AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 30, 1999

REGISTRATION NO. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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. [ ]

CALCULATION OF REGISTRATION FEE

	PROPOSED MAXIMUM

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE
Common Stock, $.01 par value per share.....	$46,000,000	$12,788

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933.

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.

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 NOVEMBER 30, 1999

PRELIMINARY PROSPECTUS

SHARES

ANTIGENICS INC. [LOGO]

COMMON STOCK

$ PER SHARE

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- - Antigenics Inc. is offering shares of its common stock.

- - We anticipate that the initial public offering price will be between $ and $ 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 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.

[PICTURE OF VIAL OF ONCOPHAGE]

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You should rely only on the information contained in this prospectus. 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.

In this prospectus, Antigenics Inc., together with Antigenics L.L.C., is referred to as "we," "us" or "Antigenics," unless the context indicates otherwise.

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SUMMARY

The items in the following summary are described 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. Except as set forth in the consolidated financial statements or as otherwise specified in this prospectus, all information in this prospectus gives effect to:

- the $39.2 million private placement completed in November 1999; and

- the change from a limited liability company to a corporation which will occur concurrently with this offering.

In addition, unless otherwise stated, all information in this prospectus assumes no exercise of the underwriters' 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. We believe that when we inject our heat shock protein-based immunotherapeutics into patients, they elicit a powerful immune response. We believe this immune response is capable of systemically targeting and killing cancers or other diseased cells from which the specific heat shock proteins were derived.

We believe our heat shock protein technology can be used broadly for the treatment of a wide variety of diseases. Each of our heat shock protein-based immunotherapeutics includes a heat shock protein that is constant and a repertoire of peptides that varies depending on the target disease. For diseases such as cancer, which vary among individuals, we use heat shock protein-peptide complexes derived from a patient's own cancer and therefore our immunotherapeutics are patient-specific, or autologous. For each infectious disease which is generally caused by a common pathogen, we intend to produce a disease-specific immunotherapeutic using that same common pathogen. Our heat shock protein technology has been shown to stimulate the immune system to treat cancers in a wide range of preclinical studies. 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 and is designed to elicit an immune response to a patient's cancer. The manufacturing process for Oncophage begins when a patient's tumor is surgically removed and shipped 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. A patient is initially injected with Oncophage four to six weeks after surgery. The typical course of treatment involves a series of injections into the skin once per week for four to six weeks.

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To date, we have treated approximately 140 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 tumor types and stages of disease that involve resectable tumors. Further, we have targeted cancers and stages of disease that we believe can be evaluated in clinical trials with near term endpoints to permit rapid and efficient completion of clinical trials and submission of 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 phase II clinical trials evaluating Oncophage as a treatment for sarcoma, a type of soft tissue cancer, and low grade indolent 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 renal cell carcinoma, we have shown that 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 heat shock protein derived immunotherapeutics may be effective in treating various infectious diseases and autoimmune disorders. Our immunotherapeutics for treating infectious diseases will consist of heat shock proteins complexed to peptides that are produced by disease-causing pathogens. We have targeted genital herpes as our first infectious disease indication and are conducting preclinical studies. We anticipate filing an Investigational New Drug Application, or IND, with the United States Food and Drug Administration, or FDA, 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

Our principal operations are located in Woburn, Massachusetts and our executive offices are located 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 by us.....	shares
Common stock outstanding after this offering.....	shares. This number excludes shares of common stock issuable upon exercise of options outstanding at , 1999, with a weighted average exercise price of $ per share and shares issuable upon exercise of warrants outstanding at , 1999, with an exercise price of $ 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

Our business was formed 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 by merging Antigenics L.L.C. with and into Antigenics Inc., a newly formed Delaware corporation. Membership units, options and warrants in Antigenics L.L.C. will be exchanged in the merger 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)

	PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31, 1994	YEAR ENDED DECEMBER 31, 1995	1996	1997	1998	NINE MONTHS ENDED SEPTEMBER 30, 1998 (UNAUDITED)	1999 (UNAUDITED)	PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION) TO SEPTEMBER 30, 1999 (UNAUDITED)
CONSOLIDATED STATEMENT OF OPERATIONS DATA:								
Revenue	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Operating expenses:								
Research and development	(112)	(742)	(1,569)	(2,548)	(5,908)	(4,072)	(6,926)	(17,806)
General and administrative	(56)	(2,453)	(1,042)	(1,375)	(2,735)	(1,823)	(3,825)	(11,486)
Depreciation and amortization	(15)	(40)	(79)	(202)	(360)	(273)	(726)	(1,422)
Loss from operations	(183)	(3,235)	(2,690)	(4,125)	(9,003)	(6,168)	(11,477)	(30,714)
Interest income, net	--	8	281	481	736	580	489	1,996
Non-operating income	--	--	250	--	--	--	--	250
Net loss(1)	$(183)	$(3,227)	$(2,159)	$(3,644)	$(8,267)	$(5,588)	$(10,988)	$(28,468)
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS DATA:								
Pro forma net loss(2)								
Pro forma net loss per common share, basic and diluted(2)								
Pro forma weighted average shares outstanding, basic and diluted(2)								

	AS OF DECEMBER 31, 1996	1997	1998	AS OF SEPTEMBER 30, 1999 HISTORICAL (UNAUDITED)	PRO FORMA(3) (UNAUDITED)	PRO FORMA, AS ADJUSTED(4) (UNAUDITED)
CONSOLIDATED BALANCE SHEET DATA:						
Cash and cash equivalents	$9,588	$13,086	$22,168	$12,612	$50,882	$
Total current assets	9,639	13,246	22,447	13,226	51,496	
Total assets	10,041	14,090	26,636	21,280	59,550	
Total current liabilities	883	878	2,285	2,170	2,170	
Long-term liabilities, less current portion	--	--	709	2,368	2,368	
Members' equity/stockholders' equity	9,158	13,212	23,641	16,742	55,012	

(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 do not provide for income taxes in our consolidated financial statements.

(2)The pro forma consolidated statements 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, 1998. Each unit of members' equity outstanding will be exchanged for shares of common stock. The pro forma consolidated statements 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. Pro forma weighted average shares outstanding used for computing pro forma diluted loss per common share are the same as those used for computing pro forma basic loss per common share because our options are not included in the calculation since the inclusion of such potential common shares would be antidilutive.

(3)The pro forma consolidated balance sheet data give effect to the unaudited pro forma adjustments as described in footnote (2) and the $39.2 million private placement completed in November 1999 as though these events occurred as of September 30, 1999. Pro forma cash and cash equivalents and stockholders' equity do not include $653,000 in subscriptions receivable and $293,000 of private placement expenses.

(4)The pro forma as adjusted consolidated balance sheet data give effect to the unaudited pro forma adjustments as described in footnote (3) and are adjusted to reflect the issuance of shares of common stock at $ per share, after deducting our estimated offering expenses and the underwriting discount, as though these events occurred as of September 30, 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 THEY CAN BE SOLD 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, our clinical trials of Oncophage might be delayed or halted 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 efficacy 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 commercialization. In addition, problems encountered with other companies' immunotherapeutic products may slow the regulatory approval for 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, preclinical and clinical testing of these immunotherapeutics prior to commercialization. This development process takes several years and often fails to yield commercial products. For example, regulatory authorities may not permit

human testing of these immunotherapeutics and, even if human testing is permitted, the subsequent clinical trials 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 indicated uses of that immunotherapeutic. In addition, a marketed product, its manufacturer and the manufacturer's facilities are subject to continual review and periodic inspections by regulatory agencies. Furthermore, the FDA and foreign regulatory agencies may require expensive post-approval trials. The discovery of previously unknown problems with a product, manufacturer or facility can result in restrictions on the product or manufacturer, including withdrawal of the product from the market. The failure to comply with applicable regulatory approval requirements can, among other things, result in:

- warning letters;
- fines and other civil penalties;
- suspended regulatory approvals;
- refusal to approve pending applications or supplements to approved applications;
- refusal to permit exports from the United States;
- product recalls;
- seizure of products;
- injunctions;
- operating restrictions;
- total or partial suspension of production; and/or
- criminal prosecution.

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 taken 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 these problems cannot be overcome, 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. Failure to comply with these requirements would subject us to possible regulatory action and may limit the jurisdictions in which we are permitted to sell our immunotherapeutics.

We recently transitioned 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. This facility will be continuously subject to inspection by the FDA, The Commonwealth of Massachusetts and foreign regulatory authorities. 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. Obtaining these approvals could take longer than expected and could disrupt our manufacturing process.

We are the only manufacturer of our immunotherapeutics. For the next several years, we expect that all of our manufacturing will take place 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;
- yields;
- purity;
- costs;
- 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 will depend, 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 other parties.

We have exclusive rights to seven 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 44 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 do issue 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, the patent.

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 as research and development and the sale of products. 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:

- the agreements may be breached;

- we would have inadequate remedies for any breach; or

- our trade secrets will otherwise become known or be independently developed or discovered by competitors.

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 of their 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, also could be required to participate in interference proceedings involving our issued patents and pending applications of another entity. An adverse 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 any license, if made available to us, could be acquired 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 a United States patent, issued to a different third party, with claims directed to certain methods of making heat shock protein products. No therapeutic methods are claimed in this patent. In any event, none of the methods we presently use to make Oncophage are claimed in this patent. Moreover, we do not believe that our methods of producing any of our heat shock protein-based immunotherapeutics would infringe any valid claims of this patent. However, we cannot guarantee that we will not be sued 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 the later third party patent. Therefore, there is a possibility that an interference will be declared. 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 patent. However, we cannot guarantee that we would prevail in any interference proceeding that might be declared.

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, a European patent, with claims directed to the use of heat shock proteins to produce or enhance immune responses to cancer and infectious diseases, issued to the Whitehead Institute for Biomedical Research and to the Medical Research Council. This patent is exclusively licensed to StressGen Biotechnologies Corporation. No attempts have been made 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 third party 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. Any decision to revoke the patent in its entirety, or to maintain the patent in any form, can be appealed. It may be years before a final, non-appealable decision is reached, during which time, the patent, with any amendments made during the opposition proceedings, remains enforceable. Participation in the opposition proceedings and appeals may be costly. Furthermore, if we are sued on this patent in Europe prior to any final decision of revocation, the cost of defending ourselves could be substantial, 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, still is 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, a response was sent to Copernicus, stating that we have prior rights in our logo. The response to Copernicus 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, no further communications have been received from Copernicus or its counsel. Although we do not believe we are infringing any rights owned by Copernicus, we do not know whether Copernicus will 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 September 30, 1999, we have generated losses totaling $28,468,000. 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 in multiple indications 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 September 30, 1999, we had $12,612,000 in cash and cash equivalents. We believe that, with the proceeds from this offering and from the private placement completed in November 1999, 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, OUR FUTURE DEVELOPMENT EFFORTS MAY BE HINDERED.

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, nearly all of our intellectual property is licensed 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 and may be modified 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, OUR ABILITY TO DEVELOP OUR IMMUNOTHERAPEUTICS, CONDUCT CLINICAL TRIALS AND OBTAIN FINANCING COULD BE ADVERSELY AFFECTED.

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 THE 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, OUR ABILITY TO GENERATE REVENUES WILL BE DIMINISHED.

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 reimbursement for the cost of our immunotherapeutics will be provided by government health administration authorities, private health insurance providers and other organizations. Many patients will not be capable of paying for our immunotherapeutics themselves. The primary trend in the United States health care industry is toward cost containment and decisions regarding the use of a particular treatment are increasingly influenced by large private payors, managed

care organizations, group purchasing organizations and similar organizations and are becoming more 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 immunotherapeutics being tested in human clinical trials and will face an even greater risk if any of our therapeutic products are sold commercially. We may become subject to a product liability claim 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.

Oncophage is manufactured from a patient's tumor and must be returned to the same patient for injection. A patient may sue us if we, a hospital or a delivery company fails to deliver the removed tumor or that patient's Oncophage. 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. We do not currently 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 BE REQUIRED TO INCUR SIGNIFICANT COSTS TO COMPLY WITH ENVIRONMENTAL LAWS AND REGULATIONS AND OUR COMPLIANCE MAY LIMIT ANY FUTURE PROFITABILITY.

Our activities involve the use of 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 be required to incur significant costs to comply 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 our safety procedures for handling and disposing of these materials comply with federal, state and local laws and regulations, we believe that the risk of accidental injury or contamination from these materials cannot be entirely eliminated. 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 regulatory approvals are received, 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.

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

Beginning in the year 2000, the date fields coded in certain software products and computer systems will need to accept four digit entries in order to distinguish 21st century dates from the 20th century dates. This is commonly known as the year 2000 or Y2K problem.

It is possible that 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, will not accept input of, store, manipulate or output dates for the Y2K or subsequent years without error or interruption. We have completed the process of determining whether there are any critical areas of our business that are not Y2K compliant. Where appropriate, we have taken corrective actions and implemented contingency plans to address Y2K problems involving these areas. We estimate that the total cost of addressing any Y2K problems will be immaterial.

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, our directors and officers will control approximately % of our outstanding common stock. Due to this concentration of ownership, directors and officers 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.

THE NET PROCEEDS FROM THIS OFFERING MAY BE ALLOCATED 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 a change in control is desired by the stockholders. 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 "classified 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, there will have been no public market for our equity. 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 shares 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 shares for resale. When this registration statement is declared effective by the Securities and Exchange Commission, these stockholders 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 shares of common stock outstanding after this offering but not offered in this prospectus will be available for resale on the Nasdaq National Market as follows:

- shares when a resale registration statement to be filed approximately 90 days after the date of this prospectus is declared effective, and

- shares one year following this offering subject to volume and other limitations.

We intend to file a registration statement following the offering to permit the sale of approximately 4,500,000 shares of common stock under our equity incentive plan and 300,000 shares of common stock under our employee stock purchase plan. As of , 1999, options to purchase shares of our common stock upon exercise of options with a weighted average exercise price per share of $ were outstanding. Many of these shares are subject to vesting that generally occurs over a period of up to five years following the date of grant. All vested options are subject to agreements with the underwriters not to sell the shares eligible upon their exercise for 365 days after the offering. As of , 1999, warrants to purchase shares of our common stock with an exercise price per share of $ were outstanding.

USE OF PROCEEDS

The net proceeds to us from the sale of shares of common stock in this offering at an assumed public offering price of $ per share are estimated to be $ million after deducting the underwriting discount and estimated offering expenses payable by us. The net proceeds to us are estimated to be $ million if the underwriters' over-allotment option is exercised 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. We have no specific understandings, commitments or agreements with respect to any acquisition.

We have not determined the amount of net proceeds to be used 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.

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;
- 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;
- Y2K readiness; and
- financial performance.

These forward-looking statements may 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 September 30, 1999, our historical and pro forma capitalization and cash and cash equivalents. The pro forma capitalization gives effect to the following transactions as if they occurred on September 30, 1999:

- the $39.2 million private placement completed in November 1999; and
- the change from a limited liability company to a corporation.

