital herpes. We anticipate filing an Investigational New Drug Application, or IND, with the United States Food and Drug Administration, or FDA, for our immunotherapeutic for genital herpes in 2000.

We are also researching the applicability of heat shock proteins to treat autoimmune disorders like diabetes and multiple sclerosis. We have demonstrated in a number of animal models that heat shock proteins administered in high doses can turn off the misguided immune responses responsible for several autoimmune disorders.

OFFICE LOCATION

We maintain our principal operations in Woburn, Massachusetts and our executive offices in New York, New York. The address for our executive offices is 630 Fifth Avenue, Suite 2100, New York, New York 10111 and our telephone number is (212) 332-4774.

THE OFFERING

Common stock offered.....	3,000,000 shares
Common stock outstanding after this offering.....	23,715,942 shares. This number excludes 1,696,423 shares of common stock issuable upon exercise of options outstanding at December 31, 1999, with a weighted average exercise price of $5.89 per share and 280,886 shares issuable upon exercise of warrants outstanding at December 31, 1999, with an exercise price of $13.96 per share.
Offering price.....	$ per share
Use of proceeds.....	To fund clinical trials; to fund research and development of our immunotherapeutics; to increase our manufacturing capacity; and for general corporate purposes. You should read our discussion under "Use of Proceeds."
Proposed Nasdaq National Market symbol.....	AGEN

CORPORATE BACKGROUND AND MERGER

We formed our business in March 1994. We currently operate as a limited liability company, Antigenics L.L.C. Concurrently with the completion of this offering, Antigenics L.L.C. will change its structure from a limited liability company to a corporation. This change will occur when we merge Antigenics L.L.C. with and into Antigenics Inc., a newly formed Delaware corporation. In the merger, equity holders, or members, of Antigenics L.L.C. will exchange membership units, options and warrants in Antigenics L.L.C. for shares of Antigenics Inc. common stock and options and warrants exercisable for shares of Antigenics Inc. common stock.

This prospectus contains our trademark, Oncophage(R). Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its holder.

SUMMARY CONSOLIDATED FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	YEAR ENDED DECEMBER 31,					PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31,
	1995	1996	1997	1998	1999	1999
CONSOLIDATED STATEMENT OF OPERATIONS DATA:						
Revenue	$ --	$ --	$ --	$ --	$ --	$ --
Operating expenses:						
Research and development	(742)	(2,017)	(2,563)	(6,102)	(10,977)	(22,514)
General and administrative	(2,453)	(1,781)	(1,549)	(3,178)	(6,875)	(15,890)
Depreciation and amortization	(40)	(79)	(202)	(360)	(1,005)	(1,702)
Loss from operations	(3,235)	(3,877)	(4,314)	(9,640)	(18,857)	(40,106)
Interest income, net	8	281	481	736	723	2,229
Non-operating income	--	250	--	--	10	260
Net loss(1)	$(3,227)	$(3,346)	$(3,833)	$(8,904)	$(18,124)	$(37,617)
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS DATA:						
Pro forma net loss(2)					$(18,124)	
Pro forma net loss per common share, basic and diluted(2)					$ (1.00)	
Pro forma weighted average shares outstanding, basic and diluted(2)					18,144	

	AS OF DECEMBER 31,			AS OF DECEMBER 31, 1999 PRO FORMA, AS ADJUSTED(3)
	1997	1998	1999	
				(UNAUDITED)
CONSOLIDATED BALANCE SHEET DATA:				
Cash and cash equivalents	$13,086	$22,168	$46,418	$87,780
Total current assets	13,246	22,447	47,672	88,475
Total assets	14,090	26,636	56,004	96,807
Total current liabilities	878	2,285	2,171	1,974
Long-term liabilities, less current portion	--	709	2,155	2,155
Members' equity/stockholders' equity	13,212	23,641	51,678	92,678

(1)Since we have operated historically as a limited liability company, in accordance with federal, state and local income tax regulations which provide that no income taxes are levied on United States limited liability companies and each member of the company is individually responsible for reporting the member's share of our net income or loss, we have not provided for income taxes in our consolidated financial statements.

(2)The unaudited pro forma consolidated statement of operations data give effect to the change from a limited liability company to a corporation as though this event occurred as of January 1, 1999. Each unit of members' equity outstanding will be exchanged for 172.0336 shares of common stock. The unaudited pro forma consolidated statement of operations data are unaudited and reflect adjustments which are necessary, in our management's opinion, for a fair presentation of our consolidated results of operations on a pro forma basis. The number of pro forma weighted average shares outstanding used for computing pro forma diluted loss per common share is the same as that used for computing pro forma basic loss per common share because our options and warrants are not included in the calculation since the inclusion of such potential common shares would be antidilutive.

(3)The pro forma, as adjusted consolidated balance sheet data give effect to the unaudited pro forma adjustments as described in footnote (2) and are adjusted to reflect the issuance of 3,000,000 shares of common stock at an assumed offering price of $15.00 per share, after deducting our estimated offering expenses and the underwriting discount, as though these events occurred as of December 31, 1999.

RISK FACTORS

You should carefully consider the following risk factors before you decide to buy our common stock. If any of these risks actually occur, our business, financial condition, operating results or cash flows could be materially adversely affected. This could cause the trading price of our common stock to decline, and you may lose part or all of your investment.

RISKS RELATED TO OUR BUSINESS

WE DO NOT CURRENTLY GENERATE ANY REVENUE, AND WE CANNOT GUARANTEE THAT WE WILL EVER COMMERCIALIZE ANY OF OUR IMMUNOTHERAPEUTICS AND GENERATE REVENUE IN THE FUTURE.

WE MUST RECEIVE SEPARATE REGULATORY APPROVAL FOR EACH OF OUR IMMUNOTHERAPEUTICS IN EACH INDICATION BEFORE WE CAN SELL THEM COMMERCIALLY IN THE UNITED STATES OR INTERNATIONALLY.

To obtain regulatory approvals, we must, among other requirements, complete clinical trials demonstrating that a particular immunotherapeutic is safe and effective. Because Oncophage is our only immunotherapeutic in clinical trials, any delays or difficulties we encounter in these clinical trials may have a significant adverse impact on our operations and cause our stock price to decline significantly. We have limited clinical data. Future clinical trials may not show that Oncophage is safe and effective. In addition, we or the FDA might delay or halt our clinical trials of Oncophage for various reasons, including:

- Oncophage may not appear to be more effective than current therapies;
- Oncophage may have unforeseen adverse side effects;
- the time required to determine whether Oncophage is effective may be longer than expected;
- patients may die during a clinical trial because their disease is too advanced or because they experience medical problems that may not be related to Oncophage;
- sufficient number of patients may not enroll in the trials; or
- we may not be able to produce sufficient quantities of Oncophage to complete the trials.

We rely on third party clinical investigators to conduct our clinical trials. As a result, we may encounter delays outside of our control.

The process of obtaining and maintaining regulatory approvals for new therapeutic products is lengthy, expensive and uncertain. It also can vary substantially, based on the type, complexity and novelty of the product involved. To date, the FDA and foreign regulatory agencies have approved only a limited number of cancer immunotherapeutics for commercial sale. Furthermore, the FDA and foreign regulatory agencies have relatively little experience with autologous therapies. This lack of experience may lengthen the regulatory review process for Oncophage, increase our development costs and delay or prevent commercialization. In addition, problems encountered with other companies' immunotherapeutic products may slow the regulatory review of our immunotherapeutics. The FDA may not consider Oncophage to be an appropriate candidate for fast track designation should we choose to seek it. Accordingly, Oncophage or any of our other future drug candidates could take a significantly longer time to gain regulatory approval than we expect or may never gain approval.

BECAUSE DEVELOPMENT OF OUR IMMUNOTHERAPEUTICS FOR INFECTIOUS DISEASES AND AUTOIMMUNE DISORDERS WILL INVOLVE A LENGTHY AND COMPLEX PROCESS, WE ARE NOT CERTAIN WE WILL BE ABLE TO DEVELOP ANY MARKETABLE IMMUNOTHERAPEUTICS FOR THESE INDICATIONS.

We have not completed the preclinical development of our immunotherapeutics for any infectious disease or autoimmune disorder. We will need to conduct extensive additional research and preclinical and clinical testing of these immunotherapeutics prior to commercialization. This development process takes several years and often fails to yield commercial products. Regulatory authorities may not permit human testing of

these immunotherapeutics and, even if they permit human testing, we may not demonstrate that an immunotherapeutic is safe and effective.

EVEN IF SOME OF OUR IMMUNOTHERAPEUTICS RECEIVE REGULATORY APPROVAL, THOSE IMMUNOTHERAPEUTICS MAY STILL FACE SUBSEQUENT REGULATORY DIFFICULTIES.

If we receive regulatory approval to sell any of our immunotherapeutics, the FDA or a comparable foreign regulatory agency may, nevertheless, limit the categories of patients who can use that immunotherapeutic. In addition, regulatory agencies subject a marketed product, its manufacturer and the manufacturer's facilities to continual review and periodic inspections. Furthermore, the FDA or foreign regulatory agencies may require expensive post-approval trials. If we discover previously unknown problems with a product or our manufacturing and laboratory facility, a regulatory agency may impose restrictions on that product or on us, including requiring us to withdraw the product from the market. If we fail to comply with applicable regulatory approval requirements, a regulatory agency may:

- send us warning letters;
- impose fines and other civil penalties on us;
- suspend our regulatory approvals;
- refuse to approve pending applications or supplements to approved applications filed by us;
- refuse to permit exports of our products from the United States;
- require us to recall products;
- seize our products;
- impose restrictions on our operations; or
- criminally prosecute us.

WE MAY ENCOUNTER MANUFACTURING PROBLEMS THAT LIMIT OUR ABILITY TO SUCCESSFULLY COMMERCIALIZE OUR IMMUNOTHERAPEUTICS.

IF WE ARE UNABLE TO PURIFY HEAT SHOCK PROTEINS FROM SOME CANCER TYPES, THE SIZE OF OUR POTENTIAL MARKET WOULD DECREASE.

Our ability to successfully commercialize an immunotherapeutic for a particular cancer type depends on our ability to purify heat shock proteins from that type of cancer. Based on our clinical trials conducted to date, in renal cell carcinoma, we have been able to manufacture Oncophage from 98% of the tumors delivered to our manufacturing facility; for melanoma, 90%; for colorectal carcinoma, 100%; for gastric cancer, 71%; and for pancreatic cancer, 30%. The relatively low rate for pancreatic cancer is due to the abundance of proteases in pancreatic tissue. Proteases are enzymes that break down proteins. These proteases degrade the heat shock proteins during the purification process. We may encounter this problem or similar problems with other types of cancers as we expand our research. If we cannot overcome these problems, the number of cancer types that our immunotherapeutics could treat would be limited.

DELAYS IN OBTAINING REGULATORY APPROVAL OF OUR MANUFACTURING FACILITY AND DISRUPTIONS IN OUR MANUFACTURING PROCESS MAY DELAY OR DISRUPT OUR COMMERCIALIZATION EFFORTS.

Before we can begin commercially manufacturing our immunotherapeutics, we must obtain regulatory approval of our manufacturing facility and process. Manufacturing of our immunotherapeutics must comply with the FDA's current Good Manufacturing Practices requirements, commonly known as cGMP, and foreign regulatory requirements. The cGMP requirements govern quality control and documentation

policies and procedures. In complying with cGMP and foreign regulatory requirements, we will be obligated to expend time, money and effort in production, recordkeeping and quality control to assure that the product meets applicable specifications and other requirements. If we fail to comply with these requirements, we would be subject to possible regulatory action and may be limited in the jurisdictions in which we are permitted to sell our immunotherapeutics.

We recently transferred the manufacturing of Oncophage from our facility in Framingham, Massachusetts to our new facility in Woburn, Massachusetts. We have limited manufacturing experience in this facility and unforeseen circumstances may cause delays or disruptions in our manufacturing process. The FDA, The Commonwealth of Massachusetts and foreign regulatory authorities have the authority to continuously inspect this facility. Preparing this facility for commercial manufacturing may take longer than planned and the costs of complying with FDA regulations may be higher than those which we have budgeted. In addition, any material changes we make to the manufacturing process may require approval by the FDA, The Commonwealth of Massachusetts or foreign regulatory authorities. It could take longer than we expect for us to obtain these approvals. Any delays in obtaining these approvals could disrupt our manufacturing process.

We are the only manufacturer of our immunotherapeutics. For the next several years, we expect that we will conduct all of our manufacturing in our facility in Woburn, Massachusetts. If this facility or the equipment in the facility is significantly damaged or destroyed, we will not be able to quickly or inexpensively replace our manufacturing capacity. Due to the nature of our immunotherapeutics, a third party may not be able to manufacture our immunotherapeutics.

We have no experience manufacturing Oncophage in the volumes that will be necessary to support large clinical trials or commercial sales. Our present manufacturing process may not meet our initial expectations as to:

- scheduling;
- reproducibility;
- yield;
- purity;
- cost;
- potency;
- quality; and
- other measurements of performance.

In addition, we have not demonstrated the ability to manufacture our immunotherapeutics other than Oncophage in quantities sufficient for any clinical trials.

IF WE ARE UNABLE TO PROTECT OUR PROPRIETARY TECHNOLOGY, TRADE SECRETS OR KNOW-HOW, WE MAY NOT BE ABLE TO OPERATE OUR BUSINESS PROFITABLY.

IF WE FAIL TO SUSTAIN AND FURTHER BUILD OUR INTELLECTUAL PROPERTY RIGHTS, COMPETITORS WILL BE ABLE TO TAKE ADVANTAGE OF OUR RESEARCH AND DEVELOPMENT EFFORTS TO DEVELOP COMPETING THERAPIES.

Our success depends, in part, on our ability to maintain protection for our products and technologies under the patent laws of the United States and other countries, so that we can stop others from using our inventions. Our success also will depend on our ability to prevent others from using our trade secrets. In addition, we must operate in a way that does not infringe, or violate, the intellectual property rights of others.

We have exclusive rights to nine issued U.S. patents, and foreign counterpart patents and patent applications, relating to our heat shock protein technology. Our rights to these patents are as a result of an

exclusive worldwide license with Fordham University and one with Mount Sinai School of Medicine of New York University. In addition, we have licensed or optioned rights to 43 pending U.S. patent applications and foreign counterpart patents and patent applications. The standards which the U.S. Patent and Trademark Office uses to grant patents are not always applied predictably or uniformly and can change. Consequently, we cannot be certain as to the type and extent of patent claims that will be issued to us in the future. Any patents which are issued may not contain claims which will permit us to stop competitors from using similar technology. The standards which courts use to interpret patents are not always applied predictably or uniformly and can change, particularly as new technologies develop. Consequently, we cannot be certain as to how much protection, if any, will be given to our patents, if we attempt to enforce them and they are challenged in court. If we choose to go to court to stop someone else from using the inventions claimed in our patents, that individual or company has the right to ask the court to rule that our patents are invalid and should not be enforced against them. These lawsuits are expensive and would consume time and other resources, even if we were successful in stopping the violation of our patents. In addition, there is a risk that the court will decide that our patents are not valid and that we do not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity of our patents were upheld, the court will refuse to stop the other party on the ground that its activities are not covered by, that is, do not infringe, our patents.

Furthermore, a third party may claim that we are using inventions covered by their patents and may go to court to stop us from engaging in our normal operations and activities. Such lawsuits are expensive and would consume time and other resources. There is a risk that a court would decide that we are violating the third party's patents and would order us to stop the activities covered by the patents. In addition, there is a risk that a court will order us to pay the other party's damages for having violated their patents.

We rely on certain proprietary trade secrets and know-how that are not patentable. We have taken measures to protect our unpatented trade secrets and know-how, including the use of confidentiality agreements with our employees, consultants and certain contractors. It is possible, however, that:

- these persons will breach the agreements;

- we would have inadequate remedies for any breach; or

- our competitors will independently develop or otherwise discover our trade secrets.

WE MAY INCUR SUBSTANTIAL COSTS AS A RESULT OF LITIGATION OR OTHER PROCEEDINGS RELATING TO PATENT AND OTHER INTELLECTUAL PROPERTY RIGHTS.

The cost to us of any litigation or other proceeding relating to intellectual property rights, even if resolved in our favor, could be substantial. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to continue our operations.

Should third parties file patent applications, or be issued patents claiming technology also claimed by us in pending applications, we may be required to participate in interference proceedings in the United States Patent and Trademark Office to determine priority of invention. We, or our licensors, may also need to participate in interference proceedings involving our issued patents and pending applications of another entity. An unfavorable outcome in an interference proceeding could require us to cease using the technology or to license rights from prevailing third parties. There is no guarantee that any prevailing party would offer us a license or that we could acquire any license made available to us on commercially acceptable terms.

We cannot guarantee that the practice of our technologies will not conflict with the rights of others. We are aware of a United States patent, issued to a third party, with claims directed to certain heat shock protein based immunotherapeutics and their use in the field of tissue grafting. We do not believe that our products or activities are infringing any valid claims of this patent. We also are aware of two United States

patents, issued to a different third party, with claims directed to certain methods of making heat shock protein products and related apparatuses. These patents do not claim any therapeutic applications. These patents also do not claim any of the methods we presently use to make Oncophage. Moreover, we do not believe that our methods of producing any of our heat shock protein-based immunotherapeutics would infringe any valid claim of either of these patents. However, we cannot guarantee that this third party, or any other third party, will not sue us for infringing these, or any other, patents. One of the patent applications licensed to us contains claims which are substantially the same as claims in one of this third party's patents. Therefore, there is a possibility that the U.S. Patent and Trademark Office will declare an interference proceeding between one or both of this third party's patents and our patent application. In an interference proceeding, the party with the earliest effective filing date has certain advantages. We believe that our claims have an earlier effective filing date than the claims of the other patents. However, we cannot guarantee that we would prevail in any interference proceeding. In the past and again recently, this third party has contacted us about licensing patents, but we have not yet responded to the recent inquiry.

In some foreign jurisdictions, we could become involved in opposition proceedings, either by opposing the validity of another's foreign patent or by third parties opposing the validity of our foreign patents. In 1995, the European Patent Office issued a European patent, with claims directed to the use of heat shock proteins to produce or enhance immune responses to cancer and infectious diseases, to the Whitehead Institute for Biomedical Research and to the Medical Research Council. This patent is exclusively licensed to StressGen Biotechnologies Corporation. The patent holders have made no attempt to enforce this patent against us. Nonetheless, we are seeking to have this patent revoked in its entirety in an opposition proceeding in the European Patent Office. The European Patent Office has issued a provisional, non-binding opinion that this patent should be revoked in its entirety. The patent owners, in response, amended the patent claims to exclude autologous treatment of tumors. We then argued that this third party patent still should be revoked in its entirety. Even if the European Patent Office changes its position and the patent is maintained with the amended claims, we still should be free to practice our autologous cancer business in Europe. However, the patent owners or their licensee might try to enforce the amended patent against our infectious disease business in Europe. We or the holders of this patent may appeal any decision to revoke the patent in its entirety, or to maintain the patent in any form. We may not obtain a final, non-appealable decision for several years, during which time, the patent, with any amendments made during the opposition proceedings, remains enforceable. We may incur significant costs by participating in the opposition proceedings and any appeals. Furthermore, if we are sued on this patent in Europe prior to any final decision of revocation, we may incur significant costs defending ourselves, even if we ultimately succeed in proving that we do not infringe any valid claims of this patent.

This European patent claims priority to a United States patent application filed in 1988. We do not know whether this application, or any related application, is still pending. We do not believe that any United States patent has issued from this application, and we do not know whether a United States patent will ever issue from this patent application. If a United States patent does issue, we do not know whether the patent will be enforceable, whether any valid claims will cover our activities or products, or whether the patent owner will attempt to assert the patent against us.

Earlier this year, we received correspondence from both Copernicus Therapeutics, Inc. and its counsel alleging similarity between the companies' respective logos and demanding that we cease using our logo. In July 1999, we sent a response to Copernicus stating that we have prior rights in our logo. In the response to Copernicus, we also stated that since the respective corporate names are vastly different, both companies should be able to continue the use of their respective logos without causing public confusion. At this time, we have not received any further communications from Copernicus or its counsel. Although we do not believe we are infringing any rights owned by Copernicus, Copernicus may proceed with a trademark lawsuit against us.

WE ARE AN EARLY STAGE BIOTECHNOLOGY COMPANY THAT MAY NEVER BE PROFITABLE.

IF WE INCUR OPERATING LOSSES FOR LONGER THAN WE EXPECT, WE MAY BE UNABLE TO CONTINUE OUR OPERATIONS.

We have not generated any revenues from sales, and we do not expect to generate significant revenues for several years. We have incurred losses since we were formed. From inception through December 31, 1999, we have generated losses totaling $37.6 million. We expect to incur increasing and significant losses over the next several years as we complete our Oncophage clinical trials, apply for regulatory approvals, continue development of our technology and expand our operations.

Our profitability will depend on the market acceptance of any of our immunotherapeutics that receive FDA or foreign regulatory approval. The commercial success of any of our immunotherapeutics will depend on whether:

- the immunotherapeutic is more effective than alternative treatments;
- side effects of the immunotherapeutic are acceptable to doctors and patients;
- we produce the immunotherapeutic at a competitive price;
- we obtain sufficient reimbursement for the immunotherapeutic; and
- we have sufficient capital to market the immunotherapeutic effectively.

Because Oncophage is autologous, or patient specific, it may be more expensive to manufacture than conventional therapeutic products. This increased expense may decrease our profit margins. Furthermore, because our autologous products are novel, some doctors and patients may be reluctant to use them.

IF WE FAIL TO OBTAIN THE CAPITAL NECESSARY TO FUND OUR OPERATIONS, WE WILL BE UNABLE TO ADVANCE OUR DEVELOPMENT PROGRAMS AND COMPLETE OUR CLINICAL TRIALS.

Developing immunotherapeutics and conducting clinical trials for multiple diseases is expensive. We plan to conduct clinical trials for many different cancer types simultaneously, which will increase our costs. We will need to raise additional capital:

- to fund operations;
- to continue the research and development of our immunotherapeutics; and
- to commercialize our immunotherapeutics.

Additional financing may not be available on favorable terms or at all. If we are unable to raise additional funds when we need them, we may be required to delay, reduce or eliminate some or all of our development programs and some or all of our clinical trials. We also may be forced to license technologies to others that we would prefer to develop internally.

On December 31, 1999, we had $46.4 million in cash and cash equivalents. We believe that, after this offering, we will have sufficient capital to fund our operations for the next two years. We may need to raise capital sooner, however, due to a number of factors, including:

- an acceleration of the number, size or complexity of our clinical trials;
- slower than expected progress in developing our immunotherapeutics;
- higher than expected costs to obtain regulatory approvals;
- higher than expected costs to pursue our intellectual property strategy;
- higher than expected costs to further develop our manufacturing capability; and
- higher than expected costs to develop our sales and marketing capability.

BECAUSE OF THE SPECIALIZED NATURE OF OUR BUSINESS, THE TERMINATION OF RELATIONSHIPS WITH OUR SCIENTIFIC ADVISORS OR THE DEPARTURE OF KEY MEMBERS OF MANAGEMENT MAY PREVENT US FROM ACHIEVING OUR OBJECTIVES.

IF PRAMOD K. SRIVASTAVA, PH.D. SEVERS HIS RELATIONSHIP WITH ANTIGENICS, WE MAY EXPERIENCE SIGNIFICANT DIFFICULTIES IN OUR FUTURE DEVELOPMENT EFFORTS.

Since our formation, Dr. Srivastava has played a significant role in our research efforts. Dr. Srivastava is a director of our company and acts as chairman of our scientific advisory board. In addition, we have licensed nearly all of our intellectual property from institutions at which Dr. Srivastava has worked. We sponsor research in Dr. Srivastava's laboratory at the University of Connecticut Health Center in exchange for the right to license discoveries made in that laboratory with our funding. Dr. Srivastava is a member of the faculty of the University of Connecticut School of Medicine. The regulations and policies of the University of Connecticut Health Center govern the relationship between a faculty member and a commercial enterprise. These regulations and policies prohibit Dr. Srivastava from becoming an employee of Antigenics. Furthermore, the University of Connecticut may modify these regulations and policies in the future to further limit Dr. Srivastava's relationship with us. While Dr. Srivastava has a consulting agreement with us, which includes financial incentives for him to remain associated with us, we cannot guarantee that he will remain associated with us even during the time covered by the consulting agreement. In addition, this agreement does not restrict his ability to compete with us after his association is terminated.

IF WE FAIL TO KEEP KEY MANAGEMENT AND SCIENTIFIC PERSONNEL, WE MAY BE UNABLE TO SUCCESSFULLY DEVELOP OUR IMMUNOTHERAPEUTICS, CONDUCT CLINICAL TRIALS AND OBTAIN FINANCING.

We are highly dependent on our senior management and scientific staff, particularly Garo H. Armen, Ph.D., our chairman and chief executive officer, and Gamil G. de Chadarevian, our vice chairman and executive vice president, international. The competition for qualified personnel in the biotechnology field is intense, and we rely heavily on our ability to attract and retain qualified scientific, technical and managerial personnel. Since our manufacturing process is unique, our manufacturing and quality control personnel are also very important.

THE COMMERCIAL SUCCESS OF ANY OF OUR IMMUNOTHERAPEUTICS WILL DEPEND UPON THE STRENGTH OF OUR SALES AND MARKETING EFFORT AND THE AVAILABILITY OF THIRD PARTY REIMBURSEMENT.

IF WE ARE UNABLE TO ESTABLISH SALES AND MARKETING CAPABILITIES OR ENTER INTO AGREEMENTS WITH PHARMACEUTICAL COMPANIES TO SELL AND MARKET OUR IMMUNOTHERAPEUTICS, WE MAY EXPERIENCE DIFFICULTY GENERATING REVENUES.

We do not have a sales organization and have no experience in the sales, marketing and distribution of pharmaceutical products. If Oncophage is approved for commercial sale, we plan to market it in the United States with our own sales force. Developing a sales force is expensive and time consuming and could delay any product launch. We cannot be certain that we would be able to develop this capacity. If we are unable to establish our sales and marketing capability, we will need to enter into sales and marketing agreements to market Oncophage in the United States. We plan to enter into these types of arrangements for sales outside the United States. If we are unable to establish successful distribution relationships with pharmaceutical companies, we may fail to realize the full sales potential of our immunotherapeutics.

IF WE FAIL TO OBTAIN ADEQUATE LEVELS OF REIMBURSEMENT FOR OUR IMMUNOTHERAPEUTICS FROM THIRD PARTY PAYORS, THE COMMERCIAL POTENTIAL OF OUR IMMUNOTHERAPEUTICS WILL BE SIGNIFICANTLY LIMITED.

Our profitability will depend on the extent to which government administration authorities, private health insurance providers and other organizations provide reimbursement for the cost of our immunotherapeutics. Many patients will not be capable of paying for our immunotherapeutics themselves. A primary trend in the United States health care industry is toward cost containment. Large private payors, managed care

organizations, group purchasing organizations and similar organizations are exerting increasing influence on decisions regarding the use of particular treatments. These organizations are becoming increasingly economically focused. Furthermore, many third party payors limit reimbursement for newly approved health care products. Cost containment measures may prevent us from becoming profitable.

In addition, healthcare reform is an area of significant government focus. Any reform measures, if adopted, could adversely affect:

- the pricing of immunotherapeutics in the United States or internationally; and

- the amount of reimbursement available from governmental agencies or other third party payors.

For example, recent proposals regarding Medicare coverage, if they take effect, may put novel cancer therapies like Oncophage at a competitive disadvantage compared to existing therapies.

PRODUCT LIABILITY AND OTHER CLAIMS AGAINST US MAY REDUCE DEMAND FOR OUR PRODUCTS OR RESULT IN SUBSTANTIAL DAMAGES.

We face an inherent risk of product liability exposure related to testing immunotherapeutics in human clinical trials and will face an even greater risk if we sell any of our therapeutic products commercially. An individual may bring a product liability claim against us if one of our immunotherapeutics causes, or merely appears to have caused, an injury. Regardless of merit or eventual outcome, product liability claims may result in:

- decreased demand for our immunotherapeutics;

- injury to our reputation;

- withdrawal of clinical trial volunteers;

- costs of related litigation; and

- substantial monetary awards to plaintiffs.

We manufacture Oncophage from a patient's tumor, and a medical professional must inject the Oncophage into that same patient. A patient may sue us if we, a hospital or a delivery company fail to deliver the removed tumor or that patient's Oncophage. We anticipate that the logistics of shipping will become more complex as the number of patients we treat increases, and we cannot assure that all shipments will be made without incident. In addition, administration of Oncophage at a hospital poses another chance for delivery to the wrong patient. Currently, we do not have insurance that covers loss of or damage to Oncophage and do not know whether insurance will be available to us at a reasonable price or at all.

WE MAY INCUR SIGNIFICANT COSTS COMPLYING WITH ENVIRONMENTAL LAWS AND REGULATIONS.

We use hazardous, infectious and radioactive materials that could be dangerous to human health, safety or the environment. As appropriate, we store these materials and various wastes resulting from their use at our facility pending ultimate use and disposal. We are subject to a variety of federal, state and local laws and regulations governing the use, generation, manufacture, storage, handling and disposal of these materials and wastes resulting from their use. We may incur significant costs complying with both existing and future environmental laws and regulations. In particular, we are subject to regulation by the Occupational Safety and Health Administration and the Environmental Protection Agency and to regulation under the Toxic Substances Control Act and the Resource Conservation and Recovery Act. OSHA or the EPA may adopt regulations that may affect our research and development programs. We are unable to predict whether any agency will adopt any regulations which could have a material adverse effect on our operations.

Although we believe our safety procedures for handling and disposing of these materials comply with federal, state and local laws and regulations, we cannot entirely eliminate the risk of accidental injury or contamination from these materials. In the event of an accident, we could be held liable for any resulting damages which could be substantial.

OUR COMPETITORS IN THE BIOTECHNOLOGY AND PHARMACEUTICAL INDUSTRIES MAY HAVE SUPERIOR PRODUCTS, MANUFACTURING CAPABILITY OR MARKETING EXPERTISE.

Our business may fail because we face intense competition from major pharmaceutical companies and specialized biotechnology companies engaged in the development of immunotherapeutics and other therapeutic products directed at cancer, infectious diseases and autoimmune disorders. Many of our competitors have greater financial and human resources and more experience. Our competitors may:

- develop safer or more effective immunotherapeutics and other therapeutic products;

- implement more effective approaches to sales and marketing; or

- establish superior proprietary positions.

More specifically, if we receive regulatory approvals, some of our immunotherapeutics will compete with well-established, FDA approved therapies that have generated substantial sales over a number of years.

We anticipate that we will face increased competition in the future as new companies enter our markets and scientific developments surrounding immunotherapy and other cancer therapies continue to accelerate.

WE MAY NOT BE ABLE TO KEEP UP WITH THE RAPID TECHNOLOGICAL CHANGES IN THE BIOTECHNOLOGY AND PHARMACEUTICAL INDUSTRIES WHICH COULD MAKE OUR IMMUNOTHERAPEUTICS OBSOLETE.

The field of biotechnology is characterized by significant and rapid technological change. Research and discoveries by others may result in medical insights or breakthroughs which may render our immunotherapeutics obsolete even before they generate any revenue.

OUR BUSINESS MAY BE DISRUPTED IF WE EXPERIENCE ANY PROBLEMS WITH Y2K COMPLIANCE.

The date fields coded in certain software products and computer systems need to be able to distinguish 21st century dates from 20th century dates. The failure to be able to do so is commonly known as the year 2000 or Y2K problem.

While we have yet to experience problems, our installed computer systems, software products or other business systems, or those of our suppliers or service providers, working either alone or in conjunction with other software systems, may experience errors or interruptions due to the Y2K problem.

Some risks associated with the Y2K problem are beyond our ability to control, including the extent to which our suppliers and service providers can address the Y2K problem. The failure by a third party to adequately address the Y2K issue may have an adverse effect on their operations, which, in turn, may have an adverse impact on us. If, for instance, our supply of electricity and/or water is interrupted, our freezers may not be able to adequately preserve our immunotherapeutics and our scientific experiments may be interrupted.

RISKS RELATING TO THE OFFERING

OUR OFFICERS AND DIRECTORS MAY BE ABLE TO BLOCK PROPOSALS FOR A CHANGE IN CONTROL.

After this offering, Antigenics Holdings L.L.C. will control approximately 47.0% of our outstanding common stock. Due to this concentration of ownership, Antigenics Holdings may be able to prevail on all matters requiring a stockholder vote, including:

- the election of directors;
- the amendment of our organizational documents; or
- the approval of a merger, sale of assets or other major corporate transaction.

Our directors and officers, if they elect to act together, can control Antigenics Holdings. In addition, several of our directors and officers directly own shares of our common stock. See "Principal Stockholders."

WE MAY ALLOCATE THE NET PROCEEDS FROM THIS OFFERING IN WAYS WHICH YOU AND OTHER STOCKHOLDERS MAY NOT APPROVE.

Management will have significant flexibility in applying the net proceeds of this offering and could use these proceeds for purposes other than those contemplated at the time of the offering.

ANTI-TAKEOVER PROVISIONS IN OUR CHARTER DOCUMENTS AND UNDER DELAWARE LAW MAY MAKE AN ACQUISITION OF US MORE DIFFICULT.

We are incorporated in Delaware. Anti-takeover provisions of Delaware law and our charter documents may make a change in control more difficult, even if the stockholders desire a change in control. Our anti-takeover provisions include provisions in our certificate of incorporation providing that stockholders' meetings may only be called by the president or the majority of the board of directors and a provision in our by-laws providing that our stockholders may not take action by written consent. Additionally, our board of directors has the authority to issue 1,000,000 shares of preferred stock and to determine the terms of those shares of stock without any further action by our stockholders. The rights of holders of our common stock are subject to the rights of the holders of any preferred stock that may be issued. The issuance of preferred stock could make it more difficult for a third party to acquire a majority of our outstanding voting stock. Our charter also provides for the classification of our board of directors into three classes. This "staggered board" generally may prevent stockholders from replacing the entire board in a single proxy contest. In addition, our directors may only be removed from office for cause. Delaware law also prohibits a corporation from engaging in a business combination with any holder of 15% or more of its capital stock until the holder has held the stock for three years unless, among other possibilities, the board of directors approves the transaction. The board may use this provision to prevent changes in our management. Also, under applicable Delaware law, our board of directors may adopt additional anti-takeover measures in the future.

OUR COMMON STOCK MAY HAVE A VOLATILE PUBLIC TRADING PRICE AND LOW TRADING VOLUME.

Prior to this offering, our equity did not trade in a public market. An active public market for our common stock may not develop or be sustained after this offering. We and the underwriters, through negotiations, will determine the initial public offering price. The initial public offering price is not necessarily indicative of the market price at which the common stock will trade after this offering. The market prices for securities of companies comparable to us have been highly volatile, and the market has experienced significant price and volume fluctuations that are unrelated to the operating performance of the individual

companies. Many factors may have a significant adverse effect on the market price of the common stock, including:

- results of our preclinical and clinical trials;
- announcement of technological innovations or new commercial products by us or our competitors;
- developments concerning proprietary rights, including patent and litigation matters;
- publicity regarding actual or potential results with respect to products under development by us or by our competitors;
- regulatory developments; and
- quarterly fluctuations in our revenues and other financial results.

THE SALE OF A SUBSTANTIAL NUMBER OF SHARES COULD CAUSE THE MARKET PRICE OF OUR COMMON STOCK TO DECLINE.

After this offering, we will have 23,715,942 shares of common stock outstanding. In connection with the private placement completed in November 1999, we are obligated to file, approximately 90 days after the date of this prospectus, a registration statement covering up to 2,808,857 shares for resale. When this registration statement is declared effective by the Securities and Exchange Commission, stockholders holding these shares will be permitted to resell their shares on the Nasdaq National Market. Sales of these shares or anticipation of those sales may depress our stock price.

The sale by our company or the resale by stockholders of shares of our common stock after this offering could cause the market price of the common stock to decline. The 20,715,942 shares of common stock outstanding after this offering but not offered by this prospectus will be available for resale on the Nasdaq National Market as follows:

- 2,808,857 shares when a resale registration statement to be filed approximately 90 days after the date of this prospectus is declared effective, and
- 17,907,085 shares one year following this offering, some of which are subject to volume and other limitations.

We intend to file a registration statement following the offering to permit the sale of approximately 4,800,000 shares of common stock under our equity incentive plan and 300,000 shares of common stock under our employee stock purchase plan. As of December 31, 1999, options to purchase 1,696,423 shares of our common stock upon exercise of options with a weighted average exercise price per share of $5.89 were outstanding. Many of these options are subject to vesting that generally occurs over a period of up to five years following the date of grant. Substantially all outstanding options are subject to agreements with the underwriters not to sell the shares issuable upon their exercise for one year after the offering. As of December 31, 1999, warrants to purchase 280,886 shares of our common stock with an exercise price per share of $13.96 were outstanding.

HISTORY OF ANTIGENICS

We formed our business in March 1994 through the creation of a Delaware corporation. We subsequently formed Antigenics L.L.C., a Delaware limited liability company. In December 1995, we raised capital and concurrently transferred to Antigenics L.L.C. all of the assets, properties and rights of the Delaware corporation in exchange for a portion of the total initial equity interests in Antigenics L.L.C. When we complete this offering, we will merge Antigenics L.L.C. with and into Antigenics Inc., a newly formed Delaware corporation. As part of the merger, holders will exchange membership units, options and warrants in Antigenics L.L.C. for shares of Antigenics Inc. common stock and options and warrants exercisable for shares of Antigenic Inc. common stock.

Since inception, we have used our technology platform to develop heat shock protein-based immunotherapeutics. Based on extensive research and preclinical studies, we focused initially on the development of products for the treatment of human cancer. We filed an IND in November 1996 to start clinical trials in the United States and began our first phase I clinical trial for pancreatic cancer patients at Memorial Sloan-Kettering Cancer Center in November 1997. We subsequently began clinical trials in renal cell carcinoma, melanoma, colorectal cancer and gastric cancer. During the next several years, we intend to conduct clinical trials in additional cancer types and to further research and develop immunotherapeutics for the treatment of infectious diseases and autoimmune disorders.

USE OF PROCEEDS

We estimate the net proceeds from the sale of 3,000,000 shares of common stock in this offering at an assumed public offering price of $15.00 per share will be $41.0 million after deducting the underwriting discount and estimated offering expenses payable by us. Our net proceeds are estimated to be $47.3 million if the underwriters' exercise their over-allotment option in full.

We intend to use the net proceeds of this offering to fund clinical trials, research, preclinical and development activities for our immunotherapeutics and general corporate purposes, including working capital and an increase in our administrative staff. We may also use a portion of the net proceeds to increase our manufacturing capacity or to acquire complementary businesses or products. As of the date of this prospectus, we have no specific understandings, commitments or agreements with respect to any acquisition.

We have not determined the amount of net proceeds that we will use for each of these purposes. Accordingly, we will have broad discretion to use the proceeds as we see fit. Prior to spending the funds, we will invest the net proceeds in short-term, investment grade, interest-bearing securities or guaranteed obligations of the United States government.

RECENT FINANCING

In November 1999, we raised an aggregate of $39.2 million in a private placement. We incurred approximately $293,000 in related costs, so we received net proceeds of about $38.9 million. In the private placement, we sold member interests and warrants to purchase member interests. When we reorganize into a corporation, the member interests will convert into 2,808,857 shares of our common stock and the warrants will convert into warrants to acquire an aggregate of 280,886 shares of common stock at $13.96 per share.

DIVIDEND POLICY

We have never paid cash dividends. We currently intend to retain any future earnings to finance the growth and development of our business. We do not intend to pay cash dividends on our common stock in the foreseeable future.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements, principally in the sections entitled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Business." Generally, these statements can be identified by the use of phrases like "believe," "expect," "anticipate," "plan," "may," "will," "could," "estimate," "potential," "opportunity," "future," "project" and similar terms and include statements about our:

- product research and development activities and projected expenditures;
- the efficacy of our immunotherapeutics in treating diseases;
- plans for regulatory filings;
- receipt of regulatory approvals;
- spending the proceeds from this offering;
- cash needs;
- plans for sales and marketing;
- results of scientific research;
- implementation of our corporate strategy; and
- financial performance.

These forward-looking statements involve risks and uncertainties. Our actual results could differ significantly from the results discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed in "Risk Factors." You should carefully consider that information before you make an investment decision. You should not place undue reliance on our forward-looking statements.

CAPITALIZATION
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

The following table sets forth, as of December 31, 1999, our historical and pro forma capitalization and cash and cash equivalents. The pro forma capitalization gives effect to the change from a limited liability company to a corporation and the exchange of each unit of members' equity into 172.0336 shares of common stock as if they occurred on December 31, 1999.

The pro forma, as adjusted capitalization reflects the pro forma adjustments described in the previous sentence and the sale in this offering of 3,000,000 shares of common stock at an assumed initial public offering price of $15.00 per share and the application of the estimated net proceeds from this offering, after deducting the underwriting discount and estimated offering expenses payable by us. This table does not include an aggregate of 1,696,423 shares of common stock issuable upon exercise of stock options outstanding as of December 31, 1999 with a weighted average exercise price of $5.89 per share. This table does not include an aggregate of 280,886 shares of common stock issuable upon exercise of outstanding warrants at an exercise price of $13.96 per share. This table should be read in conjunction with our consolidated financial statements and the other financial information included in this prospectus.