Pro forma cash and cash equivalents and stockholders' equity do not include $653,000 in subscriptions receivable and $293,000 of private placement expenses. The pro forma as adjusted capitalization reflects the pro forma adjustments described in the previous sentence and the sale in this offering of shares of common stock at an assumed initial public offering price of $ per share and the application of our 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 shares of common stock issuable upon exercise of stock options outstanding as of September 30, 1999 with a weighted average exercise price of $ 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 SEPTEMBER 30, 1999		
	HISTORICAL	PRO FORMA	PRO FORMA AS ADJUSTED
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
Cash and cash equivalents	$ 12,612	$ 50,882	$
Long-term liabilities	$ 2,368	2,368	
Members' capital	45,210	--	
Stockholders' equity			
Common stock, par value $0.01 per share; 100,000,000 shares authorized, shares issued and outstanding, pro forma, shares issued and outstanding, pro forma as adjusted	--	83,480	
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	--	--	--
Deficit accumulated during the development stage	(28,468)	(28,468)	
Total members'/stockholders' equity	16,742	55,012	
Total capitalization	$ 19,110	$ 57,380	$

DILUTION

Our pro forma net tangible book value as of September 30, 1999, was $ or $ 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 September 30, 1999 after giving effect to:

- the application of net proceeds from the $39.2 million private placement completed in November 1999; and

- the change from a limited liability company to a corporation.

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 shares of our common stock at an assumed initial public offering price of $ per share. As of September 30, 1999, our pro forma net tangible book value after this offering would be $ or $ per share.

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

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

Assuming the exercise in full of the underwriters' over-allotment option, our adjusted pro forma net tangible value after this offering at September 30, 1999 would have been approximately $ per share, representing an immediate increase in pro forma tangible book value of $ per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of $ 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 shares of our common stock at an assumed initial offering price of $ per share.

	SHARES PURCHASED		TOTAL CONSIDERATION		
	NUMBER	PERCENT	AMOUNT	PERCENT	AVERAGE PRICE PER SHARE
Existing stockholders.....		%	$	%	$
New investors.....		%	$	%	$
Total.....		100%	$	100%	$

The tables above are calculated on a pro forma basis as of September 30, 1999 and give effect to the November 1999 private placement and the change from a limited liability company to a corporation.

The tables above assume no exercise of the underwriters over-allotment option and no exercise of stock options outstanding at September 30, 1999. As of September 30, 1999, there were options outstanding to purchase a total of shares, at a weighted average exercise price of $ per share. To the extent that any of these options are exercised, there will be further dilution to new investors. Please see "Capitalization," "Management -- Director Compensation," "-- Executive Compensation" and Note 5 to Antigenics' audited consolidated financial statements and Note C to Antigenics' unaudited consolidated financial statements.

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

The selected consolidated balance sheet data set forth below, as of December 31, 1997 and 1998, and the consolidated statement of operations data for each of the years in the three-year period ended December 31, 1998, are derived from our audited consolidated financial statements included elsewhere in this prospectus. The selected consolidated balance sheet data as of December 31, 1994, 1995 and 1996 and selected consolidated statement of operations data for the period from March 31, 1994 (date of inception) to December 31, 1994 and the year ended December 31, 1995 are derived 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.

The selected consolidated financial data as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 and for the period from March 31, 1994 (date of inception) to September 30, 1999 are derived from our unaudited consolidated financial statements which are included elsewhere in this prospectus. The unaudited financial data includes, in our opinion, all adjustments (consisting only of normal recurring adjustments) that are necessary for a fair presentation of our financial position and the results of our operations for those periods. Operating results for the nine months ended September 30, 1999 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 1999. The selected consolidated financial data should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and 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, 1998 and the nine months ended September 30, 1999 give effect to the change from a limited liability company to a corporation and the exchange of each unit of members' equity into shares of common stock as if they occurred on January 1, 1998.

The unaudited pro forma selected balance sheet data as of September 30, 1999 reflects the events described above as if these events occurred as of September 30, 1999 as well as the $39.2 million private placement completed in November 1999. Pro forma cash and cash equivalents and stockholders' equity do not include $653,000 in subscriptions receivable and $293,000 of private placement expenses.

	PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31, 1994	YEAR ENDED DECEMBER 31, 1995	1996	1997	1998	NINE MONTHS ENDED SEPTEMBER 30, 1998 (UNAUDITED)	1999 (UNAUDITED)	PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION) TO SEPTEMBER 30, 1999 (UNAUDITED)
CONSOLIDATED STATEMENT OF OPERATIONS DATA:								
Revenue	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Operating expenses:								
Research and development	(112)	(742)	(1,569)	(2,548)	(5,908)	(4,072)	(6,926)	(17,806)
General and administrative	(56)	(2,453)	(1,042)	(1,375)	(2,735)	(1,823)	(3,825)	(11,486)
Depreciation and amortization	(15)	(40)	(79)	(202)	(360)	(273)	(726)	(1,422)
Loss from operations	(183)	(3,235)	(2,690)	(4,125)	(9,003)	(6,168)	(11,477)	(30,714)
Interest income, net	--	8	281	481	736	580	489	1,996
Non-operating income	--	--	250	--	--	--	--	250
Net loss	$ (183)	$(3,227)	$(2,159)	$(3,644)	$(8,267)	$(5,588)	$ (10,988)	$(28,468)
Net loss per members' equity unit, basic and diluted	$(10.97)	$(40.92)	$(25.43)	$(40.71)	$(86.42)	$(62.06)	$ (105.57)	
Weighted average number of units outstanding, basic and diluted	16,675	78,854	84,876	89,525	95,673	90,032	104,079	
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS DATA:								
Pro forma net loss					$		$	
Pro forma net loss per common share, basic and diluted					$		$	
Pro forma weighted average shares outstanding, basic and diluted								

	AS OF DECEMBER 31, 1994	1995	1996	1997	1998	AS OF SEPTEMBER 30, 1999 HISTORICAL (UNAUDITED)	PRO FORMA (UNAUDITED)
CONSOLIDATED BALANCE SHEET DATA:							
Cash and cash equivalents	$ 129	$ 791	$ 9,588	$13,086	$22,168	$12,612	$ 50,882
Total current assets	163	876	9,639	13,246	22,447	13,226	51,496
Total assets	239	1,124	10,041	14,090	26,636	21,280	59,550
Total current liabilities	22	584	883	878	2,285	2,170	2,170
Long-term liabilities, less current portion	--	--	--	--	709	2,368	2,368
Members' equity/stockholders' equity	217	540	9,158	13,212	23,641	16,742	55,012

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

The following discussion of the financial condition and results of operations should be read 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 September 30, 1999, we had an accumulated deficit of $28,468,000. 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 fund 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 pharmaceutical 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.

HISTORICAL RESULTS OF OPERATIONS

NINE MONTHS ENDED SEPTEMBER 30, 1999 COMPARED TO THE NINE MONTHS ENDED SEPTEMBER 30, 1998

Revenue: No revenue was generated during the nine months ended September 30, 1999 or during the nine months ended September 30, 1998.

Research and Development: Research and development expense increased 70.1% to $6,926,000 for the nine months ended September 30, 1999 from $4,072,000 for the nine months ended September 30, 1998. This increase was partially attributable to the increase in the non-cash charge for options granted and earned by outside advisors to $798,000 for the nine months ended September 30, 1999 from $124,000 for the nine months ended September 30, 1998. The remainder of the increase was primarily due to the number of later stage Oncophage clinical trials in process, an increase in our staff to support our expanded business activities and other ongoing development activities. 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 109.8% to $3,825,000 for the nine months ended September 30, 1999 from $1,823,000 for the nine months ended September 30, 1998. This increase was partially due to the increase in the non-cash charge for options granted and earned by outside advisors to $1,079,000 for the nine months ended September 30, 1999 from $58,000 for the nine months ended September 30, 1998. The remainder of the increase was primarily due to the growth in the number of our employees to support our expanded business operations. General and administrative expenses consisted primarily of personnel compensation, office expenses and professional fees.

Depreciation and Amortization: Depreciation and amortization expense increased 165.9% to $726,000 for the nine months ended September 30, 1999 from $273,000 for the nine months ended September 30, 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 10.5% to $641,000 for the nine months ended September 30, 1999 from $580,000 for the nine months ended September 30, 1998. This increase was principally attributable to a higher average cash and cash equivalents balance during the nine months ended September 30, 1999 as compared to the nine months ended September 30, 1998 due to a $28,000,000 private equity financing completed in January 1999. Changes in interest rates had an immaterial effect on the change in interest income. Interest expense was $152,000 during the nine months ended September 30, 1999 due to borrowings under a credit facility to fund the construction of our manufacturing and laboratory facility. There was no interest expense during the nine months ended September 30, 1998.

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

Revenue: No revenue was generated during the year ended December 31, 1998 or during the year ended December 31, 1997.

Research and Development: Research and development expenses increased 131.9% to $5,908,000 for the year ended December 31, 1998 from $2,548,000 for the year ended December 31, 1997. This increase was due primarily to the significant increase in the number of Oncophage clinical trials in process, higher salary costs due to an increase in the number of our employees as we expanded our business and clinical activities, higher levels of funding paid to support our Oncophage clinical trials, professional fees related to expansion of our intellectual property and patent activities, and the non-cash charge for options granted to and earned by outside advisors.

General and Administrative: General and administrative expenses increased 98.9% to $2,735,000 for the year ended December 31, 1998 from $1,375,000 for the year ended December 31, 1997. This increase was due to 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.

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. Changes in interest rates had an immaterial effect on the change in interest income. There was no interest expense during the years ended December 31, 1998 and 1997.

YEAR ENDED DECEMBER 31, 1997 COMPARED TO THE YEAR ENDED DECEMBER 31, 1996

Revenue: No revenue was generated during the year ended December 31, 1997 or during the year ended December 31, 1996.

Research and Development: Research and development expenses increased 62.4% to $2,548,000 for the year ended December 31, 1997 from $1,569,000 for the year ended December 31, 1996. This increase was primarily due to additional personnel in all our clinical and preclinical programs, an increase in the fee to the research laboratory we sponsor at the University of Connecticut and higher payments to clinics conducting our clinical trials. In addition, we incurred higher professional fees related to the expansion of our intellectual property and patent activities.

General and Administrative: General and administrative expenses increased 32.0% to $1,375,000 for the year ended December 31, 1997 from $1,042,000 for the year ended December 31, 1996. This increase was due to costs related to increased personnel necessary to support our expanding business and clinical operations partially offset by a decrease in the non-cash charge for options granted to and earned by outside advisors.

Depreciation and Amortization: Depreciation and amortization expense increased 155.7% to $202,000 for the year ended December 31, 1997 from $79,000 for the year ended December 31, 1996. This increase was due to the depreciation expense of our manufacturing and laboratory equipment.

Interest Income, net: Interest income increased 71.2% to $481,000 for the year ended December 31, 1997 from $281,000 for the year ended December 31, 1996. This increase was primarily attributable to a higher average cash and cash equivalents balance during the year ended December 31, 1997 as compared to the year ended December 31, 1996. There was no interest expense during both the years ended December 31, 1997 and 1996.

Non-operating Income: We recorded a non-recurring, non-operating fee of $250,000 for the year ended December 31, 1996 relating to a potential collaboration.

INCOME TAXES

No benefit for federal, state or local income taxes has been recorded for the net losses we incurred in the years ended December 31, 1996, 1997 and 1998 and no benefit for income taxes has been recorded for the period from March 31, 1994 (date of inception) through December 31, 1995. In addition, no net losses incurred in 1999 prior to the closing of this offering will be recorded on our federal, state or local income tax returns. Because we operated as a limited liability company for tax purposes during these periods, and will continue to until the closing of this offering, all taxable losses were, and will be, allocated 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 conversion from a limited liability company to a corporation, we expect that a valuation allowance equal to any gross deferred tax assets would be recognized as we believe that it is more likely than not that these deferred tax assets will not be realized.

LIQUIDITY AND CAPITAL RESOURCES

We have incurred annual operating losses since inception and at September 30, 1999, we had incurred an accumulated deficit of $28,468,000. 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 September 30, 1999, we have raised aggregate equity proceeds of $40,322,000 and have borrowed $3,424,000 under our $5,000,000 credit facility. In addition, in November 1999, we raised gross proceeds of $39,216,000 through a private placement of equity. As part of the November 1999 private placement, we issued warrants that expire September 30, 2002. The exercise price of these warrants is $ per share. Upon the closing of this offering, we expect some of these warrants will be converted, on a net exercise basis, into shares of common stock and that warrants to purchase shares of common stock will remain outstanding. We expect that the proceeds from the November 1999 private placement of equity, the proceeds from this offering, and current working capital will fund our capital expenditures and growing operations over the next two years. 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 September 30, 1999 were $12,612,000, a decrease of $9,556,000 from December 31, 1998. The primary use of cash during the nine months ended September 30, 1999 was to finance operations, including our Oncophage clinical trials, and capital expenditures for the establishment of our manufacturing and laboratory facility.

Net cash used in operating activities for the years ended December 31, 1996, 1997 and 1998 was $1,473,000, $3,518,000 and $6,377,000, and for the nine months ended September 30, 1999 was $9,416,000 compared to $5,508,000 for the nine months ended September 30, 1998. 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, 1996, 1997 and 1998 was $231,000, $619,000 and $3,676,000, and for the nine months ended September 30, 1999 was $4,592,000 compared to $1,047,000 for the nine months ended September 30, 1998. The investments were primarily for the construction of our manufacturing and laboratory facility and equipment, furniture and fixtures. Our new manufacturing and laboratory facility in Woburn, Massachusetts was partially financed through the $5,000,000 credit facility discussed below and available cash balances.

Net cash provided by financing activities was $10,500,000, $7,635,000 and $19,134,000 for the years ended December 31, 1996, 1997 and 1998, and $4,451,000 for the nine months ended September 30, 1999 compared to $6,525,000 for the nine months ended September 30, 1998. Since inception, our primary source of financing has been from equity investments. During 1996, 1997 and 1998, equity contributions from private placements and, in 1998, exercises of options, totaled approximately $10,500,000, $7,635,000 and $18,225,000 and $2,212,000 for the nine months ended September 30, 1999 compared to $6,525,000 for the nine months ended September 30, 1998. We raised gross proceeds of $39,216,000 in November 1999 through a private placement of equity. At September 30, 1999, we have outstanding $3,149,000 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 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.

We have completed the process of determining whether there are any critical areas of our business that are 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 are implementing 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.

We have taken actions to minimize the impact of the Y2K problem on our systems and operations, excluding a systemic failure outside our control, such as a prolonged loss of electrical, water or telephone service. We have inventoried and reviewed our systems, scientific instrumentation, and laboratory facilities, including querying third parties that have a material relationship with us, to ascertain Y2K compliance. Our review included examining information from our equipment and software vendors, literature supplied with software, and test evaluations of our systems. Based upon our work and knowledge to date, which included updating various software programs, we believe that the risk is minimal that our internal systems, scientific instrumentation, and laboratory facilities will be materially impacted by Y2K non-compliance disruptions. Most of our existing systems, scientific instrumentation, and laboratory facilities are Y2K compliant or are expected to be Y2K compliant by December 31, 1999.

Vendors for our off-the-shelf applications, including our accounting and e-mail systems, have informed us that their products are Y2K compliant. To date, our review has not disclosed otherwise. We have no reason to believe that these applications are not Y2K compliant. If these applications are not Y2K compliant, we expect, but cannot be certain, that the vendors will make appropriate upgrades available to all of their customers at no cost or at minimal cost. We believe that if it were necessary to replace our off-the-shelf software applications, this software could be replaced at reasonable costs.

With regard to third party risks, we continue to assess Y2K risks. Third parties include research partners, manufacturers, research organizations and clinical study administrators. Our vendors and suppliers have indicated that they will make every effort to be Y2K compliant before December 31, 1999, but that no guarantees can be given.

The majority of our material third party contracts relate to sites for clinical trials of our product candidates and research and development. We believe that it would be difficult, time consuming, and costly to find alternative clinical sites and research arrangements. We will continue to work with third parties to identify and resolve any problems with Y2K compliance.