	AS OF DECEMBER 31, 1999		
	HISTORICAL	PRO FORMA	PRO FORMA, AS ADJUSTED
		(UNAUDITED)	(UNAUDITED)
Cash and cash equivalents	$ 46,418	$ 46,418	$ 87,780
Long-term debt, including current portion	2,968	2,968	2,968
Members' capital	89,954	--	--
Stockholders' equity			
Common stock, par value $0.01 per share; 100,000,000 shares authorized, 20,715,942 shares issued and outstanding, pro forma; 23,715,942 shares issued and outstanding, pro forma, as adjusted	--	207	237
Preferred stock, par value $0.01 par value per share; 1,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma, as adjusted	--	--	--
Additional paid-in capital	--	89,747	130,717
Deferred compensation	(659)	(659)	(659)
Deficit accumulated during the development stage	(37,617)	(37,617)	(37,617)
Total members'/stockholders' equity	51,678	51,678	92,678
Total capitalization	$ 54,646	$ 54,646	$ 95,646

DILUTION

Our pro forma net tangible book value as of December 31, 1999, was $51.7 million, or $2.49 per share of common stock. Pro forma net tangible book value per share before this offering represents the amount of our pro forma stockholders' equity, less intangible assets, divided by the pro forma number of shares of common stock outstanding as of December 31, 1999 after giving effect to the change from a limited liability company to a corporation and the exchange of each unit of members' equity into 172.0336 shares of common stock.

Pro forma net tangible book value per share after this offering gives effect to the adjustments described above and to the application of net proceeds from the sale of 3,000,000 shares of our common stock at an assumed initial public offering price of $15.00 per share. As of December 31, 1999, our pro forma net tangible book value after this offering would have been $92.7 million, or $3.91. per share.

This represents an immediate increase in net tangible book value to existing stockholders of $1.42 per share and an immediate dilution to new investors of $11.09 per share. The following table illustrates the per share dilution:

Assumed initial public offering price per share.....		$15.00
Pro forma net tangible book value per share before this offering.....	$2.49	
Increase in pro forma net tangible book value per share attributable to new investors.....	$1.42	
Pro forma net tangible book value per share after this offering.....		$ 3.91
Dilution per share to new investors.....		$11.09

Assuming the exercise in full of the underwriters' over-allotment option, our adjusted pro forma net tangible book value after this offering at December 31, 1999 would have been approximately $4.09 per share, representing an immediate increase in pro forma tangible book value of $1.60 per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of $10.91 per share to purchasers in this offering.

The following table enumerates the number of shares of common stock purchased, the total consideration paid and the average price per share paid by our existing stockholders. The following table also enumerates the number of shares of common stock purchased and the total consideration paid, calculated before deduction of the underwriting discount and estimated offering expenses, and the average price per share paid by the new investors in this offering assuming the sale of 3,000,000 shares of our common stock at an assumed initial offering price of $15.00 per share.

	SHARES PURCHASED		TOTAL CONSIDERATION		AVERAGE PRICE
	NUMBER	PERCENT	AMOUNT	PERCENT	PER SHARE
Existing stockholders.....	20,715,942	87.4%	$ 79,244,415	63.8%	$ 3.83
New investors.....	3,000,000	12.6%	$ 45,000,000	36.2%	$15.00
Total.....	23,715,942	100%	$124,244,415	100%	$ 5.24

The table above is calculated on a pro forma basis as of December 31, 1999 and gives effect to the change from a limited liability company to a corporation as described above.

The tables above assume no exercise of the underwriters' over-allotment option and no exercise of stock options or warrants outstanding at December 31, 1999. As of December 31, 1999, there were options outstanding to purchase a total of 1,696,423 shares, at a weighted average exercise price of $5.89 per share and warrants outstanding to purchase a total of 280,886 shares, at an exercise price of $13.96 per share. To the extent that any of these options or warrants are exercised, there will be further dilution to new investors. Please see "Capitalization," "Management -- Director Compensation," "-- Executive Compensation," Note 5 to Antigenics' audited consolidated financial statements.

SELECTED CONSOLIDATED FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE, PER UNIT AND UNIT DATA)

We have derived the selected consolidated balance sheet data set forth below as of December 31, 1998 and 1999, and the consolidated statement of operations data for each of the years in the three-year period ended December 31, 1999, from our audited consolidated financial statements included elsewhere in this prospectus. We have derived the selected consolidated balance sheet data as of December 31, 1995, 1996 and 1997, and selected consolidated statement of operations data for the years ended December 31, 1995 and 1996, from our audited consolidated financial statements which are not included in this prospectus. These consolidated financial statements of Antigenics L.L.C. have been audited by KPMG LLP, independent certified public accountants.

You should read the selected consolidated financial data in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes to those consolidated financial statements included elsewhere in this prospectus.

Since we have operated historically as a limited liability company, in accordance with federal, state and local income tax regulations which provide that no income taxes are levied on United States limited liability companies and each member of the limited liability company is individually responsible for reporting the member's share of our net income or loss, we do not provide for income taxes in our consolidated financial statements.

The unaudited pro forma information set forth below reflects adjustments which are necessary, in our management's opinion, for a fair presentation of our consolidated financial condition and results of operations on a pro forma basis. The unaudited pro forma net loss, basic and diluted net loss per common share and weighted average shares outstanding for the year ended December 31, 1999 give effect to the change from a limited liability company to a corporation and the exchange of each unit of members' equity into 172.0336 shares of common stock as if they occurred on January 1, 1999.

The unaudited pro forma selected balance sheet data as of December 31, 1999 reflect the events described above as if these events occurred as of December 31, 1999.

Increases in cash and cash equivalents, total current assets, total assets and members' equity in the years presented below include the effects of the receipt of net proceeds from our equity offerings that totalled approximately $10.5 million, $7.6 million, $18.0 million and $41.1 million in 1996, 1997, 1998 and 1999, respectively.

	YEAR ENDED DECEMBER 31,					PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31,
	1995	1996	1997	1998	1999	1999
CONSOLIDATED STATEMENT OF OPERATIONS DATA:						
Revenue	$ --	$ --	$ --	$ --	$ --	$ --
Operating expenses:						
Research and development	(742)	(2,017)	(2,563)	(6,102)	(10,977)	(22,514)
General and administrative	(2,453)	(1,781)	(1,549)	(3,178)	(6,875)	(15,890)
Depreciation and amortization	(40)	(79)	(202)	(360)	(1,005)	(1,702)
Loss from operations	(3,235)	(3,877)	(4,314)	(9,640)	(18,857)	(40,106)
Interest income, net	8	281	481	736	723	2,229
Non-operating income	--	250	--	--	10	260
Net loss	$(3,227)	$(3,346)	$(3,833)	$(8,904)	$(18,124)	$(37,617)
Net loss per members' equity unit, basic and diluted	$(40.92)	$(39.42)	$(42.81)	$(93.07)	$(171.85)	
Weighted average number of units outstanding, basic and diluted	78,854	84,876	89,525	95,673	105,468	
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS DATA:						
Pro forma net loss					$(18,124)	
Pro forma net loss per common share, basic and diluted					$ (1.00)	
Pro forma weighted average shares outstanding, basic and diluted					18,144	

	AS OF DECEMBER 31,					DECEMBER 31, 1999
	1995	1996	1997	1998	1999	PRO FORMA
						(UNAUDITED)
CONSOLIDATED BALANCE SHEET DATA:						
Cash and cash equivalents	$ 791	$ 9,588	$13,086	$22,168	$46,418	$46,418
Total current assets	876	9,639	13,246	22,447	47,672	47,672
Total assets	1,124	10,041	14,090	26,636	56,004	56,004
Total current liabilities	584	883	878	2,285	2,171	2,171
Long-term liabilities, less current portion	--	--	--	709	2,155	2,155
Members' equity/stockholders' equity	540	9,158	13,212	23,641	51,678	51,678

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of the financial condition and results of operations in conjunction with our consolidated financial statements and their notes appearing elsewhere in this prospectus.

OVERVIEW

Since our inception in March 1994, our activities have primarily been associated with the development of our heat shock protein technology and our lead immunotherapeutic, Oncophage. Our business activities have included:

- establishing manufacturing capabilities;
- product research and development;
- manufacturing immunotherapeutics for clinical trials;
- regulatory and clinical affairs; and
- intellectual property prosecution.

We have incurred significant losses since our inception because we have not generated any revenues. As of December 31, 1999, we had an accumulated deficit of $37,617,000. We expect to continue to incur net losses over the next several years as we complete our Oncophage clinical trials, apply for regulatory approvals, continue development of our technology and expand our operations. We have been dependent on funding from equity and debt financings to finance our business activities. Our financial results may vary depending on many factors, including:

- the progress of Oncophage in the regulatory process;
- the acceleration of our other immunotherapeutic candidates into preclinical and clinical trials;
- our investment in manufacturing process development and in manufacturing capacity for Oncophage and other product candidates;
- development of a sales and marketing staff and initial sales activities if Oncophage is approved for commercialization; and
- the progress of our other additional research and development efforts.

In December 1999, we accelerated the vesting on options to acquire approximately 268,700 shares of common stock that we had granted to outside advisors. As a result, we recognized a charge of $2,093,000 in the fourth quarter of 1999 based on a fair value of $15.00 per share.

In addition, we have outstanding unvested options to acquire approximately 41,300 shares of our common stock for which the exercise price will be set at an amount equal to the fair value of an underlying share of common stock at the time of vesting. We will take a compensation charge equal to the fair value of these options at the time these options vest using our option pricing model.

HISTORICAL RESULTS OF OPERATIONS

YEAR ENDED DECEMBER 31, 1999 COMPARED TO THE YEAR ENDED DECEMBER 31, 1998

Revenue: We generated no revenue during the year ended December 31, 1999 or during the year ended December 31, 1998.

Research and Development: Research and development expense increased 79.9% to $10,977,000 for the year ended December 31, 1999 from $6,102,000 for the year ended December 31, 1998. This increase was partially attributable to the increase in the non-cash charge for options granted and earned by outside advisors, directors and employees to $1,814,000 for the year ended December 31, 1999 from $314,000 for

the year ended December 31, 1998. The remainder of the increase was primarily due to the number of later stage Oncophage clinical trials in process that increased costs by $1,055,000, an increase in our staff to support our expanded business activities that increased costs by $1,137,000 and other ongoing development activities that increased costs by $1,183,000. Research and development expenses consisted primarily of compensation for our employees and outside advisors conducting research and development work, funding paid to the University of Connecticut, where we sponsor research, costs associated with the operation of our manufacturing and laboratory facility and funding paid to support our Oncophage clinical trials.

General and Administrative: General and administrative expenses increased 116.3% to $6,875,000 for the year ended December 31, 1999 from $3,178,000 for the year ended December 31, 1998. This increase was partially due to the increase in the non-cash charge for options granted and earned by outside advisors, directors and employees to $3,213,000 for the year ended December 31, 1999 from $795,000 for the year ended December 31, 1998. The remainder of the increase was primarily due to the growth in the number of our employees to support our expanded business operations that increased costs by $740,000. General and administrative expenses consisted primarily of personnel compensation, office expenses and professional fees.

Depreciation and Amortization: Depreciation and amortization expense increased 179.4% to $1,006,000 for the year ended December 31, 1999 from $360,000 for the year ended December 31, 1998. This increase was due to the depreciation expense of our new 30,225 square foot manufacturing and laboratory facility and related equipment.

Interest Income, net: Interest income increased 37.8% to $1,014,000 for the year ended December 31, 1999 from $736,000 for the year ended December 31, 1998. This increase was principally attributable to a higher average cash and cash equivalents balance during the year ended December 31, 1999 as compared to the year ended December 31, 1998 due to a $28,000,000 private equity financing completed in January 1999 and a $39,200,000 private equity financing completed in November 1999. Interest expense was $291,000 during the year ended December 31, 1999 due to borrowings under a credit facility to fund the construction of our manufacturing and laboratory facility. We incurred no interest expense during the year ended December 31, 1998.

YEAR ENDED DECEMBER 31, 1998 COMPARED TO YEAR ENDED DECEMBER 31, 1997

Revenue: We generated no revenue during the year ended December 31, 1998 or during the year ended December 31, 1997.

Research and Development: Research and development expenses increased 138.1% to $6,102,000 for the year ended December 31, 1998 from $2,563,000 for the year ended December 31, 1997. This increase was due primarily to an increase of $1,777,000 in salary cost due to an increase in the number of our employees as we expanded our business and clinical activities, an increase of $190,000 in expense to support our Oncophage clinical trials, an increase in professional fees of $126,000 related to expansion of our intellectual property and patent activities, and the non-cash charge for options granted to and earned by outside advisors, employees and directors of $275,000.

General and Administrative: General and administrative expenses increased 105.2% to $3,178,000 for the year ended December 31, 1998 from $1,549,000 for the year ended December 31, 1997. This increase was due primarily to an increase of $196,000 in costs related to increased personnel necessary to support our expanding business and clinical operations and the non-cash charge for options granted and earned by outside advisors, employees and directors of $583,000.

Depreciation and Amortization: Depreciation and amortization expense increased 78.2% to $360,000 for the year ended December 31, 1998 from $202,000 for the year ended December 31, 1997. This increase was due to the depreciation expense of our manufacturing and laboratory equipment.

Interest Income, net: Interest income increased 53.0% to $736,000 for the year ended December 31, 1998 from $481,000 for the year ended December 31, 1997. This increase was primarily attributable to a higher

average cash and cash equivalents balance during the year ended December 31, 1998 as compared to the year ended December 31, 1997. There was no interest expense during the years ended December 31, 1998 and 1997.

INCOME TAXES

Because we have historically operated as a limited liability company for tax purposes, we have allocated and will allocate all taxable losses incurred prior to the closing of this offering to the members for reporting on their income tax returns. As a result, we will not be able to offset future taxable income, if any, against losses incurred prior to the closing of this offering. Upon our conversion from a limited liability company to a corporation, we expect to recognize a valuation allowance equal to any gross deferred tax assets as we believe that it is more likely than not that we will not realize these deferred tax assets.

LIQUIDITY AND CAPITAL RESOURCES

We have incurred annual operating losses since inception, and at December 31, 1999, we had incurred an accumulated deficit of $37,617,000. Since our inception, we have financed our operations primarily through various private placements of equity, interest income earned on cash and cash equivalent balances and debt provided through a credit line secured by some of our manufacturing and laboratory assets. From our inception through December 31, 1999, we raised aggregate equity proceeds of $79,244,000 and borrowed $3,481,000 under our $5,000,000 credit facility. We expect that we will fund our capital expenditures and growing operations over the next two years with the net proceeds from this offering and current working capital. Our future capital requirements include, but are not limited to, supporting our Oncophage clinical trial efforts and continuing our other research and development programs. Satisfying our long-term liquidity needs will require the successful commercialization of Oncophage or other products and may require additional capital.

Our cash and cash equivalents at December 31, 1999 were $46,418,000, an increase of $24,250,000 from December 31, 1998. During the year ended December 31, 1999 we used cash primarily to finance operations, including our Oncophage clinical trials, and to make capital expenditures related to the establishment of our manufacturing and laboratory facility.

Net cash used in operating activities for the years ended December 31, 1997, 1998 and 1999 was $3,518,000, $6,377,000 and $13,457,000. The increase resulted from the increase in the number and size of our Oncophage clinical trials and general expansion of our operations.

Net cash used in investing activities for the years ended December 31, 1997, 1998 and 1999 was $619,000, $3,676,000 and $4,926,000. The investments were primarily for the construction of our manufacturing and laboratory facility and equipment, furniture and fixtures. We partially financed our new manufacturing and laboratory facility in Woburn, Massachusetts through the $5,000,000 credit facility discussed below and available cash balances.

Net cash provided by financing activities was $7,635,000, $19,134,000 and $42,633,000 for the years ended December 31, 1997, 1998 and 1999. Since inception, our primary source of financing has been from equity investments. During 1997, 1998 and 1999, equity contributions from private placements and, in 1998 and 1999, exercises of options, totaled approximately $7,635,000, $18,225,000 and $41,135,000. At December 31, 1999, we had outstanding $2,968,000 under a $5,000,000 credit facility to finance the construction of our manufacturing and laboratory facility and the purchase of related equipment. Loans that are drawn down on the credit facility are secured by specific assets, including leasehold improvements, which they finance.

YEAR 2000 COMPLIANCE

The following constitutes "Year 2000 Readiness Disclosure" under the Year 2000 Information and Readiness Disclosure Act of 1998.

The year 2000 issue, or Y2K, refers to potential problems with computer systems or any equipment with computer chips or software that use dates where the date has been stored as just two digits. On or after January 1, 2000, any clock or date recording mechanism incorporating date sensitive software which uses only two digits to represent the year may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruption of operations, including, among other things, a temporary inability to process transactions, perform laboratory analyses, or engage in similar business activities.

We are a biopharmaceutical company and our proposed product candidates are not software or computer based. Therefore, our proposed products are not directly impacted by the Y2K problem. Our exposure to potential risks from this problem involves computer and information technology systems, and other systems which include embedded technology using date sensitive programs such as for:

- heating, ventilation, air conditioning, or HVAC;
- scientific instrumentation;
- manufacturing and laboratory equipment; and
- laboratory facilities.

Our internal information systems consist of off-the-shelf accounting and e-mail systems, off-the-shelf application programs such as spreadsheet, word processing, graphics, database management, and presentation software, and some instrumentation/data acquisition software. Non-informational technology systems consist of HVAC and telecommunications.

Prior to December 31, 1999, we completed the process of determining whether there were any critical areas of our business that were not year 2000 compliant. We estimate that the total cost of addressing any year 2000 problems will be immaterial. We believe our worst case scenario relating to year 2000 risks includes a power interruption and a lack of supplies to support our clinical trials. We have implemented a contingency plan to cover these situations including expanding our supplies inventory and maintaining a generator at our manufacturing facility for the supply of electrical power. As of the date of this prospectus, we have not yet encountered year 2000 related problems. We continue to monitor developments in this area.

Any year 2000 compliance problems that arise could materially and adversely affect our business, results of operations or cash flow.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the normal course of business, we are exposed to fluctuations in interest rates as we seek debt financing to make capital expenditures. We do not employ specific strategies, such as the use of derivative instruments or hedging, to manage our interest rate exposures. There has been no change since the fiscal year ended December 31, 1998 with respect to our interest rate exposures or our approach toward those exposures. Further, we do not expect our market risk exposures to change in the near term.

The information below summarizes our market risks associated with debt obligations as of December 31, 1999. Fair values included herein have been estimated taking into consideration the nature and terms of each instrument and the prevailing economic and market conditions at December 31, 1999. The table presents cash flows by year of maturity and related interest rates based on the terms of the debt.

	ESTIMATED FAIR VALUE	CARRYING AMOUNT	YEAR OF MATURITY 2000	2001	2002	2003
Long-term debt(1).....	$3,026,000	$2,968,000	$813,000	$939,000	$1,022,000	$194,000

- ---------------

(1) Fixed interest rates from 13.954% to 15.084%

RECENT ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities", which establishes accounting and reporting standards for derivative instruments, including derivatives instruments embedded in other contracts, and for hedging activities. SFAS No. 133 is effective for all of our fiscal quarters beginning January 1, 2001. We do not expect this statement to affect us as we currently do not use derivative instruments or engage in hedging activities.

BUSINESS

OVERVIEW

Antigenics is engaged in the discovery and development of novel immunotherapeutic drugs for the treatment of life threatening and chronic medical conditions. Our immunotherapeutics are based on a specific class of proteins known as heat shock proteins and their ability to modulate the immune system. We are currently evaluating our lead immunotherapeutic, Oncophage, in six clinical trials for the treatment of four different cancers, and we expect to start our first pivotal clinical trial by mid-2000. We are also developing immunotherapeutics to treat infectious diseases, such as genital herpes, and autoimmune disorders, such as diabetes and multiple sclerosis. Based upon our scientific and drug development skills, our technology platform and our strategic expertise, we intend to become a leader in drug discovery, development and commercialization.

THE IMMUNE SYSTEM

The immune system is the body's natural defense mechanism to prevent and combat disease. The immune system differentiates between normal tissue, or "self," versus diseased tissue or "non-self." When a competent immune system recognizes diseased cells, the immune system initiates a series of steps that results in the elimination of these cells. There are two types of immune response: antibody-based and T cell-based.

Antibody-based immune response is primarily involved in the prevention of diseases. Antibodies are proteins produced by the body in response to disease causing agents known as pathogens. Antibodies bind to pathogens, such as viruses and bacteria, and block their ability to infect cells. Preventive vaccines that trigger an antibody-based immune response have been very successful in reducing the incidence of several deadly diseases, including smallpox, polio and measles. These vaccines consist of weakened, or attenuated, pathogens that stimulate the production of antibodies. However, these types of vaccines have not been effective in the prevention or treatment of many serious diseases, including cancer, herpes, tuberculosis, hepatitis and HIV.

T cell-based immune response, on the other hand, is primarily involved in combating diseases, such as cancers or infections. T cells are specialized white blood cells that are normally produced by the body to kill cancer cells and infected cells. T cell-based immune response begins when specialized immune cells called dendritic cells capture antigens, which are the identifying structural components of cancers and pathogens. Once inside dendritic cells, antigens are broken down into small fragments called peptides that are subsequently displayed on the surface of the dendritic cell. T cells continually scan the surface of dendritic cells for peptides. If T cells recognize displayed peptides as foreign or non-self, they replicate rapidly and then search for and kill other diseased cells containing those same peptides. Hormones known as cytokines enhance this T cell-based immune response by activating various components of the immune system.

Significant scientific evidence suggests that cancers and infections trigger a T cell-based immune response during the initial course of their progression. This immune response, however, is not always sufficient to eradicate the disease. Tumor cells, for example, hide their antigens and produce substances that suppress the patient's immune response.

To date, efforts to develop immunotherapeutics that sufficiently overcome this suppression of the immune system and stimulate T cells to selectively and accurately target and kill diseased cells have failed due to one or both of the following:

- the inability of drug developers to discover the appropriate antigens that identify diseases such as a particular person's cancer; and

- the inability to present these relevant antigens to activate T cells to selectively destroy diseased cells.

We believe our immunotherapeutics specifically address these issues.

OUR TECHNOLOGY PLATFORM

INTRODUCTION

We are the pioneers in activating T cells using purified heat shock protein-peptide complexes. In individuals who develop cancer, infections and autoimmune disorders, the immune system fails in its normal function. Our immunotherapeutics are designed to restore this function and treat these life threatening or chronic disease conditions.

We believe our immunotherapeutics will be applicable to the treatment of all cancer types and several types of infectious diseases and autoimmune disorders. Our immunotherapeutics consist of two components: a variable component, consisting of small protein fragments called peptides, which is necessary for the targeting of specific diseases; and a constant component, consisting of a heat shock protein, which is necessary for the activation of a T cell-based immune response to the targeted disease. In the case of cancer, which is a highly variable disease from one patient to another, we purify, from each patient's own tumor tissue, heat shock proteins that are bound, or complexed, to peptides. Our cancer immunotherapeutics are therefore specific to each patient. In contrast, for each infectious disease which is generally caused by a common pathogen, we use a human heat shock protein bound to peptides derived from the target pathogen. Our immunotherapeutics for infectious diseases therefore will be disease-specific rather than patient-specific. Our immunotherapeutic for autoimmune disorders will be generic, meaning it will be intended for the treatment of all disorders that result in T cells attacking healthy tissue.

The principle upon which our technology platform is based extends back over 50 years when scientists began using genetically identical laboratory animals to study the immune response to cancer. Researchers demonstrated that animals vaccinated with attenuated, or weakened, tumor cells are immune to subsequent injections of live tumor cells. Further, researchers have shown that this immunity to cancer is tumor-specific, meaning that animals are immune only to the cancer used for immunization and not to any other kind of cancer. Twenty years ago, the chairman of our scientific advisory board, Pramod Srivastava, discovered that cancers harbor molecular factors known as heat shock proteins, which are responsible for conferring immunity to cancer. Consistent with the observation that immunity generated with attenuated tumor cells is tumor-specific, we discovered that heat shock proteins generate immunity only to the tumor from which they are purified.

HEAT SHOCK PROTEINS

Heat shock proteins are a class of proteins that play a major role in transporting peptides, including antigens, within a cell and are thus often called chaperones. In this capacity, heat shock proteins bind to the entire antigenic repertoire or fingerprint of the cell in which they reside. Heat shock proteins are present in all cells of all organisms from bacteria to mammals and their structure and function are similar across these diverse life forms.

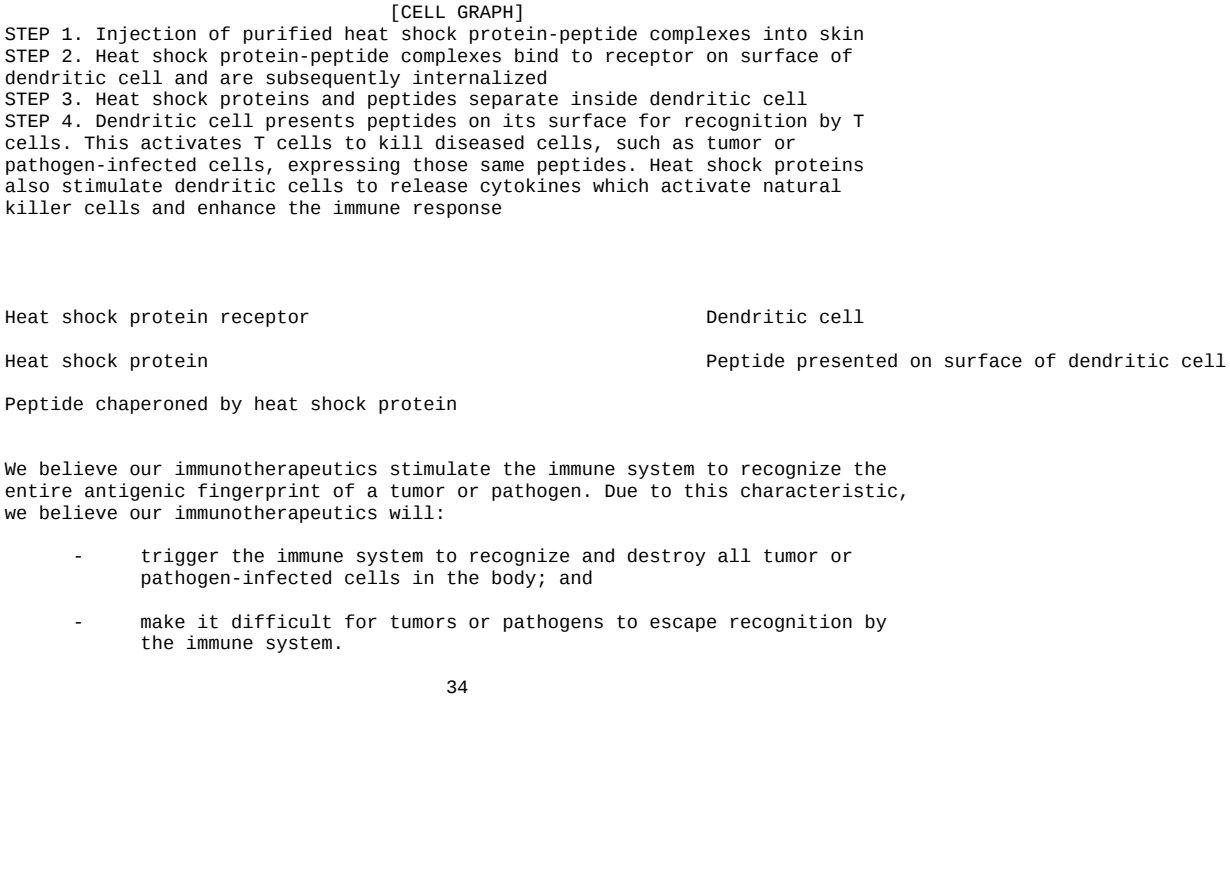
Published research suggests that heat shock proteins play a central role in the generation of immune responses. This role includes coordinating the breakdown and transport of peptides from the point of their generation inside cells to their ultimate display on the cell's surface for recognition by T cells. Although heat shock proteins inside tumor cells and pathogen-infected cells help display antigens to the immune system, tumors and pathogens simultaneously employ strategies to evade immune responses. In some cases, this evasion of immune responses results in disease progression.

The ability of heat shock proteins to chaperone peptides is key to our technology platform. When we purify heat shock proteins from tumor cells or pathogen-infected cells according to our manufacturing protocols, the heat shock proteins remain bound to the entire repertoire of peptides produced by the tumor or pathogen. These purified heat shock protein-peptide complexes isolated from diseased cells are our immunotherapeutics.

We believe that when purified heat shock protein-peptide complexes are injected into the skin, they stimulate a powerful T cell-based immune response capable of targeting and killing cancers and pathogen-infected cells from which these complexes originated. Doctors or nurses inject our immunotherapeutics into the skin to take advantage of the high concentration of dendritic cells in this region. These dendritic cells express receptors that specifically recognize heat shock proteins; therefore, dendritic cells efficiently capture and process our immunotherapeutics. Once inside dendritic cells, heat shock protein-peptide complexes separate and the dendritic cell displays the peptides on its surface where T cells can recognize the peptides.

Dendritic cells expressing cancer-specific or pathogen-specific peptides activate T cells that are capable of specifically targeting and killing diseased cells throughout the body that express those same peptides. The interaction of heat shock proteins with their receptors on dendritic cells also leads to secretion of cytokines by the dendritic cells that further stimulate the immune system.

THE MECHANISM OF HEAT SHOCK PROTEIN-INDUCED IMMUNE RESPONSE



We believe our immunotherapeutics stimulate the immune system to recognize the entire antigenic fingerprint of a tumor or pathogen. Due to this characteristic, we believe our immunotherapeutics will:

- trigger the immune system to recognize and destroy all tumor or pathogen-infected cells in the body; and

- make it difficult for tumors or pathogens to escape recognition by the immune system.

We believe that the dendritic cells displaying these peptides trigger a more potent immune response than that achieved by the presentation of these same peptides by the tumor or pathogen-infected cell.

Our preclinical studies with heat shock protein immunotherapeutics have demonstrated a beneficial effect in preventing or treating 13 types of cancer in three different species. The cancer types tested include cancers of the skin, colon, lung and other tissues. Further, our immunotherapeutics show therapeutic benefit in animals with metastatic disease, which is when cancer has spread beyond the primary tumor to distant regions of the body. Metastatic disease is often responsible for the relapse and ultimate death of patients with cancer.

OUR PRODUCTS UNDER DEVELOPMENT

INTRODUCTION

The chart below summarizes the indications and status for each of our products and development programs. We use "HSPPC" as an abbreviation for "heat shock protein-peptide complex." The number following HSPPC is the molecular weight of the heat shock protein used in the product. For cancer applications, we call HSPPC-96 "Oncophage."

PRODUCT	INDICATION	STATUS
CANCER		
Oncophage	Renal cell carcinoma	Phase II trial ongoing
		Phase I/II trial completed
	Melanoma	Phase II trial ongoing
		Phase I/II trial completed
	Colorectal cancer	Phase II trial enrollment completed
	Gastric cancer	Phase I/II trial ongoing
	Pancreatic cancer	Phase I trial completed
	Non-Hodgkin's lymphoma	Phase II trial planned
	Sarcoma	Phase II trial planned
HSPPC-70-C	Various cancers	Research
HSPPC-90-C	Various cancers	Research
HSPPC-56-C	Various cancers	Research
INFECTIOUS DISEASES		
HSPPC-96-GH	Genital herpes	Preclinical
HSPPC-70-GH	Genital herpes	Preclinical
HSPPC-56-I	Various infectious diseases	Research
HSPPC-70-I	Various infectious diseases	Research
AUTOIMMUNE DISORDERS		
gp96	Type 1 diabetes	Research
	Multiple sclerosis	Research

OUR CANCER IMMUNOTHERAPEUTICS

Background. The American Cancer Society estimated that doctors would diagnose approximately 1.2 million new cases of cancer in the United States in 1999. Cancer is the second leading cause of death in the United States, resulting in an estimated 563,100 deaths in 1999. The American Cancer Society reports that since 1990 medical professionals have diagnosed nearly 12 million cases of cancer, and cancer has killed nearly 5 million people in the United States.

Cancer results from the uncontrolled proliferation of abnormal cells. Eventually, these cells form a mass referred to as a tumor. As the tumor grows, it pushes outward, often invading adjacent tissues and organs and interfering with their normal function. In addition, small groups of cells may break away from the primary tumor and spread or metastasize. Tumors produced at distant sites are referred to as metastatic tumors.

The uncontrolled proliferation of cancer cells is due to alterations, or mutations, in a cell's DNA. Mutations can take place when a gene is exposed to radiation or particular drugs or chemicals, or when some as yet unexplained internal change occurs. The mutations in DNA also lead to production of antigens. Because mutations occur randomly, the antigenic fingerprint of each person's cancer is unique.

Studies in animals have confirmed that a unique repertoire of antigens is associated with each primary tumor. As cancers metastasize, they continue to mutate, potentially producing new antigens not found in the primary tumor of the same patient. However, we believe that a significant overlap exists between the antigenic fingerprint of the metastatic cells and the primary tumor of the same patient.

Current Treatments. Surgery, chemotherapy and radiotherapy are the three most commonly used methods for treating cancer. Medical professionals often administer a combination of these treatments to a cancer patient, depending upon the type of cancer and the extent of the disease. Surgery is curative only when a doctor detects a tumor at a relatively early stage of growth and is able to completely remove the tumor. Unfortunately, most tumors metastasize when they are very small, ultimately causing relapse and death in many cancer patients. The use of chemotherapy or radiotherapy sometimes improves survival rates; however, these treatments have significant limitations.

High rates of treatment failure and limitations posed by severe side effects and tumor resistance have compelled researchers to focus on alternative strategies of cancer treatment. Immunotherapeutics have the ability to target and destroy widely disseminated disease without damaging normal tissue. In addition, immunotherapeutics do not have many of the shortcomings of traditional cancer treatments.

Our Approach. We purify our cancer immunotherapeutics from portions of a patient's tumor that a doctor has surgically removed. Our cancer immunotherapeutics are patient-specific and therefore incorporate the entire antigenic fingerprint of each patient's own tumor. Because our cancer immunotherapeutics contain overlapping antigens present in both the primary and metastatic tumors, we believe they will be effective in treating all the tumor cells that remain in the body that are derived from the primary tumor.

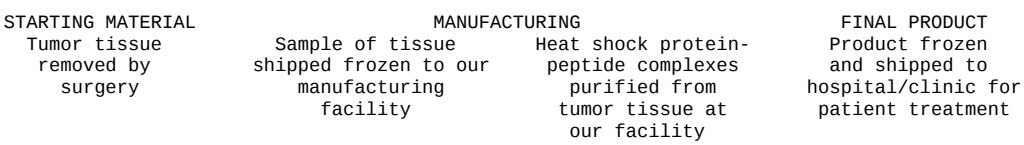
ONCOPHAGE

Oncophage is our lead cancer immunotherapeutic. We are evaluating Oncophage in four different cancers in six separate phase II or phase I/II clinical trials. Oncophage consists of purified, patient-specific heat shock protein-peptide complexes designed to elicit a T cell-based immune response to a patient's cancer. After a surgeon removes a patient's tumor, the hospital or clinic ships a portion of the tumor tissue frozen by overnight courier to our facility. We purify Oncophage from the tumor tissue using our proprietary manufacturing process in less than ten hours. Depending on the dose, we require a minimum of one to three grams of tumor tissue to yield a sufficient amount of Oncophage for a typical course of treatment.

We formulate Oncophage in sterile saline solution and package it in standard single injection vials in our manufacturing facility. We subject the final immunotherapeutic to extensive quality control testing, including sterility testing of each lot. We ship the product frozen via overnight courier back to the hospital. We have developed sophisticated tracking systems and procedures designed to ensure correct delivery of Oncophage to the appropriate patient.

ONCOPHAGE MANUFACTURING PROCESS

[CHART]



There are several benefits associated with the production and administration of our autologous product:

- we can sterilize Oncophage through simple filtration; sterility is required for FDA approval of a product that will be injected into humans;

- the scheduling of production at our central facility is flexible because we purify Oncophage from frozen tumor samples;

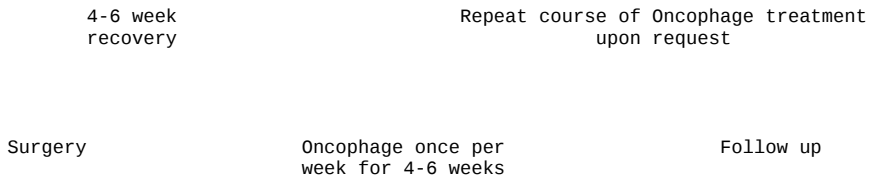
- doctors can administer Oncophage when the patient is ready to begin treatment because Oncophage is stored frozen and has a current shelf-life of at least six months; and

- Oncophage consists of a purified protein which can be consistently produced from most tumor types.

A medical professional initially administers Oncophage to a patient four to six weeks after a doctor surgically removes the patient's primary or metastatic tumor. The typical course of treatment consists of a series of injections into the skin administered once per week for four to six weeks. An oncologist may recommend treating a patient with more than one course of Oncophage.

ONCOPHAGE COURSE OF TREATMENT

[CHART]



Although we believe Oncophage will be applicable to the treatment of all cancer types, our initial focus is on cancers that are resistant to available treatment options. Further, we have chosen types of cancer and stages of disease that typically yield tumors that doctors can surgically remove. Additionally, in order to

complete clinical trials rapidly and file for regulatory approvals, we have selected cancers and stages of disease which allow us to evaluate our immunotherapeutics in clinical trials with near term endpoints.

We filed an IND for Oncophage in November 1996 that the FDA allowed on December 20, 1996. To date, we have treated approximately 160 advanced stage, metastatic cancer patients with Oncophage in our clinical programs. We started enrolling patients in our first clinical trial at the Memorial Sloan-Kettering Cancer Center in New York, New York in November 1997.

We believe the collective results from these clinical trials show that Oncophage is generally safe and well tolerated. These results also demonstrate preliminary indications of clinical benefit in a number of these patients. Moreover, we have shown that Oncophage can generate an anti-tumor immunological response. In addition, we believe we can manufacture Oncophage consistently and in sufficient quantities from most human cancer tissue.

The investigators participating in our clinical programs have documented tumor regression using standard response criteria. A complete response means that all tumor tissue has disappeared and the patient appears to be disease free. A partial response means that evaluable tumor tissue has shrunk by at least 50%. A minor response means that the tumor has shrunk by 25-50%. Stable disease means that the tumor has either shrunk or grown by less than 25%. Progressive disease means that the tumor has grown by more than 25%.

The investigators also document survival. Median survival refers to the time at which 50% of patients diagnosed with a particular cancer are alive.

Renal Cell Carcinoma

Background. Renal cell carcinoma is the most common type of kidney cancer. The American Cancer Society estimated that doctors would diagnose about 30,000 new cases of kidney cancer in the United States in 1999 and that the disease would kill approximately 11,900 people during 1999. Of the 30,000 patients diagnosed with kidney cancer, approximately 85% have the specific type of kidney cancer known as renal cell carcinoma. By the time renal cell carcinoma is diagnosed in these patients, about one-third of them have developed metastatic disease.

The median survival of patients with metastatic renal cell carcinoma is approximately 12 months. For patients with metastatic disease, the only FDA approved treatment is intravenous high-dose interleukin-2, a human cytokine. The response rate, which includes partial responses and complete responses, of patients who are treated with high-dose interleukin-2 is approximately 15%. Treatment with high-dose interleukin-2 is generally associated with severe adverse effects. These side effects often can lead to discontinuation of treatment. Although not FDA-approved for the treatment of renal cell carcinoma, a lower-dose of interleukin-2 injected underneath the skin, or subcutaneously, either alone or in combination with other cytokines, has become a treatment option. This treatment regimen has been the subject of a number of small studies with widely varying outcomes. Generally, side effects using the subcutaneous route of administration have been milder than those associated with high-dose, intravenous treatment.

Our Clinical Program. In our phase I/II trial, we enrolled patients with measurable metastatic renal cell carcinoma. We conducted this trial with clinical investigators at the M.D. Anderson Cancer Center in Houston, Texas. These patients did not receive prior or concurrent cancer therapy. After surgical removal of their primary tumors, patients were treated at one of three dose levels of Oncophage: 2.5 micrograms, 25 micrograms or 100 micrograms. The clinical investigators treated 38 patients, of whom 34 could be evaluated with standard radiology measurements.

Of the 34 evaluable patients, 13 patients responded or had stable disease. Four patients had a partial response and one patient had a minor response. The other eight patients showed stabilization of their disease. Three of these patients had been stable in excess of 10 months. The response rate in this trial, which does not include patients with a minor response or stable disease, was 12% and no adverse events were associated with treatment with Oncophage.