In a worst case scenario, we could experience delays in receiving research and development and manufacturing supplies as well as managing and accessing data on patients enrolled in clinical studies. These delays could slow clinical development and research and development programs, or impact our ability to effectively manage and monitor these programs. These delays could have an adverse impact on our stock price. Based on the information and assessments to date, no contingency plans have been developed.

Any Y2K compliance problems which arise could materially and adversely affect our business, results of operations or cash flow. We will continue to identify all Y2K problems that could materially adversely affect our business operations and develop contingency plans, if possible. However, it is not possible to determine with complete certainty that all Y2K problems affecting us or third parties which have a material relationship with us have been identified. It is not possible to insure economically against all conceivable risks.

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 use derivative instruments or hedging to manage our exposures.

The information below summarizes our market risks associated with debt obligations as of September 30, 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 September 30, 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 1999	2000	2001	2002
Long-term debt.....	$3,351,000	$3,149,000	$781,000	$906,000	$1,050,000	$412,000
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. This statement is not expected 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 diseases, 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, a series of steps ensues resulting 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, including 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. This T cell-based immune response is enhanced by hormones known as cytokines that activate 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 identify 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 heat shock protein-peptide complexes from each patient's own tumor tissue. 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 complexed 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 tumor cells are immune to subsequent injections of live tumor cells, and further that this immunity to cancer is tumor-specific. 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 elicit 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 complexed, or 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 these 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 were derived. Our immunotherapeutics are injected 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, our immunotherapeutics are efficiently captured and processed by dendritic cells. Once inside dendritic cells, heat shock protein-peptide complexes separate and the peptides are displayed on the surface of the dendritic cell where they can be recognized by T cells.

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 which further stimulate the immune system.

THE MECHANISM OF HEAT SHOCK PROTEIN-INDUCED IMMUNE RESPONSE

STEP 1. Injection of purified heat shock protein-peptide complexes into skin

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STEP 2. Heat shock protein-peptide complexes bind to receptor on surface of dendritic cell and are subsequently internalized

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STEP 3. Heat shock proteins and peptides separate inside dendritic cell

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STEP 4. Peptides are presented on the surface of dendritic cell for recognition by T cells. Upon recognition, T cells are activated to kill diseased cells, such as tumor or pathogen-infected cells, expressing those same peptides. Heat shock proteins also stimulate dendritic cells to release cytokines which activate natural killer cells and enhance the immune response

Heat shock protein receptor

Dendritic cell

Heat shock protein

Peptide presented on surface of dendritic cell

Peptide chaperoned by heat shock protein

[GRAPH]

Our immunotherapeutics are designed to 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 re-presentation of peptides by dendritic cells triggers 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 carcinoma	Phase II trial enrollment completed
	Gastric cancer	Phase I/II trial ongoing
	Pancreatic cancer	Phase I trial completed
	Low grade indolent 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 expects that approximately 1.2 million new cases of cancer will be diagnosed 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 nearly 12 million cases of cancer have been diagnosed and nearly 5 million people have died from this disease 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. A cancer patient often receives a combination of these treatments depending upon the type of cancer and the extent of the disease. Surgery is curative only when tumors are detected at relatively early stages of growth and can be fully excised. 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 resected portions of a patient's tumor. 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.

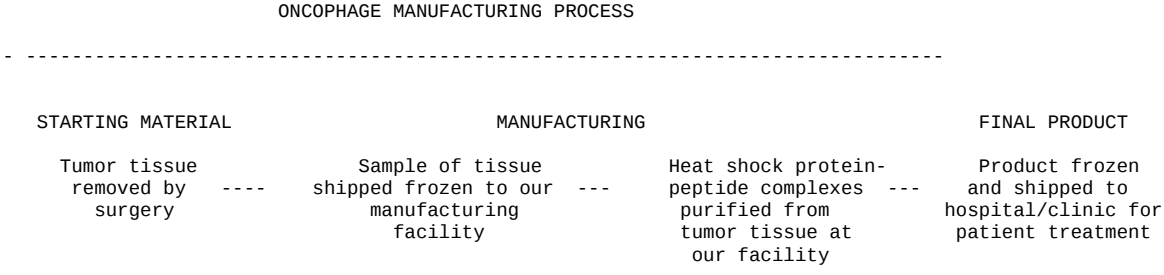
ONCOPHAGE

Oncophage is our lead cancer immunotherapeutic. It is being evaluated 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 surgical removal of 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 buffered saline 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



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

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

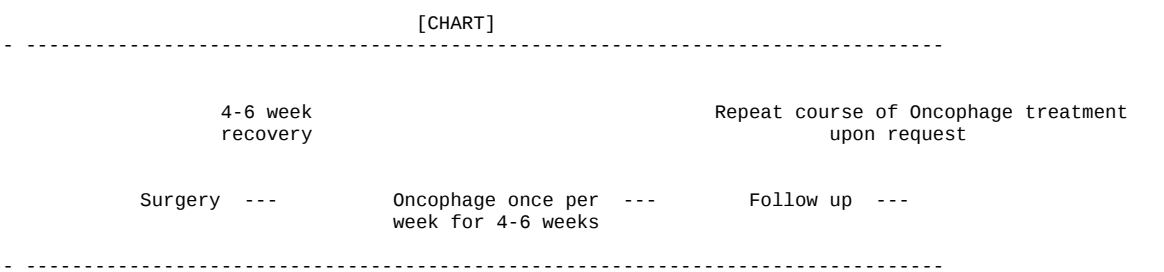
- the scheduling of production at our central facility is flexible because we purify Oncophage from frozen tumor samples;

- our final product can be administered when the patient is ready to begin treatment because Oncophage is 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 patient initially receives Oncophage four to six weeks after surgical removal of 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. Patients may be treated with more than one course of Oncophage based on the advice of their oncologist.

ONCOPHAGE COURSE OF TREATMENT



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 chose types of cancer and stages of disease that typically yield tumors that can be removed by surgery. Additionally, in order to complete clinical trials rapidly and file for regulatory approval, we have selected cancers and stages of disease that are evaluable 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 140 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 programs 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 Oncophage can be made consistently and in sufficient quantities from most human cancer tissue.

The investigators participating in our clinical programs have documented tumor regressions 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 documented survival. The 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. According to the American Cancer Society, there will be about 30,000 new cases of kidney cancer in the United States in 1999. Approximately 11,900 people are expected to die from the disease 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 subcutaneous administration of interleukin-2, 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. This trial was conducted 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. We 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 achieved a partial response and one patient achieved 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 effects 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.

Our phase I/II trial also showed Oncophage to be generally safe and well tolerated by patients. Sixty-three percent of our patients went on to receive more than one course of treatment with Oncophage.

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

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. According to the American Cancer Society, there will be about 44,200 new cases of melanoma in the United States in 1999. Approximately 7,300 people are expected to die from the disease during 1999. The incidence of melanoma is growing at 5-7% per year, which is substantially faster than the growth in incidence rates of other cancers. Advanced or metastatic melanoma, also known as stage III or IV, is treated 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. Overall survival of patients with melanoma has not improved significantly with existing treatments. 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 various treatment options are practiced, 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. The trial is being conducted at the M.D. Anderson Cancer Center. After surgery to remove a portion of the tumor, patients were treated with 2.5 micrograms, 25 micrograms or 100 micrograms of Oncophage.

In this trial, we 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 resected before they received treatment 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 8 patients in the adjuvant setting with stage III disease.

In our melanoma trial, we also treated 16 stage III and stage IV patients with "residual disease." These are patients who have had only part of their disease resected, 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 lesion

disappeared completely but the smaller lesions 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 have been treated in this study are alive. Further analysis of the results from this trial is 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 92% of melanoma samples received at our manufacturing facility for this phase I/II trial. Based on this result, we believe we should be able to manufacture our product for nearly all melanoma patients from whom adequate amount of tumors can be surgically removed.

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 treating 40 patients during 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. According to the American Cancer Society, there will be about 129,400 new cases of colorectal cancer in the United States in 1999. Approximately 56,600 people are expected to die from the disease 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 who present 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. The trial is being conducted at the Istituto dei Tumori. After surgery to remove their metastatic tumors, patients are treated with 2.5 micrograms, 25 micrograms or 100 micrograms of Oncophage.

Analysis of the results from this trial is 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 100% of colorectal cancer samples received at our manufacturing facility for this trial. Based on this result, we believe we should be able to manufacture our product for nearly all colorectal cancer patients whose tumors can be surgically removed.

Gastric Cancer

Background. Gastric cancer is cancer of the stomach. According to the American Cancer Society, there will be about 21,900 new cases of gastric cancer in the United States in 1999. Approximately 13,500 people are expected to die from the disease during 1999. The treatment options for gastric cancer are surgery, chemotherapy and radiation. Biological therapies are currently in clinical trials. For patients with resectable disease, 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. The trial is being conducted at the Johannes Gutenberg-University Hospital in Mainz, Germany. After surgery to remove their tumors, patients are treated 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 received at our manufacturing facility for this trial. Based on this result, we believe we should be able to manufacture our product for the majority of gastric cancer patients whose tumors can be surgically removed.

Pancreatic Cancer

Background. Pancreatic cancer is the fourth leading cause of cancer death in the United States. According to the American Cancer Society, there will be about 28,600 new cases of pancreatic cancer in the United States in 1999. Approximately 28,600 people are expected to die from the disease during 1999.

The treatment options for pancreatic cancer are surgery and chemotherapy. For resectable disease, a patient undergoes surgery and may receive chemotherapy as a follow up treatment. At the Memorial Sloan-Kettering Cancer Center, patients who have had resection of their disease, are reported to have a median survival of 14 months. For unresectable disease, patients are treated 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. The trial was conducted at the Memorial Sloan-Kettering Cancer Center and enrolled 15 patients. After surgery to remove their primary tumor, five of the fifteen patients were treated with 5 micrograms of Oncophage.

Two out of five patients generated a T cell mediated immune 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 received in our manufacturing facility. It was not possible to prepare Oncophage from the remaining specimens 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.

Low Grade Indolent Non-Hodgkin's Lymphoma

Background. Non-Hodgkin's lymphoma is cancer that originates in lymph tissue. According to the American Cancer Society, there will be about 56,800 new cases of non-Hodgkin's lymphoma in the United States in 1999. Approximately 25,700 people are expected to die from the disease during 1999. Approximately 40% of patients with non-Hodgkin's lymphoma have low grade indolent disease, which is a slow growing, often fatal, lymphoma.

The treatment for patients with non-Hodgkin's lymphoma has traditionally been 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 non-Hodgkin's lymphoma. The trial will be conducted at the M.D. Anderson Cancer Center. Patients will be treated with 25 micrograms of Oncophage after surgical removal of tumor tissue.

Sarcoma

Background. Soft tissue sarcomas are cancerous tumors that can develop from fat, muscle, nerve, joint, blood vessel, or deep skin tissues. According to the American Cancer Society, there will be about 7,800

new cases of soft tissue sarcomas in the United States in 1999. Approximately 4,400 people are expected to die from the disease during 1999.

The treatment options for sarcoma are surgery, chemotherapy or targeted radiotherapy. For resectable disease, a patient undergoes surgery and receives chemotherapy or targeted radiotherapy as follow up treatments. For unresectable disease, patients are treated 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. The trial will be conducted at Memorial Sloan-Kettering Cancer Center and may be expanded to include other sites. Patients will be treated with 25 micrograms of Oncophage after surgical removal of tumor tissue.

Other Cancer Immunotherapeutics

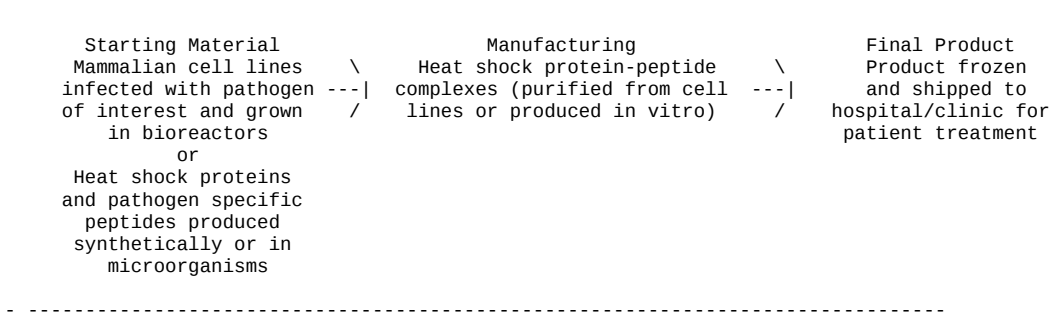
In addition to Oncophage, we are currently researching several other autologous cancer immunotherapeutics using different heat shock proteins including HSPPC-70, HSPPC-90, and HSPPC-56. These immunotherapeutics have demonstrated efficacy in animal cancer models.

OUR INFECTIOUS DISEASE IMMUNOTHERAPEUTICS

Background. Infectious diseases are illnesses caused by microorganisms, like viruses, bacteria and parasites, and include tuberculosis, hepatitis, genital herpes and HIV. While a number of viral and bacterial diseases are treated effectively with antiviral agents and antibiotics, a growing concern is 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 complexed 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 testing of our immunotherapeutics in preclinical studies and should enable production of sufficient quantities to begin human clinical trials. Another technique to manufacture our immunotherapeutics involves binding specific peptides with heat shock proteins in vitro. The peptides can be generated in microorganisms or they may be produced synthetically.

OUR INFECTIOUS DISEASE IMMUNOTHERAPEUTIC MANUFACTURING PROCESS



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 it is not known definitively what triggers autoimmune responses, 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 certain 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

[GRAPH]

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 heat shock protein-based immunotherapeutics are manufactured. Efforts in this area to date have resulted in a two-fold reduction in the time required to purify Oncophage from individual patient's tumors and a 40% increase in the quantity of Oncophage we can produce from a particular tumor mass. 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 the necessary regulatory approvals are obtained, 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, 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 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 will require 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 seven 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 44 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 have agreed to provide funding, through December 31, 2002, to the laboratory directed by Dr. Srivastava at the University. 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 issue;

- 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 seven issued United States patents and 44 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 these patent rights would not be rendered invalid or unpatentable.

REGULATORY CONSIDERATIONS

The preclinical and clinical testing, manufacturing, labeling, storage, record keeping, advertising, promotion, export, marketing and distribution, among other things, of our immunotherapeutics are subject to extensive regulation by governmental authorities in the United States and other countries. In the United States, pharmaceutical products are subject to rigorous review by the FDA under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act and other federal statutes and regulations. Non-compliance with applicable requirements can result in fines, recall or seizure of products, total or partial suspension of production, refusal of the government to approve marketing applications or allow us to enter into supply contracts, and criminal prosecution. 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. Product approvals may be withdrawn if compliance with regulatory standards is not maintained or if problems occur 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 will automatically become 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 FDA authorization 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. Preclinical studies are regulated by the FDA under a series of regulations called the current "Good Laboratory Practices" regulations. Violations of these regulations can, in some cases, lead to invalidation of the studies, requiring those studies to be replicated.

After the investigational new drug application becomes effective, human clinical trials may commence. Human clinical trials are typically conducted in three sequential phases, but the phases may overlap. Phase I trials consist of testing 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 efficacy of the product is evaluated 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. A clinical plan, or "protocol," accompanied by the approval of the institution participating in the trials, must be

submitted to the FDA prior to commencement of each clinical trial. The FDA may order the temporary or permanent discontinuation of a clinical trial at any time.