The median survival in this trial has not yet been reached; this means that more than half of the patients are still alive with an average follow up time of 12 months.

While the analysis of immunological results is still ongoing, testing to date shows that in four out of five patients who responded clinically, the number of T cells increased after treatment with Oncophage. Further, in all patients who responded clinically, the number of natural killer cells increased after treatment with Oncophage.

In the phase I/II trial, clinical investigators found that Oncophage is generally safe and well tolerated. Sixty-three percent of our patients received more than one course of treatment with Oncophage.

We were able to prepare Oncophage successfully from approximately 98% of renal cancer carcinoma samples we received at our manufacturing facility for this phase I/II trial. Based on this result, we believe we will be able to manufacture Oncophage for nearly all renal cell carcinoma patients whose tumors a surgeon can remove.

Based on the results from our phase I/II clinical trial, we have initiated a 60 patient phase II trial for patients with metastatic renal cell carcinoma at the M.D. Anderson Cancer Center. For this trial, the dose of Oncophage has been set at 25 micrograms and patients receive one dose once a week for four weeks, followed by one dose every two weeks. Some patients may also receive an injection of subcutaneous interleukin-2 if they have not had an adequate response after three months of treatment with Oncophage. We anticipate that we will complete this phase II trial in the first quarter of 2000. Based on the analysis of the results from the phase I/II and phase II trials, we anticipate that we will start a pivotal trial for renal cell carcinoma by the middle of 2000.

Melanoma

Background. Melanoma is the most serious form of skin cancer. The American Cancer Society estimated that doctors would diagnose about 44,200 new cases of melanoma in the United States in 1999 and that the disease would kill approximately 7,300 people during 1999. The incidence of melanoma is growing at 5-7% per year, which is substantially faster than the growth in incidence rates of most other cancers. Oncologists treat advanced or metastatic melanoma, also known as stage III or IV, with surgery, radiation therapy, immunotherapy, or chemotherapy depending on the case. Approximately 20% of all melanoma patients at the time of their first diagnosis have stage III or stage IV disease. Existing treatments have not significantly improved overall survival of patients with melanoma. The median survival of patients with stage III melanoma varies widely according to published literature. At the M.D. Anderson Cancer Center, the median survival of patients with late stage III melanoma is 24 months. According to published literature, patients with stage IV melanoma have a median survival of about seven months. Although oncologists use various treatment options, the only FDA approved drug therapies for patients with metastatic melanoma are high dose intravenous interleukin-2 and alpha interferon, another human cytokine.

Our Clinical Program. We have treated 36 patients in a phase I/II clinical trial, evaluating Oncophage as a treatment for late stage III and early stage IV metastatic melanoma. Eighty-three percent of the patients in our trial were previously treated with chemotherapy, radiotherapy, and alpha interferon. We are conducting the trial with clinical investigators at the M.D. Anderson Cancer Center. After surgery to remove a portion of the tumor, the clinical investigators treated patients with 2.5 micrograms, 25 micrograms or 100 micrograms of Oncophage.

In this trial, the clinical investigators treated 25 patients with stage IV disease and 11 patients with stage III disease. Among the 25 patients with stage IV disease, 12 patients were "adjuvant patients." This means that these patients had all of their detectable melanoma tissue surgically removed before the clinical investigators treated them with Oncophage. Of these 12 patients, 11 patients are free of disease at a median of 13 months after surgery. Not enough time has elapsed to appropriately report on the eight patients in the adjuvant setting with stage III disease.

In our melanoma trial, the clinical investigators also treated 16 stage III and stage IV patients with "residual disease." These are patients who have had only part of their disease surgically removed, leaving them with visible disease at the time of Oncophage treatment. In this group of patients, there was one stage IV patient who, after initial progression of his disease, experienced a mixed response. This patient's largest metastatic tumor disappeared completely but the smaller tumors progressed. There were also two other stage IV patients who experienced stabilization of their disease following initial progression of disease.

At the time of this analysis, 81% of all the patients who our clinical investigators treated in this study are alive. We are continuing to analyze the results from this trial.

To date, the trial has shown Oncophage to be generally safe and well tolerated by patients. In addition, we have been able to successfully prepare Oncophage from approximately 92% of melanoma samples we received at our manufacturing facility for this phase I/II trial. Based on this result, we believe we will be able to manufacture our product for nearly all melanoma patients from whom a surgeon can remove an adequate amount of tumor tissue.

In addition to our phase I/II trial at the M.D. Anderson Cancer Center, we are also currently enrolling patients in a phase II trial for melanoma at the Istituto dei Tumori in Milan, Italy. We anticipate our clinical investigators will treat 40 patients in this trial at 5 or 50 micrograms of Oncophage. The purpose of this trial is to confirm the route of administration of Oncophage.

Colorectal Cancer

Background. Colorectal cancer is cancer of the colon or rectum. The American Cancer Society estimated that doctors would diagnose about 129,400 new cases of colorectal cancer in the United States in 1999 and that this disease would kill approximately 56,600 people during 1999.

For patients whose disease has not spread to other parts of the body, surgery remains the most common treatment and can be curative in about two thirds of these cases. For patients whose disease has metastasized to other parts of the body, treatment options are limited and the patients' prognosis is poor. Patients with recurrence of advanced disease may have their metastatic lesions removed by surgery. The median survival for these patients is approximately 12 months. Conventional cancer treatments such as chemotherapy and radiation have shown limited benefit in treating colorectal cancer.

Our Clinical Program. We have completed enrollment of a 30 patient phase II clinical trial evaluating Oncophage as a treatment for metastatic colorectal cancer. We are conducting the trial at the Istituto dei Tumori. The clinical investigators will treat patients with 2.5 micrograms, 25 micrograms or 100 micrograms of Oncophage after a surgeon removes the patients' metastatic tumors.

We are continuing to analyze the results from this trial. To date, the trial has shown Oncophage to be generally safe and well tolerated by patients. In addition, we have successfully prepared Oncophage from 100% of colorectal cancer samples we received at our manufacturing facility for this trial. Based on this result, we believe we will be able to manufacture our product for nearly all colorectal cancer patients whose tumors a surgeon can remove.

Gastric Cancer

Background. Gastric cancer is cancer of the stomach. The American Cancer Society estimated that doctors would diagnose about 21,900 new cases of gastric cancer in the United States in 1999 and that the disease would kill approximately 13,500 people during 1999. The treatment options for gastric cancer are surgery, chemotherapy and radiation. Biological therapies are currently in clinical trials. For patients with surgically removable tumors, improvements in surgical techniques have led to increased survival. Despite these advances, as well as the development of multi-drug chemotherapy regimens, the median survival for patients with advanced gastric cancer, according to published research, is approximately seven months.

Our Clinical Program. We are currently enrolling patients in a 30 patient phase I/II clinical trial evaluating Oncophage as a treatment for metastatic gastric cancer. We are conducting this trial with clinical investigators at the Johannes Gutenberg-University Hospital in Mainz, Germany. After clinical investigators surgically remove a patient's tumor, the clinical investigators treat the patient with 2.5 micrograms or 15 micrograms of Oncophage. Although enrollment is still ongoing, to date, the trial has shown Oncophage to be generally safe and well tolerated by patients. In addition, we have been able to successfully prepare Oncophage from approximately 71% of gastric cancer samples we received at our manufacturing facility for this trial. Based on this result, we believe we will be able to manufacture our product for the majority of gastric cancer patients whose tumors a surgeon can remove.

Pancreatic Cancer

Background. Pancreatic cancer is the fourth leading cause of cancer death in the United States. The American Cancer Society estimated that doctors would diagnose about 28,600 new cases of pancreatic cancer in the United States in 1999 and that the disease would kill approximately 28,600 people during 1999.

The treatment options for pancreatic cancer are surgery and chemotherapy. Doctors at the Memorial Sloan-Kettering Cancer Center report that patients who have had tumors surgically removed have a median survival of 14 months. Doctors treat patients with tumors that cannot be surgically removed, or resected, with chemotherapy. The median survival time for patients with unresectable disease is less than six months.

Our Clinical Program. In early 1999, we completed a pilot phase I clinical trial evaluating Oncophage as a treatment for resectable pancreatic cancer. We conducted the trial with clinical investigators at the Memorial Sloan-Kettering Cancer Center and enrolled 15 patients. The clinical investigators treated five of the 15 patients with five micrograms of Oncophage after doctors had removed the patient's primary tumor.

Two out of five patients generated a T cell response to their tumor after treatment with Oncophage. These two patients are alive and disease free at 11 and 22 months, respectively, since surgery. A third patient is known to be free of disease at 24 months after surgery. The fourth patient is alive with recurrent disease at 11 months, and the fifth patient died seven months after surgery.

The trial showed Oncophage to be generally safe and well tolerated by patients. We successfully prepared Oncophage from 5 of 15 pancreatic cancer samples we received in our manufacturing facility. We were not able to prepare Oncophage from the remaining tumor samples due to the presence of enzymes in the pancreatic tissue that break down proteins, including heat shock proteins. Based upon our process development advances, we anticipate that a modified process will improve our rate of success for purifying Oncophage from pancreatic tumors.

Non-Hodgkin's Lymphoma

Background. Non-Hodgkin's lymphoma is cancer that originates in lymph tissue. The American Cancer Society estimated that doctors would diagnose about 56,800 new cases of non-Hodgkin's lymphoma in the United States in 1999 and that the disease would kill approximately 25,700 people during 1999. Approximately 40% of patients with non-Hodgkin's lymphoma have low grade indolent disease, which is a slow growing, often fatal, lymphoma.

Doctors have traditionally treated patients with non-Hodgkin's lymphoma with chemotherapy. Recently, the FDA approved one new antibody therapy for low grade non-Hodgkin's lymphoma.

Our Clinical Program. We are in the process of initiating a 35 patient phase II clinical trial evaluating Oncophage as a treatment for low grade indolent non-Hodgkin's lymphoma. We will conduct this trial with clinical investigators at the M.D. Anderson Cancer Center. We anticipate that the clinical investigators will treat patients with 25 micrograms of Oncophage after a surgeon removes the patients' tumor tissue.

Sarcoma

Background. Soft tissue sarcomas are cancerous tumors that can develop from fat, muscle, nerve, joint, blood vessel or deep skin tissues. The American Cancer Society estimated that doctors would diagnose about 7,800 new cases of soft tissue sarcomas in the United States in 1999 and that the disease would kill approximately 4,400 people during 1999.

Doctors treat sarcoma with surgery, chemotherapy or targeted radiotherapy. For resectable disease, doctors perform surgery and administer chemotherapy or targeted radiotherapy as follow up treatments. For unresectable disease, doctors treat patients with a combination of chemotherapy and radiotherapy.

Our Clinical Program. We are in the process of initiating a 35 patient phase II clinical trial evaluating Oncophage as a treatment for soft tissue sarcomas. We will conduct the trial with clinical investigators at Memorial Sloan-Kettering Cancer Center and may expand it to include other sites. We anticipate that the clinical investigators will treat patients with 25 micrograms of Oncophage after a surgeon removes the patients' tumor tissue.

Other Cancer Immunotherapeutics

In addition to Oncophage, we are currently researching several other autologous cancer immunotherapeutics using different heat shock proteins, including HSPPC-70, HSPPC-90, and HSPPC-56. These immunotherapeutics have demonstrated efficacy in animal cancer models.

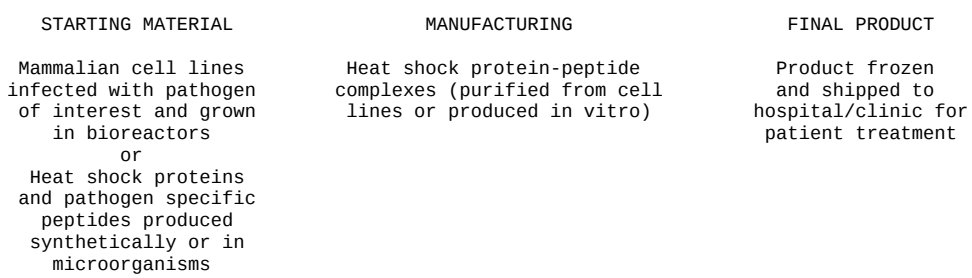
OUR INFECTIOUS DISEASE IMMUNOTHERAPEUTICS

Background. Infectious diseases are illnesses caused by microorganisms, or pathogens, like viruses, bacteria and parasites, and include tuberculosis, hepatitis, genital herpes and HIV. While doctors use antiviral agents and antibiotics to treat a number of viral and bacterial diseases effectively, medical professionals are concerned about the emergence of new strains of pathogens that have developed resistance to all available drugs.

Our Approach. Our immunotherapeutics for treating infectious diseases will consist of heat shock proteins bound to peptides that are produced by the pathogen causing the infection. Typically, each infectious disease is caused by a specific pathogen. Consequently, our infectious disease immunotherapeutics will be common to all patients with a particular infection and will not be patient-specific. We currently produce these immunotherapeutics from cells infected with the target pathogen. This manufacturing procedure has enabled us to test our immunotherapeutics in preclinical studies and should enable us to produce sufficient quantities to begin human clinical trials. Another technique to manufacture our immunotherapeutics involves binding specific peptides with heat shock proteins in vitro. We can generate the peptides in microorganisms or produce them synthetically.

OUR INFECTIOUS DISEASE IMMUNOTHERAPEUTIC MANUFACTURING PROCESS

[CHART]



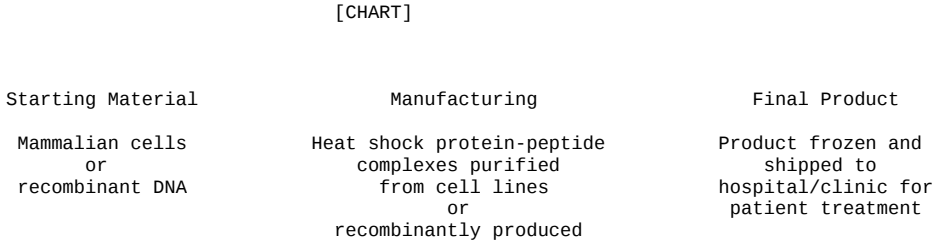
Genital Herpes. Genital herpes is a contagious viral infection that affects an estimated 45 million Americans. Doctors estimate that as many as 500,000 new cases may occur each year in the United States. Genital herpes is currently treated with palliative antiviral agents that reduce further replication of the virus. The challenge of antiviral therapy lies not only in treatment of the symptoms during the first and recurrent episodes but also in the long-term suppression of the herpes virus in patients with frequent recurrences. We expect to file an IND for this indication in 2000.

OUR AUTOIMMUNE DISORDER IMMUNOTHERAPEUTIC

Background. Autoimmune disorders result from an inappropriate immune response that targets and destroys normal tissue. While researchers have not definitively determined what triggers autoimmune responses, many believe that both genetic and environmental factors are probably involved in this process. Several autoimmune disorders, including diabetes and multiple sclerosis, result in the proliferation of misdirected T cells that attack normal tissues. We believe that a therapeutic product that can turn off misdirected T cell responses could treat these disorders.

Our Approach. We have demonstrated in animal models that heat shock proteins administered at higher doses than those required for treating cancer and infectious diseases can turn off misguided T cells that destroy healthy tissue in animals with some autoimmune disorders. We are currently researching the application of heat shock proteins to treat autoimmune diseases like diabetes and multiple sclerosis. The source of heat shock proteins used in our autoimmune disorders immunotherapeutic will be human cells. Our immunotherapeutic could also be made using recombinant DNA techniques.

OUR AUTOIMMUNE DISORDER IMMUNOTHERAPEUTIC MANUFACTURING PROCESS



MANUFACTURING

We manufacture our own immunotherapeutic products in a 30,225 square foot manufacturing and research and development facility located in Woburn, Massachusetts. We are in the process of preparing this facility for the commercialization of Oncophage.

Our process development group is currently working on improving the process by which we manufacture heat shock protein-based immunotherapeutics. Efforts in this area to date have resulted in a 50% reduction in the time required to purify Oncophage from individual patients' tumors and a 40% increase in the quantity of Oncophage we can produce from tumor tissue. These efforts in our cancer program should also benefit preparation of our heat shock protein-based immunotherapeutics for treatment of infectious diseases.

SALES AND MARKETING

To commercially market our immunotherapeutic products once we obtain the necessary regulatory approvals, we must either develop our own sales and marketing force or enter into arrangements with third parties. Currently, our sales and marketing plans consist of the following:

- Commercialize cancer immunotherapeutics in the United States through our own sales force. We believe that we can build a United States sales force to market our cancer immunotherapeutics due to the concentration of the United States oncology market.

- Form collaborations with pharmaceutical companies for commercializing cancer immunotherapeutics outside the United States. For example, we have entered into an agreement with Sigma-Tau Industrie Farmaceutiche Riunite S.p.A., under which they have agreed to pay for two clinical trials in return for rights which include an option to enter into an agreement to market Oncophage in Italy, Spain, Portugal and Switzerland. We have also signed an agreement with Medison Pharma Ltd. for marketing Oncophage in Israel.

- Form collaborations with pharmaceutical companies for infectious diseases and autoimmune disorders. Unlike cancer, the number of doctors and health care institutions prescribing treatments for infectious diseases and autoimmune disorders is large and fragmented, and we will need a large sales force to effectively market our products.

OUR INTELLECTUAL PROPERTY PORTFOLIO

We devote significant resources to protecting and expanding our intellectual property portfolio. We seek to protect our core technologies through a combination of patents, trade secrets and know-how. As a result of an exclusive worldwide license with Fordham University and one with Mount Sinai School of Medicine,

we have exclusive rights to nine issued U.S. patents, and foreign counterpart patents and patent applications, relating to our heat shock protein technology. Prior to directing the Center for Immunotherapy of Cancer at the University of Connecticut, Dr. Srivastava, the Chairman of our Scientific Advisory Board, was an assistant professor of immunology at Mount Sinai School of Medicine, and, then, a professor of immunology at Fordham University.

We also have licensed rights to 43 pending U.S. patent applications, and corresponding foreign counterpart patents and applications, from Mount Sinai School of Medicine of New York University, Fordham University, Duke University and the University of Miami. Under the license agreements with these institutions, we have exclusive, worldwide rights to inventions using heat shock proteins in the treatment and prevention of cancer, infectious diseases, autoimmune disorders and other indications. If we commercialize any of the inventions, we will pay the licensors a royalty on sales of the commercialized product. In addition, pursuant to a research agreement with the University of Connecticut Health Center, we will fund the laboratory directed by Dr. Srivastava at the University through December 31, 2002. In return, we have an option to obtain an exclusive license to new inventions as that term is defined in the research agreement, with the royalty rates and other terms to be determined by negotiation between the parties. We also have an option to obtain an exclusive license to certain types of "improvement" inventions as that term is defined in the research agreement, at already-determined royalty rates, but with the other terms to be determined by negotiation between the parties. To date, we have exercised options to license three patent applications.

It is worth noting that:

- patent applications in the United States are maintained in secrecy until patents are issued;

- patent applications in other countries generally are not published until 18 months after they are first filed in any country;

- publication of technological developments in the scientific or patent literature often lags behind the date of these developments; and

- searches of prior art may not reveal all relevant prior inventions.

Although we have licensed nine issued United States patents and 43 pending United States patent applications, we cannot be certain that our licensors' inventors were the first to invent the subject matter covered by these patent and patent applications or that they were the first to file patent applications for those inventions or that a court or patent authority will not determine that these patent rights are invalid or unpatentable.

REGULATORY CONSIDERATIONS

Governmental authorities in the United States and other countries extensively regulate the preclinical and clinical testing, manufacturing, labeling, storage, record keeping, advertising, promotion, export, marketing and distribution, among other things, of our immunotherapeutics. In the United States, the FDA under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act and other federal statutes and regulations subjects pharmaceutical products to rigorous review. If we do not comply with applicable requirements we may be fined, our products may be recalled or seized, our production may be totally or partially suspended, the government may refuse to approve our marketing applications or allow us to distribute our products, and we may be criminally prosecuted. The FDA also has the authority to revoke previously granted marketing authorizations.

In order to obtain approval of a new product from the FDA, we must, among other requirements, submit proof of safety and efficacy as well as detailed information on the manufacture and composition of the product. In most cases, this proof entails extensive preclinical, clinical and laboratory tests. This testing, the preparation of necessary applications and processing of those applications by the FDA are expensive and typically take several years to complete. We cannot assure that the FDA will act quickly or favorably in reviewing these applications, and we may encounter significant difficulties or costs in our efforts to

obtain FDA approvals that could delay or preclude us from marketing any products we may develop. The FDA may also require post-marketing testing and surveillance to monitor the effects of approved products or place conditions on any approvals that could restrict the commercial applications of these products. Regulatory authorities may withdraw product approvals if we fail to comply with regulatory standards or if we encounter problems following initial marketing. With respect to patented products or technologies, delays imposed by the governmental approval process may materially reduce the period during which we will have the exclusive right to exploit them.

The first stage of the FDA approval process for a new biologic or drug involves completion of preclinical studies and the submission of the results of these studies to the FDA, together with proposed clinical protocols, manufacturing information, analytical data and other information, in an investigational new drug application, which must become effective before human clinical trials may commence. The investigational new drug application is automatically effective 30 days after receipt by the FDA, unless the FDA before that time requests an extension to review the application, or raises concerns or questions about the conduct of the trials as outlined in the application. In the latter case, the sponsor of the application and the FDA must resolve any outstanding concerns before clinical trials can proceed. We cannot guarantee that submission of an investigational new drug application will result in the FDA authorizing us to commence clinical trials in any given case.

Preclinical studies involve laboratory evaluation of product characteristics and animal studies to assess the efficacy and safety of the product. The FDA regulates preclinical studies under a series of regulations called the current "Good Laboratory Practices" regulations. If the sponsor violates these regulations, in some cases, the FDA may invalidate the studies and require that the sponsor replicate those studies.

After the investigational new drug application becomes effective, a sponsor may commence human clinical trials. The sponsor typically conducts human clinical trials in three sequential phases, but the phases may overlap. In phase I trials, the sponsor tests the product in a small number of patients or healthy volunteers, primarily for safety at one or more doses. In phase II, in addition to safety, the sponsor evaluates the efficacy of the product in a patient population somewhat larger than phase I trials. Phase III trials typically involve additional testing for safety and clinical efficacy in an expanded population at geographically dispersed test sites. The sponsor must submit to the FDA a clinical plan, or "protocol," accompanied by the approval of the institution participating in the trials, prior to commencement of each clinical trial. The FDA may order the temporary or permanent discontinuation of a clinical trial at any time.

The sponsor must submit to the FDA the results of the preclinical and clinical testing, together with, among other things, detailed information on the manufacture and composition of the product, in the form of a new drug application or, in the case of a biologic, a biologics license application. In a process which generally takes several years, the FDA reviews this application and, when and if it decides that adequate data is available to show that the new compound is both safe and effective and that other applicable requirements have been met, approves the drug or biologic for marketing. The amount of time taken for this approval process is a function of a number of variables, including the quality of the submission and studies presented, the potential contribution that the compound will make in improving the treatment of the disease in question, and the workload at the FDA. We cannot guarantee that any of our immunotherapeutics will successfully proceed through this approval process or that the FDA will approve them in any specific period of time, or at all.

Congress enacted the Food and Drug Administration Modernization Act of 1997, in part, to ensure the availability of safe and effective drugs, biologics and medical devices by expediting the FDA review process for new products. The Modernization Act establishes a statutory program for the approval of fast track products, including biologics. A fast track product is defined as a new drug or biologic intended for the treatment of a serious or life-threatening condition that demonstrates the potential to address unmet medical needs for this condition. Under the fast track program, the sponsor of a new drug or biologic may

request the FDA to designate the drug or biologic as a fast track product at any time during the clinical development of the product.

The Modernization Act specifies that the FDA must determine if the product qualifies for fast track designation within 60 days of receipt of the sponsor's request. The FDA can base approval of a marketing application for a fast track product on an effect on a clinical endpoint or on another endpoint that is reasonably likely to predict clinical benefit. The FDA may subject approval of an application for a fast track product to:

- post-approval studies to validate the surrogate endpoint or confirm the effect on the clinical endpoint; and

- prior review of all promotional materials.

In addition, the FDA may withdraw its approval of a fast track product on a number of grounds, including the sponsor's failure to conduct any required post-approval study with due diligence.

If a preliminary review of the clinical data suggests that a fast track product may be effective, the FDA may initiate review of sections of a marketing application for a fast track product before the sponsor completes the application. This rolling review is available if the applicant provides a schedule for submission of remaining information and pays applicable user fees. However, the time periods specified under the Prescription Drug User Fee Act concerning timing goals to which the FDA has committed in reviewing an application, do not begin until the sponsor submits the application.

We may request fast track designation for our immunotherapeutics. We cannot predict whether the FDA will grant that designation, nor can we predict the ultimate impact, if any, of the fast track process on the timing or likelihood of FDA approval of our immunotherapeutics.

The FDA may, during its review of a new drug application or biologics license application, ask for additional test data. If the FDA does ultimately approve the product, it may require post-marketing testing, including potentially expensive phase IV studies, and surveillance to monitor the safety and effectiveness of the drug. In addition, the FDA may in some circumstances impose restrictions on the use of the drug that may be difficult and expensive to administer, and may require prior approval of promotional materials.

Before approving a new drug application or biologics license application, the FDA will inspect the facilities at which the product is manufactured and will not approve the product unless the manufacturing facilities are in compliance with current Good Manufacturing Practices. In addition, the manufacture, holding, and distribution of a product must be in compliance with current Good Manufacturing Practices. Manufacturers must continue to expend time, money and effort in the area of production and quality control and record keeping and reporting to ensure full compliance with those requirements. The labeling, advertising, promotion, marketing and distribution of a drug or biologic product must be in compliance with FDA regulatory requirements. Failure to comply with applicable requirements can lead to the FDA demanding that production and shipment cease, and, in some cases, that the manufacturer recall products, or to enforcement actions that can include seizures, injunctions and criminal prosecution. These failures can also lead to FDA withdrawal of approval to market the product.

We are also subject to regulation by the Occupational Safety and Health Administration and the Environmental Protection Agency and to regulation under the Toxic Substances Control Act, the Resource Conservation and Recovery Act and other regulatory statutes, and may in the future be subject to other federal, state or local regulations. Either or both of OSHA or the EPA may promulgate regulations that may affect our research and development programs. We are unable to predict whether any agency will adopt any regulation which could have a material adverse effect on our operations.

Sales of pharmaceutical products outside the United States are subject to foreign regulatory requirements that vary widely from country to country. Whether or not we have obtained FDA approval, we must obtain approval of a product by comparable regulatory authorities of foreign countries prior to the commencement

of marketing the product in those countries. The time required to obtain this approval may be longer or shorter than that required for FDA approval. The foreign regulatory approval process includes all the risks associated with FDA regulation set forth above as well as country-specific regulations.

COMPETITION

Competition in the pharmaceutical and biotechnology industries is intense. Many pharmaceutical or biotechnology companies have products on the market and are actively engaged in the research and development of products for the treatment of cancer, infectious diseases and autoimmune disorders. In addition, many competitors focus on immunotherapy as a treatment for cancer, infectious diseases and autoimmune disorders. In particular, some of these companies are developing autologous cancer vaccines. Others are focusing on developing heat shock protein products. We compete for funding, access to licenses, personnel and third-party collaborations. In addition, many competitors have substantially greater financial, manufacturing, marketing, sales, distribution and technical resources, and more experience in research and development, clinical trials and regulatory matters, than we do. A competing company developing, or acquiring rights to, a more efficacious therapeutic product for the same diseases targeted by us, or one which offers significantly lower costs of treatment, could render our products noncompetitive or obsolete.

Academic institutions, governmental agencies and other public and private research institutions conduct significant amounts of research in biotechnology, medicinal chemistry and pharmacology. These entities have become increasingly active in seeking patent protection and licensing revenues for their research results. They also compete with us in recruiting and retaining skilled scientific talent.

FACILITIES

We lease approximately 30,225 square feet of laboratory space in Woburn, Massachusetts under a lease agreement that terminates in August 2003. We have an option to renew for an additional five-year period with the landlord's consent. We maintain our executive offices in New York, New York, in an office building in which we lease approximately 8,000 square feet from an affiliated party. The agreement terminates in December 2006. You should read the discussion under "Certain Relationships and Related Transactions" regarding our executive offices.

EMPLOYEES

As of December 31, 1999, we had 71 employees, of whom 11 have Ph.D.s and one has an M.D.; three are clinical staff, 21 are manufacturing and quality control staff, 24 are research and development staff, and 23 are management or administrative staff. None of our employees is subject to a collective bargaining agreement. We believe that we have good relations with our employees.

LEGAL PROCEEDINGS

Other than our opposition of a European patent discussed under "Risk Factors," we are not currently a party to any material legal proceedings or claims. You should read the discussion of our opposition of this European patent under "Risk Factors."

MANAGEMENT

EXECUTIVE OFFICERS, DIRECTORS AND KEY EMPLOYEES

Set forth below is certain information regarding our executive officers, directors and key employees, including their age as of December 31, 1999:

NAME	AGE	TITLE
Garo Armen, Ph.D.	46	Chairman of the Board, Chief Executive Officer
Pramod Srivastava, Ph.D.	44	Director, Chairman of Scientific Advisory Board
Gamil de Chadarevian	47	Vice Chairman of the Board, Executive Vice President International
Elma Hawkins, Ph.D.	43	Senior Vice President
Dirk Reitsma, M.D.	50	Vice President of Clinical Affairs
Neal Gordon, Ph.D.	38	Vice President of Operations
Donald Panoz	64	Director, Honorary Chairman
Noubar Afeyan, Ph.D.(1)(2)	37	Director
Edward Brodsky(1)	70	Director
Tom Dechaene(2)	40	Director
Martin Taylor(1)(2)	47	Director

(1)Member of the Compensation Committee

(2)Member of the Audit Committee

The size of the board of directors is currently set at eight members.

Our certificate of incorporation provides for a classified board of directors consisting of three classes, with each class being as nearly equal in number as possible. The term of one class expires and their successors are elected for a term of three years at each annual meeting of the stockholders. We have designated three class I directors, Messrs. de Chadarevian, Brodsky and Taylor; three class II directors, Messrs. Panoz, Afeyan and Srivastava; and two class III directors, Messrs. Armen and Dechaene. These class I, class II and class III directors will serve until the annual meetings of stockholders to be held in 2000, 2001 and 2002, respectively, and until their respective successors are duly elected and qualified, or until their earlier resignation or removal. The board of directors appoints officers until the next annual meeting of the board of directors.

GARO ARMEN, PH.D. co-founded Antigenics in 1994 and has been the Chairman of the board and Chief Executive Officer since inception. Dr. Armen was previously a Senior Vice President of Research for Dean Witter Reynolds, focusing on the chemical and pharmaceutical industries. Dr. Armen has also served as an Associate Professor at the Merchant Marine Academy and as a research associate at the Brookhaven National Laboratory. He currently serves as a director of Elan Corporation, Plc. and Color Kinetics Inc. Dr. Armen received his Ph.D. degree in physical chemistry from the City University of New York in 1979. Since 1990, Dr. Armen has been the managing general partner of Armen Partners, L.P., an investment partnership specializing in public and private healthcare and biotechnology investments.

PRAMOD SRIVASTAVA, PH.D. co-founded Antigenics in 1994 and has served as the Chairman of the scientific advisory board since inception. Dr. Srivastava is the Director of the Center for Immunotherapy of Cancer and Infectious Diseases at the University of Connecticut. Dr. Srivastava has held positions at Fordham University and the Mount Sinai School of Medicine. He performed his postdoctoral training at Yale University and the Sloan-Kettering Institute for Cancer Research. Dr. Srivastava serves on the Scientific Advisory Council of the Cancer Research Institute, New York, and has been a member of the Experimental Immunology Study Section of the National Institutes of Health of the United States

Government since 1994. Dr. Srivastava is a past recipient of the First Independent Research Support & Transition Award of the National Institutes of Health (1987), the Irma T. Hirschl Scholar Award (1988), the Investigator Award of the Cancer Research Institute, New York (1991), the Mildred Scheel Lectureship (1994), and the Sigma Tau Foundation Speakership (1996). In 1997, he was inducted into the Roll of Honor of the International Union against Cancer and was listed in the Who's Who in Science and Engineering. He is among the twenty founding members of the Academy of Cancer Immunology. Dr. Srivastava earned his Ph.D. in Biochemistry from the Centre for Cellular and Molecular Biology, Hyderabad, India. Dr. Srivastava is a director of Iconisys, Inc.

GAMIL DE CHADAREVIAN has served as the Vice Chairman of the Board since 1995 and as Executive Vice President International since 1998. Until April of 1998, he was Managing Director of Special Projects at Alza International, responsible for creating new business opportunities in Europe. From 1992 to 1993, Mr. de Chadarevian was the Vice President of Corporate Development for Corange London Limited. Prior to 1992, Mr. de Chadarevian held positions at Pasfin Servizi Finanziara SpA, GEA Consulenza and Credit Suisse. He is also co-founder and serves as an advisor to several private health care companies in the United States and Europe. Mr. de Chadarevian received a Lic. Oec. Publ. Degree from the University of Zurich in Switzerland. Mr. de Chadarevian is the co-founder and currently the Vice Chairman of Iconisys, Inc. and CambriaTech Holding S.A.

ELMA HAWKINS, PH.D. has served as Senior Vice President since August 1998. From July 1996 through August 1998, Dr. Hawkins served as our Chief Operating Officer. Prior to her employment with us, Dr. Hawkins served in a number of senior positions at Genzyme Corporation, including Director of Corporate Development. Dr. Hawkins has also held positions in preclinical and clinical research at Warner-Lambert/Parke-Davis and at the Center for the Study of Drug Development at Tufts Medical School. Dr. Hawkins holds a Ph.D. in Medicinal Chemistry from the University of Alabama and an M.B.A. from Boston University. Dr. Hawkins is a director of Nalari Computing Corporation.

DIRK REITSMA, M.D. has served as Vice President of Clinical Affairs and Medical Director since April 1997. From 1990 to 1997, Dr. Reitsma was employed by Ciba-Geigy, where he managed the clinical development of several biologic compounds and other new drugs. Dr. Reitsma was responsible for the phase III trials of Aredia in breast cancer, and for their regulatory submissions to the FDA. Prior to that, Dr. Reitsma was employed by Organon in Rockville, Maryland, where he worked on various biologics, including human monoclonal antibodies and on the submission of the regulatory filing for Bacillus Calmette Guerin, also known as BCG, for superficial bladder cancer. Dr. Reitsma practiced internal medicine and oncology at the Bergwegiekenhuis in Rotterdam prior to joining Organon. He received his M.D. from the Erasmus University in Rotterdam, The Netherlands.

NEAL GORDON, PH.D. has served as Vice President of Operations since May 1999. Prior to this position he served as Vice President Process Development from July 1998. Previously, he was Senior Director of Chromatography R&D at PerSeptive Biosystems, a division of PE Corp., formerly Perkin-Elmer Corporation. Over his ten-year career at PerSeptive, Dr. Gordon was involved in the development and application of innovative technologies for the purification and analysis of biopolymers, most notably the development of the BioCAD(R) Chromatography Workstation. Dr. Gordon received his Ph.D. in Biochemical Engineering from the Massachusetts Institute of Technology and a Bachelors degree in Chemical Engineering from McGill University.

DONALD PANOZ has been a director since 1995 and is the Honorary Chairman of the board of directors. In 1969, Mr. Panoz founded Elan Corporation, Plc., a pharmaceutical research and development company. Mr. Panoz was Chairman and Chief Executive Officer of Elan Corporation from 1969 until his retirement in 1996. Mr. Panoz is currently a Lecturer of Pharmacy at the University of Georgia. In January 1995, Mr. Panoz was named Honorary Irish Consul General to Bermuda. Mr. Panoz attended Pittsburgh University and Duquesne University in Pennsylvania.

NOUBAR AFEYAN, PH.D. has been a director since 1998. Dr. Afeyan is Chairman and CEO of the NewcoGen Group and is also a partner at One Liberty Ventures. Dr. Afeyan was Senior Vice President

and Chief Business Officer of PE Corp. until August 1999. Prior to its acquisition by PE Corp., Dr. Afeyan was the Chairman and Chief Executive Officer of PerSeptive Biosystems, a company that he founded in 1987 to develop, manufacture and market instruments and chemical reagents used to purify, analyze and synthesize biomolecules. Dr. Afeyan served as Chairman of the Board of ChemGenics Pharmaceuticals, Inc. during 1996 and 1997. He is also a member of the board of directors of two private companies. Dr. Afeyan received his undergraduate degree in Chemical Engineering from McGill University and his Ph.D. in Biochemical Engineering from the Massachusetts Institute of Technology.

EDWARD BRODSKY has been a director since 1995. Mr. Brodsky has been a partner of the law firm of Proskauer Rose LLP since 1992 and was previously a partner at the firm of Spengler Carlson Gubar Brodsky & Frisching. Mr. Brodsky and his firm represent us in legal matters. Mr. Brodsky is currently a director of Giant Cement Holding, Inc. and UIS, Inc.. He received his LL.B. from New York University School of Law.

TOM DECHAENE has been a director since 1999. Mr. Dechaene is currently the Chief Financial Officer of SurfCast, Inc. He was with Deutsche Bank from 1991 through 1999, most recently as a director in the Principal Investments Group within the Equity Capital Markets division. Mr. Dechaene is a director of Color Kinetics Inc., Veridicom, Inc., Xaim, Inc. and Iconisys, Inc. Mr. Dechaene holds a law degree from Ghent University, Belgium, a degree in Applied Economics from the University of Antwerp and an MBA from INSEAD, France.

MARTIN TAYLOR has been a director since June 1999. From 1993 until 1998, Mr. Taylor held the position of Chief Executive Officer of Barclays Bank Plc. Mr. Taylor is presently a member of the Council for Science and Technology and, since November 1999, has been chairman of the W.H. Smith Group Plc. In October 1999, he became an advisor to Goldman Sachs International. He was educated at Balliol College, Oxford University.

SCIENTIFIC ADVISORY BOARD

Our scientific advisory board is comprised of internationally recognized scientists in the fields of immunology, oncology, genetics and drug delivery. The scientific advisory board advises our management on strategic issues related to our scientific development program. Dr. Srivastava chairs the board which consists of the following other individuals:

JOSHUA LEDERBERG, PH.D. has been a member of the scientific advisory board since 1996 and is the board's Honorary Chairman. In 1958, at the age of 33, Dr. Lederberg received the Nobel Prize in Physiology of Medicine for his work in the field of bacterial genetics. Dr. Lederberg is currently the Sackler Foundation Scholar and Professor- and President-Emeritus at The Rockefeller University, in New York City, where he is researching the interrelationships of DNA conformation and mutagenesis. Previously, Dr. Lederberg was a professor of genetics at Stanford University. A member of the National Academy of Sciences and a charter member of its Institute of Medicine, Dr. Lederberg has served as chairman of the President's Cancer Panel and has chaired a comprehensive study of emergent infections sponsored by the Institute of Medicine, intended to counteract complacency about the threats from many infectious diseases. He has also received the United States National Medal of Science. Dr. Lederberg has served on the board of the Procter & Gamble Co., and continues as a part-time consultant to several financial and pharmaceutical research and development institutions. He received his Ph.D. from Yale University.

SIR WALTER BODMER, PH.D. has been a member of the scientific advisory board since 1996 and he is currently the board's Vice Chairman. Sir Walter currently serves as the Principal of Herford College, Oxford University. Previously, he was the Director-General of the Imperial Cancer Research Fund and was Director of Research at the Fund from 1979 to 1991. He is a Foreign Associate of the United States National Academy of Sciences and a Foreign Honorary Member of the American Academy of Arts and Sciences. He is also a Trustee of Sir John Soane's Museum and the first President of the International Federation of Associations for the Advancement of Science and Technology. In 1995, Sir Walter was appointed Chancellor of the University of Salford. Sir Walter was the second President of the Human

Genome Organization and is a past President of the British Association for the Advancement of Science and of the Royal Statistics Society. He has served as Chairman of the BBC Science Consultative Group and as Vice-President of the Royal Institution. Sir Walter has recently completed his term as Chairman of the Trustees of the Natural History Museum, having served as a Trustee for ten years. He received a Ph.D. from Cambridge University.

HANS-GEORG RAMMENSEE, PH.D. has been a member of the scientific advisory board since 1999. Dr. Rammensee is currently the Chair of Immunology at the University of Tubingen, where he has served in various capacities since 1987. From 1993 until 1996, he was Head, Department of Tumorvirus-Immunology, German Cancer Research Center, Heidelberg, where he was also on the faculty of Theoretical Medicine. From 1987 until 1993, Dr. Rammensee was Head, Laboratory for Immunology at the Max Planck Institute for Biology. Since 1987, Dr. Rammensee has been Coeditor of Immunogenetics and, since 1991, Coeditor of European Journal of Immunology. Dr. Rammensee is also Speaker for the Graduate Committee for Cell Biology in Medicine at the University of Tubingen and a Member of the Evaluation Committee for the Cooperation Program in Cancer Research between the German Cancer Research Center in Heidelberg and the Ministry of Science in Israel. From 1992 through 1997, Dr. Rammensee was a Member of the "Hinterzartener Kreis", a committee of the German Research Council. Dr. Rammensee has been the recipient of numerous awards including the Heinz Maier Leibnitz Award of the German Federal Ministry of Science (1988), the Wilhelm and Maria Meyenburg Award of the German Cancer Research Center (1991), the Gottfried Wilhelm Leibnitz Award of the German Research Council (1991), the Avery Landsteiner Award of the Society for Immunology (1992), the Robert Koch Award of the Robert Koch Foundation (1993), the Paul Ehrlich and Ludwig Darmstaedter Award of the Paul Ehrlich Foundation (1996) and the Rose Payne Distinguished Scientist Award of the American Society for Histocompatibility and Immunogenetics (1997). Dr. Rammensee received his Ph.D. from the University of Tubingen in 1982, where he studied minor histocompatibility antigens in immune response.