The results of the preclinical and clinical testing, together with, among other things, detailed information on the manufacture and composition of the product, are submitted to the FDA 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 will be approved in any specific period of time, or at all.

The Food and Drug Administration Modernization Act of 1997 was enacted, 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. The fast track provisions essentially codify the FDA's accelerated approval regulations for drugs and 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. Approval of a marketing application for a fast track product can be based on an effect on a clinical endpoint or on a surrogate endpoint that is reasonably likely to predict clinical benefit. Approval of an application for a fast track product may be subject to:

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

- prior review of all promotional materials.

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 application is complete. 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 complete application is submitted.

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 products be recalled, 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 FDA approval has been obtained, approval of a product by comparable regulatory authorities of foreign countries must be obtained 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. If a competing company were to develop, or acquire rights to, a more efficacious therapeutic product for the same diseases targeted by us, or one which offers significantly lower costs of treatment, our products could be rendered noncompetitive or obsolete.

Significant levels of research in biotechnology, medicinal chemistry and pharmacology occur in academic institutions, governmental agencies and other public and private research institutions. 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. Our executive offices are located 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. Finally, we lease a 2,000 square foot manufacturing facility in Framingham, Massachusetts under a lease agreement that terminates in December 1999.

EMPLOYEES

As of October 31, 1999, we had 67 employees, of whom ten have Ph.D.s and one has an M.D.; three are clinical staff, 21 are manufacturing and quality control staff, 21 are research and development staff, and 22 are management or administrative staff. None of our employees is subject to a collective bargaining agreement. We believe that our relations with our employees are good.

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 November 1, 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

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(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.

Antigenics' 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. Antigenics has 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. Officers are appointed by the board of directors 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. His postdoctoral training was performed 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 Iconics, 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 of 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 Iconics, Inc. and Cambria Tech. Ltd.

ELMA HAWKINS, PH.D. has served as Senior Vice President since August 1998. From July 1996 through August 1998, Dr. Hawkins served as the Chief Operating Officer of the company. Prior to her employment by Antigenics, 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 since 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 Consulate 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 Antigenics 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 has been with Deutsche Bank since 1991 and is currently a director in the Principal Investments Group within the Equity Capital Markets division. This group specializes in minority investments in fast growing private companies in information technology, communications, new media and healthcare on a global basis. Mr. Dechaene is a director of Color Kinetics Inc. and Iconics, Inc. Mr. Dechaene holds a law degree from Ghent University, Belgium, an MBA from INSEAD, France and a degree in Applied Economics from the University of Antwerp.

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 year ended December 31, 1998 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

NAME AND PRINCIPAL POSITION	1998 ANNUAL COMPENSATION		LONG-TERM COMPENSATION
	SALARY($)	BONUS($)	SHARES UNDERLYING OPTIONS(#)
Garo H. Armen, Ph.D., Chief Executive Officer.....	--	--	
Elma Hawkins, Ph.D., Senior Vice President.....	$200,000	$20,000	
Neal Gordon, Ph.D., Vice President of Operations....	$ 57,272(1)	$28,750	

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

1998 OPTION GRANTS

The following table contains certain information regarding stock option grants during the twelve months ended December 31, 1998 by us to the named executive officers:

OPTION GRANTS IN LAST FISCAL YEAR

NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED(#)	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE ($/SHARE)	EXPIRATION DATE	POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM(1)	
					5%($)	10%($)
Garo H. Armen, Ph.D., Chief Executive Officer.....	--	--	--	--	--	--
Elma Hawkins, Ph.D., Senior Vice President...	--	--	--	--	--	--
Neal Gordon, Ph.D., Vice President of Operations.....				7/08		

(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. No gain to the optionees is possible without an increase in price of the common stock, which will benefit all stockholders proportionately. In order to realize the potential values set forth in the 5% and 10% columns of this table, the per share price of the common stock would have to be $ and $, or approximately % and % above the respective exercise or base price shown, based on an assumed initial public offering price of $ per share.

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, 1998, 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, 1998. 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.....	--	--				
Elma Hawkins, Ph.D., Senior Vice President.....	--	--				
Neal Gordon, Ph.D., Vice President of Operations.....	--	--				

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

EMPLOYMENT AGREEMENTS

Under an employment agreement dated June 1, 1998, Antigenics 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, Dr. Hawkins was issued options to purchase shares of the company's common stock at an exercise price of $ per share vesting over three years. The agreement is automatically renewed for successive one-year periods unless either party terminates the agreement. If Dr. Hawkins is terminated 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 Dr. Hawkins is terminated either because her position of Senior Vice President is eliminated 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.

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 Antigenics.

DIRECTOR COMPENSATION

We reimburse directors for out-of-pocket and travel expenses incurred while attending board of director and committee meetings. Directors have been awarded options to purchase up to shares of common stock at exercise prices ranging from $ to $.

EMPLOYEE BENEFIT PLANS

1999 EQUITY INCENTIVE PLAN

Antigenics's 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 4,500,000 shares (subject to adjustment for stock splits and similar capital changes) of common stock to Antigenics's employees and, in the case of non-qualified stock options, to consultants of Antigenics 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, shares of common stock were subject to outstanding options granted under the equity plan, leaving shares available for issuance under future grants under the equity plan.

1999 EMPLOYEE STOCK PURCHASE PLAN

Antigenics has also adopted an employee stock purchase plan under which employees may purchase shares of common stock at a discount from fair market 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 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 market 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 purchase plan terminates on November 15, 2009. As of November 15, 1999, no shares of common stock had been issued 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 $10,000 each year. 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

Antigenics currently leases office space at cost from GHA Management Corporation which is wholly owned by Garo Armen, Ph.D. Dr. Armen is the chairman and chief executive officer of Antigenics and we use the office space for our corporate headquarters. The payments to GHA Management totaled approximately $77,000, $143,000 and $211,000 for the years ended December 31, 1996, 1997 and 1998, respectively. Under the current agreement, payments will be approximately $312,000 annually until the agreement expires in December 2006. Antigenics believes that the terms of the current agreement are at least as favorable as terms it could have obtained in an arm's length transaction with an independent third party. In addition, we have 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. 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 , 1999, and as adjusted to reflect the sale of 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 shares of common stock outstanding at , 1999, and shares of common stock outstanding after the offering. Shares of common stock subject to options that are currently exercisable or exercisable within 60 days of , 1999 are deemed 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 are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

BENEFICIAL OWNER(1)	NUMBER OF SHARES BENEFICIALLY OWNED	PERCENTAGE OF TOTAL BEFORE OFFERING	PERCENTAGE OF TOTAL AFTER OFFERING
STOCKHOLDERS OWNING APPROXIMATELY 5% OR MORE:			
Lawrence Feinberg c/o Oracle Partners LP 712 Fifth Avenue, 45th Floor New York, New York 10019			
DIRECTORS AND EXECUTIVE OFFICERS			
Garo H. Armen, Ph.D.			
Pramod Srivastava, Ph.D.			
Gamil de Chadarevian			
Elma Hawkins, Ph.D.			
Neal Gordon, Ph.D.			
Donald Panoz			
Noubar Afeyan, Ph.D.			
Edward Brodsky			
Tom Dechaene			
Martin Taylor			
All current executive officers and directors as a group (10 persons)			

* Indicates less than 1%

(1) Unless otherwise indicated, the address of each shareholder is Antigenics Inc., 630 Fifth Avenue, New York, New York 10111.

DESCRIPTION OF CAPITAL STOCK

Immediately following the closing of this offering, the authorized capital stock of Antigenics 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 and giving effect to the issuance of shares of common stock and the merger of Antigenics L.L.C. with and into Antigenics Inc., there will be:

- shares of common stock outstanding;

- options to purchase shares of common stock outstanding of which will be exerciseable upon the closing of this offering;

- warrants to purchase 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 therefor 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. Cumulative voting for the election of directors is not provided for in Antigenics' certificate of incorporation, 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 Antigenics' certificate of incorporation, the 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. The 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. Preferred stock could thus be issued quickly with terms calculated to delay or prevent a change in control of Antigenics 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, there are no shares of preferred stock outstanding.

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 certain 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. Antigenics' certificate of incorporation and its by-laws do not exclude Antigenics from the restrictions imposed under Section 203. It is anticipated that the provisions of Section 203 may encourage companies interested in acquiring Antigenics to negotiate in advance with the board since the stockholder approval requirement would be avoided if a majority of the directors then in office excluding an interested stockholder approve either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder. These provisions may have the effect of deterring hostile takeovers or delaying changes in control of Antigenics, 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. Antigenics' certificate of incorporation provides that stockholders may not take action by written consent but may only act at a stockholders' meeting, and that special meetings of the stockholders of Antigenics may only be called by the president or a majority of the board and requires advance notice of business to be brought by a stockholder before the annual meeting. The 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 the 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 nominations for directors may not be made by stockholders 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 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. All expenses incurred in connection with this registration, other than any underwriters' discounts and commissions, will be borne by Antigenics.

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. Sales of substantial amounts of common stock of Antigenics in the public market or the anticipation of these sales could adversely affect the prevailing market price of the common stock and the ability of Antigenics to raise equity capital in the future.

After the closing of this offering, Antigenics will have outstanding shares of common stock, which includes shares issued upon the conversion of warrants issued in the November 1999 and assumes no exercise of the underwriters' over-allotment option and no exercise of outstanding options. Of these shares, the shares sold in this offering will be freely tradable without restriction under the Securities Act unless purchased by "affiliates" of Antigenics as that term is defined in Rule 144 under the Securities Act. An additional shares are expected to be covered by a registration statement we will file approximately 90 days following this offering. The remaining 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. Beginning 365 days after the date of this prospectus, restricted shares will be eligible for sale in the United States public market, subject to volume and other limitations. In addition, as of , 1999, there were outstanding options to purchase shares of common stock, none of which options are expected to be exercised prior to the closing of the offering. We expect that concurrently with the closing of this offering warrants to purchase common stock will be converted, on a net exercise basis, into shares of common stock and that warrants to purchase an additional shares of common stock will be outstanding. All of the shares issued upon exercise will be subject to lock-up agreements.

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 is approximately shares, 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 current public information about Antigenics be available. Under Rule 144(k), a person who is not deemed to have been an affiliate of Antigenics 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 employee, officer or director of or consultant to Antigenics 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 BancBoston 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.....	
BancBoston 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 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 365 days 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 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.

LEGAL MATTERS

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

EXPERTS

The consolidated financial statements of Antigenics L.L.C. and subsidiary as of December 31, 1997 and 1998, and for each of the years in the three-year period ended December 31, 1998, and for the period from March 31, 1994 (date of inception) to December 31, 1998, have been included herein and in the registration statement in reliance upon the report of KPMG LLP, independent certified public accountants, appearing elsewhere herein, and upon the authority of said 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.

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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 subsidiary (a Delaware limited liability company in the development stage and a successor operating company) as of December 31, 1997 and 1998, 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, 1998 and the period from March 31, 1994 (date of inception) to December 31, 1998. 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 subsidiary as of December 31, 1997 and 1998, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1998 and the period from March 31, 1994 (date of inception) to December 31, 1998, in conformity with generally accepted accounting principles.

/s/ KPMG LLP

Short Hills, New Jersey
October 28, 1999

ANTIGENICS L.L.C.
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 1997 AND 1998

	1997	1998
ASSETS		
Cash and cash equivalents	$13,086,402	$ 22,168,049
Prepaid expenses	138,994	230,632
Other assets	20,138	21,189
Due from related party	--	27,605
Total current assets	13,245,534	22,447,475
Plant and equipment, net	783,655	4,106,183
Other assets	46,237	74,071
Organization costs, less accumulated amortization of $21,587 and $28,174 in 1997 and 1998, respectively	14,472	7,885
Total assets	$14,089,898	$ 26,635,614
LIABILITIES AND MEMBERS' EQUITY		
Accounts payable	$ 245,602	$ 2,036,814
Accrued liabilities	570,869	48,134
Due to related party	61,658	--
Current portion, long-term debt	--	200,497
Total current liabilities	878,129	2,285,445
Long-term debt	--	709,006
Members' capital -- no stated value; 93,354 and 104,024 units issued	22,424,501	43,223,509
Subscription notes receivable	--	(2,102,000)
Deficit accumulated during development stage	(9,212,732)	(17,480,346)
Total members' equity	13,211,769	23,641,163
Commitments and contingencies		
Total liabilities and members' equity	$14,089,898	$ 26,635,614

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, 1996, 1997 AND 1998 AND
FOR THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)
TO DECEMBER 31, 1998

	1996	1997	1998	MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31, 1998
Revenue	$ --	$ --	$ --	$ --
Expenses:				
Research and development	(1,568,903)	(2,547,799)	(5,908,160)	(10,879,904)
General and administrative	(1,042,033)	(1,375,444)	(2,734,947)	(7,660,804)
Depreciation and amortization	(78,856)	(202,090)	(360,285)	(696,347)
Total operating loss	(2,689,792)	(4,125,333)	(9,003,392)	(19,237,055)
Other income:				
Non-operating income	249,988	--	--	249,988
Interest income	281,245	481,179	735,778	1,506,721
Net loss	$(2,158,559)	$(3,644,154)	$(8,267,614)	$(17,480,346)
Net loss per members' equity unit, basic and diluted	$ (25.43)	$ (40.71)	$ (86.42)	
Weighted average members' units outstanding, basic and diluted	84,876	89,525	95,673	

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, 1996, 1997 AND 1998 AND
THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)
TO DECEMBER 31, 1998

	UNITS	MEMBERS' CAPITAL	SUBSCRIPTION NOTES RECEIVABLE	DEFICIT ACCUMULATED DURING DEVELOPMENT STAGE	TOTAL
Balance at March 31, 1994...	--	$ --	$ --	$ --	$ --
Net loss.....	--	--	--	(183,440)	(183,440)
Issuance of units.....	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.....	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.....	--	--	--	(2,158,559)	(2,158,559)
Grant and recognition of options.....	--	276,676	--	--	276,676
Payment of subscription notes receivable.....	--	--	150,000	--	150,000
Issuance of units.....	9,512	10,600,000	(250,000)	--	10,350,000
Balance at December 31, 1996.....	89,512	14,976,686	(250,000)	(5,568,578)	9,158,108
Net loss.....	--	--	--	(3,644,154)	(3,644,154)
Payment of subscription notes receivable.....	--	--	250,000	--	250,000
Grant and recognition of options.....	--	62,815	--	--	62,815
Issuance of units.....	3,842	7,385,000	--	--	7,385,000
Balance at December 31, 1997.....	93,354	22,424,501	--	(9,212,732)	13,211,769
Net loss.....	--	--	--	(8,267,614)	(8,267,614)
Grant and recognition of options.....	--	472,023	--	--	472,023
Exercise of options.....	224	250,000	--	--	250,000
Issuance of units.....	10,446	20,076,985	(2,102,000)	--	17,974,985
Balance at December 31, 1998.....	104,024	$43,223,509	$(2,102,000)	$(17,480,346)	$23,641,163

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, 1998

	1996	1997	1998	MARCH 31, 1994 (DATE OF INCEPTION) TO DECEMBER 31, 1998
Cash flows from operating activities:				
Net loss	$(2,158,559)	$(3,644,154)	$(8,267,614)	$(17,480,346)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization	78,856	202,090	360,285	696,347
Members' equity options	276,676	62,815	472,023	811,514
Members' equity grant	--	--	--	2,200,000
Changes in operating assets and liabilities:				
Other assets	(1,792)	(64,583)	(28,885)	(95,260)
Prepaid assets	(10,734)	(87,927)	(91,638)	(230,632)
Organization costs	--	--	--	(32,934)
Accounts payable	246,357	(553,263)	1,791,212	2,036,814
Accrued liabilities	66,865	504,004	(522,735)	48,134
Due to/from related party, net	29,788	63,361	(89,263)	(27,605)
Net cash used in operating activities	(1,472,543)	(3,517,657)	(6,376,615)	(12,073,968)
Cash flows from investing activities:				
Purchase of plant and equipment	(231,262)	(622,504)	(3,704,168)	(4,809,423)
Proceeds from the sale of plant and equipment	--	4,000	27,942	31,942
Net cash used in investing activities	(231,262)	(618,504)	(3,676,226)	(4,777,481)
Cash flows from financing activities:				
Members' equity contributions	10,500,000	7,635,000	17,974,985	37,859,995
Exercise of members' equity options	--	--	250,000	250,000
Proceeds from debt	--	--	909,503	909,503
Net cash provided by financing activities	10,500,000	7,635,000	19,134,488	39,019,498
Net increase in cash and cash equivalents	8,796,195	3,498,839	9,081,647	22,168,049
Cash and cash equivalents at beginning of period	791,368	9,587,563	13,086,402	--
Cash and cash equivalents at end of period	$ 9,587,563	13,086,402	22,168,049	22,168,049
Non-cash investing and financing activities:				
Members' equity contributions financed by notes receivable	$ 250,000	$ --	$ 2,102,000	$ 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. In July 1995, the founders of the Delaware corporation formed Antigenics L.L.C. (together with its subsidiary, 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 Delaware corporation'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.