FELIX THEEUWES, PH.D. has been a member of the scientific advisory board since 1996. Dr. Theeuwes is currently the Chairman and Chief Scientist of Durect Corporation, which is an affiliate of Alza Corporation. Prior to his current position, Dr. Theeuwes was Chief Scientist at Alza Corporation. Dr. Theeuwes was with Alza from 1970, directing research, technology development and product development for a variety of controlled drug delivery systems. Dr. Theeuwes holds more than 220 United States patents and has published more than 80 articles and book chapters. In 1980, Dr. Theeuwes was named Inventor of the Year by the Peninsula Patent Law Association. In 1983, he was the recipient of the Award for the Advancement of Industrial Pharmacy. He was the Busse Lecturer at the University of Wisconsin in 1981 and, in 1985, the Third Annual Sidney Riegelman Lecturer at the University of California, San Francisco. He is a Fellow of the American Association of Pharmaceutical Scientists, and, in 1993, he became the first recipient of Alza Corporation's Founder's Award. Dr. Theeuwes is currently a member of the board of directors of both Vinifera, Inc. and Durect Corporation. He received his undergraduate and graduate education in physics at the University of Leuven, Belgium, with a D.Sc. degree in 1966. From 1966 to 1970 he served as a post-doctoral fellow and visiting research assistant professor in the Department of Chemistry, University of Kansas.

AUDIT COMMITTEE

The audit committee makes recommendations to the board of directors about the selection of independent auditors, reviews the results and scope of the audit and other services provided by our independent auditors, and evaluates our internal controls. The audit committee consists of Messrs. Taylor, Dechaene and Afeyan.

COMPENSATION COMMITTEE

The compensation committee reviews and approves the compensation and benefits for our executive officers, administers our stock option plans and makes recommendations to the board of directors about compensation matters. The compensation committee consists of Messrs. Taylor, Brodsky and Afeyan.

EXECUTIVE COMPENSATION

The following table summarizes the compensation paid to or earned during the fiscal years ended December 31, 1998 and 1999 by our chief executive officer and all of our other executive officers whose salary and bonus exceeded $100,000. We refer to these persons as the named executive officers.

SUMMARY COMPENSATION TABLE

		ANNUAL COMPENSATION		LONG-TERM COMPENSATION	
NAME AND PRINCIPAL POSITION	YEAR	SALARY($)	BONUS($)	SHARES UNDERLYING OPTIONS(#)	OTHER COMPENSATION($)
Garo H. Armen, Ph.D., Chief Executive Officer	1999	$150,000	--	254,682	$50,000(2)
	1998	--	--	--	--
Elma Hawkins, Ph.D., Senior Vice President	1999	$200,000	$25,000	--	--
	1998	$200,000	$20,000	--	--
Neal Gordon, Ph.D., Vice President of Operations	1999	$136,282	$20,000	9,634	--
	1998	$ 57,272(1)	$28,750	18,924	--

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(1)Dr. Gordon commenced employment with Antigenics in July 1998.

(2)Represents the premium we paid for an executive split-dollar life insurance policy. Under this policy, under some circumstances, we would be entitled to a refund of the premiums paid.

1999 OPTION GRANTS

The following table contains certain information regarding stock option grants during the twelve months ended December 31, 1999 by us to the named executive officers:

OPTION GRANTS IN LAST FISCAL YEAR

					POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM(1)		
NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED(#)	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE ($/SHARE)	EXPIRATION DATE	0%($)	5%($)	10%($)
Garo H. Armen, Ph.D., Chief Executive Officer	254,682	83.3%	$12.07	2/09-4/09	--	$3,148,740	$6,834,681
Elma Hawkins, Ph.D., Senior Vice President	--	--	--	--	--	--	--
Neal Gordon, Ph.D., Vice President of Operations	9,634	3.2%	$ 6.50	1/09	$45,052	$ 172,771	$ 312,201

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(1)The dollar amounts under these columns are the result of calculations at the 5% and 10% rates set by the SEC and, therefore, are not intended to forecast possible future appreciation, if any, in the price of the underlying common stock. The potential realizable values are calculated by assuming the initial public offering price is $15.00 per share and that the market price appreciates from this price at the indicated rate for the entire term of each option and that each option is exercised and sold on the last day of its term at the appreciated price.

OPTION EXERCISES AND YEAR-END OPTION VALUES

The following table provides information about the number of shares issued upon option exercises by the named executive officers during the year ended December 31, 1999, and the value realized by the named executive officers. The table also provides information about the number and value of options held by the named executive officers at December 31, 1999. As our common stock is not publicly traded, a readily ascertainable market value is not available.

AGGREGATE OPTION EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION VALUES

NAME	SHARES ACQUIRED ON EXERCISE(#)	VALUE REALIZED($)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR-END(#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FISCAL YEAR END($)(1)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Garo H. Armen, Ph.D., Chief Executive Officer	--	--	134,431	171,862	$ 941,548	$503,000
Elma Hawkins, Ph.D., Senior Vice President	--	--	137,627	--	$1,864,403	--
Neal Gordon, Ph.D., Vice President of Operations	--	--	3,785	24,773	$ 32,186	$210,673

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(1)Based on the difference between the option exercise price and an assumed initial public offering price of $15.00 per share of common stock.

EMPLOYMENT AND CONSULTING AGREEMENTS

Under an employment agreement dated June 1, 1998, we agreed to employ Elma Hawkins, Ph.D. as Senior Vice President for one year at an annual base salary of $200,000, which is subject to performance and merit based increases. Pursuant to the agreement, we issued Dr. Hawkins options to purchase 137,627 shares of the company's common stock at an exercise price of $1.45 per share vesting over three years. The agreement is automatically renewed for successive one-year periods unless either party terminates the agreement. If we terminate Dr. Hawkins without cause, as that term is defined in the agreement, she is entitled to her base salary through the end of the one-year term during which the termination occurs. If we terminate Dr. Hawkins either because we eliminate her position of Senior Vice President or because there is a change in control of Antigenics, we are obligated to pay her cash or Antigenics common stock equal to one year's base salary.

In March 1995, in exchange for Dr. Pramod Srivastava's consulting services, we agreed to pay him $1,500 per day for up to three days per month. This obligation expires in March 2005 but will be automatically extended for additional one-year periods unless either we or Dr. Srivastava decide not to extend the agreement.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

As a limited liability company, a compensation committee consisting of Messrs. Afeyan and Brodsky reviewed salaries and incentive compensation for our employees and consultants. The compensation committee of the board of directors of Antigenics Inc. consists of Messrs. Taylor, Brodsky and Afeyan. Although none of the compensation committee members are officers or employees of Antigenics, each of Garo Armen, our chairman and chief executive officer, and Gamil de Chadarevian, our vice chairman and executive vice president international, have previously participated in compensation discussions with the committee. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our compensation committee. Mr. Brodsky, however, is a partner of Proskauer Rose LLP, a law firm that provides legal services to us.

DIRECTOR COMPENSATION

We reimburse directors for out-of-pocket and travel expenses incurred while attending board of director and committee meetings. We have generally granted to each director 17,203 shares when that director has joined our board.

EMPLOYEE BENEFIT PLANS

1999 EQUITY INCENTIVE PLAN

Our equity plan authorizes the grant of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, and nonqualified stock options for the purchase of an aggregate of 4,800,000 shares, subject to adjustment for stock splits and similar capital changes, of common stock to our employees and, in the case of non-qualified stock options, to consultants or any affiliate, as defined in the equity plan. The board of directors has appointed the compensation committee to administer the equity plan. Upon the closing of this offering, we will have issued options to purchase 1,696,423 shares of common stock under the equity plan, leaving 3,103,577 shares available for issuance under future grants under the equity plan.

1999 EMPLOYEE STOCK PURCHASE PLAN

We have also adopted an employee stock purchase plan under which employees may purchase shares of common stock at a discount from fair market value. We have reserved 300,000 shares of common stock for issuance under the purchase plan. The purchase plan is intended to qualify as an employee stock purchase plan within the meaning of Section 423 of the Internal Revenue Code of 1986, as amended. The compensation committee grants rights to purchase common stock under the purchase plan. The compensation committee also determines the frequency and duration of individual offerings under the plan and the dates when employees may purchase stock. Eligible employees participate voluntarily and may withdraw from any offering at any time before they purchase stock. Participation terminates automatically upon termination of employment. The purchase price per share of common stock in an offering will not be less than 85% of the lesser of its fair market value at the beginning of the offering period or on the applicable exercise date and employees may pay through payroll deductions, periodic lump sum payments or a combination of both. The purchase plan terminates on November 15, 2009. As of December 31, 1999, we had issued no shares of common stock under the purchase plan.

401(k) PLAN

We sponsor a 401(k) plan for all of our employees. Employees are eligible to participate after they have completed one year of service with us. Participants may contribute up to 15% of their current compensation, with a maximum of $10,500 in 2000. Each participant is fully vested in his or her salary contributions and related earnings and losses. We match 100% of the participant's contribution and our matching contributions vest over four years. We have discretion to change that amount at any time.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We currently lease office space at cost from GHA Management Corporation which is wholly owned by Garo Armen, Ph.D. Dr. Armen is our chairman and chief executive officer, and we use the office space for our corporate headquarters. We incurred an expense of approximately $143,000, $211,000 and $281,000 for the years ended December 31, 1997, 1998 and 1999, respectively in connection with that lease. Under the current agreement, we will pay approximately $312,000 annually until the agreement expires in December 2006. We believe that the terms of the current agreement are at least as favorable as terms we could have obtained in an arm's length transaction with an independent third party. As of December 31, 1999, we had outstanding letters of credit for the benefit of GHA Management Corporation in connection with this lease in the amount of $375,000. These letters of credit expire in January 2000. In addition, during 1997 we obtained office services from Armen Capital Management Corp., which is wholly owned by Dr. Armen, for $415,000. You should also read the discussion regarding Mr. Brodsky's relationship with the law firm of Proskauer Rose LLP under "Management -- Compensation Committee Interlocks and Insider Participation."

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of December 31, 1999, and as adjusted to reflect the sale of 3,000,000 shares of common stock in this offering, by:

- each person, or group of affiliated persons, who is known by us to beneficially own more than 5% of the common stock;
- each of our directors;
- each of our named executive officers; and
- all of our directors and current executive officers as a group.

Except as otherwise noted, the persons or entities in this table have sole voting and investing power with respect to all the shares of common stock beneficially owned by them, subject to community property laws, where applicable.

The "Number of Shares Beneficially Owned" column below is based on an assumed 20,715,942 shares of common stock outstanding before the offering, and 23,715,942 shares of common stock outstanding after the offering. For purposes of the table below, we deem shares of common stock subject to options that are currently exercisable or exercisable within 60 days of December 31, 1999, to be outstanding and to be beneficially owned by the person holding the options for the purpose of computing the percentage ownership of the person but we do not treat them as outstanding for the purpose of computing the percentage ownership of any other person.

	NUMBER OF SHARES BENEFICIALLY OWNED	PERCENTAGE OF TOTAL	
		BEFORE OFFERING	AFTER OFFERING
BENEFICIAL OWNER(1)			
Antigenics Holdings L.L.C.(2)	11,154,275	53.9%	47.0%
Garo H. Armen, Ph.D.(2)	134,431(3)	*	*
Pramod Srivastava, Ph.D.(2)	182,478(3)	*	*
Gamil de Chadarevian	1,625,839(4)	7.8%	6.8%
Elma Hawkins, Ph.D	137,627(3)	*	*
Neal Gordon, Ph.D	5,712(3)	*	*
Donald Panoz	270,612(5)	1.3%	1.1%
Noubar Afeyan, Ph.D.(2)	174,614(3)	*	*
Edward Brodsky(2)	17,203(3)	*	*
Tom Dechaene	--	*	*
Martin Taylor	54,363(6)	*	*
All current executive officers and directors as a group(2) (10 persons)	2,602,878(7)	11.2%	9.9%

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*Indicates less than 1%

(1)The address of each stockholder is Antigenics Inc., 630 Fifth Avenue, New York, New York 10111.

(2)Founder Holdings Inc. owns about 79.1% of the outstanding common stock of Antigenics Holdings. Antigenics Holdings owns 53.9% of our common stock before this offering and will own 47.0% after this offering. Messrs. Armen, Srivastava and Brodsky are managers of Antigenics Holdings. Messrs. Armen and Brodsky are directors of Founder Holdings. The following individuals own the indicated percentages of Founder Holdings outstanding common stock on a fully diluted basis:

INDIVIDUAL	PERCENTAGE
Garo Armen	43.1%
Pramod Srivastava	24.2%
Edward Brodsky	2.8%
Noubar Afeyan	1.1%
Lawrence Feinberg	19.4%

The following individuals own the indicated percentage interests in Antigenics Holdings on a fully diluted basis:

INDIVIDUAL	PERCENTAGE
Garo Armen	13.6%
Pramod Srivastava	6.2%
Edward Brodsky	0.6%

(3)Consists solely of shares of common stock issuable upon exercise of options currently exercisable or exercisable within 60 days of December 31, 1999.

(4)Includes 146,351 shares of common stock issuable upon exercise of options currently exercisable or exercisable within 60 days of December 31, 1999.

(5)Consists of (a) 17,203 shares of common stock issuable upon exercise of options currently exercisable or exercisable within 60 days of December 31, 1999 and (b) 253,409 shares of common stock held by Fountainhead Holdings Ltd., all of the capital stock of which is held by trusts, the beneficiaries of which are the children and grandchildren of Mr. Panoz.

(6)Includes 17,203 shares of common stock issuable upon exercise of options currently exercisable or exercisable within 60 days of December 31, 1999.

(7)Includes 832,821 shares of common stock issuable upon exercise of options currently exercisable or exercisable within 60 days of December 31, 1999. See footnotes (3), (4), (5) and (6).

DESCRIPTION OF CAPITAL STOCK

Immediately following the closing of this offering, our authorized capital stock will consist of 100,000,000 shares of common stock, $0.01 par value per share, and 1,000,000 shares of preferred stock, $0.01 par value per share. After the closing of this offering, if we give effect to the issuance of 3,000,000 shares of common stock and the merger of Antigenics L.L.C. with and into Antigenics Inc., as of December 31, 1999 there would have been:

- 23,715,942 shares of common stock outstanding;

- options to purchase 1,696,423 shares of common stock outstanding, of which options to purchase 1,159,334 shares will be exercisable upon the closing of this offering;

- warrants to purchase 280,886 shares of common stock outstanding, all of which will be exercisable upon the closing of this offering; and

- no shares of preferred stock outstanding.

COMMON STOCK

Subject to preferences that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of common stock are entitled to receive dividends out of assets legally available for payment of dividends, as the board may from time to time determine. Each stockholder is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Our certificate of incorporation does not provide for cumulative voting for the election of directors, which means that the holders of a majority of the shares voted can elect all of the directors then standing for election. The common stock is not entitled to preemptive rights and is not subject to conversion or redemption. Each outstanding share of common stock is, and all shares of common stock to be outstanding upon completion of this offering will be, fully paid and nonassessable.

PREFERRED STOCK

Pursuant to our certificate of incorporation, our board of directors has the authority, without further action by the stockholders, to issue up to 1,000,000 shares of preferred stock in one or more series and to fix the designations, powers, preferences, privileges and relative participating, optional or special rights as well as the qualifications, limitations or restrictions of those shares, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights of the common stock. Our board of directors, without stockholder approval, is able to issue preferred stock with voting, conversion or other rights that could adversely affect the voting power and other rights of the holders of common stock. We could therefore issue preferred stock quickly with terms calculated to delay or prevent a change in control or make removal of management more difficult. Additionally, the issuance of preferred stock may have the effect of decreasing the market price of the common stock, and may adversely affect the voting and other rights of the holders of common stock. At present, we have no shares of preferred stock outstanding.

WARRANTS

In a private placement in November 1999, we issued warrants to purchase member interest in Antigenics L.L.C. In connection with this offering, each warrant holder had the option to:

- convert the warrants into shares of common stock or

- exchange the warrants for warrants to purchase shares of Antigenics common stock.

None of the warrant holders elected to convert their warrants into shares of common stock. As a result, these warrants will be exchanged for warrants to acquire an aggregate of approximately 280,886 shares of common stock. The per share exercise price for the warrants is $13.96. If not previously exercised, each warrant will expire on September 30, 2002. Holders may not transfer the warrants without our consent.

ANTI-TAKEOVER PROVISIONS

Delaware Law

Section 203 of the Delaware General Corporation Law is applicable to corporate takeovers of Delaware corporations. Subject to exceptions enumerated in Section 203, Section 203 provides that a corporation shall not engage in any business combination with any "interested stockholder" for a three-year period following the date that the stockholder becomes an interested stockholder unless:

- prior to that date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, though some shares may be excluded from the calculation; and

- on or subsequent to that date, the business combination is approved by the board of directors of the corporation and by the affirmative votes of holders of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

Except as specified in Section 203, an interested stockholder is generally defined to include any person who, together with any affiliates or associates of that person, beneficially owns, directly or indirectly, 15% or more of the outstanding voting stock of the corporation, or is an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation, any time within three years immediately prior to the relevant date. Under some circumstances, Section 203 makes it more difficult for an interested stockholder to effect various business combinations with a corporation for a three-year period, although the stockholders may elect not to be governed by this section, by adopting an amendment to our certificate of incorporation or by-laws, effective 12 months after adoption. Our certificate of incorporation and by-laws do not exclude us from the restrictions imposed under Section 203. We expect that the provisions of Section 203 may encourage companies interested in acquiring us to negotiate in advance with our board of directors. These provisions may have the effect of deterring hostile takeovers or delaying changes in control of us, which could depress the market price of the common stock and which could deprive stockholders of opportunities to realize a premium on shares of the common stock held by them.

Charter and By-law Provisions

Our certificate of incorporation and by-laws contain provisions that could discourage potential takeover attempts and make more difficult attempts by stockholders to change management. Our certificate of incorporation provides that stockholders may not take action by written consent but may only act at a stockholders' meeting, and that only our president or a majority of our board may call special meetings of the stockholders. Our by-laws also require that stockholders provide advance notice of business to be brought by a stockholder before the annual meeting. Our certificate of incorporation includes provisions classifying the board of directors into three classes with staggered three-year terms. In addition, our directors may only be removed from office for cause. Under our certificate of incorporation and by-laws, the board of directors may enlarge the size of the board and fill any vacancies on the board. The by-laws provide that stockholders may not make nominations for directors at any annual or special meeting unless the stockholder intending to make a nomination notifies us of its intention a specified period in advance and furnishes certain information.

REGISTRATION RIGHTS

In connection with the private placement completed in November 1999, we granted registration rights with respect to 2,808,857 shares of common stock sold in that private placement. Pursuant to these registration rights, we are obligated to file, approximately 90 days after the date of this prospectus, a registration statement covering these shares of common stock for resale. We will bear all expenses incurred in connection with this registration, other than any underwriters' discounts and commissions.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no market for the common stock, and we cannot assure you that a liquid trading market for the common stock will develop or be sustained after this offering. Future sales of substantial amounts of common stock, including shares issued upon exercise of outstanding options and warrants, in the public market after this offering or the anticipation of those sales could adversely affect market prices prevailing from time to time and could impair our ability to raise capital through sales of our equity securities.

After the closing of this offering, we will have outstanding 23,715,942 shares of common stock, which assumes the underwriters do not exercise their over-allotment option and holders do not exercise any outstanding options or warrants. Of these shares, the shares sold in this offering will be freely tradable without restriction under the Securities Act unless purchased by our "affiliates", as that term is defined in Rule 144 under the Securities Act. We expect to register an additional 2,808,857 shares under a registration statement we will file approximately 90 days following this offering. Substantially all the remaining 17,907,085 restricted shares held by existing stockholders are subject to various lock-up agreements providing that, with limited exceptions, the stockholder will not offer, sell, contract to sell, grant an option to purchase, effect a short sale or otherwise dispose of or engage in any hedging or other transaction that is designed or reasonably expected to lead to a disposition of any shares of common stock or any option to purchase common stock or any securities exchangeable for or convertible into common stock for a period of one year after the date of this prospectus. Though these shares may be eligible for earlier sale under the provisions of the Securities Act, none of these shares will be saleable until 365 days after the date of this prospectus as a result of these lock-up agreements. In addition, as of December 31, 1999, we had outstanding options to purchase 1,696,423 shares of common stock, none of which we expect the option holders to exercise prior to the closing of this offering. In addition, we have outstanding warrants to purchase 280,886 shares of common stock.

In general, under Rule 144 as currently in effect, a person, or persons whose shares are aggregated, who has beneficially owned restricted shares for at least one year is entitled to sell within any three-month period up to that number of shares that does not exceed the greater of: (1) 1% of the number of shares of common stock then outstanding, which will be approximately 237,159 shares after this offering, or (2) the average weekly trading volume of the common stock during the four calendar weeks preceding the filing of a Form 144 with respect to the sale. Sales under Rule 144 are also subject to certain "manner of sale" provisions and notice requirements and to the requirement that the issuer has made current public information about itself available. Under Rule 144(k), a person who is not deemed to have been an affiliate of the issuer at any time during the three months preceding a sale, and who has beneficially owned the shares proposed to be sold for at least two years, including the holding period of any prior owner except an affiliate, is entitled to sell those shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144.

Rule 701 permits resales of qualified shares held by some affiliates in reliance upon Rule 144 but without compliance with some restrictions, including the holding period requirement, of Rule 144. Any of our

employees, officers, directors or consultants who purchased his or her shares pursuant to a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701. Rule 701 further provides that non-affiliates may sell shares in reliance on Rule 144 without having to comply with the holding period, public information, volume limitation or notice provisions of Rule 144. All holders of Rule 701 shares of common stock are required to wait until 90 days after the date of this prospectus before selling shares. However, all shares issued pursuant to Rule 701 are subject to lock-up agreements and will only become eligible for sale at the expiration of the 365-day lock-up.

UNDERWRITING

Subject to certain terms and conditions contained in an underwriting agreement, the underwriters named below, for whom U.S. Bancorp Piper Jaffray Inc. and FleetBoston Robertson Stephens Inc. are acting as representatives, have severally agreed to purchase the number of shares of common stock from us set forth opposite their names below:

UNDERWRITERS	NUMBER OF SHARES
U.S. Bancorp Piper Jaffray Inc.....	
FleetBoston Robertson Stephens Inc.....	
Total.....	========

The underwriting agreement provides that the obligations of the several underwriters to purchase shares of common stock are subject to the approval of certain legal matters by counsel and to certain other conditions. If any of the shares of common stock are purchased by the underwriters pursuant to the underwriting agreement, all such shares of common stock (other than the shares of common stock covered by the over-allotment option described below) must be so purchased.

We have been advised by the underwriter representatives that the underwriters propose to offer the shares of common stock to the public initially at the price to the public set forth on the cover page of this prospectus and to certain dealers (who may include the underwriters) at such price less a concession not to exceed $ per share. The underwriters may allow, and such dealers may reallow, discounts not in excess of $ per share to any other underwriter and certain other dealers.

We have granted to the underwriters an option to purchase up to 450,000 additional shares of common stock at the initial public offering price less the underwriting discount solely to cover over-allotments. Such option may be exercised in whole or in part from time to time during the 30-day period after the date of this prospectus. To the extent that the underwriters exercise such option, each of the underwriters will be committed, subject to certain conditions, to purchase a number of option shares proportionate to such underwriter's initial commitment as indicated in the preceding table. If the underwriters exercise their option in full, the total price to the public would be $, the total underwriting discount would be $ and total proceeds to us would be $.

We, together with certain of our stockholders and our executive officers and directors, have agreed not to directly or indirectly offer, pledge, sell, contract to sell, sell any option or contract to purchase or grant any option, right or warrant to purchase or otherwise transfer or dispose of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock, or enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of such common stock, or to cause a registration statement covering any shares of common stock to be filed, for a period of one year after the date of this prospectus without the prior written consent of the underwriters, subject to limited exceptions. See "Shares Eligible for Future Sale."

Prior to this offering, there has been no established trading market for the common stock. The initial price to the public for the common stock offered by us will be determined by negotiation among and the underwriter representatives and us. The factors to be considered in determining the initial price to the public will include the history of and the prospects for the industry in which we compete, the ability of our management, our past and present operations, our prospects for future earnings, the general condition of the securities markets at the time of this offering and the recent market prices of securities of generally comparable companies. We will apply to list our common stock on the Nasdaq National Market.

The underwriters do not intend to make sales to accounts over which they exercise discretionary authority in excess of 5% of the number of shares of common stock offered hereby.

In connection with this offering, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may over-allot this offering, creating a syndicate short position. Underwriters may bid for and purchase shares of common stock in the open market to cover syndicate short positions. In addition, the underwriters may bid for and purchase shares of common stock in the open market to stabilize the price of the common stock. These activities may stabilize or maintain the market price of the common stock above independent market levels. These transactions may be effected on the Nasdaq National Market or otherwise. The underwriters are not required to engage in these activities and may end these activities at any time.

In connection with this offering, some underwriters and selling group members may also engage in passive market making transactions in the common stock on the Nasdaq National Market. Passive market making consists of displaying bids on the Nasdaq National Market limited by the prices of independent market makers and effecting purchases limited by those prices in response to order flow. Rule 103 of Regulation M promulgated by the SEC limits the amount of net purchases that each passive market maker may make and the displayed size of each bid. Passive market making may stabilize the market price of the common stock at a level above that which might otherwise prevail in the open market and, if commenced, may be discontinued at any time.

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 150,000 shares of common stock for our directors, officers, employees and business associates. The number of shares of common stock available for sale to the general public will be reduced to the extent those persons purchase any of the reserved shares. Any reserved shares that are not purchased will be offered by the underwriters to the general public on the same basis as the other shares in this offering.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

Each underwriter has represented and agreed to the following:

- - it has not offered or sold, and for six months after the date we issue the common stock, will not offer or sell any shares of common stock to persons in the United Kingdom except to persons who are ordinarily involved in acquiring, holding, managing or disposing of investments, as principal or agent, for business purposes or in other circumstances which have not resulted and will not result in a public offer in the United Kingdom within the Public Offers of Securities Regulations 1995;

- - it has complied and will comply with all applicable provisions of the Financial Services Act 1986 and the Public Offers of Securities Regulations 1995 in any act it has taken or will take with respect to the common stock in, from or otherwise involving the United Kingdom; and

- - it has only distributed and will only distribute to any person in the United Kingdom any document received by it in connection with the issuance of the common stock if that person is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or is a person to whom such document may otherwise be distributed.

The common stock will not be offered directly or indirectly to the public in Ireland. This document does not constitute or form part of any offer or invitation to the public or any section of the public in Ireland to purchase or subscribe for, nor does it constitute a form of application, for any common stock for the purposes of the Irish Companies Acts, 1963-1999 or the European Communities (Transferable Securities and Stock Exchange) Regulations 1992 or any other law of Ireland.

The common stock offered has not been and will not be registered with the Comision Nacional del Mercado de Valores (Spanish Securities Market Commission) according to the requirements of Act 24/1988 and R.D. 291/1992. Consequently, the common stock may not be publicly offered, subscribed, sold or distributed in Spain.

LEGAL MATTERS

Palmer & Dodge LLP, Boston, Massachusetts will pass upon the validity of the common stock offered by this prospectus for us. Shearman & Sterling, New York, New York, will pass upon certain legal matters in connection with this offering for the underwriters.

EXPERTS

We have included in this prospectus and in the registration statement the consolidated financial statements of Antigenics L.L.C. and subsidiaries as of December 31, 1998 and 1999, and for each of the years in the three-year period ended December 31, 1999, and for the period from March 31, 1994 (date of inception) to December 31, 1999, in reliance upon the report of KPMG LLP, independent certified public accountants, appearing elsewhere in this prospectus, and upon the authority of that firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-1 with the SEC for the stock we are offering by this prospectus. This prospectus does not include all of the information contained in the registration statement. You should refer to the registration statement and its exhibits for additional information. While we have disclosed the material terms of any of our contracts, agreements or other documents referenced in this prospectus, you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document. When we complete this offering, we will also be required to file annual, quarterly and special reports, proxy statements and other information with the SEC.

You can read our SEC filings, including the registration statement, over the Internet at the SEC's web site at http://www.sec.gov. You may also read and copy any document we file with the SEC at its public reference facilities at 450 Fifth Street, NW, Washington, DC 20549, 7 World Trade Center, Suite 1300, New York, New York 10048 and Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 450 Fifth Street, NW, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities. Our SEC filings are also available at the office of the Nasdaq National Market. For further information on obtaining copies of our public filings at the Nasdaq National Market you should call (212) 656-5060.

You should rely only on the information contained in the registration statement, including its exhibits. We have not, and the underwriters have not, authorized any other person to provide you with different information. This prospectus is not an offer to sell, nor is it seeking an offer to buy, the securities in any state where the offer or sale is not permitted. The information in this prospectus is complete and accurate as of the date in the front cover, but the information may have changed since that date.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

The Members and Board of Managers

Antigenics L.L.C.:

We have audited the accompanying consolidated balance sheets of Antigenics L.L.C. and subsidiaries (a Delaware limited liability company in the development stage and a successor operating company) as of December 31, 1998 and 1999, and the related consolidated statements of operations, members' equity and cash flows for each of the years in the three-year period ended December 31, 1999 and for the period from March 31, 1994 (date of inception) to December 31, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Antigenics L.L.C. and subsidiaries as of December 31, 1998 and 1999 and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1999 and for the period from March 31, 1994 (date of inception) to December 31, 1999, in conformity with generally accepted accounting principles.

/s/ KPMG LLP

Short Hills, New Jersey

January 17, 2000

ANTIGENICS L.L.C.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 1998 AND 1999

	1998	1999
ASSETS		
Cash and cash equivalents	$ 22,168,049	$ 46,417,942
Prepaid expenses	230,632	103,204
Deferred public offering costs	--	559,417
Other assets	21,189	591,134
Due from related party	27,605	240
Total current assets	22,447,475	47,671,937
Plant and equipment, net	4,106,183	8,034,598
Other assets	74,071	297,646
Organization costs, less accumulated amortization of $28,174 in 1998	7,885	--
Total assets	$ 26,635,614	$ 56,004,181
LIABILITIES AND MEMBERS' EQUITY		
Accounts payable	$ 2,036,814	$ 424,673
Accrued liabilities	48,134	933,440
Current portion, long-term debt	200,497	812,702
Total current liabilities	2,285,445	2,170,815
Long-term debt	709,006	2,155,005
Members' capital -- no stated value; 104,024 and 120,418 units issued in 1998 and 1999, respectively	45,849,184	89,954,195
Subscription notes receivable	(2,102,000)	--
Deferred compensation	(613,545)	(659,081)
Deficit accumulated during development stage	(19,492,476)	(37,616,753)
Total members' equity	23,641,163	51,678,361
Commitments and contingencies		
Total liabilities and members' equity	$ 26,635,614	$ 56,004,181

See accompanying notes to consolidated financial statements.

ANTIGENICS L.L.C.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 AND

FOR THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)

TO DECEMBER 31, 1999

	1997	1998	1999	MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31, 1999
Revenue	$ --	$ --	$ --	$ --
Expenses:				
Research and development:				
Related party	(39,630)	--	(33,000)	(72,630)
Other	(2,523,041)	(6,102,362)	(10,943,934)	(22,441,824)
	(2,562,671)	(6,102,362)	(10,976,934)	(22,514,454)
General and administrative:				
Related party	(518,011)	(211,152)	(248,000)	(1,269,555)
Other	(1,030,934)	(2,966,011)	(6,626,543)	(14,620,306)
	(1,548,945)	(3,177,163)	(6,874,543)	(15,889,861)
Depreciation and amortization	(202,090)	(360,285)	(1,005,411)	(1,701,758)
Total operating loss	(4,313,706)	(9,639,810)	(18,856,888)	(40,106,073)
Other income:				
Non-operating income	--	--	10,000	259,988
Interest income	481,179	735,778	1,014,008	2,520,729
Interest expense	--	--	(291,397)	(291,397)
Net loss	$(3,832,527)	$(8,904,032)	$(18,124,277)	$(37,616,753)
Net loss per members' equity unit, basic and diluted	$ (42.81)	$ (93.07)	$ (171.85)	
Weighted average members' equity units outstanding, basic and diluted	89,525	95,673	105,468	

See accompanying notes to consolidated financial statements.

ANTIGENICS L.L.C.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 AND

THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)

TO DECEMBER 31, 1999

	UNITS	MEMBERS' CAPITAL	SUBSCRIPTION NOTES RECEIVABLE	DEFERRED COMPENSATION	DEFICIT ACCUMULATED DURING DEVELOPMENT STAGE	TOTAL
Balance at March 31, 1994	--	$ --	$ --	$ --	$ --	$ --
Net loss	--	--	--	--	(183,440)	(183,440)
Issuance of units to founders during 1994, for cash, $6 per unit	65,200	400,010	--	--	--	400,010
Balance at December 31, 1994	65,200	400,010	--	--	(183,440)	216,570
Net loss	--	--	--	--	(3,226,579)	(3,226,579)
Issuance of units in connection with the recapitalization in December 1995, $250 per unit	6,000	1,500,000	(150,000)	--	--	1,350,000
Grant of members' equity units	8,800	2,200,000	--	--	--	2,200,000
Balance at December 31, 1995	80,000	4,100,010	(150,000)	--	(3,410,019)	539,991
Net loss	--	--	--	--	(3,345,898)	(3,345,898)
Payment of subscription notes receivable	--	--	150,000	--	--	150,000
Deferred compensation on options	--	781,200	--	(781,200)	--	--
Grant and recognition of options	--	1,116,815	--	347,200	--	1,464,015
Issuance of units in private placement from March 13, 1996 to December 31, 1996, $1,118 per unit	9,512	10,600,000	(250,000)	--	--	10,350,000
Balance at December 31, 1996	89,512	16,598,025	(250,000)	(434,000)	(6,755,917)	9,158,108
Net loss	--	--	--	--	(3,832,527)	(3,832,527)
Payment of subscription notes receivable	--	--	250,000	--	--	250,000
Deferred compensation on options	--	144,004	--	(144,004)	--	--
Grant and recognition of options	--	62,815	--	188,373	--	251,188
Issuance of units in private placement from September 8, 1997 to December 31, 1997, $1,922 per unit	3,842	7,385,000	--	--	--	7,385,000
Balance at December 31, 1997	93,354	24,189,844	--	(389,631)	(10,588,444)	13,211,769
Net loss	--	--	--	--	(8,904,032)	(8,904,032)
Deferred compensation on options	--	493,701	--	(493,701)	--	--
Grant and recognition of options	--	838,654	--	269,787	--	1,108,441
Exercise of options	224	250,000	--	--	--	250,000
Issuance of units in private placement from January 1, 1998 to December 31, 1998, $1,922 per unit	10,446	20,076,985	(2,102,000)	--	--	17,974,985
Balance at December 31, 1998	104,024	45,849,184	(2,102,000)	(613,545)	(19,492,476)	23,641,163
Net loss					(18,124,277)	(18,124,277)
Payment of subscription notes receivable			2,102,000			2,102,000
Deferred compensation on options		354,009		(354,009)	--	--
Grant and recognition of options		4,718,582		308,473		5,027,055
Exercise of options	10	100	--	--	--	100
Issuance of units in private placement in January, 1999, $1,922 per unit	57	110,000				110,000
Issuance of units and warrants in private placement on November 30, 1999, $2,402 per unit (net of issuance costs of $293,000)	16,327	38,922,320				38,922,320
Balance at December 31, 1999	120,418	$89,954,195	$ --	$(659,081)	$(37,616,753)	$ 51,678,361

See accompanying notes to consolidated financial statements.

ANTIGENICS L.L.C.

(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1996, 1997 AND 1998 AND

FOR THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)

TO DECEMBER 31, 1999

	1997	1998	1999	MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31, 1999
Cash flows from operating activities:				
Net loss	$(3,832,527)	$(8,904,032)	$(18,124,277)	$(37,616,753)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization	202,090	360,285	1,005,411	1,701,758
Members' equity options and Predecessor Company options	251,188	1,108,441	5,027,055	7,850,699
Members' equity grant	--	--	--	2,200,000
Changes in operating assets and liabilities:				
Other assets	(64,583)	(28,885)	(793,520)	(888,780)
Prepaid assets	(87,927)	(91,638)	127,428	(103,204)
Organization costs	--	--	--	(32,934)
Accounts payable	(553,263)	1,791,212	(1,612,141)	424,673
Accrued liabilities	504,004	(522,735)	885,306	933,440
Due to/from related party, net	63,361	(89,263)	27,365	(240)
Net cash used in operating activities	(3,517,657)	(6,376,615)	(13,457,373)	(25,531,341)
Cash flows from investing activities:				
Purchase of plant and equipment	(622,504)	(3,704,168)	(4,925,941)	(9,735,364)
Proceeds from the sale of plant and equipment	4,000	27,942	--	31,942
Net cash used in investing activities	(618,504)	(3,676,226)	(4,925,941)	(9,703,422)
Cash flows from financing activities:				
Members' equity contributions	7,635,000	17,974,985	41,134,320	78,994,315
Exercise of members' equity options	--	250,000	100	250,100
Deferred public offering costs	--	--	(559,417)	(559,417)
Payments of long-term debt	--	--	(512,835)	(512,835)
Proceeds from long-term debt	--	909,503	2,571,039	3,480,542
Net cash provided by financing activities	7,635,000	19,134,488	42,633,207	81,652,705
Net increase in cash and cash equivalents	3,498,839	9,081,647	24,249,893	46,417,942
Cash and cash equivalents at beginning of period	9,587,563	13,086,402	22,168,049	--
Cash and cash equivalents at end of period	$13,086,402	$22,168,049	$ 46,417,942	$ 46,417,942
Non-cash investing and financing activities:				
Members' equity contributions financed by notes receivable	$ --	$ 2,102,000	$ --	$ --

See accompanying notes to consolidated financial statements.

ANTIGENICS L.L.C.

(A DEVELOPMENT STAGE COMPANY)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) ORGANIZATION AND BUSINESS

The business was formed on March 31, 1994 through the creation of a Delaware corporation (the Predecessor Company). In July 1995, the founders of the Predecessor Company formed Antigenics L.L.C. (together with its subsidiaries, Antigenics or the Company), a Delaware limited liability company, and subsequently transferred to the Company all of the assets, liabilities, properties and rights of the Delaware corporation in exchange for an initial 81.5% equity interest in the Company. The accounting for this recapitalization was recorded at the Predecessor Company's historical cost. In connection with the recapitalization, the Company also raised $1,500,000 (including $150,000 of subscription notes receivable) in a private equity transaction in exchange for a 7.5% initial ownership interest and a further 11% initial ownership interest was exchanged for services rendered to the Company by certain outside advisors, the value of which was recognized as a non-cash expense of $2,200,000 during 1995.

Since the reorganization in 1995, the Predecessor Company has directly or indirectly owned a majority of the Company's members' equity units. As of December 31, 1999, the Predecessor Company owns approximately 79% of a limited liability company that in turn owns approximately 54% of the Company's outstanding members' equity units. Certain board members and executive officers of the Company own significant interests in these related parties.

The Company is developing immunotherapeutics for the treatment of cancer, infectious diseases and autoimmune disorders based on the Company's proprietary heat shock protein technology. The Company's research has demonstrated that when purified heat shock protein-peptide complexes are injected into the skin, they trigger an immune response against cancers and infectious diseases. Antigenics seeks to create immunotherapeutics to stimulate patients' immune systems into destroying diseased cells in the body.

Antigenics is primarily engaged in the development of its heat shock protein technology and its lead immunotherapeutic product, Oncophage(R). The related business activities include product research and development activities, regulatory and clinical affairs, establishing manufacturing capabilities, production for clinical trials, and administrative and corporate development activities. As of December 31, 1999, the Company has not commenced commercial operations and, accordingly, is in the development stage. Consequently, the Company is subject to all the risks inherent in the establishment of a new business. The Company has incurred annual operating losses since inception and, as a result, at December 31, 1999 has a deficit accumulated during the development stage of approximately $37.6 million. The Company's operations during development have been funded principally by members' equity. While the Company believes that its working capital resources are sufficient to satisfy its liquidity requirements over the next 12 months, satisfying the Company's long-term liquidity needs will require the successful commercialization of Oncophage or other products and may require additional capital.

The Company's immunotherapeutics require clinical trials and approvals from regulatory agencies as well as acceptance in the marketplace. The Company is conducting clinical trials in various cancer indications. Although the Company believes its patents, patent rights and patent applications are valid, the invalidation of its patents or failure of certain of its pending patent applications to issue as patents could have a material adverse effect upon its business. The Company competes with specialized biotechnology companies, major pharmaceutical and chemical companies and universities and research institutions. Many of these competitors have substantially greater resources than the Company.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The Company's consolidated financial statements include the accounts of Antigenics L.L.C. and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

(b) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) CASH AND CASH EQUIVALENTS

The Company considers all highly liquid investments purchased with maturities at acquisition of three months or less to be cash equivalents. Cash equivalents at December 31, 1998 and 1999 consist of investments in money market accounts which are unrestricted as to withdrawal or use.

(d) PLANT AND EQUIPMENT

Plant and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is computed over the shorter of the lease term or estimated useful life of the asset. Additions and improvements are capitalized, while repairs and maintenance are charged to expense as incurred.

(e) ORGANIZATION COSTS

Prior to 1999, organization costs, consisting primarily of legal fees, were amortized using the straight-line method over a five-year period. Effective January 1, 1999, the Company adopted the provisions of the American Institute of Certified Public Accountants' Statement of Position No. 98-5 (SOP 98-5), "Reporting on the Costs of Start-Up Activities". SOP 98-5 requires that the costs of start-up activities and organizational costs be expensed as incurred and that previously capitalized organizational costs be charged to operations. The adoption of SOP 98-5 had an immaterial effect on the Company's consolidated financial statements.

(f) LONG-LIVED ASSETS

The Company's policy is to record long-lived assets at cost, amortizing these costs over the expected useful lives of the related assets. In accordance with Statement of Financial Accounting Standards (SFAS) No. 121, "Accounting for the Impairment of Long-lived Assets and for Long-lived Assets to be Disposed of," these assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. The assets are evaluated for continuing value and proper useful lives by comparison to expected undiscounted future net cash flows. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets, calculated as expected discounted future cash flows. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

(g) FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument represents the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. Significant differences can arise between the fair value and carrying amounts of financial instruments that are recognized at historical cost amounts. The estimated fair values of all of the Company's financial instruments, excluding debt, approximate their carrying amounts in the consolidated balance sheets. The

fair value of the Company's long-term debt was derived by evaluating the nature and terms of each term note and considering the prevailing economic and market conditions at the balance sheet date. The carrying amount of debt, including current portions, is approximately $910,000 and $2,968,000 at December 31, 1998 and 1999, respectively; and the fair value is estimated to be approximately $910,000 and $3,026,000 at December 31, 1998 and 1999, respectively.

(h) ACCRUED LIABILITIES

Accrued liabilities consist of the following at December 31, 1998 and 1999:

	1998	1999
Clinical trials	$23,946	$399,897
Professional fees	--	170,000
Vacation	2,400	59,551
Sponsored research	--	81,000
Other	21,788	222,992
	$48,134	$933,440

(i) MEMBERS' EQUITY OPTION PLAN

The Company accounts for options granted to employees and directors in accordance with Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. As such, compensation expense is recorded on fixed members' equity option grants only if the current fair value of the underlying unit exceeds the exercise price of the option at the date of grant.

The Company accounts for members' equity options granted to non-employees on a fair value basis in accordance with SFAS No. 123, "Accounting for Stock-Based Compensation" and Emerging Issues Task Force Issue No. 96-18, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services". As a result, the non-cash charge to operations for non-employee options with vesting or other performance criteria is affected each reporting period by changes in the fair value of the Company's members' equity units.

As required, the Company also provides pro forma net loss and pro forma net loss per members' equity unit disclosures for employee and director members' equity option grants as if the fair-value-based method defined in SFAS No. 123 had been applied (see Note 5).

(j) RESEARCH AND DEVELOPMENT

Research and Development expenses include the costs associated with internal research and development by the Company and research and development conducted for the Company by outside advisors, sponsored university-based research partners, and clinical study partners. All research and development costs discussed above are expensed as incurred. Amounts received under research and development contracts, which are not refundable, are recorded as a reduction to research and development expense in the consolidated statement of operations.

(k) INCOME TAXES

As a Delaware limited liability company, no federal, state and local income taxes are levied on the Company. Each member of the Company is individually responsible for reporting his or her share of the

Company's net income or loss on their personal tax returns. Therefore, no provision for income taxes and no deferred tax assets or liabilities are recognized in the accompanying consolidated financial statements.

(l) NET LOSS PER MEMBERS' EQUITY UNIT

Basic earnings or loss per members' equity unit (EPU) is computed using the weighted average number of members' equity units outstanding during the period being reported on. Diluted EPU reflects the potential dilution that could occur if securities or other contracts to issue members' equity units were exercised or converted into members' equity units at the beginning of the period being reported on and the effect was dilutive. Net loss and weighted average members' equity units used for computing diluted EPU were the same as that used for computing basic EPU for each of the years ended December 31, 1997, 1998 and 1999 because the Company's members' equity options and warrants were not included in the calculation since the inclusion of such potential members' equity units would be antidilutive.

(m) 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 or separate business entities with respect to any of its product candidates. Accordingly, the Company does not prepare discrete financial information with respect to separate product areas or by location and does not have separately reportable segments as defined by SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information."

(n) RECENT ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", which establishes accounting and reporting standards for derivative instruments, including derivatives instruments embedded in other contracts, and for hedging activities. SFAS No. 133 is effective for all the Company's fiscal quarters beginning January 1, 2001. This statement is not expected to affect the Company as it currently does not have derivative instruments or engage in hedging activities.

(3) PLANT AND EQUIPMENT, NET

Plant and equipment, net at December 31, 1998 and 1999 consists of the following:

	1998	1999	ESTIMATED DEPRECIABLE LIVES
Furniture, fixtures and other.....	$ 486,933	$ 575,989	3 to 10 years
Laboratory and manufacturing equipment.....	1,426,427	2,915,053	3 to 10 years
Leasehold improvements.....	224,580	5,901,213	2 to 5 years
Construction in progress.....	2,639,181	--	
	4,777,121	9,392,255	
Less accumulated depreciation and amortization.....	670,938	1,357,657	
	$4,106,183	$8,034,598	

Plant and equipment retired and removed from the accounts aggregated $310,807 for the year ended December 31, 1999.

(4) MEMBERS' EQUITY

Antigenics has one class of members' equity. All members vote their equity interests in proportion to their respective unit interest in the Company. Net profits and losses of the Company for each fiscal year are allocated to the capital accounts of the members as described in the limited liability company agreement, generally in proportion to their respective unit ownership interests. No members are liable for any obligations of the Company or are required to contribute any additional capital related to the deficits incurred.

Since the formation of the Company in 1995 (see Note 1), the Company has raised capital through private placement equity transactions. During 1996, the Company completed a private placement offering of approximately 9,500 members' equity units in exchange for $10,600,000. Subscription notes receivable of $250,000 at December 31, 1996, which represented promissory notes from members in consideration of their equity contributions, were satisfied in full during 1997.

During 1997, the Company commenced a private placement offering, which resulted in approximately 3,800 members' equity units being sold for approximately $7,385,000 during 1997 and approximately 10,400 members' equity units being sold for approximately $20,077,000 during 1998. This offering was completed during early 1999 and resulted in an aggregate of approximately $27,572,000 being received by the Company over the three-year period.

Subscription notes receivable of $2,102,000 at December 31, 1998, which represented promissory notes from members in consideration of their equity contributions, were satisfied in full during 1999.

In November 1999, the Company raised gross proceeds of approximately $39.2 million from the sale of approximately 16,300 members' equity units, inclusive of warrants, through a private equity placement. In connection with the private placement, the Company netted approximately $293,000 of expenses against the gross proceeds and agreed to issue approximately 32 members' equity units to placement agents which are not considered outstanding as of December 31, 1999. Each member participating in this private placement received a warrant to purchase an additional 10% of the units acquired in this offering, rounded to the nearest whole number, at a price of approximately $2,402 per unit. The warrants expire on September 30, 2002. Each warrant holder has the option to convert its warrants into common stock of Antigenics Inc. on a cashless basis upon the completion of an initial public offering (IPO) of the Company's equity, the amount of which is affected by the offering price of the common stock. Each member participating in this private placement also received registration rights in the event of an IPO.

(5) EQUITY OPTIONS

In March 1996, the board of managers approved an equity-based incentive compensation plan (the Plan). Pursuant to the provisions of the Plan, the board of managers may grant options to directors, employees and outside advisors to purchase members' equity units of the Company. At the date of grant, the board of managers sets the terms of the options including the exercise price and vesting period. The options granted through December 31, 1999 have vesting periods ranging up to five years. Options generally have a contractual life of ten years. A maximum of 9% (increased from 7% during 1999) of total equity, inclusive of the options granted, may be granted as options (approximately 11,900 options as of December 31, 1999).

The following summarizes activity for options granted to directors and employees, including those with an exercise price equal to the fair value of the underlying members' equity unit at the date of grant ("at-the-money exercise price"), those with an exercise price greater than the fair value of the underlying members' equity unit at the date of grant ("out-of-the-money exercise price"), and those with an exercise

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

price less than the fair value of the underlying members' equity unit at the date of grant ("in-the-money exercise price"):

	MEMBERS' EQUITY OPTIONS	OPTIONS EXERCISABLE AT END OF YEAR	WEIGHTED AVERAGE GRANT-DATE FAIR VALUE	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding December 31, 1995	--			
Granted:				
At-the-money exercise price	1,300		$ 120	$ 250
In-the-money exercise price	900		948	250
Exercised	--		--	--
Outstanding December 31, 1996	2,200	1,500		
Granted:				
At-the-money exercise price	110		687	1,118
In-the-money exercise price	166		1,113	522
Exercised	--		--	--
Outstanding December 31, 1997	2,476	1,733		
Granted:				
Out-of-the-money exercise price	154		1,158	1,922
In-the-money exercise price	536		1,441	1,001
Exercised	--		--	--
Outstanding December 31, 1998	3,166	2,022		
Granted:				
Out-of-the-money exercise price	1,480		1,075	2,077
In-the-money exercise price	296		1,664	1,118
Expired	(127)		--	1,222
Exercised	--		--	--
Outstanding December 31, 1999	4,815	2,907		

During 1996, 1997, 1998 and 1999, 900, 166, 536 and 296 options, respectively, were granted to employees and directors at exercise prices which were less than the fair value of the underlying members' equity units on the grant date. Compensation expense recognized with respect to such options totaled approximately $347,000, $188,000, $270,000 and $308,000 for the years ended December 31, 1996, 1997, 1998 and 1999, respectively. Deferred compensation at December 31, 1999 of approximately $659,000 will be recognized over the vesting period of the options.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The following summarizes activity for options granted to outside advisors:

	MEMBERS' EQUITY OPTIONS	OPTIONS EXERCISABLE AT END OF YEAR	WEIGHTED AVERAGE GRANT-DATE FAIR VALUE	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding December 31, 1995	--			
Granted	2,057		$ 577	$ 344
Exercised	--		--	--
Outstanding December 31, 1996	2,057	1,449		
Granted	--		--	--
Exercised	--		--	--
Outstanding December 31, 1997	2,057	1,857		
Granted	1,115		1,649	549
Exercised	(224)		--	250
Outstanding December 31, 1998	2,948	1,783		
Granted	1,591		1,614	2,066
Exercised	(10)		--	10
Outstanding December 31, 1999	4,529	3,555		

In December 1999, the board of managers accelerated the remaining vesting requirements on 1,562 members' equity options granted to outside advisors. As a result, the Company recognized a charge to operations in the fourth quarter of 1999 of approximately $2,093,000.

The 1996 options grants above exclude 517 options granted to outside advisors with an exercise price which is determined based on fair value of the underlying units beginning on the second anniversary of the grant date as the options vest. Compensation expense for these options is recognized when the exercise price becomes known and performance has been completed. For the years ended December 31, 1998 and 1999, approximately $199,000 and $189,000, respectively, was charged to operations for 138 and 139 of such options, respectively, that vested at an exercise price of approximately $1,922 per unit in each year.

The charge to operations related to options granted to outside advisors by the Company, including the amounts described in the previous two paragraphs, totaled approximately $696,000, $63,000, $839,000 and $4,719,000 for the years ended December 31, 1996, 1997, 1998 and 1999, respectively. At December 31, 1999, unrecognized expense for options granted to outside advisors for which performance (vesting) has not yet been completed but the exercise price of the options is known is approximately $40,000; such amount is subject to change each reporting period based upon changes in the fair value of the Company's members' equity units, estimated volatility and the risk free interest rate until the outside advisor completes his or her performance under the option agreement.

A summary of the Company's options outstanding and exercisable, excluding the 1996 options described above for which the exercise price is not yet known, as of December 31, 1999, follows:

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING	WEIGHTED AVE. REMAINING LIFE (YEARS)	WEIGHTED AVE. EXERCISE PRICE	NUMBER EXERCISABLE	WEIGHTED AVE. EXERCISE PRICE
$ 250 - $ 750	5,258	6.73	$ 301	4,300	$ 262
$ 751 - $1,250	1,161	8.13	1,118	169	1,118
$1,251 - $1,750	--	--	--	--	--
$1,751 - $2,250	3,202	9.27	2,078	1,993	2,077
	9,621			6,462	

Since the 1995 reorganization described in Note 1, the Predecessor Company has directly or indirectly owned a majority of the Company's members' equity units. During 1996, the Predecessor Company approved a stock option plan (the Predecessor Plan). In accordance with generally accepted accounting principles, the Predecessor Plan is accounted for as if it had been adopted by Antigenics and treated as a contribution to members' capital. Pursuant to the provisions of the Predecessor Plan, the Predecessor Company may grant options to officers, directors, employees and consultants to purchase common stock of the Predecessor Company. The terms of the options, including exercise price and vesting period, are set at the date of grant. The options have a contractual life of ten years and may not have an exercise price less than the fair value of a share of common stock of the Predecessor Company at date of grant. A maximum of 300 options may be granted under the Predecessor Plan.

During 1996, the Predecessor Company granted approximately 160 options to directors and employees at a weighted average exercise price of $9,006 per share of Predecessor Company common stock and a weighted average grant-date fair value of approximately $4,301 per share. During 1997, the Predecessor Company granted approximately 14 options to a director at a weighted average exercise price of $26,666 per share of Predecessor Company common stock and a weighted average grant-date fair value of $16,407 per share. All the options are immediately vested and exercisable. All of the options remain outstanding and none have been exercised. No compensation expense was recognized by Antigenics during 1996 and 1997 as the exercise price of the options is equal to the fair value of the common stock of the Predecessor Company at the date of the option grant.

During 1996, the Predecessor Company granted approximately 76 options to consultants at a weighted average exercise price of $9,006 per share and a weighted average grant-date fair value of approximately $5,535 per share. All of the consultants' options are immediately vested and exercisable. All of the consultants' options remain outstanding and none have been exercised. During 1996, Antigenics recognized a charge to operations related to options granted to consultants by the Predecessor Company of approximately $421,000.

The Company accounts for options granted to employees and directors under APB Opinion No. 25. Had compensation cost for options granted to employees and directors by Antigenics and the Predecessor

Company been determined consistent with SFAS No. 123, the Company's pro forma net loss and pro forma net loss per members' equity unit would have been as follows:

	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1999
Net loss:			
As reported	$(3,832,527)	$(8,904,032)	$(18,124,277)
Pro forma	(4,090,742)	(8,978,654)	(19,097,345)
Net loss per members' equity unit:			
As reported	$ (42.81)	$ (93.07)	$ (171.85)
Pro forma	(45.69)	(93.85)	(181.07)

The effects of applying SFAS No. 123, for either recognizing or disclosing compensation cost under such pronouncement, may not be representative of the effects on reported net income or loss for future years. The fair value of each option granted is estimated on the date of grant using an option-pricing model with the following weighted average assumptions:

	1997	1998	1999
Estimated volatility	57%	61%	54%
Expected life in years -- employee and director options	6	6	6
Risk-free interest rate	6.3%	5.4%	5.0%
Dividend yield	0%	0%	0%

The Company estimates volatility for purposes of computing compensation expense on outside advisor options and for disclosure purposes using the volatility of public companies that the Company considers comparable. The expected life used to estimate the fair value of outside advisor options is equal to the contractual life of the option granted.

(6) COMMITMENTS

In November 1994, the Predecessor Company entered into a Patent License Agreement (Mount Sinai Agreement) with the Mount Sinai School of Medicine (Mount Sinai). Through the Mount Sinai Agreement, the Company has obtained the exclusive licenses to the patent rights which resulted from the research and development performed by Dr. Pramod Srivastava, a director of the Company. Under the Mount Sinai Agreement, the Company agreed to pay Mount Sinai a nominal royalty on related product sales (as defined in the Mount Sinai Agreement) through the last expiration date of the patents under the Mount Sinai Agreement (2015). In addition to these royalty payments, Mount Sinai was issued a nominal equity interest.

During 1995, Dr. Srivastava moved his research to Fordham University (Fordham). The Predecessor Company entered into a Patent License Agreement (Fordham Agreement) with Fordham, agreeing to reimburse Fordham for all approved costs incurred in the performance of the research. The Predecessor Company has also agreed to pay Fordham a nominal royalty on related product sales, as defined, through the last expiration date of the patents under the Fordham Agreement. This agreement ended in mid-1997. During 1995, 1996 and 1997, the direct and indirect costs incurred by the Company related to this agreement were approximately $546,000, $926,000 and $902,000, respectively, and are included in research and development expenses in the consolidated statements of operations for such years.

In February 1998, the Company entered into a research agreement with the University of Connecticut Health Center (UConn) and Dr. Srivastava. The agreement has a term of approximately five years and calls for payments to UConn totaling a minimum of $5,000,000, payable quarterly at the rate of $250,000 (contingent on the continuing employment of Dr. Srivastava by UConn). In addition, as research was begun by Dr. Srivastava in 1997, the Company agreed to pay approximately $475,000 for these previous services and expensed such amount as research and development during 1997. Research and development expense in the accompanying 1998 and 1999 consolidated statement of operations includes approximately $1,000,000 in each of the respective years of costs incurred under the UConn agreement. Royalties at varying rates are due to UConn upon commercialization of a product utilizing technology discovered during the research agreement.

In 1996, Antigenics entered into an agreement with Sloan-Kettering Institute for Cancer Research (Sloan Kettering) to conduct clinical studies. The Company is required to pay Sloan Kettering $10,000 for administration and start up costs and $4,000 per patient in the study.

On December 2, 1997, Antigenics entered into two agreements with The University of Texas M.D. Anderson Cancer Center (M.D. Anderson) to conduct clinical studies. The Company is required to pay M.D. Anderson a total of approximately $538,000 for expenses for the clinical study of approximately 90 patients and other related costs payable in four installments. In addition, on March 20, 1998 the Company entered into another clinical study with M.D. Anderson. Under such 1998 agreement, the Company is required to pay M.D. Anderson a total of approximately $118,000 for the study of 30 patients and other related costs payable in four installments.

In 1998, Antigenics entered into an agreement with the Johannes Gutenberg Universitat Mainz Klinikum (Universitat) to conduct additional clinical studies. The Company is required to pay the Universitat approximately $279,000 for expenses for the clinical study of approximately 30 patients. The first installment was paid upon signing the agreement.

In 1998, Antigenics entered into an agreement, as amended, with Sigma-Tau Industrie Farmaceutiche Riunite S.P.A (Sigma-Tau), a minority interest-holder of members' equity, to conduct clinical studies in Italy, Spain, Portugal and Switzerland. Under the agreement, Sigma-Tau is required to pay Antigenics for services provided by the Company in relation to these clinical studies. In return, Antigenics has granted Sigma-Tau the exclusive right to negotiate a marketing and development agreement (the Development Agreement) for the exclusive use of Antigenics' patent rights and their product, and the right of first offer to negotiate licenses for other medical uses of their product, in Italy, Spain, Portugal and Switzerland. The Development Agreement has not been finalized. During 1999, Antigenics provided approximately $581,000 of services associated with this agreement. This receivable amount is included in other current assets in the accompanying consolidated balance sheet. Amounts received under this agreement are non-refundable even if the research effort is unsuccessful. In addition, Antigenics does not incur any future performance commitments in relation to amounts recorded for Sigma-Tau.

On June 21, 1999, Antigenics entered into another agreement with M.D. Anderson to conduct clinical studies. The Company is required to pay M.D. Anderson a total of approximately $277,000 for the clinical study of approximately 40 patients and other related costs payable in installments over two years.

For the years ended December 31, 1996, 1997, 1998 and 1999, approximately $10,000, $4,000, $255,000 and $975,000, respectively, has been expensed in the accompanying consolidated statements of operations related to the above mentioned clinical studies.

(7) RELATED PARTY TRANSACTIONS

The Company rents office space for its New York City headquarters (see Note 8) and, prior to 1999, utilized certain office services of entities which are wholly-owned by the Company's chief executive officer and chairman of the board. Rent and office services, which are recorded at the affiliates' cost, are allocated to the Company based on square footage and clerical staff usage, respectively, which management believes is reasonable. Such transactions amounted to approximately $293,000, $558,000, $211,000 and $281,000 for the years ended December 31, 1996, 1997, 1998 and 1999, respectively. The Company also periodically pays the entire monthly rent amount for all of the office space on behalf of the above noted entities for which the Company is reimbursed on a current basis. As of December 31, 1998 and 1999, the affiliated entities were indebted to the Company for $27,605 and $240, respectively, for costs paid on the affiliated entities' behalf.

During 1997 and renewed each year thereafter, the Company obtained standby letters of credit for the benefit of the related party in the amount of $375,000 in connection with the related party's lease of the New York City office space. These letters expire in January 2000.

(8) LEASES

The Company leases administrative, laboratory and office facilities under various month-to-month and long-term lease arrangements. Rent expense, exclusive of the amounts paid to the affiliate (see Note 7), was approximately $134,000, $685,000 and $560,000 for the years ended December 31, 1997, 1998 and 1999, respectively.

In November 1999, the Company signed a long-term lease agreement for its New York City headquarters with an entity wholly-owned by the Company's chief executive officer and chairman of the board. The lease expires in December 2006 and requires annual rental payments of approximately $312,000 which is equal to the related party's cost. Prior to November 1999, the headquarters office space was rented on a month-to-month basis from the same affiliate.

The future minimum rental payments under the Company's lease of its Woburn, Massachusetts manufacturing and laboratory facility, which expires in 2003, and its New York City headquarters, are as follows:

Year ending December 31:	
2000	$ 759,516
2001	759,516
2002	759,516
2003	591,696
2004	312,000
Thereafter	624,000
	$3,806,244

(9) DEBT

The Company has a $5 million credit facility from a financial institution pursuant to which the Company can draw down amounts to make or refinance certain capital expenditures. As the Company utilizes the credit facility, separate term notes will be executed. Each term loan will have a term of forty-two months

and the interest rate is fixed at the closing of each term loan. Each loan is collateralized by the equipment, fixtures, and improvements acquired with the proceeds of the loan.

The aggregate maturities of the term loan for each of the five years subsequent to December 31, 1999 are as follows: 2000 -- $812,702; 2001 -- $939,303; 2002 -- $1,021,634; 2003 -- $194,068.

(10) 401(k) PLAN

The Company sponsors a defined contribution 401(k) savings plan for all eligible employees, as defined. Participants may contribute up to 15% of their compensation, as defined, with a maximum of $10,000 in 1999. Each participant is fully vested in his or her contributions and related earnings and losses. The Company matches 100% of the participant's contribution and such matching contribution vests over four years. For the years ended December 31, 1997, 1998 and 1999, the Company charged approximately $29,000, $55,000 and $145,000 to operations for the 401(k) plan.

(11) PROPOSED INITIAL PUBLIC OFFERING

The Initial Public Offering

In November 1999, the Company created a subsidiary, Antigenics Inc., in contemplation of the Company's IPO. The board of directors of Antigenics Inc. authorized the filing of a registration statement with the Securities and Exchange Commission (SEC) to sell shares of its common stock in connection with the proposed IPO. Concurrent with the completion of the IPO, the Company will be converted from a limited liability company to a corporation through a merger with and into Antigenics Inc. All members will exchange their respective member interests for shares of common stock and options and warrants to purchase common stock of Antigenics Inc. based on an exchange ratio of 172.0336 shares of common stock for each members' equity unit. If the IPO is not completed, the conversion to the corporation will not take place.

Through December 31, 1999, the Company has deferred approximately $559,000 of offering costs on its consolidated balance sheet. These and other costs of the offering will be netted against the gross proceeds from the offering at closing. If the IPO does not close, all deferred offering costs will be charged to operations.

Adoption of Employee Stock Purchase Plan

In connection with the proposed IPO, the board of directors of Antigenics Inc. approved an employee stock purchase plan. Under the plan, employees may purchase shares of common stock at a discount from fair value. There are 300,000 shares of common stock reserved for issuance under the purchase plan. The purchase plan is intended to qualify as an employee stock purchase plan within the meaning of Section 423 of the Internal Revenue Code of 1986, as amended. Rights to purchase common stock under the purchase plan are granted at the discretion of the compensation committee, which determines the frequency and duration of individual offerings under the plan and the dates when stock may be purchased. Eligible employees participate voluntarily and may withdraw from any offering at any time before the stock is purchased. Participation terminates automatically upon termination of employment. The purchase price per share of common stock in an offering will not be less than 85% of the lesser of its fair value at the beginning of the offering period or on the applicable exercise date and may be paid through payroll deductions, periodic lump sum payments or a combination of both. The plan terminates on November 15, 2009.

Adoption of Equity Incentive Plan

In connection with the proposed IPO, the board of directors of Antigenics Inc. approved an employee equity incentive plan. Antigenics Inc.'s equity incentive plan authorizes the grant of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, and nonqualified stock options for the purchase of an aggregate of 4,800,000 shares (subject to adjustment for stock splits and similar capital changes) of common stock to Antigenics Inc.'s employees and, in the case of non-qualified stock options, to consultants and directors of Antigenics Inc. or any affiliate, as defined in the equity plan. The board of directors has appointed the compensation committee to administer the equity plan. Members' equity options outstanding under the Company's current equity-based incentive compensation plan (see Note 5) will be exchanged for stock options under the new equity incentive plan at the closing of the IPO.

(12) PRO FORMA INCOME TAX PROVISION (UNAUDITED)

As discussed in Note 2(k), the Company is not subject to income taxes and therefore does not provide for income taxes in its consolidated financial statements. Had the Company been organized as a tax paying entity for the year ended December 31, 1999, there would be no pro forma income tax provision because of a loss before income taxes and the need to recognize a valuation allowance on all gross deferred tax assets. Given the Company's past history of incurring operating losses, management believes that it is more likely than not that any deferred tax assets will not be realized.

3,000,000 SHARES

ANTIGENICS INC.

COMMON STOCK

[ANTIGENICS INC. LOGO]

PROSPECTUS

Until 2000, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

U.S. BANCORP PIPER JAFFRAY

ROBERTSON STEPHENS

, 2000

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by the Registrant in connection with the sale of common stock being registered. All amounts are estimates except the registration fee and the NASD filing fee.

	AMOUNT TO BE PAID
Registration fee	$ 14,573
NASD filing fee	6,020
Nasdaq National Market listing fee	95,000
Printing and engraving	150,000
Legal fees and expenses	300,000
Accounting fees and expenses	250,000
Transfer Agent fees	3,500
Miscellaneous	30,907
Total	$850,000

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that the person is or was a director, officer, employee or agent of the corporation or is or was serving at the corporation's request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. The power to indemnify applies to actions brought by or in the right of the corporation as well, but only to the extent of expenses, including attorneys' fees but excluding judgments, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with the defense or settlement of the action or suit. And with the further limitation that in these actions no indemnification shall be made in the event of any adjudication of negligence or misconduct in the performance of his duties to the corporation, unless a court believes that in light of all the circumstances indemnification should apply.

Article V of Antigenics' By-laws provides that Antigenics shall, to the extent legally permitted, indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was, or has agreed to become, a director or officer of Antigenics, or is or was serving, or has agreed to serve, at the request of Antigenics, as a director, officer or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprises. The indemnification provided for in Article V is expressly not exclusive of any other rights to which those seeking indemnification may be entitled under any law, agreement or vote of stockholders or disinterested directors or otherwise, and shall inure to the benefit of the heirs, executors and administrators of such persons.

Section 145(g) of the Delaware General Corporation Law and Article V of By-laws of Antigenics provide that the company shall have the power to purchase and maintain insurance on behalf of its officers, directors, employees and agents, against any liability asserted against and incurred by such persons in any such capacity.

Antigenics has entered into indemnification agreements with each of its directors and executive officers and has obtained insurance covering its directors and officers against losses and insuring Antigenics against certain of its obligations to indemnify its directors and officers.

Section 102(b)(7) of the General Corporation Law of the State of Delaware provides that a corporation may eliminate or limit the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provisions shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. No such provision shall eliminate or limit the liability of a director for any act or omission occurring prior to the date when such provision becomes effective.

Pursuant to the Delaware General Corporation Law, Section 7 of Article FIFTH of the Certificate of Incorporation of Antigenics eliminates a director's personal liability for monetary damages to Antigenics and its shareholders for breach of fiduciary duty as a director, except in circumstances involving a breach of the director's duty of loyalty to Antigenics or its shareholders, acts or omissions not in good faith, intentional misconduct, knowing violations of the law, self-dealing or the unlawful payment of dividends or repurchase of stock.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

We have sold and issued the following securities in the previous three years.

In 1996, we completed a private placement offering of equity interests in Antigenics L.L.C. equal to 10.6% of the total post-offering equity interests in the L.L.C. for an aggregate sale price of $10,600,000.

In January 1999, we completed a private placement offering of equity interests in Antigenics L.L.C. equal to 13.8% of the total post-offering equity interests in the L.L.C. for an aggregate sales price of $27,572,000.

In November 1999, we completed a private placement offering of (i) equity interests in Antigenics L.L.C. equal to 13.56% of the total post-offering equity interests in the L.L.C. and (ii) warrants to purchase equity interests in the L.L.C. equal to 1.36% of the total post-offering equity interests in the L.L.C. The equity interests and warrants were sold for an aggregate of approximately $39,200,000.

All of the above sales of L.L.C. equity interests were made in reliance on the exemption from registration under Section 4(2) of the Securities Act of 1933, as amended, as transactions not involving a public offering.

The registrant has from time to time granted options to purchase equity interests in Antigenics L.L.C. As of December 31, 1999, following the company's reorganization into a corporation, the registrant will have options with a weighted average exercise price of $5.89 per share that are, in the aggregate, exercisable for 8.2% of the total common stock of the registrant, assuming all of these options are exercised. The options were issued in reliance upon exemptions from registration pursuant to either Section 4(2) of the Securities Act of 1933, as amended, or Rule 701 promulgated under the Securities Act of 1933, as amended.

Concurrently with the closing of this offering, the registrant will merge with Antigenics, L.L.C. Members of the L.L.C. will receive shares of the registrant's common stock in exchange for their equity interests at a rate of 172.0336 shares per percentage equity interest, for an aggregate of approximately 20,715,942 shares of common stock. The issuance of the registrant's common stock upon contribution of the equity interests in the L.L.C. will be made in reliance on the exemption from registration under Section 4(2) of the Securities Act of 1933 and Rule 506 thereunder as a transaction not involving a public offering.

The registrant retained two placement agents in connection with the November 1999 private placement who received aggregate compensation of $217,769 in cash and will receive $76,298 in members' equity for

their services. There were no underwriters employed in connection with any of the other transactions set forth in Item 15.

For additional information concerning these equity investment transactions, reference is made to the information contained under the caption "Certain Relationships and Related Transactions" in the form of prospectus included herein.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

See the Exhibit Index, which is incorporated herein by reference.

(b) Financial Statement Schedules

None.

Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the consolidated financial statements or notes thereto.

ITEM 17. UNDERTAKINGS

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this Registration Statement or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to 424(b)(1) or (4), or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Woburn, Commonwealth of Massachusetts, as of January 24, 2000.

ANTIGENICS INC.

By: /s/ GARO ARMEN
Garo H. Armen
Chief Executive Officer and
Chairman of
the Board of Directors

POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and as of the dates indicated.

SIGNATURE	TITLE	DATE
*	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer and Principal Financial and Accounting Officer)	January 24, 2000
Garo Armen, Ph.D.		
*	Director	January 24, 2000
Pramod Srivastava, Ph.D.		
*	Director	January 24, 2000
Noubar Afeyan, Ph.D.		
*	Director	January 24, 2000
Edward Brodsky		
*	Director	January 24, 2000
Gamil de Chadarevian		
*	Director	January 24, 2000
Tom Dechaene		
*	Director	January 24, 2000
Donald Panoz		
*	Director	January 24, 2000
Martin Taylor		

*By: /s/ GARO ARMEN
As Attorney-in-Fact

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT
1.1	Form of Underwriting Agreement. Previously filed.
3.1	Certificate of Incorporation of Antigenics Inc. Previously filed.
3.2	By-laws of Antigenics Inc. Previously filed.
4.1	Form of Common Stock Certificate. Previously filed.
4.2	Form of Warrant to purchase Common Stock, together with a list of holders. Filed herewith.
4.3	Form of Subscription Agreement, as amended, together with a list of parties thereto. Filed herewith.
5.1	Opinion of Palmer & Dodge LLP. Previously filed.
10.1*	1999 Equity Incentive Plan. Previously filed.
10.2*	1999 Employee Stock Purchase Plan. Previously filed.
10.3	Founding Scientist's Agreement between Antigenics and Pramod K. Srivastava dated March 28, 1995. Previously filed.
10.4	Form of Indemnification Agreement between Antigenics and its directors and executive officers. These agreements are materially different only as to the signatories and the dates of execution. Previously filed.
10.5	Lease Agreement between Antigenics and Cummings Property Management, Inc. dated May 28, 1998, as amended on December 10, 1998. Previously filed.
10.6	License Agreement between GHA Management Corporation and Antigenics dated November 12, 1999. Previously filed.
10.7	Master Loan and Security Agreement between Antigenics and Finova Technology Finance, Inc. dated November 19, 1998. Filed herewith.
10.8	Patent License Agreement between Antigenics and Mount Sinai School of Medicine dated November 1, 1994, as amended on June 5, 1995. Previously filed.(1)
10.9	Sponsored Research and Technology License Agreement between Antigenics and Fordham University dated March 28, 1995, as amended on March 22, 1996. Previously filed.(1)
10.10	Research Agreement between Antigenics and The University of Connecticut Health Center dated February 18, 1998. Previously filed.(1)
10.11	License Agreement between Antigenics and Duke University dated March 4, 1999. Previously filed.(1)
10.12	License Agreement between Antigenics and University of Miami dated April 12, 1999. Previously filed.(1)
10.13	Letter Agreement between Antigenics and Sigma-Tau Industrie Farmaceutiche Riunite SpA dated June 3, 1998. Previously filed.(1)
10.14	Letter Agreement between Antigenics and Medison Pharma Ltd. dated November 15, 1999. Previously filed.(1)
10.15	Amendment to Letter Agreement between Antigenics and Sigma-Tau Industrie Farmaceutiche Riunite SpA dated October 20, 1999. Previously filed.
10.16*	Employment Agreement between Antigenics and Elma Hawkins, Ph.D. dated June 1, 1998. Previously filed.
10.17*	Antigenics 401(k) Plan. Previously filed.
10.18*	Antigenics L.L.C. Incentive Equity Plan. Filed herewith.
23.1	Consent of KPMG LLP. Filed herewith.
23.2	Consent of Palmer & Dodge LLP. Included in the opinion filed as Exhibit 5.1.
24.1	Power of Attorney. Included on the signature page of the initial filing of this Registration Statement.
27.1	Financial Data Schedule (available in EDGAR format only). Filed herewith.

* Indicates a management contract or compensatory plan.

(1)This Exhibit has been filed separately with the Commission pursuant to an application for confidential treatment. The confidential portions of this Exhibit have been omitted and are marked by an asterisk.

Exhibit 4.2

[FORM OF WARRANT]

NEITHER THIS WARRANT NOR THE SHARES OF COMMON STOCK FOR WHICH IT IS EXERCISABLE HAVE BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE OR FOREIGN SECURITIES LAWS (THE "OTHER LAWS"), AND MAY NOT BE SOLD, TRANSFERRED OR ASSIGNED OR OTHERWISE DISTRIBUTED FOR VALUE UNLESS THEY ARE REGISTERED OR QUALIFIED OR THE COMPANY RECEIVES FROM THE HOLDER HEREOF AN OPINION OF COUNSEL, WHICH OPINION SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY, STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR DISTRIBUTION IS EXEMPT FROM THE APPLICABLE REGISTRATION AND QUALIFICATION REQUIREMENTS OF THE SECURITIES ACT AND THE OTHER LAWS.

ANTIGENICS INC.

WARRANT TO PURCHASE COMMON STOCK

This certifies that, for value received, _____, (the "Holder") is entitled to subscribe for and purchase up to _____ shares of common stock, $0.01 par value per share ("Shares") of Antigenics Inc. (the "Company"), a Delaware corporation. This Warrant is being issued in connection with the merger of Antigenics L.L.C. ("LLC"), a Delaware corporation, with and into the Company, in exchange for, or in full satisfaction of, a warrant to purchase interests in the LLC.

The initial per Share exercise price of this Warrant (the "Warrant Price"), subject to adjustment from time to time pursuant to the provisions of Section 3 hereof, shall equal $_____.

1. TERM OF WARRANT. The purchase right represented by this Warrant is exercisable, in whole or in part, at any time during the period beginning on the date hereof and ending on November 29, 2002.

2. METHOD OF EXERCISE; PAYMENT; ISSUANCE OF NEW WARRANT.

2.1 EXERCISE. Subject to Section 1 hereof, the purchase right represented by this Warrant may be exercised by the Holder hereof, in whole or in part, by the surrender of this Warrant (with the notice of exercise form attached hereto as EXHIBIT 1 duly executed) at the principal executive office of the Company and by the payment to the Company, by bank check or wire transfer, of an amount equal to the then applicable Warrant Price per Share multiplied by the number of Shares then being purchased. The Company agrees that the Shares so purchased shall be deemed to be issued to the Holder hereof as the record owner of such Shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such Shares as aforesaid. Unless this Warrant has been fully exercised or expired, a

new Warrant representing the portion of the Shares, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder.

2.2 SHARES FULLY PAID. All Shares which may be issued upon the exercise of this Warrant will, upon issuance, be fully paid and nonassessable.

3. ADJUSTMENT OF WARRANT PRICE AND NUMBER OF SHARES. The kind of securities purchasable upon the exercise of this Warrant, the Warrant Price and the number of Shares purchasable upon exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events as follows:

3.1 RECLASSIFICATION, CONSOLIDATION OR MERGER. In case of any reclassification or change of outstanding securities of the class issuable upon exercise of this Warrant (other than as a result of a subdivision or combination), or in case of any consolidation or merger of the Company with or into another legal entity (other than a merger in which the Company is the surviving entity and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or in case of any sale of all or substantially all of the assets of the Company, the Company, or such successor or purchasing corporation, as the case may be, shall execute a new Warrant, providing that the Holder of this Warrant shall have the right to exercise such new Warrant and purchase upon such exercise, in lieu of each Share theretofore issuable upon exercise of this Warrant, the kind and amount of securities, money and property which would have been received upon such reclassification, change, consolidation or merger by the Holder if this Warrant had been exercised immediately prior to such event. Such new Warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 3.

3.2 SUBDIVISION OR COMBINATION OF SHARES. If the Company at any time while this Warrant remains outstanding and unexpired shall subdivide or combine its equity securities, the number of securities for which this Warrant is exercised shall be proportionately increased in the case of a subdivision or decreased in the case of a combination.

3.3 DISTRIBUTIONS OF ASSETS. If the Company at any time shall distribute assets (or rights to acquire assets) to its equityholders as a partial liquidating dividend, the Warrant Price shall be reduced by an amount equal to the then fair market value (as determined in good faith by the Board of Directors of the Company) of the portion of the assets distributed with respect to a Share.

4. NOTICE OF ADJUSTMENTS. Whenever there is an adjustment pursuant to Section 3 hereof, the Company shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment and the nature of the adjustment and shall cause copies of such certificate to be mailed to the Holder.

5. NO FRACTIONAL SHARES. If any adjustment under Section 3 would create a fractional Share, or a right to acquire a fractional Share, such fractional Share shall be disregarded and the number of Shares issuable upon exercise shall be rounded to the nearest whole number.

6. REGISTRATION RIGHTS. If this Warrant has been exercised prior to the filing of the resale registration statement contemplated by Section 7(a) of the Subscription Agreement (as

amended, the "Subscription Agreement") entered into in connection with the offering described in the LLC's Confidential Private Placement Memorandum, dated August 31, 1999, the securities issued upon exercise of this Warrant shall be "Registrable Securities" for the purposes of the Subscription Agreement, and the Holder of such securities shall be entitled to the benefits of the registration rights provisions of such Subscription Agreement.