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 "jump-start" 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, pilot stage production for clinical trials, and administrative and corporate development activities. As of December 31, 1998, 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, 1998 has a deficit accumulated during the development stage of approximately $17.5 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 additional members' equity.

The Company's immunotherapeutics require clinical trials and approvals from regulatory agencies as well as acceptance in the marketplace. As of February 17, 1999, the Company had begun seven clinical trials in four cancer indications, two of which have been completed, and three of which are in Phase II. 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 does 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 subsidiary. 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, 1997 and 1998 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

Organization costs, consisting primarily of legal fees, are being amortized using the straight-line method over a five-year period.

(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 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 at December 31, 1998 and the fair value is estimated to be approximately this amount.

ANTIGENICS L.L.C.
(A DEVELOPMENT STAGE COMPANY)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(h) ACCRUED LIABILITIES

Accrued liabilities consist of the following at December 31, 1997 and 1998:

	1997	1998
Sponsored research	$475,000	$ --
Other	95,869	48,134
	$570,869	$ 48,134

(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 expenditures are expensed as incurred.

(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, 1996, 1997 and 1998 because the Company's members' equity options were not included in the calculation since the inclusion of such potential members' equity units would be antidilutive.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(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 April 1998, the American Institute of Certified Public Accountants issued Statement of Position (SOP) 98-5, "Reporting on the Costs of Start-Up Activities", which requires the costs of start-up activities and organization costs be expensed as incurred. The adoption of SOP 98-5 by the Company effective January 1, 1999 will be immaterial to the Company's consolidated financial statements.

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, 1997 and 1998 consists of the following:

	1997	1998	ESTIMATED DEPRECIABLE LIVES
Furniture, fixtures and other.....	$ 299,580	$ 486,933	3 to 10 years
Laboratory and manufacturing equipment.....	621,187	1,426,427	3 to 10 years
Leasehold improvements.....	180,128	224,580	2 to 5 years
Construction in progress.....	--	2,639,181	
	1,100,895	4,777,121	
Less accumulated depreciation and amortization.....	317,240	670,938	
	$ 783,655	$4,106,183	

(4) MEMBERS' EQUITY

Antigenics has one class of members' equity. All equity 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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

approximately 9,500 members' equity units in exchange for $10,600,000. Subscription notes receivable of $250,000 at December 31, 1996, which represent 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 represent promissory notes from members in consideration of their equity contributions, were satisfied in full during 1999.

(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, 1998 have vesting periods ranging up to five years. Options generally have a contractual life of ten years. A maximum of 7% of total equity, inclusive of the options granted, may be granted as options (approximately 7,800 options as of December 31, 1998).

The following summarizes activity for options granted to directors and employees:

	MEMBERS' EQUITY OPTIONS	OPTIONS EXERCISABLE AT END OF YEAR	WEIGHTED AVERAGE GRANT-DATE FAIR VALUE	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding December 31, 1995	--			
Granted	2,200		$ 121	$ 250
Exercised	--		--	--
Outstanding December 31, 1996	2,200	1,500		
Granted	276		468	759
Exercised	--		--	--
Outstanding December 31, 1997	2,476	1,733		
Granted	690		845	1,241
Exercised	--		--	--
Outstanding December 31, 1998	3,166	2,022		

Compensation expense recognized with respect to options issued to employees and directors is immaterial as the exercise price set by the board of managers generally is at an amount equal to or greater than the fair value of the members' equity units at the date of the option grant.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The following summarizes activity for options granted to outside advisors:

	MEMBER EQUITY OPTIONS	OPTIONS EXERCISABLE AT END OF YEAR	WEIGHTED AVERAGE GRANT-DATE FAIR VALUE	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding December 31, 1995	--			
Granted	2,574		$ 171	$ 344
Exercised	--		--	--
Outstanding December 31, 1996	2,574	1,449		
Granted	--		--	--
Exercised	--		--	--
Outstanding December 31, 1997	2,574	1,857		
Granted	1,115		1,023	549
Exercised	(224)		298	250
Outstanding December 31, 1998	3,465	1,921		

The 1996 option grants include 517 options granted to outside advisors with an exercise price which is determined based on fair value of the underlying units as the options vest. Compensation expense for these options is recognized as of the vesting date when the exercise price becomes known. In 1998, 138 of such options vested at an exercise price of approximately $1,118 per unit.

The charge to operations related to options granted to outside advisors totaled approximately $277,000, $63,000 and $472,000 for the years ended December 31, 1996, 1997 and 1998, respectively. At December 31, 1998, unrecognized expense for options granted to outside advisors which have not vested is approximately $703,000; such expense will be recognized over the remaining vesting period and is subject to change during the vesting period based upon the fair value of the Company's members' equity units.

A summary of options outstanding and exercisable, excluding the 1996 options described above, as of December 31, 1998, 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	7.73	$ 301	3,972	$ 250
$ 751 - $1,250	840	8.92	1,118	171	1,118
$1,251 - $1,750	--	--	--	--	--
$1,751 - $2,250	154	9.74	2,077	--	--
	6,252			4,143	

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 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, 1996	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1998
Net loss:			
As reported	$(2,158,559)	$(3,644,154)	$(8,267,614)
Pro forma	(2,342,028)	(3,694,280)	(8,370,709)
Net loss per members' equity unit:			
As reported	$ (25.43)	$ (40.71)	$ (86.42)
Pro forma	(27.59)	(41.27)	(87.49)

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:

	1996	1997	1998
Estimated volatility	38%	57%	61%
Expected life in years -- employee and director options	6	6	6
Risk-free interest rate	6.3%	6.3%	5.4%
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 Company's predecessor 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 Company's predecessor 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 Company's predecessor 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 consolidated statement of operations includes approximately $1,000,000 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 Farmaceutiche Riunite SpA (Sigma-Tau) to conduct clinical studies in Italy, Spain, Portugal and Switzerland. Under the agreement, Sigma-Tau is required to reimburse Antigenics for all costs incurred in relation to the 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. No costs associated with these clinical studies were incurred during 1998.

For the years ended December 31, 1996, 1997 and 1998, approximately $10,000, $4,000 and $255,000, 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 on a month-to-month basis and utilizes certain office services of an entity which is wholly-owned by the Company's chief executive officer and chairman of the board. Such transactions are recorded at the affiliate's cost and amounted to approximately $293,000, $557,000 and $211,000 for the years ended December 31, 1996, 1997 and 1998, respectively. From time to time the Company also pays general and administrative costs on behalf of the affiliated entity for which the Company is reimbursed on a current basis. As of December 31, 1998, the affiliated entity was indebted to the Company for $27,605 of costs paid on the affiliated entity's behalf. As

of December 31, 1997, the Company was indebted to the affiliated entity for $61,658 for rent and administrative services.

During 1997 and renewed each year thereafter, the Company obtained stand by 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 (see Note 7), laboratory and office facilities under various month-to-month and long-term lease arrangements. Rent expense, exclusive of the amounts included in Note 7, was approximately $134,000 and $685,000 for the years ended December 31, 1997 and 1998, respectively.

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

Year ending December 31:	
1999	$ 447,516
2000	447,516
2001	447,516
2002	447,516
2003	279,698
	$2,069,762

(9) DEBT

In November 1998, the Company entered into a $3 million credit facility (increased to $5 million in May 1999) with 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.

On December 30, 1998, the Company closed its first term loan under the credit facility for approximately $910,000; the loan bears interest on the remaining balance at 13.954%.

The aggregate maturities of the term loan for each of the five years subsequent to December 31, 1998 are as follows: 1999 -- $200,497; 2000 -- $230,335; 2001 -- $264,613; 2002 -- $214,059.

(10) SUBSEQUENT EVENT

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 of over two years.

(11) 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, 1998, 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.

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CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 1999
(UNAUDITED)

	SEPTEMBER 30, 1999
ASSETS	
Cash and cash equivalents	$ 12,611,690
Prepaid expenses	196,424
Other assets	418,065
Total current assets	13,226,179
Plant and equipment, net	7,979,666
Other assets	74,071
Total assets	$ 21,279,916
LIABILITIES AND MEMBERS' EQUITY	
Accounts payable	$ 986,552
Accrued liabilities	394,502
Due to related party	7,994
Current portion, long-term debt	781,061
Total current liabilities	2,170,109
Long-term debt	2,367,578
Members' capital -- no stated value; 104,086 units issued	45,210,542
Deficit accumulated during development stage	(28,468,313)
Total members' equity	16,742,229
Commitments and contingencies	
Total liabilities and members' equity	$ 21,279,916

See accompanying notes to unaudited consolidated financial statements.

ANTIGENICS L.L.C.
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CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1998 AND 1999, AND
FOR THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)
TO SEPTEMBER 30, 1999
(UNAUDITED)

	NINE MONTHS ENDED SEPTEMBER 30,		MARCH 31, 1994 (DATE OF INCEPTION) TO SEPTEMBER 30, 1999
	1998	1999	
Revenue	$ --	$ --	$ --
Expenses:			
Research and development	(4,072,149)	(6,925,828)	(17,805,732)
General and administrative	(1,822,867)	(3,825,120)	(11,485,924)
Depreciation and amortization	(272,822)	(726,038)	(1,422,385)
Total operating loss	(6,167,838)	(11,476,986)	(30,714,041)
Other income/(expense):			
Non-operating income	--	--	249,988
Interest expense	--	(151,653)	(151,653)
Interest income	580,352	640,672	2,147,393
Net loss	$(5,587,486)	$(10,987,967)	$(28,468,313)
Net loss per members' equity unit, basic and diluted	$ (62.06)	$ (105.57)	
Weighted average members' units outstanding, basic and diluted	90,032	104,079	

See accompanying notes to unaudited consolidated financial statements.

ANTIGENICS L.L.C.
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CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1999 AND
THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)
TO SEPTEMBER 30, 1999
(UNAUDITED)

	UNITS	MEMBERS' CAPITAL	SUBSCRIPTION NOTES RECEIVABLE	DEFICIT ACCUMULATED DURING DEVELOPMENT STAGE	TOTAL
Balance at March 31, 1994	--	$ --	$ --	$ --	$ --
Net loss	--	--	--	(183,440)	(183,440)
Issuance of units	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	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	--	--	--	(2,158,559)	(2,158,559)
Grant and recognition of options	--	276,676	--	--	276,676
Payment of subscription notes receivable	--	--	150,000	--	150,000
Issuance of units	9,512	10,600,000	(250,000)	--	10,350,000
Balance at December 31, 1996	89,512	14,976,686	(250,000)	(5,568,578)	9,158,108
Net loss	--	--	--	(3,644,154)	(3,644,154)
Payment of subscription notes receivable	--	--	250,000	--	250,000
Grant and recognition of options	--	62,815	--	--	62,815
Issuance of units	3,842	7,385,000	--	--	7,385,000
Balance at December 31, 1997	93,354	22,424,501	--	(9,212,732)	13,211,769
Net loss	--	--	--	(8,267,614)	(8,267,614)
Grant and recognition of options	--	472,023	--	--	472,023
Exercise of options	224	250,000	--	--	250,000
Issuance of units	10,446	20,076,985	(2,102,000)	--	17,974,985
Balance at December 31, 1998	104,024	43,223,509	(2,102,000)	(17,480,346)	23,641,163
Net loss	--	--	--	(10,987,967)	(10,987,967)
Payment of subscription notes receivable	--	--	2,102,000	--	2,102,000
Grant and recognition of options	--	1,877,033	--	--	1,877,033
Issuance of units	62	110,000	--	--	110,000
Balance at September 30, 1999	104,086	$45,210,542	$ --	$(28,468,313)	$ 16,742,229

See accompanying notes to unaudited consolidated financial statements.

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CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1998 AND 1999 AND
FOR THE PERIOD FROM MARCH 31, 1994 (DATE OF INCEPTION)
TO SEPTEMBER 30, 1999
(UNAUDITED)

	SEPTEMBER 30,		MARCH 31, 1994 (DATE OF INCEPTION) TO SEPTEMBER 30,
	1998	1999	1999
Cash flows from operating activities:			
Net loss	$(5,587,486)	$(10,987,967)	$(28,468,313)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	272,822	726,038	1,422,385
Members' equity options	181,734	1,877,033	2,688,546
Members' equity grant	--	--	2,200,000
Changes in operating assets and liabilities:			
Other assets	(28,536)	(396,876)	(492,136)
Prepaid assets	21,631	34,208	(196,424)
Organization costs	--	--	(32,934)
Accounts payable	109,740	(1,050,262)	986,552
Accrued liabilities	(497,572)	346,368	394,502
Due to/from related party, net	19,409	35,599	7,994
Net cash used in operating activities	(5,508,258)	(9,415,859)	(21,489,828)
Cash flows from investing activities:			
Purchase of plant and equipment	(1,047,274)	(4,591,636)	(9,401,059)
Proceeds from the sale of plant and equipment	--	--	31,942
Net cash used in investing activities	(1,047,274)	(4,591,636)	(9,369,117)
Cash flows from financing activities:			
Members' equity contributions	6,525,000	2,212,000	40,071,995
Exercise of members' equity options	--	--	250,000
Proceeds from debt	--	2,514,656	3,424,160
Repayments of debt	--	(275,520)	(275,520)
Net cash provided by financing activities	6,525,000	4,451,136	43,470,635
Net (decrease) increase in cash and cash equivalents	(30,532)	(9,556,359)	12,611,690
Cash and cash equivalents at beginning of period	13,086,402	22,168,049	--
Cash and cash equivalents at end of period	$13,055,870	12,611,690	12,611,690
Supplemental cash flow information:			
Interest paid	$ --	$ 151,653	$ 151,653

See accompanying notes to unaudited consolidated financial statements.