7. COMPLIANCE WITH SECURITIES LAWS. The Holder of this Warrant, by acceptance hereof, agrees that this Warrant and the securities to be issued upon exercise hereof are being acquired for investment for such Holder's own account and not with a view toward distribution thereof, and that it will not offer, sell or otherwise dispose of this Warrant or any securities issued upon its exercise unless this Warrant or such securities have been registered or qualified, as the case may be, under the Securities Act of 1933, as amended, and applicable state and foreign securities laws or (i) registration or qualification under state and foreign securities laws is not required and (ii) an opinion of counsel satisfactory to the Company is furnished to the Company to the effect that registration under the Securities Act of 1933, as amended, is not required.

8. TRANSFER AND EXCHANGE OF WARRANT.

8.1 TRANSFER. This Warrant may not be transferred without the prior written consent of the Company.

8.2 EXCHANGE. Subject to compliance with the terms hereof including Section 8.1, this Warrant and all rights hereunder are transferable, in whole or in part, at the principal executive office of the Company by the Holder in person or by duly authorized attorney, upon surrender of this Warrant properly endorsed. The last Holder of this Warrant as registered on the books of the Company may be treated by the Company and all persons dealing with this Warrant as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Warrant or to transfer this Warrant on the books of the Company, any notice to the contrary notwithstanding, unless and until such Holder seeks to transfer registered ownership of this Warrant on the books of the Company and such transfer is effected.

9. MISCELLANEOUS.

9.1 NO RIGHTS AS STOCKHOLDER. No Holder shall be entitled to vote or receive distributions or be deemed the holder of securities of the Company which may at any time be issuable upon its exercise for any purpose, nor shall anything contained herein be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any action (whether upon any recapitalization, issuance of additional equity, reclassification of equity, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive distributions or otherwise until the Warrant shall have been exercised and the securities purchasable upon such exercise shall have become deliverable, as provided herein.

9.2 REPLACEMENT. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft

or destruction, on delivery of an indemnity agreement reasonably satisfactory in form to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company, at its expense, will execute and deliver, in lieu of this Warrant, a new warrant of like tenor.

9.3 NOTICE OF CAPITAL CHANGES. In this event:

(a) the Company shall declare any distribution payable to its stockholders;

(b) there shall be any capital reorganization or reclassification of the equity of the Company, or consolidation or merger of the Company with, or sale of all or substantially all of its assets to, another legal entity; or

(c) there shall be a voluntary or involuntary dissolution, liquidation or winding up of the Company;

then the Company shall give the Holder written notice, in the manner set forth in Section 9.4 below, of the date on which a record shall be taken for such distribution or for determining stockholders entitled to vote upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding up and of the date when any such transaction shall take place, as the case may be. Except as otherwise set forth herein, such written notice shall be given at least 20 days prior to the transaction in question and not less than 10 days prior to any record date in respect thereof, unless such notice is waived by the Holder.

9.4 NOTICE. Any notice given to either party under this Warrant shall be in writing, and any notice hereunder shall be deemed to have been given upon the earlier of delivery thereof by hand delivery, by courier or by facsimile transmission or three (3) business days after the mailing thereof if sent registered mail with postage prepaid, addressed, as the case may be, to the Company at its principal executive offices or to the Holder at its address set forth in the Company's books and records or at such other address as the Holder may have provided to the Company in writing.

9.5 NO IMPAIRMENT. The Company will not, by amendment of its charter or by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions in this Warrant.

9.6 GOVERNING LAW. This Warrant shall be governed by and construed under the internal domestic laws of the State of Delaware.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, this Warrant is executed as of this ____ day of February, 2000.

ANTIGENICS INC.

By:

Name: Garo Armen
Title: President and Chief Executive Officer

EXHIBIT 1

NOTICE OF EXERCISE

TO: ANTIGENICS INC.

1. The undersigned hereby elects to purchase _____ Shares pursuant to the terms of the attached Warrant, and tenders herewith payment in full of the Warrant Price of such Shares.

2. The undersigned represents that the aforesaid Shares are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares, except in compliance with the Securities Act of 1933, as amended.

Name of Holder:_____

_____
Signature

Title (if applicable):_____

List of Warrant Holders

Blackford Securities
Michael & Pamela Clark
Stephen A. Cohen
Mary & Michael Darling
Delaware Charter Guarantee
Russell S. Reynolds III
Eagle Constellation Fund
Elan Corporation
EM Sterne & DM Moore TTEES
Stephen Feid
Freedale Investments
Frost Nevada
Phillip T. George, M.D.
German American Capital Corp.
H. Leland Getz
Joseph Grano Jr.
Kara Ann Berg Trust
Dr. Ernest Mario
Donald Marron
Mark McInerney
John P. McNiff
Richard Omohundro
James Pinto
Pinto Trust, C.S.
Pinnacle Investments
PNC Bank Delaware
SAC Capital
Stephen Schram
Sigma-Tau Industrie
Farmaceutiche Riunite SpA
Aptafin
Richard Sterne
Carol Swiggett
John Martin Taylor
ThermoElectron
A&A Actien Bank
Dr. Darrick Antell
Michael G. Baldwin
E. Garrett Bewkes Jr.
Blue Star Group
Arthur Castlebaum
Coleman Partnership
Dean C. Colson
Dean C. Colson, IRA
Dominic Corvino
Carmine DeSantis
Ralph A. Daiuto Sr.
Sergio Dompe
Lew Eisenberg
Gibralt Capital Corp
Chris Hart
H.B. Rigs Ltd.
Robert Hoffman
Medison Pharma Ltd.
Medison Tech.
Mark Tzalkovitz
Loren Kramer
Dr. Bernard Lahasky
Andrew J. Lanza
Peter Lawson-Johntson II
Peter Lawson-Johntson
Links LLC
Fredda Levitt
Dr. Ivan Lieberberg
Michael E. Mederrick
William Morrison
John Morse
PaineWebber
Darryl Parmenter
Manny Reiser
SAAD Investment Company Ltd.
John Saraceno
James F. & Virginia Sattler
A. Scurfin-Moratti
N. Lloyd Scurlock
Walter Toombs
Neil & Karen Vaccaro
H. William & Laura Walker
Frank B. White
Joseph E. Wurtz
Strauss Zelnick
Pilar Morales-Arce
E. Gutzwiller & CIE
S. L. Gubel
Interimage
Lloyds
Osa Mayor
Carmen Miranda
Percacer SA
Redwood Investment Ltd.
L. Rispoli
Stanhope S.L.
STH Capital
Olga Subirana
Torreal

EXHIBIT 4.3

ANTIGENICS L.L.C.

SUBSCRIPTION AGREEMENT

Antigenics L.L.C.
630 Fifth Avenue
Suite 2170
New York, New York 10111

Ladies and Gentlemen:

1. SUBSCRIPTION FOR UNITS. The undersigned, intending to be legally bound, hereby irrevocably applies to purchase from Antigenics L.L.C., a limited liability company organized under the Delaware Limited Liability Company Act (the "LLC"), the number of Units (as defined below) indicated on the signature page hereof and to be admitted into the LLC as a member as and to the extent provided herein and in the Private Placement Memorandum dated August __, 1999 (which Private Placement Memorandum, including all amendments thereof and supplements and exhibits thereto, is herein referred to as the "Memorandum"). Each Unit shall represent a percentage equity interest in the LLC determined according to the following formula:

$$\text{Percentage} = \frac{\$2{,}401.86}{\$250{,}000{,}000 + A}$$

where "A" equals the aggregate gross proceeds to the LLC in the offering contemplated by the Memorandum assuming no exercise of any of the Warrants (as defined below).

This subscription is submitted to the LLC in accordance with and subject to the terms and conditions described in this Subscription Agreement and the form of Amended and Restated Limited Liability Company Agreement, dated as of September 10, 1998, as amended by the Amendment Agreement, dated as of December 22, 1998 (the "LLC Agreement"), attached as Exhibits A-1 and A-2 hereto. Notwithstanding any other provision of the LLC Agreement, if all or substantially all the assets of the LLC or the outstanding equity interests in the LLC shall be transferred (by sale, merger or otherwise) to a successor corporation (the "Successor Corporation") in exchange for securities of such Successor Corporation and such exchange is made to facilitate a Proposed Registration (as described in Section 7) of the same or any other class of securities of the Successor Corporation, the undersigned agrees that it will be entitled to receive in such exchange, as full payment for its Units, a percentage of each class of securities issued by the Successor Corporation in such exchange equal to the percentage derived by dividing the total number of Units owned by the undersigned at the time of such exchange by the total outstanding Units of the LLC at such time. THE SIGNATURE OF THE UNDERSIGNED HERETO CONSTITUTES AUTHORIZATION OF THE EXECUTION ON BEHALF OF THE UNDERSIGNED OF THE LLC AGREEMENT OR AN AMENDMENT THERETO FOR THE PURPOSE OF ADMITTING THE UNDERSIGNED AS A MEMBER OF THE LLC. See Section 4 below.

2. WARRANTS. In connection with the purchase of any Units subscribed for in Section 1 (the "Initial Units"), the LLC will issue to the undersigned a warrant (a "Warrant") exercisable for a number of additional Units equal to 5% of the number of Initial Units, rounded down to the nearest whole number. The Warrant shall entitle the undersigned to purchase Units at any time until September 30, 2002, shall have a per Unit exercise price of $2,401.86, and shall be in substantially the form of Exhibit B hereto.

3. AMOUNT AND METHOD OF PAYMENT. The undersigned encloses herewith a check made payable to "Antigenics L.L.C.", or contemporaneously with the undersigned's delivery of this Subscription Agreement, is paying by wire transfer to the account of Antigenics L.L.C., the consideration (the "Purchase Price") required to purchase the Units subscribed for hereunder, in the amount of $2,401.86 for each Unit subscribed for, which represents payment in full for the subscription. The minimum purchase is 416 Units; provided, however, the LLC may decide, in its discretion, to accept subscriptions for less than 416 Units or to limit any subscription to 4,163 Units.

4. ADMISSION TO LLC; POWER OF ATTORNEY. An investor, whose subscription agreement is accepted by the LLC and whose payment of the purchase price for the Units to be purchased by the undersigned is received by the LLC, will become a party to the LLC Agreement at such time as the investor's admission to the LLC is reflected in the books and records of the LLC (the "LLC Closing"). The undersigned has received and read a copy of the form of Amended and Restated Limited Liability Company Agreement and the Amendment Agreement thereto attached as Exhibits A-1 and A-2 hereto and accepts and agrees to be bound by all of the terms thereof and to perform all obligations therein imposed upon an investor with respect to the equity interest included in each Unit purchased, and any equity interest acquired upon exercise of a Warrant.

If the subscription is rejected as provided in Section 5 hereof, the undersigned's subscription shall be void and all funds received from the undersigned, together with any interest earned thereon, shall be promptly returned to the undersigned.

The undersigned, by the execution and delivery of this Subscription Agreement, hereby irrevocably constitutes and appoints each of the Chairman of the Board of Managers and Chief Executive Officer and the Vice Chairman of the Board of Managers of the LLC with full power of substitution, as the true and lawful agent and attorney-in-fact for the undersigned and authorizes and empowers such attorney, in the name, place, and stead of the undersigned, to make, execute, deliver, acknowledge, swear to, file and record in all necessary or appropriate places the LLC Agreement and such other documents and instruments (including, without limitation, the LLC Agreement and amendments and restatements of the LLC Agreement in accordance with the terms of the LLC Agreement), and to take such other actions as may be necessary or appropriate to carry out the LLC Agreement. The Power of Attorney granted hereby shall be deemed to be coupled with an interest, shall be irrevocable and shall survive and shall not be affected by the subsequent death, disability, incapacity, insolvency or bankruptcy of the undersigned or the transfer of the equity interest of the undersigned until such time as the transferee shall have been admitted to the Limited Liability Company as a member or the transfer of any portion of the equity interest.

5. ACCEPTANCE OF SUBSCRIPTION.

(a) The undersigned understands and agrees that the LLC, in its sole discretion, reserves the right to accept or reject this and any other subscription for Units in whole or in part at any time prior to the sale of such Units, notwithstanding prior receipt by the undersigned of notice of acceptance.

(b) In the event that this subscription is rejected in whole or in part, or if the sale of the Units is not consummated for any reason (in which event this subscription shall be deemed to be rejected), the LLC shall promptly cause the return of the Purchase Price to the undersigned, and this Subscription Agreement shall thereafter have no force or effect to that extent.

6. REPRESENTATIONS AND WARRANTIES. The undersigned hereby acknowledges, represents, warrants to, and agrees with the LLC as follows:

(a) The undersigned understands that the offering and sale of the Units and Warrants is intended to be exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), by virtue of Section 4(2) of the Securities Act and the provisions of Rule 506 of Regulation D promulgated thereunder and, in accordance therewith and in furtherance thereof, the undersigned represents and warrants to and agrees with the LLC as follows:

(i) The undersigned has received the Memorandum and the LLC Agreement, has carefully reviewed each and understands the information contained therein and information otherwise provided to the undersigned in writing by the LLC relating to this investment and has had the opportunity to show to, and discuss with, the undersigned's attorney, accountant and financial advisor, all such information;

(ii) The undersigned understands that all other documents, records, and books pertaining to this investment have been made available for inspection by the undersigned, the undersigned's attorney, the undersigned's accountant and the undersigned's financial advisor;

(iii) The undersigned and/or the undersigned's advisor(s) have had a reasonable opportunity to ask questions of and receive information and answers from a person or persons acting on behalf of the LLC concerning the offering of the Units and, as the undersigned has deemed necessary, to verify the information contained in the Memorandum and all such questions have been answered and all such information has been provided to the full satisfaction of the undersigned;

(iv) No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisor(s) in connection with the offering of the Units which were in any way inconsistent with or in addition to the information stated in the Memorandum;

(v) The undersigned is not subscribing for a Unit as a result of or subsequent to any advertisement, article, notice, or other communication published in any

newspaper, magazine, or similar media or broadcast over television or radio, or presented at any seminar or meeting, or any solicitation of a subscription by a person not previously known to the undersigned in connection with investments in securities generally;

(vi) If the undersigned is a natural person, the undersigned has reached the age of majority in the state in which the undersigned resides, has adequate means of providing for the undersigned's current needs and personal contingencies, is able to bear the substantial economic risks of an investment in the LLC for an indefinite period of time, has no need for liquidity in such investment, and could afford a complete loss of such investment;

(vii) The undersigned has such knowledge and experience in financial, tax and business matters so as to enable the undersigned to utilize the information made available to the undersigned in connection with the offering of the Units in order to evaluate the merits and risks of an investment in the LLC and to make an informed investment decision with respect thereto and, therefore, he is not relying upon the advice of a purchaser representative in making a final investment decision to purchase Units;

(viii) The undersigned is not relying on the LLC with respect to the tax and other economic considerations of the undersigned relating to this investment. In regard to such considerations, the investor has relied on the advice of, or has consulted with, only the undersigned's own professional advisors who are unaffiliated with and who are not directly or indirectly compensated by the LLC or any affiliate;

(ix) The undersigned understands that the undersigned may be subject to taxes with respect to allocations of income and distributions with respect to the undersigned's equity interest in the LLC and that pursuant to the provisions of the LLC Agreement, among other things, the LLC shall be entitled to deduct, to withhold, and/or to pay any and all taxes and withholdings, and all interest, penalties, additions to tax, and similar liabilities in connection therewith or attributable thereto. (See Section 8.6 of the LLC Agreement). It shall be the policy of the LLC to consider the tax liabilities of equity interest holders with respect to allocations of income to their equity interests in connection with the LLC's determinations from time to time regarding whether to make any distributions to equity interest holders and the extent thereof. The undersigned further understands that no assurance can be made that any such distributions will be made, or that, if made, will be in amounts sufficient to enable equity interest holders to pay all such taxes;

(x) The undersigned is acquiring the Units and Warrants solely for the undersigned's own account as principal, for investment purposes only and not with a view to the resale or distribution thereof, in whole or in part, and no other person has a direct or indirect beneficial interest in such equity interest;

(xi) The undersigned will not sell or otherwise transfer the Units or Warrants without registration under the Securities Act or an exemption therefrom or if such sale or transfer would violate any provision of the LLC Agreement, and fully understands and agrees that the undersigned must bear the economic risk of the undersigned's purchase for an indefinite period of time because, among other reasons, neither the Units nor the Warrants have been registered under the Securities Act or under the securities laws of certain states and, therefore,

cannot be resold, pledged, assigned, or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of such states or unless an exemption from such registration is available. Except as otherwise set forth herein, the undersigned further understands that the LLC is not under any obligation to register the Units or Warrants on the undersigned's behalf or to assist the undersigned in complying with any exemption from registration; and

(xii) The undersigned understands that sales or transfers of the Units are further restricted by the provisions of the LLC Agreement and that sales or transfers of securities are restricted under the Securities Act and under certain state securities laws.

(b) The undersigned recognizes that an investment in the LLC involves a high degree of risk. Among other considerations in this regard,

(i) no Federal or state agency has passed upon the Units or the Warrants or made any finding or determination as to the fairness of this investment;

(ii) there is no established market for the Units or the Warrants; and it is unlikely that a public market for such securities will develop.

(c) If the undersigned is a corporation, partnership, trust, or other entity, it is authorized and qualified to become a member in, and make its capital contributions to, the LLC, and the person signing this Subscription Agreement on behalf of such entity has been duly authorized by such entity to do so.

(d) If the undersigned is purchasing the Units subscribed for hereby in a representative or fiduciary capacity, the representations and warranties contained herein (and in any other written statement or document delivered in connection herewith) shall be deemed to have been made on behalf of the person or persons for whom such equity interest is being purchased.

(e) If the undersigned is a natural person, the undersigned is an "accredited investor" within the meaning of Rule 501 under the Securities Act because the undersigned (i) had individual income in excess of $200,000 in each of the last two calendar years and the undersigned reasonably expects to have individual income in excess of $200,000 in the current calendar year; and/or (ii) the undersigned had joint income with the spouse of the undersigned in excess of $300,000 in each of the last two calendar years and the undersigned reasonably expects to have joint income in excess of $300,000 in the current calendar year; and/or (iii) the undersigned has an individual net worth, or the spouse of the undersigned and the undersigned have a joint net worth, in excess of $1,000,000. If the undersigned is an entity, the undersigned is an "accredited investor" within the meaning of Rule 501 under the Securities Act because (i) the undersigned was not formed for the specific purpose of acquiring the securities offered and has total assets in excess of $5,000,000, or (ii) all of the equity owners of the undersigned are "accredited investors" pursuant to the preceding clause (i) and/or the preceding sentence.

(f) All information which the undersigned has heretofore furnished and furnishes herewith to the LLC, including, without limitation, the certification as to the undersigned's status as an "accredited investor" within the meaning of Rule 501 under the

Securities Act and applicable state securities laws, and any other information with respect to the undersigned's financial position and business experience set forth herein, and any representations contained herein, is correct and complete as of the date of this Subscription Agreement, and if there should be any material change in such information prior to the undersigned's admission to the LLC as a member, the undersigned will immediately furnish such revised or corrected information to the LLC.

(g) Within five days after receipt of a request from the LLC, the undersigned hereby agrees to provide such information and to execute and deliver such documents as may reasonably be necessary to comply with any and all laws and ordinances to which the LLC is subject.

(h) The foregoing representations, warranties, and agreements, together with all other representations and warranties made or given by the undersigned to the LLC in any other written statement or document delivered in connection with the transactions contemplated hereby, shall be true and correct in all respects on and as of the date of the undersigned's admission to the LLC as a member as if made on and as of such date and shall survive such date.

7. PIGGYBACK REGISTRATION RIGHTS.

(a) If prior to the second anniversary of the LLC Closing, the LLC or its successor (the "Company") proposes to register under the Securities Act (a "Proposed Registration") the LLC equity interests or shares of common stock or other securities into which such equity interests have been exchanged in a reorganization (the "Securities") in connection with the initial public offering of such Securities (other than a registration on Form S-4 or any successor form), the Company shall, at such time, promptly give the undersigned written notice of such Proposed Registration. The undersigned shall have ten (10) days from its receipt of such notice to deliver to the Company a written request specifying the amount of Securities purchased pursuant to this Subscription Agreement or acquired upon exercise of Warrants purchased pursuant to this Subscription Agreement (including any Securities received in a reorganization) that the undersigned intends to sell (the "Registrable Securities") and the undersigned's intended method of distribution. Upon receipt of such request, the Company shall use reasonable commercial efforts to cause all Registrable Securities which the Company has been requested to register to be registered under the Securities Act to the extent necessary to permit their sale or other disposition in accordance with the intended method of distribution specified in the request of the undersigned; provided, however, that the Company shall have the right, prior to the date the applicable registration statement becomes effective, to postpone or withdraw any Proposed Registration without obligation to the undersigned. If the Proposed Registration involves an underwriting, the Company shall not be required to include any Registrable Securities in the underwritten portion of the offering.

(b) In connection with the registration of Registrable Securities pursuant to this Agreement, the Company shall:

(i) subject to subsection (iv), keep a registration statement covering Registrable Securities effective until the earliest of (A) one year after the effective date thereof, (B) the sale of all Registrable Securities covered by the registration statement, or (C) the date on

which all the remaining Registrable Securities can be immediately sold to the public without registration;

(ii) prepare and file with the Commission such amendments and supplements to a registration statement covering Registrable Securities and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act and the rules and regulations thereunder to maintain the effectiveness of the registration statement;

(iii) furnish to the undersigned such number of copies of the prospectus included in a registration statement covering Registrable Securities as the undersigned may reasonably request in order to facilitate the disposition of the undersigned's Registrable Securities;

(iv) notify the undersigned promptly upon the occurrence of any event or circumstance that, in the reasonable judgment of the Company, makes it necessary or appropriate to amend or supplement the prospectus included in a registration statement covering Registrable Securities, and promptly prepare, file and furnish to the undersigned a reasonable number of copies of such a supplemented or amended prospectus; provided, however, that the Company may delay preparing, filing and distributing any such supplement or amendment if the Company determines that such supplement or amendment could (i) interfere with or adversely affect the negotiation or completion of a transaction that is being contemplated by the Company or (ii) involve initial or continuing disclosure obligations that are not in the best interests of the Company's equityholders at such time; provided, further, that (x) the Company will give notice of any such delay prior to such delay, (y) such delay shall not extend for a period of more than sixty (60) days without the written consent of the undersigned and (z) the Company may utilize such delay no more than twice in any period of 365 consecutive days; and

(v) use reasonable commercial efforts to prevent the issuance of any stop order or other order suspending the effectiveness of a registration statement covering Registrable Securities and, if such an order is issued, to obtain the withdrawal thereof at the earliest possible time and to notify the undersigned of the issuance of such order and the resolution thereof.

(c) In connection with any registration of the Registrable Securities, the undersigned shall:

(i) furnish to the Company such information regarding itself and the intended method of disposition of Registrable Securities as the Company shall reasonably request in order to effect the registration thereof; and

(ii) upon receipt of any notice from the Company of the issuance of a stop order or a notice under Section 6(b)(iv), immediately discontinue disposition of Registrable Securities pursuant to the applicable registration statement until withdrawal of the stop order or receipt of the amended or supplemented prospectus, as the case may be.

(d) With a view to making available to the undersigned the benefits of Rule 144 under the Securities Act ("Rule 144"), the Company agrees that after it becomes subject to

the reporting requirements under the Securities Exchange Act of 1934, as amended, and until the second anniversary of the purchase of the Units, it shall make available adequate public information, as that term is defined in Rule 144.

(e) Expenses incurred by the Company in connection with the registration of Registrable Securities, including registration fees, printer costs, accounting fees and the fees and disbursements of counsel for the Company, shall be borne by the Company. The Company shall not be responsible for underwriting discounts and commissions payable with respect to Registrable Securities or fees and expenses for attorneys or other advisors to the undersigned.

8. INDEMNIFICATION. The undersigned agrees to indemnify and hold harmless the LLC and its officers, directors, and Affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Securities Act, against any and all losses, liabilities, claims, damages, and expenses whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing, or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representations or breaches of warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

9. ADDITIONAL INFORMATION. The undersigned hereby acknowledges and agrees that the LLC may make or cause to be made such further inquiry and obtain such additional information as they may deem appropriate, with regard to the suitability of the undersigned.

10. IRREVOCABILITY; BINDING EFFECT. The undersigned hereby acknowledges and agrees that the subscription hereunder is irrevocable, that the undersigned is not entitled to cancel, terminate, or revoke this Subscription Agreement or any agreements of the undersigned thereunder, and that this Subscription Agreement and such other agreements shall survive the death or disability of the undersigned and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives, and assigns. If the undersigned is more than one person, the obligations of the undersigned hereunder shall be joint and several and the agreements, representations, warranties, and acknowledgements herein contained shall be deemed to be made by and be binding upon each such person and his heirs, executors, administrators, successors, legal representatives, and assigns.

11. MODIFICATION. Neither this Subscription Agreement nor any provisions hereof shall be waived, modified, discharged, or terminated except by an instrument in writing signed by the party against whom any such waiver, modification, discharge, or termination is sought.

12. NOTICES. Any notice, demand, or other communication which any party hereto may be required, or may elect, to give to any other party hereunder shall be sufficiently given if (a) deposited, postage prepaid, in a United States mail box, stamped registered or certified mail, return receipt requested, addressed to such address as may be listed on the books of the LLC, or (b) delivered personally at such address.

13. COUNTERPARTS. This Subscription Agreement may be executed through the use of separate signature pages or in any number of counterparts, and each such counterpart shall, for

all purposes, constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.

14. ENTIRE AGREEMENT. This Subscription Agreement contains the entire agreement of the parties with respect to the subject matter hereof and there are no representations, covenants or other agreements except as stated or referred to herein.

15. SEVERABILITY. Each provision of this Subscription Agreement is intended to be severable from every other provision, and the invalidity or illegality of any portion hereof shall not affect the validity or legality of the remainder hereof.

16. ASSIGNABILITY. This Subscription Agreement is not transferable or assignable by the undersigned.

17. APPLICABLE LAW. This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of New York as applied to residents of that State executing contracts wholly to be performed in that State.

18. CHOICE OF JURISDICTION. The parties agree that any action or proceeding arising, directly, indirectly, or otherwise, in connection with, out of, or from this Subscription Agreement, any breach hereof or any transaction covered hereby shall be resolved within the County, City, and State of New York. Accordingly, the parties consent and submit to the jurisdiction of the United States federal and state courts located within the County, City, and State of New York.

19. TAXPAYER IDENTIFICATION NUMBER. The undersigned verifies under penalties of perjury that the Taxpayer Identification Number or Social Security Number shown below is true, correct, and complete and that the undersigned is not subject to backup withholding either (a) because the undersigned has not been notified that it is subject to backup withholding as a result of a failure to report all interest or dividends or (b) because the Internal Revenue Service has notified the undersigned that the undersigned is no longer subject to backup withholding.

Number of Units for (minimum of _____)	$_____
Aggregate Purchase Price	$_____

Names in which the Units are to be registered:

Federal Taxpayer I.D. or Social Security Number (applicable only to U.S. subscribers):

IN WITNESS WHEREOF, the undersigned has caused this Subscription Agreement to be executed this ___ day of _____, 1999.

Individuals: _____

Print name: _____

Print name of joint owner, if any below:

_____

Print address: _____

Corporation or other entity: Print name of corporation or other entity

By:_____

Authorized Signatory

Print name: _____

Print address:_____

THIS PAGE NOT TO BE COMPLETED BY SUBSCRIBER

RECEIPT AND ACCEPTANCE

SUBSCRIPTION ACCEPTED ON _____, 1999

ANTIGENICS L.L.C.

By:_____
Garo H. Armen,
Chairman of the Board of Managers and
Chief Executive Officer

AMENDMENT TO SUBSCRIPTION AGREEMENT

THIS AMENDMENT (the "Amendment") to the Subscription Agreement related to the Private Placement Memorandum dated August 31, 1999 (the "Subscription Agreement") between Antigenics L.L.C., a limited liability company organized under the Delaware Limited Liability Company Act (the "Company") and the undersigned, is hereby entered into by the Company and the undersigned.

In consideration for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the undersigned hereby amend the Subscription Agreement as follows:

1. All capitalized terms set forth herein shall have the same meaning as set forth in the Subscription Agreement.

2. Section 2 of the Subscription Agreement is hereby deleted in its entirety and replaced with the following:

"2. Warrants. In connection with the purchase of any Units subscribed for in Section 1 (the "Initial Units"), the LLC will issue to the undersigned a warrant (a "Warrant") exercisable for a number of additional Units equal to 10% of the number of Initial Units, rounded down to the nearest whole number. The Warrant shall entitle the undersigned to purchase Units at any time until September 30, 2002, shall have a per Unit exercise price of $2,401.86, and shall be in substantially the form of Exhibit B hereto."

3. Section 7(a) of the Subscription Agreement is hereby deleted in its entirety and replaced with the following:

"7. Piggyback Registration Rights.

(a) If prior to the second anniversary of the LLC Closing, the LLC or its successor (the "Company") registers under the Securities Act (a "Proposed Registration") the LLC equity interests or shares of common stock or other securities into which such equity interests have been exchanged in a reorganization (the "Securities") in connection with the initial public offering of such Securities (other than a registration on Form S-4 or any successor form), the Company shall, on the 91st day after the effective date of such registration statement, promptly give the undersigned written notice of such Proposed Registration. The undersigned shall have ten (10) days from its receipt of such notice to deliver to the Company a written request specifying the amount of Securities purchased pursuant to this Subscription Agreement or acquired upon exercise of Warrants purchased pursuant to this Subscription Agreement (including any Securities received in a reorganization) that the undersigned intends to sell (the "Registrable Securities") and the undersigned's intended method of distribution. Upon receipt of such request, the Company shall use reasonable commercial efforts to cause all Registrable Securities which the Company has been requested to register to be registered under the Securities

Act to the extent necessary to permit their sale or other disposition in accordance with the intended method of distribution specified in the request of the undersigned; provided, however, that the Company shall have the right, prior to the date the applicable registration statement becomes effective, to postpone or withdraw any Proposed Registration without obligation to the undersigned."

4. Subject to the amendment set forth herein, the remainder of the Subscription Agreement shall remain in full force and effect.

5. This Amendment 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.

IN WITNESS WHEREOF, the undersigned has caused this Amendment to the Subscription Agreement to be executed this ___ day of _____, 1999.

ANTIGENICS L.L.C.

By:_____

Garo H. Armen,

Chairman of the Board of Managers and
Chief Executive Officer

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Individuals: _____

Print name:_____

Print name of joint owner, if any below:

_____

Print address:_____

Corporation or other entity: Print name of corporation or other entity

By:_____

Authorized Signatory

Print name:_____

Print address:_____

List of Parties to Subscription Agreement

Blackford Securities
Michael & Pamela Clark
Stephen A. Cohen
Mary & Michael Darling
Delaware Charter Guarantee
Russell S. Reynolds III
Eagle Constellation Fund
Elan Corporation
EM Sterne & DM Moore TTEES
Stephen Feid
Freedale Investments
Frost Nevada
Phillip T. George, M.D.
German American Capital Corp.
H. Leland Getz
Joseph Grano Jr.
Kara Ann Berg Trust
Dr. Ernest Mario
Donald Marron
Mark McInerney
John P. McNiff
Richard Omohundro
James Pinto
Pinto Trust, C.S.
Pinnacle Investments
PNC Bank Delaware
SAC Capital
Stephen Schram
Sigma-Tau Industrie
Farmaceutiche Riunite SpA
Aptafin
Richard Sterne
Carol Swiggett
John Martin Taylor
ThermoElectron
A&A Actien Bank
Dr. Darrick Antell
Michael G. Baldwin
E. Garrett Bewkes Jr.
Blue Star Group
Arthur Castlebaum
Coleman Partnership
Dean C. Colson
Dean C. Colson, IRA
Dominic Corvino
Carmine DeSantis
Ralph A. Daiuto Sr.
Sergio Dompe
Lew Eisenberg
Gibralt Capital Corp
Chris Hart
H.B. Rigs Ltd.
Robert Hoffman
Medison Pharma Ltd.
Medison Tech.
Mark Tzalkovitz
Loren Kramer
Dr. Bernard Lahasky
Andrew J. Lanza
Peter Lawson-Johntson II
Peter Lawson-Johntson
Links LLC
Fredda Levitt
Dr. Ivan Lieberberg
Michael E. Mederrick
William Morrison
John Morse
PaineWebber
Darryl Parmenter
Manny Reiser
SAAD Investment Company Ltd.
John Saraceno
James F. & Virginia Sattler
A. Scurfin-Moratti
N. Lloyd Scurlock
Walter Toombs
Neil & Karen Vaccaro
H. William & Laura Walker
Frank B. White
Joseph E. Wurtz
Strauss Zelnick
Pilar Morales-Arce
E. Gutzwiller & CIE
S. L. Gubel
Interimage
Lloyds
Osa Mayor
Carmen Miranda
Percacer SA
Redwood Investment Ltd.
L. Rispoli
Stanhope S.L.
STH Capital
Olga Subirana
Torreal

EXHIBIT 10.7

MASTER LOAN AND SECURITY AGREEMENT

Master Loan and Security Agreement No. S7020, dated November 19, 1998

FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") is willing to make a loan (the "Loan") to ANTIGENICS, LLC ("you" or "Borrower") under the terms and conditions contained in this Master Loan and Security Agreement (this "Master Agreement"). The Loan will be secured by the Collateral described in any schedule to this Agreement (a "Schedule"). The Collateral also includes any replacement parts, additions and accessories that you may add to the Collateral, as well as any proceeds of sale, lease or rental of the Collateral. We may treat any Schedule as a separate loan and security agreement containing all of the provisions of this Loan and Security Agreement.

1. THE CREDIT

We may make the Loan in more than one advance (an "Advance", each of which shall be evidenced by a "Schedule"). All of the Schedules, taken together, will make up the Loan. We will only make the Loan to you if all the conditions in this Master Agreement have been met to our satisfaction. We will rely on your representations and warranties, contained in this Master Agreement, in making the Loan. The terms of this Agreement will each apply to the Loan.

- - USE OF PROCEEDS. You will use the proceeds of the Loan to pay for the Collateral. We may pay the Supplier (whom you have chosen) of the Collateral directly from the Loan proceeds. The Supplier will deliver the Collateral to you at your expense. You will properly install the Collateral at your expense at the location(s) indicated in the Schedule. If you have already paid for the Collateral, we will pay the Loan proceeds to you or to another person that you may designate in writing.

- - NOTES. Your obligation to repay the Loan and to pay interest on the Loan will be evidenced by Notes. Each Note will be dated the date of the Schedule to which the Advance evidenced by the Note is related.

- - TERM. The Term of each Schedule (and the related Advance) begins upon the date that we make payment for the Collateral covered under each Schedule (the "Closing Date"). The Term continues until you fully perform all of your obligations under this Agreement and each Schedule and the related Note(s) If the Collateral is not delivered, installed and accepted by you by the date indicated in the Schedule, we may terminate this Agreement and the Schedule as to the Collateral that was not delivered, installed and accepted by giving you 10 days written notice of termination.

- - LOAN ACCOUNT. We will keep a loan account on our books and records (which are computerized) for the Loan. We will record all payments of principal and interest in the loan account. Unless the entries in the loan account are clearly in error, the loan account will definitively indicate the outstanding principal balance and accrued interest on the Loan. We may send you loan account statements from time to time or upon your request.

- - PAYMENTS. The scheduled loan payments (the "Payments") are indicated on the Schedule. The Payments are payable periodically as specified on the Schedule from time to time (for example, monthly). The Schedule also indicates whether the Payments are payable "in advance" or "in arrears." You agree that you owe us the total of all of these Payments over the Term of the Schedule.

- - FIRST PAYMENT. The first Payment is due at the beginning of the Term or at a later date that we agree to in writing. Subsequent Payments are due on the thirtieth day of each successive period (except the next following period if Payments are payable in arrears) until you pay us in full all of the Payments and any other charges or expenses you owe us.

- - INTEREST. Prior to maturity of a Schedule, you will pay us interest on each Schedule at the Interest Rate indicated in the Schedule. "Maturity" means the scheduled maturity or any earlier date on which we accelerate the Loan. The Payment amount indicated in the Schedule includes interest at this Interest Rate. Interest is calculated in advance using a year of 360 days with twelve months of 30 days.

- - DEFAULT INTEREST RATE. After Maturity of the Loan you will pay us interest at a rate of four (4%) percent per year above the Interest Rate. This is referred to as the "Default Rate."

- - INTERIM PAYMENT. If an Advance is made on a day other than the thirtieth or thirty-first day of a period, you will also pay us an interim Payment on the first Payment date. The interim Payment will be for the period from the beginning of the Term until the twenty-ninth day of the period in which the Advance is made, unless the Advance is made on the thirty-first day of a period. If the Advance is made on the thirty-first day of a period, the interim Payment will be for the period from the beginning of the Term through and including the twenty-ninth day of the next following period. The Interim Payment will be calculated the same way as the regular Payments but pro rata on a daily basis for the number of days for which the interim Payment is due.

- - USURY. You and we intend to obey the law. If the Interest Rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

- - PAYMENT DETAILS. You will make all payments due under this Master Agreement by 12:00 P.M., Connecticut time, on the day they are due. You will make all payments in US Dollars (US$) in immediately available funds. We do not have to make or give "presentment, demand, protest or notice" to get paid. You waive "presentment, demand, protest and notice."

- - APPLICATION OF PAYMENTS. Each payment under this Master Agreement is to be applied in the following order: first, to any fees, costs, expenses and charges you may owe us; second, to any interest due; and third to the principal balance.

- - PREPAYMENT. You may not prepay the Loan, in whole or in part, unless this is specifically permitted by Exhibit A to this Agreement. If prepayment is permitted by Exhibit A to this Master Agreement, you will give us at least 30 days advance written notice of prepayment. You will pay us the prepayment premium indicated in the Schedule(s). You will also pay us all accrued and unpaid interest through the date of prepayment, as well as all outstanding fees, costs, expenses and charges then due. Of course, you will also pay the entire outstanding principal balance of the Loan. Once you give us a notice of prepayment, that notice is final and irrevocable. If we accelerate the Loan following an Event of Default, you will also owe us a prepayment premium calculated as if the Loan were prepaid on the date of acceleration. If no prepayment is permitted, the premium due upon acceleration will be five (5%) percent of the outstanding principal balance.

- - YOUR OBLIGATION TO PAY US ALL PAYMENTS IS ABSOLUTE AND UNCONDITIONAL. YOU ARE NOT EXCUSED FROM MAKING THE PAYMENTS, IN FULL, FOR ANY REASON. YOU AGREE THAT YOU HAVE NO DEFENSE FOR FAILURE TO MAKE THE PAYMENTS AND YOU WILL NOT MAKE ANY COUNTERCLAIMS OR SETOFFS TO AVOID MAKING THE PAYMENTS.

2. SECURITY INTEREST

- - You grant us a security interest in the Collateral. The Collateral secures the full and timely payment and performance of all of your obligations to us and to FINOVA Capital Corporation under this Master Agreement and any other agreement, loan or lease that you may have with us or FINOVA Capital Corporation (the "Obligations"). You also grant us a security interest in any additional collateral identified in any Schedule. Any additional collateral is considered to be "Collateral" and it secures all of the Obligations.

- - If we request, you will put labels supplied by us stating "PROPERTY OF FINOVA" on the Collateral where they are clearly visible.

- - You give us permission to add to this Master Agreement or any Schedule the serial numbers and other information about the Collateral.

- - You give us permission to file this Master Agreement or a Uniform Commercial Code financing statement, at your expense, in order to perfect our security interest in the Collateral. You also give us permission to sign your name on the Uniform Commercial Code financing statements where this is permitted by law.

- - You will pay our cost to do searches for other filings or judgments against you or your affiliates. You will also pay any filing, recording or stamp fees or taxes resulting from filing this Agreement or a Uniform Commercial Code financing statement. You will also pay our fees in effect from time to time for documentation, administration and Termination of this Master Agreement.

- - At your expense, you will defend our first priority security interest in the Collateral against, and keep the Collateral free of, any legal process, liens, other security interests, attachments, levies and executions. You will give us immediate written notice of any legal process, liens, attachments, levies or executions, and you will indemnify us against any loss that results to us from these causes.

- - You will notify us at least 15 days before you change the address of your principal executive office.

- - You will promptly sign and return additional documents that we may request in order to protect our first priority security interest in the Collateral.

- - The Collateral is personal property and will remain personal property. You will not incorporate it into real estate and will not do anything that will cause the Collateral to become part of real estate or a fixture.

3. CONDITIONS OF LENDING

- - See our Commitment Letter to you dated November 16, 1998, which you and we consider to be a part of this Master Agreement. The terms and conditions of the Commitment Letter continued following the making of the first Advance. However, if there is a conflict between the terms and conditions of this Master Agreement, any schedule or any Note and the terms and conditions of the Commitment Letter, then you and we agree that the terms and conditions of this Agreement, the Schedules and the Notes control over the Commitment Letter terms and conditions.

- - Before we disburse any proceeds of any Advance, we also require the following:

* That no payment is past due to us under any other agreement, loan or lease that you or any guarantor have with us or with FINOVA Capital Corporation.

* That we have received all the documents we requested, including the signed Schedule, Note and Delivery and Acceptance Certificate.