ANTIGENICS L.L.C.
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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 1999

(A) BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, considered necessary for a fair presentation have been included. Operating results for the nine-month period ended September 30, 1999 are not necessarily indicative of the results that may be expected for the year ended December 31, 1999. For further information, refer to the Company's consolidated financial statements for the year ended December 31, 1998 and footnotes thereto included elsewhere in this prospectus.

(B) ACCOUNTING FOR ORGANIZATIONAL COSTS

In April 1998, the American Institute of Certified Public Accountants issued Statement of Position (SOP) 98-5, "Reporting on the Costs of Start-Up Activities", which requires that the costs of start-up activities and organization costs be expensed as incurred. The Company adopted the provisions of SOP 98-5 effective January 1, 1999; the adoption had an immaterial effect on the Company's consolidated financial statements.

(C) EQUITY OPTIONS

During the nine months ended September 30, 1999, the Company granted 1,620 members' equity options to employees and directors with exercise prices at or above the fair value of the underlying units at the date of grant (exercise prices ranging from $1,118 to $2,077 per unit). In addition, the Company granted 1,321 members' equity options to outside advisors of which 482 options vested immediately and the remainder vest over periods of up to three years. The outside advisors' options were granted at exercise prices ranging from $1,118 to $2,402 per unit.

For the nine months ended September 30, 1998 and 1999, the charge to operations related to options granted to and earned by outside advisors totaled approximately $182,000 and $1,877,000, respectively. At September 30, 1999, unrecognized expense for options granted to outside advisors which have not vested is approximately $1,932,000; such expense will be recognized over the remaining vesting period and is subject to change each reporting period based upon the fair value of the Company's members' equity units.

(D) COMMITMENTS

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.

Under Antigenics' agreement with Sigma-Tau Farmaceutiche Riunite SpA (Sigma-Tau) to conduct clinical studies in Italy, Sigma-Tau is required to reimburse Antigenics for all costs incurred in relation to the clinical studies. During 1999, Antigenics incurred approximately $266,000 of costs on behalf of Sigma-Tau associated with this agreement. This amount is included in other assets in the accompanying consolidated balance sheet.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(E) RELATED PARTY TRANSACTIONS

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 equal to the related party's cost.

(F) SUBSEQUENT EVENTS

Private Placement of Members' Equity

In November 1999, the Company raised gross proceeds of approximately $39.2 million from the sale of approximately 16,327 members' equity units through a private equity placement and incurred approximately $293,000 of private placement expenses. As of November 29, 1999, the Company has a subscriptions receivable of approximately $653,000 related to the private placement. 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 September 30, 2002. The warrants permit conversion on a net exercise basis upon the completion of an initial public offering (IPO) of the Company's equity. Each member participating in this private placement also received registration rights in the event of an IPO.

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. Concurrently 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 in Antigenics Inc. If the IPO is not completed, the conversion to the corporation will not take place.

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 market 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 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 market 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.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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' 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 4,500,000 shares (subject to adjustment for stock splits and similar capital changes) of common stock to Antigenics' 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 will be exchanged for stock options under the new equity incentive plan at the closing of the IPO.

(G) PRO FORMA INCOME TAX PROVISION

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 nine-month period ended September 30, 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.

SHARES

ANTIGENICS INC.

COMMON STOCK

[LOGO OF ANTIGENICS INC.]

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	$ 12,788
NASD filing fee	5,100
Nasdaq National Market listing fee	*
Printing and engraving	*
Legal fees and expenses	*
Accounting fees and expenses	200,000
Transfer Agent fees	3,500
Miscellaneous	*
Total	$

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* To be filed by amendment.

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.

We have from time to time granted options to purchase equity interests in Antigenics L.L.C. These options have a weighted average exercise price of per one percent equity interest in the L.L.C. and are, in the aggregate, exercisable for % of the total equity interests in the L.L.C. 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 shares per percentage equity interest, for an aggregate of approximately 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 $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, on November 30, 1999.

ANTIGENICS INC.

By: /s/ GARO ARMEN

Garo H. Armen
Chief Executive Officer and
Chairman of the Board of Directors

POWER OF ATTORNEY

We, the undersigned officers and directors of Antigenics Inc., hereby severally constitute and appoint Garo H. Armen, Ph.D. and Edward Brodsky, and each of them singly, our true and lawful attorneys-in-fact, with full power to them in any and all capacities, to sign any amendments to this Registration Statement, and any related Rule 462(b) registration statement or amendment thereto, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact may do or cause to be done by virtue hereof.

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 on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ GARO ARMEN Garo Armen, Ph.D.	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer and Principal Financial and Accounting Officer)	November 30, 1999
/s/ PRAMOD SRIVASTAVA Pramod Srivastava, Ph.D.	Director	November 30, 1999
/s/ NOUBAR AFEYAN Noubar Afeyan, Ph.D.	Director	November 30, 1999
/s/ EDWARD BRODSKY Edward Brodsky	Director	November 30, 1999
/s/ GAMIL DE CHADAREVIAN Gamil de Chadarevian	Director	November 30, 1999
/s/ TOM DECHAENE Tom Dechaene	Director	November 30, 1999
/s/ DONALD PANOZ Donald Panoz	Director	November 30, 1999
/s/ MARTIN TAYLOR Martin Taylor	Director	November 30, 1999

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT
1.1+	Form of Underwriting Agreement.
2.1+	Form of Agreement and Plan of Merger of Antigenics Inc. and Antigenics L.L.C.(1)
3.1	Certificate of Incorporation of Antigenics Inc.
3.2	By-laws of Antigenics Inc.
4.1	Form of Common Stock Certificate.
4.2+	Form of Warrant to purchase interests, together with a list of holders.
5.1+	Opinion of Palmer & Dodge LLP.
10.1*	1999 Equity Incentive Plan.
10.2*	1999 Employee Stock Purchase Plan.
10.3	Founding Scientist's Agreement between Antigenics and Pramod K. Srivastava dated March 28, 1995.
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.
10.5	Lease Agreement between Antigenics and Cummings Property Management, Inc. dated May 28, 1998, as amended on December 10, 1998.
10.6	License Agreement between GHA Management Corporation and Antigenics dated November 12, 1999.
10.7	Master Loan and Security Agreement between Antigenics and Finova Technology Finance, Inc. dated November 19, 1998. (Schedules have been omitted but will be furnished to the Commission upon its request).
10.8	Patent License Agreement between Antigenics and Mount Sinai School of Medicine dated November 1, 1994, as amended on June 5, 1995.(2)
10.9	Sponsored Research and Technology License Agreement between Antigenics and Fordham University dated March 28, 1995, as amended on March 22, 1996.(2)
10.10	Research Agreement between Antigenics and The University of Connecticut Health Center dated February 18, 1998.(2)
10.11	License Agreement between Antigenics and Duke University dated March 4, 1999.(2)
10.12	License Agreement between Antigenics and University of Miami dated April 12, 1999.(2)
10.13	Letter Agreement between Antigenics and Sigma-Tau Industrie Farmaceutiche Riunite SpA dated June 3, 1998.(2)
10.14	Letter Agreement between Antigenics and Medison Pharma Ltd. dated November 15, 1999.(2)
10.15+	Amendment to Letter Agreement between Antigenics and Sigma-Tau Industrie Farmaceutiche Riunite SpA dated October 20, 1999.
10.16*	Employment Agreement between Antigenics and Elma Hawkins, Ph.D. dated June 1, 1998.
10.17+*	Antigenics 401(k) Plan.
23.1	Consent of KPMG LLP.
23.2+	Consent of Palmer & Dodge LLP. Included in the opinion to be filed by amendment as Exhibit 5.1.
24.1	Power of Attorney. Included on signature page hereto.
27.1	Financial Data Schedule (available in EDGAR format only).

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* Indicates a management contract or compensatory plan.

(1)As proposed to be filed with the Secretary of State of the State of Delaware concurrently with the closing of the offering.

(2)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.

\+ To be filed by amendment.

EXHIBIT 3.1

CERTIFICATE OF INCORPORATION

OF

ANTIGENICS INC.

The undersigned, for the purpose of forming a corporation under the laws of the State of Delaware, hereby certifies as follows:

FIRST: The name of the corporation is Antigenics Inc.

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, New Castle County, Delaware. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The Corporation shall be authorized to issue one hundred one million (101,000,000) shares of capital stock, which shall be divided into one hundred million (100,000,000) shares of Common Stock, par value $0.01 per share, and one million (1,000,000) shares of Preferred Stock, par value $0.01 per share.

The following is a statement of the designations, preferences, voting powers, qualifications, special or relative rights and privileges in respect of the authorized capital stock of the Corporation.

PREFERRED STOCK

The Board of Directors is authorized, subject to limitations prescribed by law and the provisions of this Article FOURTH, to provide by resolution for the issuance of the shares of Preferred Stock in one or more series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, and to fix the designations, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof.

The authority of the Board with respect to each series shall include, but shall not be limited to, determination of the following:

(a) The number of shares constituting that series and the distinctive designation of that series;

(b) The dividend rate, if any, on the shares of that series, whether dividends shall be cumulative, and if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of the series;

(c) Whether that series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

(d) Whether that series shall have conversion privileges, and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board of Directors shall determine;

(e) Whether or not the shares of that series shall be redeemable, and if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) Whether that series shall have a sinking fund for the redemption or purchase of shares of that series, and if so, the terms and amount of such sinking fund;

(g) The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of that series;

(h) Any other relative rights, preferences and limitations of that series.

COMMON STOCK

The Common Stock is subject to the rights and preferences of the Preferred Stock as hereinbefore set forth or authorized.

Subject to the provisions of any applicable law or of the by-laws of the Corporation, as from time to time amended, with respect to the fixing of a record date for the determination of stockholders entitled to vote, and except as otherwise provided herein or by law or by the resolution or resolutions providing for the issue of any series of Preferred Stock, the holders of outstanding shares of Common Stock shall have exclusive voting rights for the election of directors and for all other purposes, each holder of record of shares of Common Stock being entitled to one vote for each share of Common Stock standing in his name on the books of the Corporation.

Subject to the rights of any one or more series of Preferred Stock, the holders of Common Stock shall be entitled to receive such dividends from time to time as may be declared by the Board of Directors out of any funds of the Corporation legally available for the payment of such dividends.

In the event of the liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary, after payment shall have been made to the holders of the Preferred Stock of the full amount to which they are entitled, the holders of Common Stock shall be

entitled to share ratably according to the number of shares of Common Stock held by them in all remaining assets of the Corporation available for distribution to its stockholders.

ISSUANCE
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Subject to the provisions of this Certificate of Incorporation and except as otherwise provided by law, the shares of stock of the Corporation, regardless of class, may be issued for such consideration and for such corporate purposes as the Board of Directors may from time to time determine.

FIFTH: The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation:

1. The directors shall be divided into three classes, as nearly equal in number as the then total number of directors constituting the entire Board permits, with the term of office of one class expiring each year. The initial Class I directors elected by the stockholders of the Corporation shall hold office for a term expiring at the 2000 annual meeting of stockholders; the initial Class II directors elected by the stockholders of the Corporation shall hold office for a term expiring at the 2001 annual meeting of stockholders; and the initial Class III directors elected by the stockholders of the Corporation shall hold office for a term expiring at the 2002 annual meeting of stockholders. At each such annual meeting of stockholders and at each annual meeting thereafter, successors to the class of directors whose term expires at that meeting shall be elected for a term expiring at the third annual meeting following their election and until their successors shall be elected and qualified, subject to prior death, resignation, retirement or removal. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no event will a decrease in the number of directors shorten the term of any incumbent director. Notwithstanding the foregoing, and except as otherwise required by law, whenever the holders of any one or more series of Preferred Stock shall have the right, voting separately as a class, to elect one or more directors of the Corporation, the election, terms of office and other features of such directorships shall be governed by the terms of the vote establishing such series, and such directors so elected shall not be divided into classes pursuant to this Article FIFTH unless expressly provided by such terms. This Section 1 of Article FIFTH may not be amended, revised or revoked, in whole or in part, except by the affirmative vote of the holders of 80% of the voting power of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article FIFTH as one class of stock.

2. Each director chosen to fill a vacancy in the Board of Directors shall be elected to complete the term of office of the director who is being succeeded. In the case of any election of a new director to fill a directorship created by an enlargement of the Board, the Board shall in such election assign the class of directors to which such additional director is being elected, and each director so elected shall hold office for the same term as the other members of the class to which the director is assigned.

3. Except as otherwise determined by the Board of Directors in establishing a series of Preferred Stock as to directors elected by holders of such series, at any special meeting of the stockholders called at least in part for the purpose, any director or directors may, by the affirmative vote of the holders of at least a majority of the stock entitled to vote for the election of directors, be removed from office for cause. The provisions of this subsection shall be the exclusive method for the removal of directors. This Section 3 of Article FIFTH may not be amended, revised or revoked, in whole or in part, except by the affirmative vote of the holders of 80% of the voting power of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article FIFTH as one class of stock.

4. Elections of directors need not be by ballot.

5. The Board of Directors of the Corporation is expressly authorized to adopt, amend or repeal the by-laws of the Corporation.

6. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (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 that involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended after approval by the stockholders of this Article FIFTH to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended from time to time.

Any repeal or modification of this Article FIFTH shall not increase the personal liability of any director of this Corporation for any act or occurrence taking place before such repeal or modification, nor otherwise adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

7. Meetings of stockholders may be held anywhere within or without the State of Delaware. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the by-laws of the Corporation.

SIXTH: No action required to be taken or that may be taken at any annual or special meeting of stockholders of the Corporation may be taken by written consent without a meeting, and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

This Article SIXTH may not be amended, revised or revoked, in whole or in part, except by the affirmative vote of the holders of 80% of the voting power of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article SIXTH as one class of stock.

SEVENTH: The Corporation reserves the right to amend, alter, change or repeal any provisions contained in this Restated Certificate of Incorporation in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders are granted subject to this reservation.

IN WITNESS WHEREOF, the undersigned have duly executed this Certificate of Incorporation in the name and on behalf of Antigenics, Inc. on the tenth day of November, 1999 and the statements contained herein are affirmed as true under penalties of perjury.

/s/ Paul M. Kinsella

Paul M. Kinsella, Sole Incorporator
Mailing Address: Palmer & Dodge LLP
One Beacon Street
Boston, MA 02108

EXHIBIT 3.2

BY-LAWS
OF
ANTIGENICS INC.

Adopted by the Incorporator on November 10, 1999

ARTICLE I
STOCKHOLDERS

SECTION 1. PLACE OF MEETINGS. All meetings of stockholders shall be held at the principal office of the corporation or at such other place as may be named in the notice.

SECTION 2. ANNUAL MEETING. The annual meeting of stockholders for the election of directors and the transaction of such other business as may properly come before the meeting shall be held on such date and at such hour and place as the directors or an officer designated by the directors may determine. If the annual meeting is not held on the date designated therefor, the directors shall cause the meeting to be held as soon thereafter as convenient.

SECTION 3. SPECIAL MEETINGS. Special meetings of the stockholders may be called at any time by the President or a majority of the Board of Directors.

SECTION 4. NOTICE OF MEETINGS. Except where some other notice is required by law, written notice of each meeting of stockholders, stating the place, date and hour thereof and the purposes for which the meeting is called, shall be given by the Secretary under the direction of the Board of Directors or the President, not less than ten nor more than sixty days before the date fixed for such meeting, to each stockholder of record entitled to vote at such meeting. Notice shall be given personally to each stockholder or left at his or her residence or usual place of business or mailed postage prepaid and addressed to the stockholder at his or her address as it appears upon the records of the corporation. In case of the death, absence, incapacity or refusal of the Secretary, such notice may be given by a person designated either by the Secretary or by the person or persons calling the meeting or by the Board of Directors. A waiver of such notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to such notice. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice. Except as required by statute, notice of any adjourned meeting of the stockholders shall not be required.