* that there has been no material adverse change in your financial condition, business, operations or prospects, or that of any guarantor, from the financial condition that you disclosed to us in your application for credit.

4. REPRESENTATIONS AND WARRANTIES

You represent and warrant to us as follows:

- - All financial information and other information that you or any guarantor have given us is true and complete. You or any guarantor have not failed to tell us anything that would make the financial information misleading. There has been no material adverse change in your financial condition, business, operations or prospects, or the financial condition of any guarantor, or the financial condition of any guarantor, from the financial condition that you disclosed to us in your application for credit.

- - You have supplied us with information about the Collateral. You promise to us that the amount of our Advance as to each item of Collateral is no more than the fair and usual price for this kind of Collateral, taking into account any discounts, rebates and allowances that you or any affiliate of yours may have given for the Collateral.

- - You have complied with all "environmental laws" and will continue to comply with all "environmental laws." No "hazardous substances" are used, generated, treated, stored or disposed of by you or at your properties except in compliance with all environmental laws. "Environmental laws" mean all federal, state or local environmental laws and regulations, including the following laws: CERCLA, RCRA, Hazardous Materials Transport Act and The Federal Water Pollution Control Act. "Hazardous substances" means all hazardous or toxic wastes, materials or substances, as defined in the environmental laws, as well as oil, flammable substances, asbestos that is or could become friable, urea formaldehyde insulation, polychlorinated biphenyls and radon gas.

- - You have taken all action necessary including but not limited to due inquiry and due diligence to assure that there will be no material adverse change to your business by reason of the advent of the year 2000, including without limitation that all computer-based systems, embedded microchips and other processing capabilities effectively recognize and process dates after April 1, 1999.

5. COVENANTS

You agree to do the following things (or not to do the following things if so stated) until full payment of all amounts due to us under this Agreement, the Schedules and the Notes:

CARE, USE, LOCATION AND ALTERATION OF THE COLLATERAL

- - You will make sure that the Collateral is maintained in good operating condition, and that it is serviced, repaired and overhauled when this is necessary to keep the Collateral in good operating condition. All maintenance must be done according to the Supplier's or Manufacturer's requirements or recommendations. All maintenance must also comply with any legal or regulatory requirements.

- - You will maintain service logs for the Collateral and permit us to inspect the Collateral, the service logs and service reports. You give us permission to make copies of the service logs and service reports.

- - We will give you prior notice if we, or our agent, want to inspect the Collateral or the service logs or service reports. We may inspect it during regular business hours. You will pay our travel, meals and lodging costs to inspect the Collateral, but only for one inspection ear. If we find during an inspection that you are not complying with this Master Agreement, you will pay our travel, meals and lodging costs, our salary costs, and the costs and fees of our agents for reinspection. You will promptly cure any problems with the Collateral that are discovered during our inspection.

- - You will use the Collateral only for business purposes. You will obey all legal and regulatory requirements in your use of the Collateral.

- - You will make all additions, modifications and improvements to the Collateral that are required by law or government regulation. Otherwise, you will not alter the Collateral without our written permission. You will replace all worn, lost, stolen or destroyed parts of the Collateral with replacement parts that are as good or better than the original parts. The new parts will become subject to our security interest upon replacement.

- - You will not remove the Collateral from the location indicated in the Schedule without our written permission.

YEAR 2000 COMPLIANT

- - You shall take all action necessary including but not limited to due inquiry and due diligence with critical business partners to assure that there will be no material adverse change to your business by reason of the advent of the year 2000, including without limitation that all computer-based systems, embedded microchips and other processing capabilities effectively recognize and process dates after April 1, 1999. At our request, you shall provide to us assurance reasonably acceptable to us that your computer-based systems, embedded microchips and other processing capabilities are year 2000 compatible.

RISK OF LOSS

- - You have the complete risk of loss or damage to the Collateral. Loss or damage to the Collateral will not relieve you of your obligation to make the Payments.

- - If any Collateral is lost or damaged, you have two choices (although if you are in default under this Master Agreement, we and not you will have the two choices). The choices are:

(1) Repair or replace the damaged or lost Collateral so that, once again, the Collateral is in good operating condition and we have a perfected first priority security interest in it.

(2) Pay us the present value (as of the date of payment) of the remaining Payments. We will calculate the present value using a discount rate of five (5%) percent per year. Once you have paid us this amount and any other amount that you may owe us, we will release our security interest in the damaged or lost Collateral and you (or your insurer) may keep the Collateral for salvage purposes, on an "AS IS WHERE IS" basis.

INSURANCE

- - Until you have made all Payments to us under this Master Agreement, the Schedules and the Notes, you will keep the Collateral insured. The amount of insurance, the coverage, and the insurance company must be acceptable to us.

- - If you do not provide us with written evidence of insurance that is acceptable to us, we may buy the insurance ourselves, at your expense. You will promptly pay us the cost of this

insurance. We have no obligation to purchase any insurance. Any insurance that we purchase will be our insurance, and not yours.

- - Insurance proceeds may be used to repair or replace damaged or lost Collateral or to pay us the present value of the Payments, as provided above.

- - You appoint us as your "attorney-in-fact" to make claims under the insurance policies, to receive payments under the insurance policies, and to endorse your name on all documents, checks or drafts relating to insurance claims for Collateral.

TAXES

- - You will pay all sales, use, excise, stamp, documentary and ad valorum taxes, license, recording and registration fees, assessments, fines, penalties and similar charges imposed on the ownership, possession, use, lease or rental of the equipment or on the Loan.

- - You will pay all taxes (other than our federal or state net income taxes) imposed on your or on us regarding the Payments.

- - You will reimburse us for any of these taxes that we pay or advance.

- - You will file and pay for any personal property taxes on the Collateral.

FINANCIAL STATEMENTS

- - During the Term you will promptly give copies of any filings you make with the Securities and Exchange Commission (SEC). You and any guarantor will also provide us with the following financial statements:

* Quarterly balance sheet and statements of earnings and cash flow - within 45 days after the end of your first three fiscal quarters in each fiscal year. These will be certified by the chief financial officer. You will also deliver to us, together with your quarterly financial statements, a certificate executed by your chief financial officer, to the effect that since the date of the previous certificate delivered to us, there has been no default under this Master Agreement or, if the same cannot be so certified, the reasons surrounding the same.

* Annual balance sheet and statements of earnings and cash flow - within 90 days after the end of each fiscal year. These will be audited by independent auditors acceptable to FINOVA. Their audit report must be unqualified.

These financial statements will be prepared according to generally accepted accounting principles, consistently applied.

All financial statements and Sec filings that you or any guarantor provide us will be true and complete. They will not fail to tell us anything that would make them misleading.

6. DEFAULTS

You are in default if any of the following happens:

- - You do not pay us, when it is due or within seven (7) days thereafter, any payment or other payment that you owe us under this Master Agreement, any Schedule, Note or that you owe us under this Master Agreement, any Schedule, Note or that you owe under any other agreement, loan or lease that you have with us or with FINOVA Capital Corporation.

- - Any of the financial information that you give us is not true and complete in all material respects, or you fail to tell us anything that would make the financial information misleading in any material respect.

- - You do something you are not permitted to do, or you fail to do anything that is required of you, under this Master Agreement, any schedule or nay other lease, loan or other financial arrangement that you have with us.

- - An event or default occurs for any other lease, loan or obligation of yours (or any guarantor) that exceeds $50,000.

- - You or any guarantor file bankruptcy, or involuntary bankruptcy is filed against you or any guarantor.

- - You or any guarantor are subject to any other insolvency proceeding other than bankruptcy (for example, a receivership action or an assignment for the benefit of creditors).

- - Without our permission, you or any guarantor sell all or a substantial part of its assets, merge or consolidate, or a majority of your voting stock or interests (or any guarantor's voting stock or interests) is transferred.

- - There is a material adverse change in your financial condition, business or operations, or that of any guarantor, from the condition that you disclosed to us in your application for credit.

REMEDIES, DEFAULT INTEREST, LATE FEES

If you are in default we may exercise one or more of our "remedies." Each of our remedies is independent. We may exercise any of our remedies, all of our remedies or none of our remedies. We may exercise them in any order we choose. Our exercise of any remedy will not prevent us from exercising any other remedy or be an "election of remedies." If we do not exercise a remedy, or if we delay in exercising a remedy, this does not mean that we are forgiving your default or that we are giving up our right to exercise the remedy. Our remedies allow us to do one or more of the following:

- - "Accelerate" this Loan balance under any or all Notes. This means that we may require you to immediately pay us all Payments for the entire Term for any or all Schedules.

- - Require you to immediately pay us all amounts that you are required to pay us for the entire Term of any other agreements, loans or leases that you have with us.

- - Sue you for all Payments and other amounts you owe us plus the Prepayment Premium (see Section 1 above).

- - Require you at your expense to assemble the Collateral at a location we request in the Untied States of America.

Remove and repossess the Collateral from where it is located, without demand or notice, or make the Collateral inoperable. We have your permission to remove any physical obstructions to removal of the Collateral. We may also disconnect and separate all Collateral from other property. No court order, court hearing or "legal process" will be required for us to repossess the Collateral. You will not be entitled to any damages resulting form removal or repossession of the Collateral. We may use, ship, store, repair or lease any Collateral that we repossess. We may sell any repossessed Collateral at private or public sale. You give us permission to show the Collateral to buyers at your location free of charge during normal business hours. If we do this, we do not have to remove the Collateral from your location. If we repossess the Collateral and sell it we will give you credit for the net sale price, after subtracting our costs of repossessing and selling the Collateral. If we rent the Collateral to somebody else, we will give you credit for the net rent received, after subtracting our costs of repossessing and renting the Collateral, but the credit will be discounted to present value using a discount rate equal to the Default Rate. The credit will be applied against what you owe us under this Master Agreement, the Schedules, the Notes and any other agreements, loans or leases that you have with us. If the credit exceeds the amount you owe under this Master Agreement, the Schedule, the Notes and any other agreements, loans or leases that you have with us, we will refund the amount of the excess to you.

- - Return conditions: Following an Event of Default, at our request you will return the Collateral, freight and insurance prepaid by you, to us at a location we request in the United States of America. It will be returned in good operating condition, as required by Section 5 above. The Collateral will not be subject to any liens when it is returned. All advertising insignia will be removed and the finish will be painted or blended so that nobody can see that advertising insignia used to be there.

* You will pack or crate the Collateral for shipping in the original containers, or comparable ones. You will do this carefully and follow all recommendations of the Supplier and the Manufacturer as to packing or crating.

* You will also return to us the plans, specifications, operating manuals, software documentation, discs, warranties and other documents furnished by the Manufacturer or Supplier. You will also return to us all service logs and service reports, as well as all written materials that you may have concerning the maintenance and operation of the Collateral.

* At our request, you will provide us with up to 60 days free storage of the Collateral at your location, and will let us (or our agent) have access to the Collateral in order to inspect it and sell it.

* You will pay us what it costs us to repair the Collateral if you do not return it in the required condition.

You will also pay us for the following:

- - All our expenses of enforcing our remedies. This includes all our expenses to repossess, store, ship, repair and sell the Collateral.

- - Our reasonable attorney's fees and expenses.

- - Default interest on everything you owe us from the date of your default to the date on which we are paid in full at the Default Rate.

You realize that the damages we could suffer as a result of your default are very uncertain. This is why we have agreed with you in advance on the Default Rate to be used in calculating the payments you will owe us if you default. You agree that, for these reasons, the payments you will owe us if you default are "agreed" or "liquidated" damages. You understand that these payments are not "penalties" or "forfeitures."

LATE FEES. You will pay us a late fee whenever you pay any amount that you owe us more than ten (10) days after it is due. You will pay the late fee within one month after the late Payment was originally due. The late fee will be five (5%) percent of the late Payment. If this exceeds the highest legal amount we can charge you, you will only be required to pay the highest legal amount. The late fee is intended to reimburse us for our collection costs that are caused by late Payment. It is charged in addition to all other amounts you are required to pay us, including Default Interest.

7. EXPENSES AND INDEMNITIES

PERFORMING YOUR OBLIGATIONS IF YOU DO NOT

- - If you do not perform one or more of your obligations under this Master Agreement or a Schedule or Note, we may perform it for you. We will notify you in writing at least ten (10) days before we do this. We do not have to perform any of your obligations for you. If we do choose to perform them, you will pay us all of our expenses to perform them, you will pay us all of our expenses to perform the obligations. You will also reimburse us for any money that we advance to perform your obligations, together with interest at the Default Rate on that amount. These will be additional "Payments" that you will owe us and you will pay them at the same time that your next Payment is due.

- - You will indemnify us, defend us and hold us harmless for any and all claims, expenses and attorney's fees concerning or arising from the Collateral, this Agreement, or any Schedule or Note, or your breach of any representation or warranty. It includes any claims concerning the manufacture, selection, delivery, possession, use, operation or return of the Collateral.

- - This obligation of yours to indemnify us continues even after the Term is over.

8. MISCELLANEOUS

WE MAY ASSIGN OR GRANT A SECURITY INTEREST IN THIS AGREEMENT, ANY SCHEDULE, ANY NOTE OR ANY PAYMENTS WITHOUT YOUR PERMISSION. THE

PERSON TO WHOM WE ASSIGN IS CALLED THE "ASSIGNEE." THE ASSIGNEE WILL NOT HAVE ANY OF OUR OBLIGATIONS UNDER THIS MASTER AGREEMENT. YOU WILL NOT BE ABLE TO RAISE ANY DEFENSE, COUNTERCLAIM OR OFFSET AGAINST THE ASSIGNEE.

AFTER ASSIGNMENT YOU MAY "QUIETLY ENJOY" THE USE OF THE COLLATERAL SO LONG AS YOU ARE NOT IN DEFAULT.

UNLESS YOU RECEIVE OUR WRITTEN PERMISSION, YOU MAY NOT ASSIGN OR TRANSFER YOUR RIGHTS UNDER THIS MASTER AGREEMENT OR ANY SCHEDULE. YOU ALSO ARE NOT ALLOWED TO LEASE OR RENT THE COLLATERAL OR LET ANYBODY ELSE USE IT UNLESS WE GIVE YOU OUR WRITTEN PERMISSION.

WE DID NOT MANUFACTURE OR SUPPLY THE COLLATERAL. WE ARE NOT A DEALER IN THE COLLATERAL. INSTEAD, YOU CHOSE THE COLLATERAL.

WE DO NOT MAKE ANY WARRANTY AS TO THE COLLATERAL. WE DO NOT MAKE ANY WARRANTY AS TO "MERCHANTABILITY" OR "SUITABILITY" OR "FITNESS FOR A PARTICULAR PURPOSE" OR "NONINFRINGEMENT" OF ANY PATENT, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT.

WE WILL NOT BE RESPONSIBLE FOR ANY LOSS, DAMAGE, OR INJURY TO YOU OR ANYBODY ELSE AS A RESULT OF ANY DEFECTS, HIDDEN OR OTHERWISE, IN THE COLLATERAL UNDER "STRICT LIABILITY" LAWS OR ANY OTHER LAWS.

WE WILL NOT BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS OR GOODWILL.

If the Collateral is unsatisfactory, you will continue to pay us all Payments and other amounts you are required to pay us. You must seek repair or replacement of the equipment solely from the Manufacturer or Supplier and not from us. Neither the Manufacturer nor the Supplier is our "agent," so they cannot speak for us and they are not allowed to make any changes in this Master Agreement or any Schedule or Note, or give up any of our rights.

ACCEPTANCE BY FINOVA, GOVERNING LAW, JURISDICTION, VENUE, SERVICE OF PROCESS, WAIVER OF JURY TRIAL.

THIS MASTER AGREEMENT WILL ONLY BE BINDING WHEN WE HAVE ACCEPTED IT IN WRITING.

THIS MASTER AGREEMENT IS GOVERNED BY THE SUBSTANTIVE LAWS OF THE STATE OF ARIZONA (NOT INCLUDING THE "CHOICE OF LAW" DOCTRINE), THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS OR CONDITIONS OF THIS MASTER AGREEMENT OCCURRED AND FROM WHICH DISBURSEMENT OF THE LOAN PROCEEDS WILL BE ORDERED. HOWEVER, IF THIS MASTER AGREEMENT IS UNENFORCEABLE UNDER ARIZONA LAW. IT

WILL INSTEAD BE GOVERNED BY THE LAWS OF THE STATE IN WHICH THE COLLATERAL IS LOCATED.

YOU MAY ONLY SUE US IN A FEDERAL OR STATE COURT THAT IS LOCATED IN MARICOPA COUNTY, ARIZONA. THIS APPLIES TO ALL LAWSUITS UNDER ALL LEGAL THEORIES, INCLUDING CONTRACT, TORT AND STRICT LIABILITY. YOU CONSENT TO THE PERSONAL JURISDICTION OF THESE ARIZONA COURTS. YOU WILL NOT CLAIM THAT MARICOPA COUNTY ARIZONA, IS AN "INCONVENIENT FORUM" OR THAT IT IS NOT A PROPER "VENUE."

WE MAY SUE YOU IN ANY COURT THAT HAS JURISDICTION. WE MAY SERVE YOU WITH PROCESS IN A LAWSUIT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO YOUR ADDRESS INDICATED AFTER YOUR SIGNATURE BELOW.

YOU AND WE EACH WAIVE ANY RIGHT YOU OR WE MAY HAVE TO A JURY TRIAL IN ANY LAWSUIT BETWEEN YOU AND US.

BOARD MEETINGS. You will provide us with the minutes of the meetings of your board of directors.

NOTICES. We may give you written notice in person, by mail, by overnight delivery service, or by fax. Notice will be sent to your address below your signature. Mail notice will be effective three (3) days after we mail with prepaid postage to the address stated. Overnight delivery notice requires a receipt and tracking number. Fax notice requires a receipt from the sending machine showing that it has been sent to your fax number and received.

You may give us notice the same way that we may give you notice.

This Master Agreement benefits our successors and assigns. This Master Agreement benefits our successors and assigns. This Master Agreement benefits only those successors and assigns of yours that we have approved in writing.

This Master Agreement binds your successors and assigns. This Master Agreement binds only those successors and assigns of ours that clearly assume our obligations in writing.

TIME IS OF THE ESSENCE OF THIS MASTER AGREEMENT

This Master Agreement, all of the Schedules and the Notes and the Commitment Letter are together the entire agreement between you and us concerning the Collateral.

Only an employee of FINOVA who is authorized by corporate resolution or policy may modify or amend this Loan or any Schedule or Note on our behalf, an this must be in writing. Only he or she may give up any of our rights, and this must be in writing. If more than one person is the Borrower under this Agreement, then each of you is jointly an severally liable for your obligations under this Master Agreement.

This Master Agreement is only for your benefit and for our benefit, as well as our successors and assigns. It is not intended to benefit any other person.

If any provision in this Master Agreement is unenforceable, then that provision must be deleted. Only unenforceable provisions are to be deleted. The rest of this Master Loan Agreement will remain as written.

PUBLICITY. We may make press releases and publish a tombstone announcing this transaction and its total amount. You may not publicize this transaction in any way without our prior written consent.

LENDER:	BORROWER:
FINOVA TECHNOLOGY FINANCE, INC. 10 WATERSIDE DRIVE FARMINGTON, CT 06032-3065	ANTIGENICS, LLC 630 FIFTH AVENUE, SUITE 2170 NEW YORK, NY 10111
BY: /s/ Linda A. Mischitto	BY: /s/ Garo Armen
PRINTED NAME: Linda A. Mischitto	PRINTED NAME: Garo H. Armen
TITLE: Director, Contract Administration	TITLE: Chairman of the Board of Managers and Chief Executive Officer
FAX NUMBER: (860) 676-1814	Taxpayer ID# 13-3769335
DATE ACCEPTED: December 8, 1998	FAX NUMBER: (212) 332-4778
	DATED: December 4, 1998

STATE OF NEW YORK
COUNTY OF NEW YORK

I acknowledge that Garo Armen, who stated that he/she/ is _____ of the Borrower named above, signed this Master Loan and Security Agreement in my presence today: December 4, 1998. He/She acknowledged to me that his/her signature on this Master Loan and Security Agreement was authorized by a valid resolution or other valid authorization from Borrower's board of Directors or other governing body.

/s/ Michelle Barr

Notary Public

[SEAL]

Michelle Barr
Notary Public, State of New York
No. 01BA5042457
Qualified in Westchester County
Commission Expires April 24, 1999

Exhibit A

THERE SHALL BE NO PREPAYMENT ALLOWED UNDER THIS MASTER AGREEMENT.

PROMISSORY NOTE NO. 1

$935,745.00 December 30, 1998

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of Nine Hundred Thirty-Five Thousand, Seven Hundred Forty-Five and 00/100 Dollars ($935,745.00), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge of ten (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 12/18/98

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

FTF Promissory Note & Schedule

SCHEDULE NO. 1 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 1, dated December 30, 1998, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, LLC, a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 10111 ("you"), and FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with its executive office and principal place of business at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing Nine Hundred Thirty-Five Thousand, Seven Hundred Forty-Five and 00/100 Dollars ($935,745.00) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $935,745.00 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $26,083.89, followed by one (1) final monthly payment in the amount of $93,574.50 (the "Final Payment"). These payments will be adjusted on the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30% interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (31st), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL

STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN: Security Interest. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us or FINOVA Capital Corporation.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, LLC	ATTEST:
	[SEAL]
By /s/ Garo Armen	
Name Garo Armen	/s/ Jeffrey Rona
Title CEO	[Assistant] Secretary
Date 12/18/98	

SCHEDULE A TO SCHEDULE NO. 1

Collateral Description Below: REFERENCE#	VENDOR	COLLATERAL DESCRIPTION	INVOICE #	EQUIPMENT COST	TAX	FREIGHT	TOTAL	CHECK#
		PURCHASES FROM OCT 1, 1997 TO DEC. 31, 1997						
1	Micron	2-Micron Computer ATO	1555179	$ 5,874.00		$ 99.00	$ 5,973.00	2008
2	Micron	Computer Equipment	1508072	$ 5,396.00	$270.00		$ 5,666.00	2008
3	Pace	Windows NT Workstation	981318	$ 1,889.00			$ 1,889.00	2036
4	Pace	Laserjet 4000T	981567	$ 1,973.00		$ 23.00	$ 1,996.00	2036
5	Comdisco	Misc Lab Equipment: Glass Washer, Cage Washer Autoclave Irradiator, Fume Hoods Biosafety Cabinets	11520	$ 45,000.00			$ 45,000.00	2104
6	Pharmacia Biotech	Phastsystem 00151		$ 9,599.00		$ 48.00	$ 9,647.00	1784
8	Micron	Computer equipment	1550021	$ 2,797.00	$140.00	$ 99.00	$ 3,036.00	2008
9	Pace Memory	Laserjet 4000T	981490	$ 1,278.00			$ 1,278.00	2011
10	Pace Memory	MS Project 98 and misc. computer	981468	$ 4,050.00			$ 4,050.00	3118 and 2011
11	Pace Memory	Proliant 2500R Proc Tigerswitch SMC 8PT	980526	$ 3,216.00 $ 1,415.00		$100.00	$ 4,731.00	1915
12	Pace Memory	3-Proliant 2500R Servers 3-Compaq RPS 3-Smart Array 2/P Cont other misc. computer equipment	980299 980299 980299 980299	$ 17,175.00 $ 4,170.00 $ 6,300.00 $ 72,350.00			$ 99,995.00	1882
13	Micron	Micron Computer System ATO Model BOM Serial# 1075374-0001	1513342	$ 4,082.00			$ 4,082.00	2008
14	VWR	Lab equipment	42593290	$ 1,570.00			$ 1,570.00	1988
15	Rittal	Shelving	570867	$ 1,146.00	$108.00	$185.00	$ 1,439.00	1858
16	Rittal	Air Conditioners	571155	$ 4,173.00	$332.00	$ 83.00	$ 4,588.00	1858
			SUB-TOTAL	$193,453.00	$850.00	$637.00	$194,940.00	

SCHEDULE A TO SCHEDULE NO. 1

Collateral Description Below:

REFERENCE#	VENDOR	COLLATERAL DESCRIPTION	INVOICE#	EQUIPMENT COST	TAX	FREIGHT	TOTAL	CHECK#
		PURCHASES FROM JAN. 1, 1998 - SEPT. 30, 1998						
1	MBS	MS Exchange Server	982059	$ 3,225.00			$ 3,225.00	2313
2	MBS	Cheyenne Protector	981786	$ 1,393.00				
	MBS	Inoculan V4.0 for NT	981786	$ 2,168.00				
	MBS	Cheyenne Inoculan	981786	$ 345.00			$ 3,906.00	2313
2A	Hammen	Materials/Labor/Installation		$ 4,375.00			$ 4,375.00	1893 & 2095
3	Immulogic	Lab Equipment		$78,000.00			$78,000.00	2480
4	PC Connection	ThinkPad 600	694254	$ 2,924.00		$ 20.00	$ 2,944.00	2599
5	Teracom Partners	Computer Equipment		$16,201.00	$1,337.00		$17,538.00	wire
5A	Teracom Partners	Computer Equipment		$65,877.00	$5,434.00		$71,311.00	wire
6	Bellco Glass	SCI/ERA Quad Drive	91939	$ 2,194.00		$ 37.00	$ 2,231.00	2731
7	BIO-RAD	Capacitance Ext Plus	1346723	$ 1,525.00		$ 30.00	$ 1,555.00	2732
8A	Allentown Caging	Animal Cages	18222	$ 3,140.00		$ 66.00	$ 3,206.00	2198
8B			18413	$ 1,922.00			$ 1,922.00	2092
8C			18413	$ 1,346.00		$116.00	$ 1,462.00	2291
9	Cole Palmer	Ultrasonic Cleaner	3349284	$ 1,028.00		$ 13.00	$ 1,041.00	2577
10	Cole Palmer	Drive, MFLEX	3339545	$ 1,015.00		$ 9.00	$ 1,024.00	2577
11	Lab Research Products	2 Chromatography Refrigerators	225	$ 5,768.00		$436.00		
	Lab Research Products	2 Chromatography Masts	225	$ 202.00			$ 6,406.00	2591
12	Lab Research Products	Chromatography Refrigerator	214	$ 2,884.00		$180.00		
	Lab Research Products	Chromatography Mast	214	$ 101.00			$ 3,165.00	2459
13	Optical Analysis Corp.	CH30-1 set	980520	$ 1,538.00			$ 1,538.00	2681
14	Optical Analysis Corp.	CK2 Microscope Stand	980521	$ 1,641.00			$ 1,641.00	2681
15	Optical Analysis Corp.	BH-TR30 Tri Tube/Eyepiece/Phase ach 10x	980581	$ 959.00			$ 959.00	2681

SCHEDULE A TO SCHEDULE NO. 1

Collateral Description Below: EQUIPMENT

REFERENCE#	VENDOR	COLLATERAL DESCRIPTION	INVOICE #	COST	TAX	FREIGHT	TOTAL	CHECK #
16	Optical Analysis Corp.	Phase Ach 20x/Plan OBJ. for CK2	980582	$ 1,045.00			$ 1,045.00	2681
17	Optical Analysis Corp.	CK 2 various attachments	980583	$ 1,015.00			$ 1,015.00	2681
18	Micron	Computer Equipment	1689535	$ 4,994.00	$250.00	$130.00	$ 5,374.00	2170
19	MBS	Laserjet 4000T	984165	$ 2,540.00				
	MBS	Deskjet 670C	984165	$ 200.00			$ 2,740.00	2212
20	VWR	Balance TPLD 310G x 1MG	4589440	$ 1,346.00			$ 1,346.00	2118
21	VWR	Orion Research ZZMFG meter	42593300	$ 2,727.00			$ 2,727.00	2184
22	VWR	Shaker, Reciprocal, BNCHTOP 115V	55506770	$ 1,088.00			$ 1,088.00	2657
23	VWR	Balance TPLD 310G x 1MG	55507440	$ 1,346.00			$ 1,346.00	2657
24	Brinkman	McIlwain Tissue Chopper, 110V	300127	$ 2,425.00			$ 2,425.00	2629
25	Dell	5 Dell P6266	160365540	$ 11,765.00	$588.00		$ 12,353.00	2581
26	Sorvall	3 centrifuges and rotors	SLS/ 97014474	$189,026.00		$2,850.00	$191,876.00	2181
27	Hydro	4 Picosystems plus picopure and monitor	W18799	$ 14,643.00			$ 14,643.00	2277
28	Comdisco	Nikon TMS Beckman GP Centrifuge	11648	$ 19,125.00			$ 19,125.00	2264 2119
29	Comdisco	3 Lab products 6 door cage rack	11650	$ 13,835.00				
		and ice maker	11649	$ 13,835.00			$ 27,670.00	2483
30	Comdisco	Virtis VirTishear Homogenizer	11758 and 11757	$ 1,025.00				
	Comdisco	Savant SFR-11K Micro centrifuge	11759 and 11757	$ 2,200.00				
	Comdisco	Forma 3326 CO2 incubator	11760 and 11757	$ 4,500.00				
	Comdisco	NuAire 2700 IR GO2 Incubator	11761 and 11757	$ 4,700.00				2359
	Comdisco	Becton FacScan flow Cytometer	11762 and 11757	$ 58,950.00			$ 71,375.00	2450
31	Comdisco	Various-balance, microcentrifuge ph meter, etc.	12110	$ 4,062.00			$ 4,062.00	2578
32			12151	$ 4,063.00			$ 4,063.00	2931
33	Lunaire	L34HV72 Depyprogenating Lab	1010787A	$ 6,544.00			$ 6,544.00	2312
34	Biorad	Mini-Transilluminator, 120V	1330378	$ 1,750.00		$55.00	$ 1,805.00	2414

SCHEDULE A TO SCHEDULE NO. 1

Collateral Description Below: EQUIPMENT

REFERENCE#	VENDOR	COLLATERAL DESCRIPTION	INVOICE #	COST	TAX	FREIGHT	TOTAL	CHECK #
35	Cryosafe	#SSBA 1 Liquid Nitrogen Auto-Fill Tank	472	$ 6,990.00				
	Cryosafe	#A1-13RP Complete Inventory System	472	$ 2,679.00	$ 345.00	$10,014.00		2485
36	Lebrepco	5 -80 Freezers	5040	$ 30,565.00			$ 30,565.00	2477
37	Teracom Partners	Computer Equipment		$ 16,201.00			$ 16,201.00	Wire
38	VWR	Balance Analytical 110Gx0.1 MG	45670151	$ 2,021.00			$ 2,021.00	2184
39	Lunaire	2 Depyrogenating Lab Ovens	1010787B	$ 13,088.00			$ 13,088.00	2952
40	Biorad	MDL 1575 Washer	1416951	$ 5,396.00		$ 54.00	$ 5,450.00	3067
41	The Baker Company	Biosafety Cabinet	3519	$ 7,062.00		$ 295.00	$ 7,357.00	2854
42	Dell Computers	2 -P6266 GXI/MT+Base (66MHz FSB)	170894984	$ 3,908.00	$ 195.00		$ 4,103.00	2877
43	Polar Tap, Inc.	Cold Plate Prototype		$ 2,950.00	$ 148.00	$ 71.00	$ 3,169.00	2866
44	Waldner's	File Cabinets	16953	$ 2,459.00	$ 203.00		$ 2,662.00	2692
	Waldner's	File Cabinets	134385			$ 162.00	$ 162.00	2902
45	American Express	Guinea Pig Feeders		$ 1,658.00			$ 1,658.00	
46	Dell Computers	P6266 GXI/MT+Base (66MHz FSB)	170235832	$ 2,363.00	$ 118.00		$ 2,481.00	2937
47	Dell Computers	2 -P6266 GXI/MT+Base (66MHz FSB)	170903389	$ 4,158.00	$ 343,00		$ 4,501.00	2877
			SUB-TOTAL	$670,018.00	$8,616.00	$ 4,869.00	$683,503.00	
		PURCHASES FROM OCT 1, 1998 - DEC 8, 1998						
2	Unplug.It	(1) Sharp Aticus P233 Laptop	American Express	$ 3,709.00			$ 3,709.00	3374
6	Unplug.It	(3) Sharp Aticus.P233MMX Laptops	Craig Winter	$ 8,334.00	$688.00		$ 9,022.00	3261
7	Serono Labs	Lab Equipment (Freezers, Shakers, Cabinets)		$ 33,415.00			$ 33,415.00	3530
8	Serono Labs	Lab Equipment (Lypholizer, Vacuum Pump, Cabinet)		$ 5,600.00			$ 5,600.00	3557
10	Advanced Asset	(1) Baker Safety Hood, Vortex Mixers, (1) Fisher Scientific Electronic Analytical Balance	2	$ 4,810.00	$746.00		$ 5,556.00	Wire

SCHEDULE A TO SCHEDULE NO. 1

Collateral Description Below: EQUIPMENT

REFERENCE#	VENDOR	COLLATERAL DESCRIPTION	INVOICE #	COST	TAX	FREIGHT	TOTAL	CHECK #
			SUB-TOTAL	$ 55,868.00	$ 1,434.00	$ 0.00	$ 57,302,00	
			GRAND TOTAL	$919,339.00	$10,900.00	$5,505.00	$935,745.00	

Collateral Locations: 630 Fifth Avenue, Suite 2170
New York, NY 10111

500 Old Connecticut Path
Framingham, MA 01701

Tufts University
20 Wildlife Road, Building 21
North Grafton, MA 01536

PROMISSORY NOTE NO. 2

$267,622.00 February 26, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of Two Hundred Sixty-Seven Thousand, Six Hundred Twenty-Two and 00/100 Dollars (S267,622.00), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 2/23/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE NO. 2 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 2, dated February 26, 1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, LLC, a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 10111 ("you"), and FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with its executive office and principal place of business at 10 Waterside Drive, Farmington, Connecticut 06032-30065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing Two Hundred Sixty-Seven Thousand, Six Hundred Twenty-Two and 00/100 Dollars ($267,622.00) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $267,622.00 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $7,459.96, followed by one (1) final monthly payment in the amount of $26,762.20 (the "Final Payment"). These payments will be adjusted on the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (3lst), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL

STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN; SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us or FINOVA Capital Corporation.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, LLC

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 2/23/97

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE A TO SCHEDULE NO. 2

COLLATERAL DESCRIPTION:

Item Description	Vendor	Invoice #	Equipment Cost	Tax	Freight	Total	Check #	
Laptop	Unplug.It	4001567-00 Payable to Craig Winter	$ 2,690	222		$ 2,912	3847	
2 Laser Printers	Dell	192722296	$ 798	48	35	$ 881	3588	
Laptop	Dell	192722205	$ 1,998	117	35	$ 2,150	3588	
Desktop Computer	Dell	192722072	$ 1,588	95	90	$ 1,753	3848	
Cage Washer	Dick Burnham Tech.	9851	$45,325			$45,325	3679	
various (Lab)	Serona Laboratories		$11,000			$11,000	3767	
various (Lab)	Serona Laboratories		$ 4,950			$ 4,950	3788	
Air Compressor	SPEC	98170006	$16,158			$10,158	3884	Invoice total $119,175.56
Point of use coolers	SPEC	98170007	$ 8,320			$ 6,320	3711	Invoice total $581,427.27
Plant Steam	SPEC	98170007	$51,312			$51,312	3711	Invoice total $581,427.28
Process Utility Chiller	SPEC	98170008	$18,263			$18,623	3892	Invoice total $701,448.83
HB-6 rotor, swing bucket, etc.	Kendro Laboratory	SLS98018897	$ 5,981			$ 5,981	3655	
Rotor package	Beckman	383653FT01	$ 7,750		45	$ 7,795	3775	
power supply	WR	20521430	$ 4,281			$ 4,281	3888	
fire proof file	Office Furniture Express	22449	$ 2,248		75	$ 2,323	3873	
biostat base unit, culture vessel, etc.	B. Braun Biotech Inc.	30680	$85,859			$86,859	3846	
		TOTAL ACQUISITION COST				$267,622.00		

COLLATERAL LOCATIONS:

Framingham, MA
Akron, OH
North Grafton, HA
630 Fifth Avenue, NY, NY 10111
128 Spring Street, Lexington, MA 02173

PROMISSORY NOTE NO. 3

$134,775.80 April _____, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of One Hundred Thirty-Four Thousand, Seven Hundred Seventy-Five and 80/100 Dollars ($134,775.80), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 4/23/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

FTF Promissory Note & Schedule

SCHEDULE NO. 3 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 4, dated April __, 1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, L.L.C., a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 10111 ("you"), and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with its executive office and principal place of business at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing One Hundred Thirty-Four Thousand, Seven Hundred Seventy-Five and 80/100 Dollars ($134,775.80) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $134,775.80 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $3,756.88, followed by one (1) final monthly payment in the amount of $13,477.58 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (3lst), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST; INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury

Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN; SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us or FINOVA Capital Corporation.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 4/23/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

Schedule A
To
Schedule No. 3
To
Master Loan and Security Agreement No. S7020

The Collateral Consists of the Following:

Qty	Description	Serial Numbers	Cost
1	Consolidated Model SR-24DMCV Sterilizer	012199	
1	Consolidated Model SR-24EMCV Sterilizer	012099	
Location: 34 Commerce Way, Woburn, MA			
Supplier: Consolidated Stills & Sterilizers			
Equipment Cost:			$119,753.00
1	Microscope, consisting of: (1) BX40F4: Stand/Quint Inward Facing Nosepiece, (1) lamphouse, (2) 6V30W Bulbs, (1) power cord. (1) UYCP Power Cord (2) 6V30W Bulbs (1) U-LS30; 30 Watt Halogen Lamp Socket (1) U-TBI-2 Tilting Binocular Observation Tube (1) U-SVRS Mechanical Stage (1) U-SVRS Abbc Condenser (1) U PLAN Flourite 10X Objective (1) U PLAN Flourite 20X Objective (1) U PLAN Flourite 40X Objective (1) U PLAN Flourite 100X OIL Objective (2) WH 10X3 Eyepieces (1) U-ULH;.Universal Lamphouse (1) U-HG100T3; 100 Watt Halogen Lamp Socket and Power Supply (1) U-OCLHG/XEB; Collector lens Mercury, Xeno Sources for U-ULH (1) Osram HBO 100W Mercury Burner (1) Wide Band Green Flour Cube		
Location: 128 Spring Street, Lexington, MA 02173			
Supplier: Optical Analysis Corporation			
Equipment Cost:			$ 9,972.80
1	96PW Full Plate Washer with Four Liter Bottle Set	72073	
Location: 500 Old Connecticut Path, Framingham, MA 01701			
Supplier: TECAN US Inc.			
Equipment Cost:			$ 5,050.00
	Grand Total		$134,775.80

PROMISSORY NOTE NO. 4

$432,980.45 May 30, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of Four Hundred Thirty-Two Thousand, Nine Hundred Eighty and 45/100 Dollars ($432,980.45), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 5/25/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

FTF Promissory Note & Schedule

SCHEDULE NO. 4 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 4, dated May 30,1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, L.L.C., a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 10111 ("you"), and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with its executive office and principal place of business at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing Four Hundred Thirty-Two Thousand, Nine Hundred Eighty and 45/100 Dollars ($432,980.45) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $432,980.45 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $12,069.33, followed by one (1) final monthly payment in the amount of $43,298.05 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (3lst), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST; INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury

Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN; SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us or FINOVA Capital Corporation.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement o is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 5/25/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

Schedule A
To
Schedule No. 4
To
Master Loan and Security Agreement No. S7020

The Collateral Consists of the Following:

Qty	Description	Invoice No.	Cost
1	Vacuum Pump	981700010	$ 7,801.00
1	Cold Room	98170007 & 11	$ 56,912.00
1	Carpeting and Roofing	98170008, 10, 11	$ 50,790.00
1	Steel	98170007, 8, 12	$210,850.00
1	Miscellaneous Metals	98170008, 10, 11	$ 25,544.00
	VENDOR: SHOOSHANIAN PROCESS ENGINEERING, 92 MONTVALE AVENUE, STONEHAM, MA		
	Equipment Location: 34 Commerce Way, Woburn, MA		
1	Glasswasher	34099, 34672	$ 9,500.00
	VENDOR: RANGER ENGINEERING, INC., PO BOX 3111, FRAMINGHAM, MA 01705		
	Equipment Location: 34 Commerce Way, Woburn, MA		
1	Personal Denitometer	14125	$ 12,450.00
	VENDOR: COMDISCO, 6111 NORTH RIVER ROAD, ROSEMONT, IL 90018		
	Equipment Location: 500 Old Connecticut Path, Framingham, MA 01701		
1	Incubator and Roller	15587	$ 31,188.80
	VENDOR: BELLCO GLASS, INC., 340 EDRUDO ROAD, VINELAND, NJ 08360		
	Equipment Location: 34 Commerce Way, Woburn, MA		
1	Validator 2000	40020	$ 27,944.65
	VENDOR: KAYE INSTRUMENTS, INC., 15 DEANGELO DRIVE, BEDFORD, MA 01730		
	Equipment Location: 500 Old Connecticut Path, Framingham, MA 01701		
	Grand Total		$432,980.45

PROMISSORY NOTE NO. 5

$204,100.26 June 29, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of Two Hundred Four Thousand, One Hundred and 26/100 Dollars ($204,100.26), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 6/24/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE NO. 5 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 5, dated June 29,1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, L.L.C., a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 10111 ("you"), and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with its executive office and principal place of business at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing Two Hundred Four Thousand, One Hundred and 26/100 Dollars ($204,100.26) from us. This borrowing is evidenced by your promissory, note dated the same date as this Schedule in the amount of $204,100.26 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $5,689.29, followed by one (1) final monthly payment in the amount of $20,410.03 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (31st), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury

Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN: SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 6/24/99

ATTEST:

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE A
TO
SCHEDULE NO. 5
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

ANTIGENICS L.L.C. (BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. (LENDER)

THE COLLATERAL CONSISTS OF THE FOLLOWING AND AS FURTHER DESCRIBED ON THE FOLLOWING TWENTY PAGES ATTACHED:

Ref No.	Description	Serial No.	Vendor	Invoice No.	Cost	Tax	Freight	Grand Total
1	Office Furniture	N/A	Haworth, Inc.	19059630	$ 13,976.02	$ 698.80		$ 14,674.82
2	Office Furniture	N/A	Haworth, Inc.	19076609	$ 10,879.41	$ 543.97		$ 11,423.38
3	Office Furniture	N/A	Haworth, Inc.	19074720	$ 19,940.76	$ 997.04		$ 20,937.80
4	Office Furniture	N/A	Haworth, Inc.	19064990	$ 13,376.66	$ 668.83		$ 14,045.49
5	Office Furniture	N/A	Haworth, Inc.	19060619	$ 15,799.65	$ 789.98		$ 16,589.63
6	Office Furniture	N/A	Haworth, Inc.	19065725	$ 59,054.87	$2,952.74		$ 62,007.61
7	Microscope	N/A	Image Processing Solutions	3200	$ 3,670.53			$ 3,670.53
8	Microbeta Trilux 6 Detector System	4501346	EG&G Wallac Inc.	117412	$ 57,750.00	$2,887.50	$113.50	$ 60,751.00
				Grand Totals	$194,447.90	$9,538.86	$113.50	$204,100.26

COLLATERAL LOCATION:

34 COMMERCE WAY
WOBURN, MA 01801

PROMISSORY NOTE NO. 6

$125,118.06 July 30, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we." "us" or "FINOVA") the principal amount of One Hundred Twenty-Five Thousand, One Hundred Eighteen and 06/100 Dollars ($125,118.06), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 7/29/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

FTF Promissory Note & Schedule

SCHEDULE NO. 6 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 6. dated July 30 1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19. 1998 (the "Master Agreement") between ANTIGENICS. L.L.C., a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue. Suite 2170, New York, New York 10111 ("you"). and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE. INC., a Delaware corporation with an office at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing One Hundred Twenty-Five Thousand, One Hundred Eighteen and 06/100 Dollars ($125,118.06) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $125,118.06 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate. in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $3,487.67, followed by one (1) final monthly payment in the amount of $12,511.81 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (31st), you will pay interest at the interest rate. from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate." of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury Notes. Two-business days prior to the date we make the Loan to you. we will read THE WALL

STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL. we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN: SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.

By /s/ Garo Armen

Name Garo Armen

Title Chairman & CEO

Date 7/29/99

ATTEST:

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE A
TO
SCHEDULE NO. 6
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020
ANTIGENICS L.L.C. (BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OF
FINOVA TECHNOLOGY FINANCE, INC. (LENDER)

THE COLLATERAL CONSISTS OF THE FOLLOWING:

Ref No.	Collateral Description	Serial No.	Vendor	Invoice No.	Cost	Tax	Freight	Grand Total
1	(1) 375 with internal GM detector area monitor, (1) Model 3 survey meter, (1) Model 44-9 pancake GM probe, (1) 2200 SCA, (1) 44-88 pancake GM probe, (1) 44-3 low energy gamma scint., (2) 40-1004 cable, (1) 296 A-B switch box, (1) APS-482 probe/sampler holder for 44-88, (1) APS-483 probe/sampler holder for 44-3, (1) SPL-626 air sample system complete, (1) IH-350 iodine hood complete with two fans, (1) 16A20SS lead-lined waste can, (1) 16A35 30 gallon 1/8" lead-lined drum with dolly, (1) 042-116 mini table top shield with two lead glass.	N/A	Atlantic Nuclear Cop.	030568	$ 9,500.00	$475.00		$ 9,975.00
2	(6) Allegra 6R, 120V 60HZ Centrifuges	ALR99851, ALR99852, ALR99853, ALR99854, ALR99855, ALR99856,	Beckman Coulter	383826FT05	$31,482.21		$1,619.65	$ 33,101.86

SCHEDULE A
TO
SCHEDULE NO. 6
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020
ANTIGENICS L.L.C. (BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OF
FINOVA TECHNOLOGY FINANCE, INC. (LENDER)

2	(6) GH3.8 Rotor AY with aluminum buckets	99U29758, 99U29765, 99U29776, 99U29965, 99U29980, 99U30017	Beckman Coulter	383826FT05	$ 10,606.76			$ 10,606.76
2	(6) Canister Kits, GH-3.8 Rotor (Pkg-4), (6) Tube Racks, Light Green 17MM (Set-4), (6) Tibe Racks, Lime Green 30MM (Set-4)	N/A	Beckman Coulter	383826FT05	$ 6,085.15			$ 6,085.15
3	Centrifuge Accessories: (1 DU-640 Color, 120V	4323908	Beckman Coulter	383826FT04	$ 7,395.15		$ 218.51	$ 7,613.66
3	Centrifuge Accessories: (1) Accessory Option Board, (1) DNA/RNA Protein Package#1, (1) Transport standard assembly, (1) Auto 6 Cell Holder, Wtr Jckt (1)	N/A	Beckman Coulter	383826FT05	$ 2,398.14			$ 2,398.14
4	Milliflex Sensor II 115V (1)	N/A	Millipore Corporation	2328727	$ 2,402.14		$ 5.05	$ 2,407.19
5	(6) Animal Cages: 30 Unit, 30-Cage IPC RAT, (100) PC10x19x8 Reg Temp Grommet, (1) Cage Wash Rack w/8 Fixed Baskets	N/A	Allentown Caging Equipment Co., Inc.	22312	$ 30,030.00		$ 592.00	$ 30,622.00
6	(2) Animal Cages: 98 Unit, Mouse 98 Cage IPC	N/A	Allentown Caging Equipment Co., Inc.	22261	$ 10,232.00		$ 592.00	$ 10,824.00
7	(1325) 3/8" Hytrel Black Tubing, (4) 95' Plenum Wire w/Connectors, (7) 135' Plenum Wire w/Connectors	N/A	Veltek Associates, Inc.	21495	$ 7,950.00		$ 59.00	$ 8,009.00
8	Various Office Furniture	N/A	Workplace Systems, Inc.	001467	$ 3,110.55	$155.53	$ 209.22	$ 3,475.00
				GRAND TOTALS	$121,192.10	$630,53	$3,295.43	$125,118.06

COLLATERAL LOCATION:
34 COMMERCE WAY
WOBURN, MA 01801

PROMISSORY NOTE NO. 7

$1,049,533.81 August 26, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of One Million Forty-Nine Thousand Five Hundred Thirty-Three and 81/100 Dollars ($l.049.533.81), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farrnington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 8/20/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE NO. 7 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 7, dated August 26, 1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19. 1998 (the "Master Agreement") between ANTIGENICS, L.L.C., a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 1011l ("you"), and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with an office at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing One Million, Forty-Nine Thousand, Five Hundred Thirty-Three and 81/100 Dollars ($1,049,533.81) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $1,049,533.81 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $29,255.75, followed by one (1) final monthly payment in the amount of $104,953.38 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (3lSt), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury Notes. Two-business days prior to the date we make the Loan to you. we will read THE WALL

STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN: SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.	ATTEST:
By /s/ Garo Armen ----------	
	/s/ Jeffrey Rona
Name Garo Armen ----------	---------- [Assistant] Secretary
Title CEO ----------	
Date 8/20/99 ----------	

SCHEDULE A
TO
SCHEDULE NO. 7
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020
ANTIGENICS L.L.C. (BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OF
FINOVA TECHNOLOGY FINANCE, INC. (LENDER)

THE COLLATERAL CONSISTS OF THE FOLLOWING:

COLLATERAL DESCRIPTION	SERIAL NO.	VENDOR	INVOICE NO.	COST	TAX	FREIGHT	GRAND TOTAL
(2) Lab Incubators with (2) Gas-Guards and (2) Inner DR. Lock (100) (S) PC 10x19x8 Cage Hi-T, (100) (S) Wire Bar Lid	28924-09073, 28989-09111	Form Scientific, Inc.	2823250	$ 6,773.08	$0.00	$ 322.57	$ 7,095.65
10x19 Rat, (100) (S) Cardholder, Horizontal Hang.	N/A	Allentown Caging Equipment Co., Inc.	22163	$ 4,410.00	$0.00	$ 105.95	$ 4,515.95
(1) Portable Air Purifier, Model FU-1224	9998	Laminaire Corporation	18722A	$ 2,090.00	$0.00	$ 0.00	$ 2,090.00
Ultra Centrifuge includes: (1) Optima LE-80K, UL/CSA, 60HZ, (1) HEPA Optima Filter, (1) TY-45TI Rotor Assembly, (1) Tube Kit, (8) Avanti J-20, (2) JA-25.50 F/A RTR w/Biosafe Lid, (1) JLA-10.500 Rotor Assembly, (1) JLA-16.250 RTR w/Biosafe Lid, (1) JLA 8.1000 Rotor Assembly, (1) SW-28 Rotor iPackage, (6) JA-17 Rotor Ay. (1) SAS S90 CR Microbial Air Sampler with NiMH Battery Charger	Optima #98U385; Rotor #MFA98M68; Avanti #JJY99D08, JLY98K10, JLY98K14, JLY99B01, JLY99D10, JLY99D12, JLY99D13, JLY99D14; F/A RTR w/Biosafe Lid #97V1460, 97V1561; Rotor #99U2069; F/A Rotor w/Biosafe Lid #99U986; Rotor Assembly #98U385; Rotor Ay #99U3955, 99U3958, 99U3960, 99U3961, 99U3962, 99U3963	Beckman Coulter	383826FT01	$232,127.77	$0.00	$1,905.98	$234,033.75
	97/D25547	Bioscience International, Inc.	99-1140	$ 4,950.00	$0.00	$ 28.00	$ 4,978.00
(1) Filtering Fume Hood	N/A	Captairlabx, Inc.	3540	$ 9,604.50	$0.00	$ 0.00	$ 9,604.50
(2) Refrig, Gen, Solr VWR 115V 29CF	N/A	VWR Scientific Products Corporation	900263	$ 4,442.96	$0.00	$ 0.00	$ 4,442.96

SCHEDULE A
TO
SCHEDULE NO. 7
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020
ANTIGENICS L.L.C(BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OFF INOVA TECHNOLOGY FINANCE, INC.(LENDER)

SPEC PROJECT:							
Plant Steam	N/A	Shooshanian Process Engineering & Construction, Inc.	981700010	$ 27,181.00	$0.00	$0.00	$ 27,181.00
RODI System N/A	N/A	Shooshanian Process Engineering & Construction, Inc.	98170004, 981700010, 981700011, 981700014, 981700015	$ 75,482.00	$0.00	$ 0.00	$ 75,482.00
Air Handlers N/A	N/A	Shooshanian Process Engineering & Construction, Inc.	98170007, 981700014, 98170007, 981700010,	$ 340,896.00	$0.00	$ 0.00	$ 340,896.00
Cabinetry, shelving	N/A	Shooshanian Process Engineering & Construction, Inc.	981700011, 981730012, 981700014	$ 243,414.00	$0.00	$ 0.00	$ 243,414.00
Power Generator	N/A	Shooshanian Process Engineering & Construction, Inc.	981700014	$ 95,800.00	$0.00	$ 0.00	$ 95,800.00
Collateral Location: 34 Commerce Way Woburn, MA 01801			GRAND TOTALS	$1,047,171.31	$0.00	$2,362.50	$1,049,533.81

PROMISSORY NOTE NO. 8

$244,383.80 August 26, 1999

ANTIGENICS, LLC ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of Two Hundred Twenty-Four Thousand, Three Hundred Eighty-Three and 80/100 Dollars ($224,383.80), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, LLC.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 8/20/99

ATTEST:

[SEAL]

/s/ Jeffrey Rona

[Assistant] Secretary

FTF Promissory Note & Schedule

SCHEDULE NO. 8 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 8, dated August 26, 1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, L.L.C.. a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, Suite 2170, New York, New York 10111 ("you"), and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with an office at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we,' "us" or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing Two Hundred Twenty-Four Thousand, Three Hundred Eighty-Three and 80/100 Dollars ($224,383.80) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $224.383.80 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $6,254.70, followed by one (1) final monthly payment in the amount of $22,438.38 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (3lst), you wilt pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL

STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN: SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral, This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us and to FINOVA Capital Corporation under the Master Agreement and any other agreement, loan or lease that you may have with us.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.	ATTEST:
By /s/ Garo Armen ----------	
	/s/ Jeffrey Rona
Name Garo Armen ----------	---------- [Assistant] Secretary
Title CEO ----------	
Date 8/20/99 ----------	

SCHEDULE A
TO
SCHEDULE NO. 8
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

ANTIGENICS L.L.C. (BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. (LENDER)

THE COLLATERAL CONSISTS OF THE FOLLOWING:

COLLATERAL DESCRIPTION	SERIAL NO.	VENDOR	INVOICE NO.	COST	TAX	FREIGHT	TRAINING	GRAND TOTAL
Various Office Furniture	N/A	Workplace Systems, Inc.	001686	$ 3,108.68	$109.87	$ 84.19	$ 0.00	$ 3,212.74
(5) 98-Unit Mouse Cage, (400) Grommets, (100) (S) M-Barrier Top 10x19 Hi-T, (100) (S) PC 10x19x8 Cage Hi-T, (100) (S) Wire Bar Lid 10x19 Rat, (200) (S) PC 7xllx5 Cage Hi-Temp, (200) (S) Wire Bar Lid 7xll Sheet Metal, (100) (S)		Allentown Caging Equipment Co., Inc.	22420	$ 42,500.00	$ 0.00	$ 592.00	$ 0.00	$ 43,092.00
Cardholder, Horizontal Hang. (6)	N/A	Lab Products Inc.	052607	$ 59,745.00	$ 0.00	$1,386.00	$ 0.00	$ 61,131.00
Ventilated Units (1) Washer-Super Drying-Pro, (2) Sanitary Valves, (1) Validation Monitor, (1) Washer Resistivimeter, (2) Flowmeters.	#82100009	Lancer USA Inc.	15489	$104,646.00	$ 0.00	$ 0.00	$3,500.00	$108,146.00
(1) Clean Air Hoods	N/A	The Baker Company	9248	$ 6,664.49	$ 0.00	$ 330.00	$ 0.00	$ 6,994.49
(1) Microfuge 18 W/Rotor 120V 50/60HZ	MFA99F16	Beckman Coulter	383826FT07	$ 1,672.71	$ 83.64	$ 51.22	$ 0.00	$ 1,807.57
COLLATERAL LOCATION: 34 COMMERCE WAY WOBURN, MA 01801			GRAND TOTALS	$218,246.88	$193.51	$3,500.00	$3,500.00	$224,383.80

PROMISSORY NOTE NO. 9

$132,324.64 September 30, 1999

ANTIGENICS, L.L.C. ("you") promise to pay to the order of FINOVA CAPITAL CORPORATION ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC. ("we," "us" or "FINOVA") the principal amount of One Hundred Thirty-Two Thousand, Three Hundred Twenty-Four and 64/100 Dollars ($132,324.64), together with interest on the unpaid principal balance at the interest rate per annum and on the dates and as otherwise provided in the "Master Agreement" and "Schedule" referred to below.

If the interest rate charged would exceed the maximum legal rate, you will only have to pay the maximum legal rate. You do not have to pay any excess interest over and above the maximum legal rate of interest. However, if it later becomes legal for you to pay all or part of any excess interest, you will then pay it to us upon our request.

You will make all payments in US Dollars at our offices at 10 Waterside Drive, Farmington, Connecticut 06032-3065, or to another address that we request in writing. All payments will be made in immediately available funds.

This Note is secured by a Master Loan and Security Agreement dated November 19, 1998 (the "Master Agreement"), between you and FINOVA, and by the Collateral and other collateral listed in the attached Schedule (the "Schedule"), dated the same date as this Note. This Note may be accelerated by us upon a payment default or upon another default under the Master Agreement.

TIME IS OF THE ESSENCE.

If you do not make a payment when it is due, you will also pay us a late charge often (10%) of the amount past due. Your interest rate will be increased by 4% per annum, over and above your regular interest rate if payment is not made at the scheduled or accelerated Maturity of this Note. You will also pay all of our costs of collection, including our reasonable attorney's fees and expenses. If we accelerate this Note, you will also owe a prepayment premium, as set forth in Exhibit A to the Master Agreement.

You waive diligence, presentment, formalities of demand, protest or notice of nonpayment or dishonor or any other notice as to this Note.

THIS NOTE IS GOVERNED BY THE SUBSTANTIVE LAWS (AND NOT THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ARIZONA, THE STATE IN WHICH OUR OFFICE IS LOCATED IN WHICH FINAL APPROVAL OF THE TERMS AND CONDITIONS OF THIS NOTE OCCURRED AND FROM WHICH THE ORDER TO PAY THE LOAN FUNDS WAS MADE. YOU CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ARIZONA. YOU WAIVE TRIAL BY JURY.

You represent to us that the proceeds of the loan evidenced by this Note are being used to finance (or refinance) your purchase of the Collateral described in the Schedule, and that the Collateral will only be used for business purposes.

ANTIGENICS, L.L.C.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 9/29/99

ATTEST:

/s/ Jeffrey Rona

[Assistant] Secretary

FTF Promissory Note & Schedule(9)

SCHEDULE NO. 9 TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020

Schedule No. 9, dated September 30, 1999, (this "Schedule") to MASTER LOAN AND SECURITY AGREEMENT dated as of November 19, 1998 (the "Master Agreement") between ANTIGENICS, L.L.C., a Delaware limited liability corporation with its executive office and principal place of business at 630 Fifth Avenue, New York, New York 10111 ("you"), and FINOVA CAPITAL CORPORATION, ASSIGNEE OF FINOVA TECHNOLOGY FINANCE, INC., a Delaware corporation with an office at 10 Waterside Drive, Farmington, Connecticut 06032-3065 ("we," "us", or "FINOVA").

1. OBLIGATION TO PAY. You are presently borrowing One Hundred Thirty-Two Thousand, Three Hundred Twenty-Four and 64/100 Dollars ($132,324.64) from us. This borrowing is evidenced by your promissory note dated the same date as this Schedule in the amount of $132,324.64 (the "Note") to which this Schedule is attached.

2. PAYMENTS (SUBJECT TO ADJUSTMENT IN PARAGRAPH 3). You will repay the Loan, together with interest at the interest rate, in forty-three (43) consecutive monthly payments of principal and interest as follows: forty-two (42) monthly payments each in the amount of $3,688.55, followed by one (1) final monthly payment in the amount of $13,232.46 (the "Final Payment"). These payments will be adjusted two business days prior to the date we make the Loan to you as set forth in Paragraph 3.

The first monthly payment of principal and interest will be due on the thirtieth (30th) day of the month that we make the Loan to you. The remaining payments will continue on the same day in each and every month thereafter through and including the date upon which the Final Payment is scheduled to be due (the "Maturity Date"). Any remaining amount that you owe us is due on the "Maturity Date."

If the date we make the Loan to you is not the thirtieth (30th) or the thirty-first (31st) day of the month, you will pay, on the thirtieth (30th) day of the month in which we make the Loan to you (in the case of making the Loan the 30th), interest only, at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the same month.

If the date we make the Loan to you is the thirty-first (3lst), you will pay interest at the interest rate, from the date we make the Loan to you to the twenty-ninth (29th) day of the next following month.

3. INTEREST: INDEXING. The interest rate in your payments shown above is calculated at your regular rate of 9.20% per annum plus an "Index Rate," of 4.41%. The Index Rate means the highest yield, as published in THE WALL STREET JOURNAL of three-year United States Treasury Notes. Two-business days prior to the date we make the Loan to you, we will read THE WALL

STREET JOURNAL to determine the final Index Rate. If the Index Rate is not published in THE WALL STREET JOURNAL, we will determine it from another reliable source. We will increase or decrease the payments set forth above in Paragraph 2 to reflect any increase or decrease in the Index Rate. We will give you notice of any increase as soon as we can. You will pay the increased payments unless we have made an obvious mistake in our calculations. Interest is calculated in advance using a 360-day year of twelve 30-day months.

4. PURPOSE OF LOAN: SECURITY INTEREST. You are making this borrowing to finance (or refinance) your purchase of the collateral described in the attached Schedule A to this Schedule, which you and we refer to as the "Collateral." You grant us a security interest in the Collateral, as well as any additions, omissions, substitutions and proceeds of the Collateral. You also grant us a security interest in any leases and rentals of the Collateral. This security interest secures the Note. It also secures the full and timely payment and performance of all of your other obligations to us under the Master Agreement and any other agreement, loan or lease that you may have with us.

5. COLLATERAL ACCEPTANCE DATE. The Collateral shall be delivered, installed and accepted no later than December 31, 1999.

6. TERMS OF MASTER AGREEMENT. The terms of the Master Agreement are made a part of this Schedule as if repeated in this Schedule. Any declaration of default under the Master Agreement is a default under this Schedule and permits us to exercise all remedies provided by the Master Agreement.

ANTIGENICS, L.L.C.

By /s/ Garo Armen

Name Garo Armen

Title CEO

Date 8/20/99

ATTEST:

/s/ Jeffrey Rona

[Assistant] Secretary

SCHEDULE A
TO
SCHEDULE NO. 9
TO
MASTER LOAN AND SECURITY AGREEMENT NO. S7020
ANTIGENICS L.L.C. (BORROWER) AND FINOVA CAPITAL CORPORATION, AS ASSIGNEE OF
FINOVA TECHNOLOGY FINANCE, INC. (LENDER)

THE COLLATERAL CONSISTS OF THE FOLLOWING:

QTY	COLLATERAL DESCRIPTION	SERIAL NO.	VENDOR	INVOICE NO.	COST	TAX	FREIGHT	GRAND TOTAL
1	Bio Safety Cabinet	N/A	The Baker Company	8862	$ 49,129.35	$0.00	$0.00	$ 49,129.35
1	Bio Safety Cabinet	N/A	The Baker Company	8900	$ 42,074.24	$0.00	$0.00	$ 42,074.24
1	Bio Safety Cabinet	N/A	The Baker Company	8860	$ 41,121.05	$0.00	$0.00	$ 41,121.05
				GRAND TOTALS	$132,324.64	$0.00	$0.00	$132,324.64

COLLATERAL LOCATION:
34 COMMERCE WAY
WOBURN, MA 01801

EXHIBIT 10.18

ANTIGENICS L.L.C.

INCENTIVE EQUITY PLAN

1. Purpose of the Plan

The purpose of this Antigenics L.L.C. Incentive Equity Plan (the "Plan") is to enable Antigenics L.L.C. ("Antigenics"), through the issuance of options to acquire Interests in Antigenics, to provide incentives to Managers, officers and employees of, and advisors and consultants to, Antigenics who, through the performance of services to Antigenics, contribute to its success and the growth of its business.

2. Definitions

Capitalized terms that are not otherwise defined herein shall have the meaning ascribed to them in the Limited Liability Company Agreement of Antigenics dated as of December 31, 1995 (the "LLC Agreement").

(a) "Act" means the Securities Exchange Act of 1934.

(b) "Board" means the Board of Managers of Antigenics.

(c) "Code" means the Internal Revenue Code of 1986, as amended.

(d) "Company" means Antigenics and the entities directly or indirectly controlled by it, if any, any of whose managers, officers, employees, advisors and consultants are Participants in the Plan.

(e) "Disability" means a permanent and total disability, as determined by the Board in its sole discretion. A Disability shall be deemed to occur at the time of the determination of the Disability by the Board.

(f) "Fair Market Value" means the value of an Interest on a particular date, determined by the Board in good faith.

(g) "Option" means the right to purchase an Interest at a prescribed Purchase Price on the terms specified in the Plan.

(h) "Participant" means any individual or entity that is granted an Option under the Plan.

(i) "Termination of Services" means termination of the relationship with the Company so that an individual or entity is no longer a manager, officer or employee of, or an advisor or consultant to, the Company. In the event an entity shall cease to be controlled by Antigenics, any individual or entity that is not otherwise a manager, officer or employee of, or an advisor or consultant to the Company shall incur a Termination of Services at the time the entity ceases to be wholly-owned by Antigencis. A Termination of Services shall not include a leave of absence approved for purposes of the Plan by the Board.

3. Effective Date/Expiration of Plan

The Plan shall become effective (the "Effective Date") upon its approval by a majority in interest of the Members. No Option shall be granted under the Plan on or after the tenth anniversary of the Effective Date, but Options previously granted may extend beyond that date.

4. Administration

(a) BOARD OF MANAGERS OR ITS COMMITTEE. The Plan shall be administered by the Board or any committee of the Board duly appointed by the Board (references herein to the "Board" shall be deemed to include such committee so appointed). The Board shall have full authority to interpret the Plan and to decide any questions and settle all controversies and disputes that may arise in connection with the Plan; to establish, amend, and rescind rules for carrying out the Plan; to administer the Plan, subject to its provisions, to select Participants in, and grant Options under, the Plan; to determine the terms, exercise price and form of exercise payment for each Option granted under the Plan; to prescribe the form or forms of instruments evidencing Options and any other instruments required under the Plan (which need not be uniform) and to change such forms from time to time; and to make all other determinations and to take all such steps in connection with the Plan and the Options as the Board, in its sole discretion, deems necessary or desirable. The Board shall not be bound to any standards of uniformity or similarity of action, interpretation or conduct in the discharge of its duties hereunder, regardless of the apparent similarity of the matters coming before it. The determination, action or conclusion of the Board in connection with the foregoing shall be final and conclusive.

(b) ADVISORS. The Board may designate one or more officers of the Company, employees of the Company or professional advisors to assist the Board in the administration of the Plan, and may grant authority to such persons to execute instruments evidencing Options (as defined herein) or other documents on behalf of the Board. The Board may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan, and may rely upon any opinion received from any such counsel or consultant and any computation received from any such

consultant or agent. Expenses incurred by the Board in the engagement of such counsel, consultant or agent shall be paid by the Company.

(c) INDEMNIFICATION. No Manager, and no officer or employee of, or professional advisor, legal counsel, consultant or agent referred to in the preceding paragraph (b), shall be liable for any action or determination made in good faith with respect to the Plan or any Option granted under it. To the maximum extent permitted by applicable law or the LLC Agreement, each such person or entity referred to in the preceding sentence, shall be indemnified and held harmless by the Company against any cost or expense (including reasonable fees and expenses of counsel) or liability (including any sum paid in settlement of a claim with the approval of the Company, such consent not to be unreasonably withheld), and advance amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the Plan, except to the extent arising out of such person's, or such entity's, own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification such persons or entities may have under applicable law or under the LLC Agreement.

5. Interests; Adjustment Upon Certain Events

(a) MAXIMUM INTERESTS. The maximum aggregate Interests that may be issued under the Plan shall be 5% of the total Interests that would be outstanding as of the Effective Date, assuming the issuance of the Interests that may be acquired upon exercise of Options. If Options are for any reason canceled, or expire or terminate unexercised, the Interest covered by such Options shall again be available for the grant of Options, subject to the foregoing limit.

(b) ADJUSTMENTS; RECAPITALIZATION, ETC. The existence of the Plan and the Options granted hereunder shall not affect in any way the right or power of the Board or the Members of Antigenics to make or authorize any' adjustment, recapitalization, reorganization or other change in Antigenics' capital structure or its business, any merger or consolidation of Antigenics, any issue of bonds, debentures or preference interests ahead of or affecting Interests, the dissolution or liquidation of Antigenics or any other entity, or any sale or transfer of all or part of its assets or business or any other Company act or proceeding. If and whenever Antigenics takes any such action, however, the following provisions, to the extent applicable, shall govern:

(i) Subject to Section 5(b)(ii), if Antigenics merges or consolidates with one or more entities, then from and after the effective date of such merger or consolidation, upon exercise of Options theretofore granted, the Participant shall be entitled to purchase under such Options, in lieu of the Interest as to which such Options shall then be exercisable but on the same terms and conditions of exercise set forth in such Options, the number and class of securities or property (including cash) to which the Participant would have been entitled pursuant to the terms of

the agreement of merger or consolidation if, immediately prior to such merger or consolidation, the Participant had been the holder of record of the Interest receivable upon exercise of such Options (whether or not then exercisable).

(ii) In the event of a merger or consolidation in which Antigenics is not the surviving entity or in the event of any transaction that results in the acquisition of substantially all of Antigenics' outstanding Interests by a single person or entity or by a group of persons and/or entities acting in concert, or in the event of the sale or transfer of all of Antigenics' assets (the foregoing being referred to as "Acquisition Events"), then the Board may in its discretion terminate all outstanding Options as of the consummation of the Acquisition Event by delivering notice of termination to each Participant at least 20 days prior to the date of consummation of the Acquisition Event; provided that, during the period from the date on which such notice of termination is delivered to the consummation of the Acquisition Date, each Participant shall have the right to exercise in full all of the Options that are then outstanding (without regard to limitations on exercise otherwise contained in the Options).

(iii) Subject to Section 5(a), the Board may grant Options under the Plan in substitution for options held pursuant to grants made by another entity that is merged with or otherwise acquired by the Company. The Company may direct that substitute awards be granted on such terms and conditions as the Board considers appropriate in the circumstances.

(iv) If, as a result of any adjustment made pursuant to the preceding paragraphs of this Section 5, any Participant shall become entitled upon exercise of an Option to receive any securities other than an Interest, then the number and class of securities so receivable thereafter shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Interests set forth in this Section 5, as determined by the Board in its discretion.

(v) Except as hereinbefore expressly provided, the issuance by Antigenics of Interests, or securities convertible into Interests, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor, or upon conversion of other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the Interests and/or other securities or property subject to Options theretofore granted or the Purchase Price therefor.

6. Awards and Terms of Options

(a) GRANT. The Board may grant Options, subject to the terms of this Plan. Each Option shall be evidenced by an Option agreement (the "Option Agreement") in

such form not inconsistent with the Plan as the Board shall approve from time to time. Without limiting the generality of the preceding sentence, any such agreement may provide, among other things, that Interests acquired pursuant to exercise of Options should be subject to (i) the right, but not the obligation, of Antigenics to repurchase such Interests for their Fair Market Value in the event that the Participant desires to sell such Interests, and/or (ii) the right, but not the obligation, of Antigenics to repurchase such Interests for their Fair Market Value from a Participant in the event of a Termination of Services of such Participant.

(b) EXERCISE PRICE. The purchase price per Share (the "Purchase Price") deliverable upon the exercise of an Option shall be determined by the Board.

(c) INTEREST. Subject to Section 5(a), the Option Agreement shall specify the Interest subject to the Options granted to the Participant, as determined by the Board in its sole discretion.

(d) EXERCISABILITY. At the time of grant, the Board shall specify when and on what terms the Options granted shall be exercisable. In the case of Options not immediately exercisable in full, the Board may at any time accelerate the time at which all or any part of the Options may be exercised and may waive any other conditions to exercise set forth in the Option Agreement, subject to the terms of the Plan; No Option shall be exercisable after the expiration of ten (10) years from the date of grant. Each Option shall be subject to earlier termination as provided in Section 8 below.

(e) EXERCISE OF OPTIONS.

(i) A Participant may elect to exercise an Option by giving written notice to the Board of such election and of the portion of the Option such Participant has elected to exercise, accompanied by payment in full of the aggregate Purchase Price for the portion of ,the Option being exercised.

(ii) The Purchase Price shall be paid at the time of exercise as follows:

(A) in cash or by check, bank draft or money order payable to the order of Antigenics;

(B) with the Board's prior written approval, by delivery of a promissory note of the Participant to Antigenics, such promissory note to be on such terms as are specified by the Board, or by a combination of cash and the Participant's promissory note; or

(C) on such other terms and conditions as may be acceptable to the Board and in accordance with the law of the State of

Delaware. Upon receipt of payment, Antigenics shall deliver to the Participant as soon as practicable evidence of the Interest then purchased.

7. Admission as Member

Upon exercise of an Option, the Participant shall become a Member of Antigenics by virtue of the Interest issued to such Participant and shall be subject to the terms and conditions of the LLC Agreement, as then in effect.

8. Effect of Termination of Services

(a) DEATH OR DISABILITY. Except as otherwise provided in the Participant's Option Agreement, upon Termination of Services, all outstanding Options then exercisable and not exercised by the Participant prior to such Termination of Services (and any Options not previously exercisable but made exercisable by the Board at or after the Termination of Employment) shall remain exercisable by the Participant to the extent not exercised for the following time periods:

(i) In the event of the Participant's death, such Options shah remain exercisable Coy the Participant's estate or by the person given authority to exercise such Options by the Participant's will or by operation of law) for a period of one (1) year from the date of the Participant's death, provided that the Board, in its discretion, may at any time extend such time period to up to three (3) years from the date of the Participant's death.

(ii) In the event the Participant's services terminate due to Disability, such Options shall remain exercisable for one (1) year from the date of the Participant's Termination of Services, provided that the Board, in its discretion, may at any time extend such time period to up to three (3) years from the date of the Participant's Termination of Services.

(b) OTHER TERMINATION. In the event the Participant's services to the Company are terminated by the Company for a reason other than cause, such Options shall remain exercisable for the original term of such Options. In the event the Participant voluntarily terminates his/her services to the Company, such Options shall remain exercisable for six (6) months from the date of the Participant's Termination of Services. In the event of Termination of Services for any reason other than as provided in Section 8(a) or in the preceding two sentences of this Section 8(b), all outstanding Options not exercised by the Participant prior to such Termination of Services shall immediately be cancelled.

9. Nontransferability of Options

No Option shall be transferable by the Participant otherwise than by will or under applicable laws of descent and distribution, and during the lifetime of the Participant may be exercised only by the Participant or his or her guardian or legal representative. In addition, no Option shah be assigned, negotiated, pledged or hypothecated in any way (whether by operation of law or otherwise), and no Option shall be subject to execution, attachment or similar process. Upon any attempt to transfer, assign, negotiate, pledge or hypothecate any Option, or in the event of any levy upon any Option by reason of any execution, attachment or similar process contrary to the provisions hereof, such Option shall immediately become null and void.

10. Rights as a Member

A Participant (or a permitted transferee of an Option) shall have no rights as a Member with respect to any Interest covered by such Participant's Options until such Participant shall have become the holder of record of such Interest, and no adjustments shall be made for distributions in cash or other property or other rights in respect to any such Interest, except as otherwise specifically provided for in this Plan.

11. Determinations

Each determination, interpretation or other action made or taken pursuant to the provisions of this Plan by the Board shall be final and binding for all purposes and upon all persons.

12. Termination, Amendment and Modification

The Plan shall terminate at the close of business on the day immediately preceding the tenth anniversary of the Effective Date, unless terminated sooner as hereinafter provided, and no Option shall be granted under the Plan on or after that date. The termination of the Plan shall not terminate any outstanding Options which by their terms continue beyond the termination date of the Plan. At any time prior to the tenth anniversary of the Effective Date, the Board may amend or terminate the Plan or suspend the Plan in whole or in part. Notwithstanding the foregoing, however, no such amendment may, without the approval of a majority in interest of the Members of Antigenics, (i) increase the total Interests which may be acquired upon exercise of Options granted under the Plan or (ii) change the types of persons eligible to be Participants under the Plan.

Nothing contained in this Section 12 shall be deemed to prevent the Board from authorizing amendments of outstanding Options of Participants, including, without

limitation, the reduction of the Purchase Price specified therein (or the granting or issuance of new Options at a lower Purchase Price upon cancellation of outstanding Options), so long as all Options outstanding at any one time shall not call for issuance of more Interests than the Plan authorizes and so long as the provisions of any amended Options would have been permissible under the Plan if such Option had been originally granted or issued as of the date of such amendment with such amended terms.

Notwithstanding anything to the contrary contained in this Section 12, no termination, amendment or modification of the Plan may, without the consent of the Participant or the transferee of such Participant's Option, alter or impair the rights and obligations arising under any then outstanding Option.

13. Non-Exclusivity

Neither the adoption of the Plan by the Board nor the submission of the Plan to the Members of Antigenics for approval shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting or issuance of options and/or other incentives otherwise than under the Plan, and such arrangements may be either generally applicable or limited in application.

14. Use of Proceeds

The proceeds of the sale of Interests subject to Options under the Plan are to be added to the general funds of Antigenics and used for its general corporate purposes as the Board shall determine.

15. General Provisions

(a) RIGHT TO TERMINATE SERVICES. Neither the adoption of the Plan nor the grant of Options shall impose any obligations on the Company to continue the services of any Participant, nor shall it impose any obligation on the part of any Participant to continue to perform services for the Company, subject however to the provisions of any agreement between the Company and the Participant.

(b) PURCHASE FOR INVESTMENT. If the Board determines that the law so requires, the holder of an Option granted hereunder shall, upon any exercise or conversion thereof, execute and deliver to Antigenics a written statement, in form satisfactory to Antigenics, representing and warranting that such Participant is purchasing or accepting the Interest then acquired for such Participant's own account and not with a view to the resale or distribution thereof, that any subsequent offer for sale or resale of any such Interest shall be made either pursuant to (i) a Registration Statement on an

appropriate form under the Securities Act of 1933, as amended (the "Securities Act"), which Registration Statement shall have become effective and shall be current with respect to the Interests being offered and sold, or (ii) a specific exemption from the registration requirements of the Securities Act, and that in claiming such exemption the holder will, prior to any offer for sale or sale of such Shares, obtain a favorable written opinion, satisfactory in form and substance to Antigenics, from counsel approved by Antigenics as to the availability of such exception.

(c) TRUSTS, ETC. Nothing contained in the Plan and no action taken pursuant to the Plan (including, without limitation, the grant of any Option thereunder) shall create or be construed to create a trust of any kind, or a fiduciary relationship, between Antigenics and any Participant or the executor, administrator or other personal representative or designated beneficiary of such Participant, or any other persons. Any reserves that may be established by Antigenics in connection with the Plan shall continue to be part of the general funds of Antigenics, and no individual or entity other than Antigenics shall have any interest in such funds until paid to a Participant. If and to the extent that any Participant or such Participant's executor, administrator, or other personal representative, as the case may be, acquires a right to receive any payment from Antigenics pursuant to the Plan, such right shall be no greater than the right of an unsecured general creditor of Antigenics.

(d) NOTICES. Each Participant shall be responsible for furnishing the Board with the current and proper address for the mailing to such Participant of notices and the delivery to such Participant of agreements, Interests and payments. Any notices required or permitted to be given shall be deemed given if directed to the person to whom addressed at such address and mailed by regular United States mail, first class and prepaid. If any item mailed to such address is returned as undeliverable to the addressee, mailing will be suspended until the Participant furnishes the proper address.

(e) SEVERABILITY OF PROVISIONS. If any provisions of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provisions had not been included.

(f) PAYMENT TO MINORS, ETC. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipting therefor shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Board, the Company and its officers, employees, agents and representatives with respect thereto.

(g) HEADINGS AND CAPTIONS. The headings and captions herein are provided for reference and convenience only. They shall not be considered part of the Plan and shall not be employed in the construction of the Plan.

(h) CONTROLLING LAW. The Plan shall be construed and enforced according the laws of the State of Delaware.

16. Issuance of Certificates; Legends and Payment of Expenses

(a) CERTIFICATES. Upon any exercise of an Option and payment of the exercise price as provided in such Option, any evidence of the Interest as to which such Option has been exercised shall be issued by Antigenics in the name of the person or persons exercising such Option and shall be delivered to or upon the order of such person or persons.

(b) LEGENDS. Evidence of Interests issued upon exercise of an Option shall bear such legend or legends as the Board, in its discretion, determines to be necessary or appropriate to prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act or to implement the provisions of any agreements between Antigenics and the Participant with respect to such Interest.

(c) PAYMENT OF EXPENSES. The Company shall pay all issue or transfer taxes with respect to the issuance or transfer of Interest, as well as all fees and expenses necessarily incurred by the Company in connection with such issuance or transfer and with the administration of the Plan.

17. Withholding Taxes

Antigenics shall be entitled, if necessary or desirable, to withhold (or secure payment from the Participant in cash or other property in lieu of withholding) the amount of any Federal, state or local taxes required by law to be withheld by Antigenics for any Interest or cash payments deliverable under this Plan, and Antigenics may defer such delivery unless such withholding requirement is satisfied.

EXHIBIT 23.1

The Members and Board of Managers
Antigenics L.L.C.:

We consent to the use of our report included herein and to the references to our firm under the headings "Selected Consolidated Financial Data" and "Experts" in the prospectus and registration statement.

/s/ KPMG LLP

Short Hills, New Jersey
January 21, 2000

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