SECTION 5. RECORD DATE. The Board of Directors may fix in advance a record date for the determination of the stockholders entitled to notice of or to vote at any meeting of stockholders, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action. Such record date shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days before any other action to which such record date relates. If no record date is fixed, the record date for

determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day before the day on which notice is given, or, if notice is waived, at the close of business on the day before the day on which the meeting is held, and the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating to such purpose. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 6. NOMINATION OF DIRECTORS. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors at any annual or special meeting of stockholders. Nominations of persons for election as directors may be made only by or at the direction of the Board of Directors, or by any stockholder entitled to vote for the election of directors at the meeting in compliance with the notice procedures set forth in this Section 6. Such nominations, other than those made by or at the direction of the Board of Directors, shall be made pursuant to timely notice in writing to the Chairman of the Board, if any, the President or the Secretary. To be timely, a stockholder's notice shall be delivered to or mailed and received at the principal executive offices of the corporation by the close of business on the Advance Notice Date. For the purposes of these by-laws, the "Advance Notice Date" shall be one of the following:

(a) in the case of an annual meeting only, the date 75 days before the anniversary date of the prior year's meeting, if (i) there was an annual meeting in the prior year and (ii) the date of the current year's annual meeting is not more than 30 days before or after the anniversary date of the prior year's annual meeting; or

(b) if clause (a) does not apply, the date 45 days prior to the date of the current year's annual meeting or a special meeting if at least 60 days' notice or prior public disclosure of the date of the current year's annual meeting or the special meeting is given or made; or

(c) if neither clause (a) nor clause (b) applies, the date 15 days after the day on which notice of the date of the current year's annual meeting or the special meeting was mailed or public disclosure was made.

Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the corporation that are beneficially owned by the person and (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, or any successor provision thereto; and (b) as to the stockholder giving the notice, (i) the name and record address of such stockholder and (ii) the class and number of shares of capital stock of the corporation that are beneficially owned by such stockholder.

The chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if the chairman should so determine, he or she shall so declare to the meeting and the defective nomination shall be disregarded.

SECTION 7. ADVANCE NOTICE OF BUSINESS AT ANNUAL MEETINGS. At any annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be brought properly before an annual meeting, business must be either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the President or the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) properly brought before the meeting by a stockholder. In addition to any other applicable requirements, for business to be brought properly before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Chairman of the Board, if any, the President or the Secretary. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the corporation by the close of business on the Advance Notice Date as defined in Section 6 of Article I hereof. A stockholder's notice shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and record address of the stockholder proposing such business, (c) the class and number of shares of the corporation that are beneficially owned by the stockholder and (d) any material interest of the stockholder in such business.

Notwithstanding anything in these by-laws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 7, PROVIDED, HOWEVER, that nothing in this Section 7 shall be deemed to preclude discussion by any stockholder of any business properly brought before the annual meeting in accordance with said procedure.

The chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the foregoing procedure, and if the chairman should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 8. VOTING LIST. The officer who has charge of the stock ledger of the corporation shall make or have made, at least 10 days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days before the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by this section or the books of the corporation, or to vote at any meeting of stockholders.

SECTION 9. QUORUM OF STOCKHOLDERS. At any meeting of the stockholders, the holders of a majority in interest of all stock issued and outstanding and entitled to vote upon a question to be considered at the meeting, present in person or represented by proxy, shall constitute a quorum for the consideration of such question, but in the absence of a quorum a smaller group may adjourn any meeting from time to time. When a quorum is present at any meeting, a majority of the votes properly cast shall, except where a different vote is required by law, by the Certificate of Incorporation or by these by-laws, decide any question brought before such meeting. Any election by stockholders shall be determined by a plurality of the vote cast by the stockholders entitled to vote at the election.

SECTION 10. PROXIES AND VOTING. Unless otherwise provided in the Certificate of Incorporation, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock held of record by such stockholder, but no proxy shall be voted or acted upon after three years from its date, unless said proxy provides for a longer period. Persons holding stock in a fiduciary capacity shall be entitled to vote the shares so held, and persons whose stock is pledged shall be entitled to vote unless in the transfer by the pledgor on the books of the corporation the pledgee shall have been expressly empowered to vote thereon, in which case only the pledgee or the pledgee's proxy may represent said stock and vote thereon. Shares of the capital stock of the corporation belonging to the corporation or to another corporation, a majority of whose shares entitled to vote in the election of directors is owned by the corporation, shall neither be entitled to vote nor be counted for quorum purposes.

SECTION 11. CONDUCT OF MEETING. Meetings of the stockholders shall be presided over by one of the following officers in the order specified and if present and acting: the Chairman of the Board, if any, the Vice Chairman of the Board, if any, the President, a Vice-President (and, in the event there be more than one person in any such office, in the order of their seniority), or, if none of the foregoing is in office and present and acting, a chairman designated by the Board of Directors or, in the absence of such designation, a chairman chosen by the stockholders at the meeting. The Secretary of the corporation, if present, or an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present the chairman of the meeting shall appoint a secretary of the meeting.

The Board of Directors may adopt such rules, regulations and procedures for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgement of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, (i) the establishment of an agenda or order of business for the meeting, (ii) rules and procedures for maintaining order at the meeting and the safety of those present, (iii) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine, (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof, and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of

stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

DIRECTORS

SECTION 1. GENERAL POWERS. The business and affairs of the corporation shall be managed by or under the direction of a Board of Directors, who may exercise all of the powers of the corporation that are not by law required to be exercised by the stockholders. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

SECTION 2. NUMBER; ELECTION; TENURE AND QUALIFICATION. Subject to any restrictions contained in the Certificate of Incorporation, the number of directors that shall constitute the whole Board shall be fixed by resolution of the Board of Directors but in no event shall be less than one. The directors shall be elected in the manner provided in the Certificate of Incorporation, by such stockholders as have the right to vote thereon. The number of directors may be increased or decreased by action of the Board of Directors. Directors need not be stockholders of the corporation.

SECTION 3. ENLARGEMENT OF THE BOARD. Subject to any restrictions contained in the Certificate of Incorporation, the number of the Board of Directors may be increased at any time, such increase to be effective immediately unless otherwise specified in the resolution, by vote of a majority of the directors then in office.

SECTION 4. VACANCIES. Unless and until filled by the stockholders and except as otherwise determined by the Board of Directors in establishing a series of Preferred Stock as to directors elected by the holders of such series, any vacancy in the Board of Directors, however occurring, including a vacancy resulting from an enlargement of the Board and an unfilled vacancy resulting from the removal of any director, may be filled by vote of a majority of the directors then in office although less than a quorum, or by the sole remaining director. Each director so chosen to fill a vacancy shall serve for a term determined in the manner provided in the Certificate of Incorporation. When one or more directors shall resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective. If at any time there are no directors in office, then an election of directors may be held in accordance with the General Corporation Law of the State of Delaware.

SECTION 5. RESIGNATION. Any director may resign at any time upon written notice to the corporation. Such resignation shall take effect at the time specified therein, or if no time is specified, at the time of its receipt by the Chairman of the Board, if any, the President or the Secretary.

SECTION 6. REMOVAL. Directors may be removed from office only as provided in the Certificate of Incorporation. The vacancy or vacancies created by the removal of a director

may be filled by the stockholders at the meeting held for the purpose of removal or, if not so filled, by the directors in the manner provided in Section 4 of this Article II.

SECTION 7. COMMITTEES. The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any such committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of such absent or disqualified member. The Board of Directors shall have the power to change the members of any such committee at any time, to fill vacancies therein and to discharge any such committee, either with or without cause, at any time.

Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors or in these by-laws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers that may require it.

A majority of all the members of any such committee may fix its rules of procedure, determine its action and fix the time and place, whether within or without the State of Delaware, of its meetings and specify what notice thereof, if any, shall be given, unless the Board of Directors shall otherwise by resolution provide. Each committee shall keep regular minutes of its meetings and make such reports as the Board of Directors may from time to time request.

SECTION 8. MEETINGS OF THE BOARD OF DIRECTORS. Regular meetings of the Board of Directors may be held without call or formal notice at such places either within or without the State of Delaware and at such times as the Board may by vote from time to time determine. A regular meeting of the Board of Directors may be held without call or formal notice immediately after and at the same place as the annual meeting of the stockholders, or any special meeting of the stockholders at which a Board of Directors is elected.

Special meetings of the Board of Directors may be held at any place either within or without the State of Delaware at any time when called by the Chairman of the Board, if any, the President, the Secretary or two or more directors. Reasonable notice of the time and place of a special meeting shall be given to each director unless such notice is waived by attendance or by written waiver in the manner provided in these by-laws for waiver of notice by stockholders. Notice may be given by, or by a person designated by, the Secretary, the person or persons calling the meeting, or the Board of Directors. No notice of any adjourned meeting of the Board of Directors shall be required. In any case it shall be deemed sufficient notice to a director to send notice by mail at least seventy-two hours, or by telegram or fax at least forty-eight hours, before the meeting, addressed to such director at his or her usual or last known business or home address.

Directors or members of any committee may participate in a meeting of the Board of Directors or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

SECTION 9. QUORUM AND VOTING. A majority of the total number of directors shall constitute a quorum, except that when a vacancy or vacancies exist in the Board, a majority of the directors then in office (but not less than one-third of the total number of the directors) shall constitute a quorum. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting from time to time. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, except where a different vote is required by law, by the Certificate of Incorporation or by these by-laws.

SECTION 10. COMPENSATION. The Board of Directors may fix fees for their services and for their membership on committees, and expenses of attendance may be allowed for attendance at each meeting. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity, as an officer, agent or otherwise, and receiving compensation therefor.

SECTION 11. ACTION WITHOUT MEETING. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting and without notice if a written consent thereto is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board of Directors or of such committee.

ARTICLE III

OFFICERS

SECTION 1. TITLES. The officers of the corporation shall consist of a President, a Secretary, a Treasurer and such other officers with such other titles as the Board of Directors shall determine, who may include without limitation a Chairman of the Board, a Vice-Chairman of the Board and one or more Vice-Presidents, Assistant Treasurers or Assistant Secretaries.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the Board of Directors at its first meeting following the annual meeting of the stockholders. Each officer shall hold office until his or her successor is elected and qualified, unless a different term is specified in the vote electing such officer, or until his or her earlier death, resignation or removal.

SECTION 3. QUALIFICATION. Unless otherwise provided by resolution of the Board of Directors, no officer, other than the Chairman or Vice-Chairman of the Board, need be a director. No officer need be a stockholder. Any number of offices may be held by the same person, as the directors shall determine.

SECTION 4. REMOVAL. Any officer may be removed, with or without cause, at any time, by resolution adopted by the Board of Directors.

SECTION 5. RESIGNATION. Any officer may resign by delivering a written resignation to the corporation at its principal office or to the Chairman of the Board, if any, the President or the Secretary. Such resignation shall be effective upon receipt or at such later time as may be specified therein.

SECTION 6. VACANCIES. The Board of Directors may at any time fill any vacancy occurring in any office for the unexpired portion of the term and may leave unfilled for such period as it may determine any office other than those of President, Treasurer and Secretary.

SECTION 7. POWERS AND DUTIES. The officers of the corporation shall have such powers and perform such duties as are specified herein and as may be conferred upon or assigned to them by the Board of Directors and shall have such additional powers and duties as are incident to their office except to the extent that resolutions of the Board of Directors are inconsistent therewith.

SECTION 8. PRESIDENT AND VICE-PRESIDENTS. Except to the extent that such duties are assigned by the Board of Directors to the Chairman of the Board, or in the absence of the Chairman or in the event of his or her inability or refusal to act, the President shall be the chief executive officer of the corporation and shall have general and active management of the business of the corporation and general supervision of its officers, agents and employees, and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall preside at each meeting of the stockholders and the Board of Directors unless a Chairman or Vice-Chairman of the Board is elected by the Board and is assigned the duty of presiding at such meeting.

The Board of Directors may assign to any Vice-President the title of Executive Vice-President, Senior Vice-President or any other title selected by the Board of Directors. In the absence of the President or in the event of his or her inability or refusal to act, the duties of the President shall be performed by the Executive Vice-President, if any, Senior Vice President, if any, or Vice President, if any, in that order (and, in the event there be more than one person in any such office, in the order of their seniority), and when so acting, such officer shall have all the powers of and be subject to all the restrictions upon the President.

SECTION 9. SECRETARY AND ASSISTANT SECRETARIES. The Secretary shall attend all meetings of the Board of Directors and of the stockholders and record all the proceedings of such meetings in a book to be kept for that purpose, shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, shall maintain a stock ledger and prepare lists of stockholders and their addresses as required and shall have custody of the corporate seal, which the Secretary or any Assistant Secretary shall have authority to affix to any instrument requiring it and attest by any of their signatures. The Board of Directors may give general authority to any other officer to affix and attest the seal of the corporation.

Any Assistant Secretary may, in the absence of the Secretary or in the event of the Secretary's inability or refusal to act, perform the duties and exercise the powers of the Secretary.

SECTION 10. TREASURER AND ASSISTANT TREASURERS. The Treasurer shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by or pursuant to resolution of the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, the Chairman of the Board, if any, or the President, taking proper vouchers for such disbursements, and shall render to the Chairman of the Board, if any, the President and the Board of Directors, at its regular meetings or whenever they may require it, an account of all transactions and of the financial condition of the corporation.

Any Assistant Treasurer may, in the absence of the Treasurer or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Treasurer.

SECTION 11. BONDED OFFICERS. The Board of Directors may require any officer to give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors upon such terms and conditions as the Board of Directors may specify, including without limitation a bond for the faithful performance of the duties of such officer and for the restoration to the corporation of all property in his or her possession or control belonging to the corporation.

SECTION 12. SALARIES. Officers of the corporation shall be entitled to such salaries, compensation or reimbursement as shall be fixed or allowed from time to time by the Board of Directors or any committee thereof appointed for the purpose.

ARTICLE IV

STOCK

SECTION 1. CERTIFICATES OF STOCK. One or more stock certificates, signed by the Chairman or Vice-Chairman of the Board of Directors or by the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary, shall be issued to each stockholder certifying the number of shares owned by the stockholder in the corporation. Any or all signatures on any such certificate may be facsimiles. In case any officer, transfer agent or registrar who shall have signed or whose facsimile signature shall have been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

Each certificate for shares of stock that are subject to any restriction on transfer pursuant to the Certificate of Incorporation, the by-laws, applicable securities laws, or any agreement among any number of stockholders or among such holders and the corporation shall have conspicuously noted on the face or back of the certificate either the full text of the restriction or a statement of the existence of such restriction.

SECTION 2. TRANSFERS OF SHARES OF STOCK. Subject to the restrictions, if any, stated or noted on the stock certificates, shares of stock may be transferred on the books of the

corporation by the surrender to the corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment or power of attorney properly executed, and with such proof of authority or the authenticity of signature as the corporation or its transfer agent may reasonably require. The corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect to that stock, regardless of any transfer, pledge or other disposition of that stock, until the shares have been transferred on the books of the corporation in accordance with the requirements of these by-laws.

SECTION 3. LOST CERTIFICATES. A new stock certificate may be issued in the place of any certificate theretofore issued by the corporation and alleged to have been lost, stolen, destroyed or mutilated, upon such terms in conformity with law as the Board of Directors shall prescribe. The directors may, in their discretion, require the owner of the lost, stolen, destroyed or mutilated certificate, or the owner's legal representatives, to give the corporation a bond, in such sum as they may direct, to indemnify the corporation against any claim that may be made against it on account of the alleged loss, theft, destruction or mutilation of any such certificate, or the issuance of any such new certificate.

SECTION 4. FRACTIONAL SHARE INTERESTS. The corporation may, but shall not be required to, issue fractions of a share. If the corporation does not issue fractions of a share, it shall (i) arrange for the disposition of fractional interests by those entitled thereto, (ii) pay in cash the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined, or (iii) issue scrip or warrants in registered or bearer form, which shall entitle the holder to receive a certificate for a full share upon the surrender of such scrip or warrants aggregating a full share. A certificate for a fractional share shall, but scrip or warrants shall not unless otherwise provided therein, entitle the holder to exercise voting rights, to receive dividends thereon, and to participate in any of the assets of the corporation in the event of liquidation. The Board of Directors may cause scrip or warrants to be issued subject to the conditions that they shall become void if not exchanged for certificates representing full shares before a specified date, or subject to the conditions that the shares for which scrip or warrants are exchangeable may be sold by the corporation and the proceeds thereof distributed to the holders of scrip or warrants, or subject to any other conditions that the Board of Directors may impose.

SECTION 5. DIVIDENDS. Subject to the provisions of the Certificate of Incorporation, the Board of Directors may, out of funds legally available therefor, at any regular or special meeting, declare dividends upon the capital stock of the corporation as and when they deem expedient.

ARTICLE V

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as a director or officer of the corporation or of any of its subsidiaries, or who at the request of the corporation may serve or at any time has served as a director, officer or trustee of, or in a similar capacity with, another organization or an employee

benefit plan, against all expenses and liabilities (including counsel fees, judgments, fines, excise taxes, penalties and amounts payable in settlements) reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative or investigative, in which he may become involved by reason of his serving or having served in such capacity (other than a proceeding voluntarily initiated by such person unless he is successful on the merits, the proceeding was authorized by the corporation or the proceeding seeks a declaratory judgment regarding his own conduct); provided that no indemnification shall be provided for any such person with respect to any matter as to which he shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation or, to the extent such matter relates to service with respect to any employee benefit plan, in the best interests of the participants or beneficiaries of such employee benefit plan; and provided, further, that as to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, the payment and indemnification thereof have been approved by the corporation, which approval shall not unreasonably be withheld, or by a court of competent jurisdiction. Such indemnification shall include payment by the corporation of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he shall be adjudicated to be not entitled to indemnification under this article, which undertaking may be accepted without regard to the financial ability of such person to make repayment.

A person entitled to indemnification hereunder whose duties include service or responsibilities as a fiduciary with respect to a subsidiary or other organization shall be deemed to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation if he acted in good faith in the reasonable belief that his action was in the best interests of such subsidiary or organization or of the participants or beneficiaries of, or other persons with interests in, such subsidiary or organization to whom he had a fiduciary duty.

Where indemnification hereunder requires authorization or approval by the corporation, such authorization or approval shall be conclusively deemed to have been obtained, and in any case where a director of the corporation approves the payment of indemnification, such director shall be wholly protected, if:

1. the payment has been approved or ratified (l) by a majority vote of a quorum of the directors consisting of persons who are not at that time parties to the proceeding, (2) by a majority vote of a committee of two or more directors who are not at that time parties to the proceeding and are selected for this purpose by the full board (in which selection directors who are parties may participate), or (3) by a majority vote of a quorum of the outstanding shares of stock of all classes entitled to vote for directors, voting as a single class, which quorum shall consist of stockholders who are not at that time parties to the proceeding; or

2. the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the corporation) appointed for the purpose by vote of the directors or in the manner specified in clauses (l), (2) or (3) of subparagraph (i); or

3. the payment is approved by a court of competent jurisdiction; or

4. the directors have otherwise acted in accordance with the standard of conduct set forth in the Delaware General Corporation Law.

Any indemnification or advance of expenses under this article shall be paid promptly, and in any event within 30 days, after the receipt by the corporation of a written request therefor from the person to be indemnified, unless with respect to a claim for indemnification the corporation shall have determined that the person is not entitled to indemnification. If the corporation denies the request or if payment is not made within such 30 day period, the person seeking to be indemnified may at any time thereafter seek to enforce his rights hereunder in a court of competent jurisdiction and, if successful in whole or in part, he shall be entitled also to indemnification for the expenses of prosecuting such action. Unless otherwise provided by law, the burden of proving that the person is not entitled to indemnification shall be on the corporation.

The right of indemnification under this article shall be a contract right inuring to the benefit of the directors, officers and other persons entitled to be indemnified hereunder and no amendment or repeal of this article shall adversely affect any right of such director, officer or other person existing at the time of such amendment or repeal.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of a director, officer or other person entitled to indemnification hereunder. The indemnification provided hereunder may, to the extent authorized by the corporation, apply to the directors, officers and other persons associated with constituent corporations that have been merged into or consolidated with the corporation who would have been entitled to indemnification hereunder had they served in such capacity with or at the request of the corporation.

The right of indemnification under this article shall be in addition to and not exclusive of all other rights to which such director or officer or other persons may be entitled. Nothing contained in this article shall affect any rights to indemnification to which corporation employees or agents other than directors and officers and other persons entitled to indemnification hereunder may be entitled by contract or otherwise under law.

The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of the General Corporation Law of the State of Delaware.

ARTICLE VI

GENERAL PROVISIONS

SECTION 1. FISCAL YEAR. Except as otherwise designated from time to time by the Board of Directors, the fiscal year of the corporation shall begin on the first day of January and end on the last day of December.

SECTION 2. CORPORATE SEAL. The corporate seal shall be in such form as shall be approved by the Board of Directors. The Secretary shall be the custodian of the seal, and a duplicate seal may be kept and used by each Assistant Secretary and by any other officer the Board of Directors may authorize.

SECTION 3. CERTIFICATE OF INCORPORATION. All references in these by-laws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the corporation, as in effect from time to time.

SECTION 4. EXECUTION OF INSTRUMENTS. The President, the Treasurer and the Secretary shall have power to execute and deliver on behalf and in the name of the corporation any instrument requiring the signature of an officer of the corporation, including deeds, contracts, mortgages, bonds, notes, debentures, checks, drafts and other orders for the payment of money. In addition, the Board of Directors, the President, the Treasurer and the Secretary may expressly delegate such powers to any other officer or agent of the corporation.

SECTION 5. VOTING OF SECURITIES. The President, the Treasurer and the Secretary, and each other person authorized by the Board of Directors, each acting singly, may waive notice of, and act as, or appoint any person or persons to act as, proxy or attorney-in-fact for this corporation (with or without power of substitution) at any meeting of stockholders or owners of other interests of any other corporation or organization the securities of which may be held by this corporation. In addition, the Board of Directors, the President and the Treasurer may expressly delegate such powers to any other officer or agent of the corporation.

SECTION 6. EVIDENCE OF AUTHORITY. A certificate by the Secretary, an Assistant Secretary or a temporary secretary as to any action taken by the stockholders, directors, a committee or any officer or representative of the corporation shall, as to all persons who rely on the certificate in good faith, be conclusive evidence of that action.

SECTION 7. TRANSACTIONS WITH INTERESTED PARTIES. No contract or transaction between the corporation and one or more of the directors or officers, or between the corporation and any other corporation, partnership, association or other organization in which one or more of the directors or officers are directors or officers or have a financial interest, shall be void or voidable solely for that reason or solely because the director or officer is present at or participates in the meeting of the Board of Directors or a committee of the Board of Directors that authorizes the contract or transaction or solely because the vote of any such director is counted for such purpose, if:

(1) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or such committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or

(2) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or

(3) The contract or transaction is fair to the corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee of the Board of Directors or the stockholders.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee that authorizes the contract or transaction.

SECTION 8. BOOKS AND RECORDS. The books and records of the corporation shall be kept at such places within or without the State of Delaware as the Board of Directors may from time to time determine.

ARTICLE VII

AMENDMENTS

SECTION 1. BY THE BOARD OF DIRECTORS. These by-laws may be altered, amended or repealed or new by-laws may be adopted by the affirmative vote of a majority of the directors present at any regular or special meeting of the Board of Directors at which a quorum is present.

SECTION 2. BY THE STOCKHOLDERS. These by-laws may be altered, amended or repealed or new by-laws may be adopted by the affirmative vote of the holders of a majority of votes properly cast at any regular meeting of stockholders, or at any special meeting of stockholders, provided notice of such alteration, amendment, repeal or adoption of new by-laws shall have been stated in the notice of such special meeting.

Exhibit 4.1

COMMON STOCK
NUMBER

COMMON STOCK
SHARES

ANTIGENICS INC.

ANTIGENICS INC.

CUSIP [ ]

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE SEE REVERSE FOR CERTAIN DEFINITIONS

THIS CERTIFIES THAT

is the owner of

FULLY PAID AND NON ASSESSABLE SHARES OF COMMON STOCK, $.01 PAR VALUE, OF

ANTIGENICS INC. (hereinafter called the "Corporation"), transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney, upon surrender of this certificate properly endorsed. This certificate and the shares represented hereby are issued and shall be held subject to all the provisions of the laws of the State of Delaware, the Certificate of Incorporation and By-Laws of the Corporation and all amendments thereto, to which the holder of this certificate by acceptance hereof assents.

This Certificate is not valid until countersigned by the Transfer Agent and registered by the Registrar.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

Dated:

SEAL

_____ PRESIDENT

_____ SECRETARY

Countersigned and Registered:
AMERICAN STOCK TRANSFER & TRUST COMPANY
New York, NY
Transfer Agent
and Registrar

By_____
Authorized Signature

THE CORPORATION IS AUTHORIZED TO ISSUE MORE THAN ONE CLASS OR SERIES OF STOCK. THE CORPORATION WILL FURNISH WITHOUT CHARGE TO ANY STOCKHOLDER, UPON REQUEST, A STATEMENT OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE PARTICIPATING, OPTIONAL, OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OR SERIES THEREOF AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND/OR RIGHTS.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with
right of survivorship and
not as tenants in common

UNIF GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors

Apt_____
(State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

- ----------

- ----------
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

- ----------

- ----------

_____shares
of the capital stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____Attorney
to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

SIGNATURE(S) GUARANTEED:

- ----------
THE SIGNATURE SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION, (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

EXHIBIT 10.1

ANTIGENICS INC.

1999 EQUITY INCENTIVE PLAN

Section 1. PURPOSE

The purpose of the Antigenics Inc. 1999 Equity Incentive Plan (the "Plan") is to attract and retain directors, key employees and consultants of the Company and its Affiliates, to provide an incentive for them to achieve long-range performance goals, and to enable them to participate in the long-term growth of the Company.

Section 2. DEFINITIONS

"Affiliate" means any business entity that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Company. For purposes hereof, "Control" (and with correlative meanings, the terms "controlled by" and "under common control with") shall mean the possession of the power to direct or cause the direction of the management and policies of the Company, whether through the ownership of voting stock, by contract or otherwise. In the case of a corporation "control" shall mean, among other things, the direct or indirect ownership of more than fifty percent (50%) of its outstanding voting stock.

"Award" means any Option, Stock Appreciation Right or Restricted Stock awarded under the Plan.

"Board" means the Board of Directors of the Company.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor to such Code.

"Committee" means a committee of not less than two members of the Board appointed by the Board to administer the Plan. If a Committee is authorized to grant Options to a Reporting Person or a "covered employee" within the meaning of Section 162(m) of the Code, each member shall be a "non-employee director" or the equivalent within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended from time to time, or any successor law, and an "outside director" or the equivalent within the meaning of Section 162(m) of the Code, respectively. Until such committee is appointed, "Committee" means the Board.

"Common Stock" or "Stock" means the Common Stock, $0.01 par value, of the Company.

"Company" means Antigenics Inc.

"Designated Beneficiary" means the beneficiary designated by a Participant, in a manner determined by the Committee, to receive amounts due or exercise rights of the Participant in the event of the Participant's death. In the absence of an effective designation by a Participant, "Designated Beneficiary" shall mean the Participant's estate.

"Effective Date" means November 15, 1999.

"Fair Market Value" means, with respect to Common Stock or any other property, the fair market value of such property as determined by the Committee in good faith or in the manner established by the Committee from time to time.

"Incentive Stock Option" means an option to purchase shares of Common Stock awarded to a Participant under Section 6 that is intended to meet the requirements of Section 422 of the Code or any successor provision.

"Nonstatutory Stock Option" means an option to purchase shares of Common Stock awarded to a Participant under Section 6 that is not intended to be an Incentive Stock Option.

"Option" means an Incentive Stock Option or a Nonstatutory Stock Option.

"Participant" means a person selected by the Committee to receive an Award under the Plan.

"Reporting Person" means a person subject to Section 16 of the Securities Exchange Act of 1934 or any successor provision.

"Restricted Period" means the period of time selected by the Committee during which an Award may be forfeited to the Company pursuant to the terms and conditions of such Award.

"Restricted Stock" means shares of Common Stock subject to forfeiture awarded to a Participant under Section 8.

"Stock Appreciation Right" or "SAR" means a right to receive any excess in value of shares of Common Stock over the exercise price awarded to a Participant under Section 7.

Section 3. ADMINISTRATION

The Plan shall be administered by the Committee. The Committee shall have authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the operation of the Plan as it shall from time to time consider advisable, and to interpret the provisions of the Plan. The Committee's decisions shall be final and binding. To the extent permitted by applicable law, the Committee may delegate to one or more executive officers of the Company the power to make Awards to Participants who are not Reporting Persons or covered employees and all determinations under the Plan with respect thereto, provided that the Committee shall fix the maximum amount of such Awards for all such Participants and a maximum for any one Participant.

Section 4. ELIGIBILITY

All employees, directors and consultants of the Company or any Affiliate capable of contributing significantly to the successful performance of the Company, other than a person who has irrevocably elected not to be eligible, are eligible to be Participants in the Plan.

Incentive Stock Options may be granted only to persons eligible to receive such Options under the Code.

Section 5. STOCK AVAILABLE FOR AWARDS

(a) Subject to adjustment under subsection (b), Awards may be made under the Plan for up to 4,500,000 shares of Common Stock. If any Award in respect of shares of Common Stock expires or is terminated unexercised or is forfeited without the Participant having had the benefits of ownership (other than voting rights), the shares subject to such Award, to the extent of such expiration, termination or forfeiture, shall again be available for award under the Plan. Common Stock issued through the assumption or substitution of outstanding grants from an acquired company shall not reduce the shares available for Awards under the Plan. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

(b) In the event that the Committee determines that any stock dividend, extraordinary cash dividend, creation of a class of equity securities, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, exchange of shares, warrants or rights offering to purchase Common Stock at a price substantially below fair market value, or other similar transaction affects the Common Stock such that an adjustment is required in order to preserve the benefits or potential benefits intended to be made available under the Plan, then the Committee (subject, in the case of Incentive Stock Options, to any limitation required under the Code) shall equitably adjust any or all of (i) the number and kind of shares in respect of which Awards may be made under the Plan, (ii) the number and kind of shares subject to outstanding Awards, and (iii) the award, exercise or conversion price with respect to any of the foregoing, and if considered appropriate, the Committee may make provision for a cash payment with respect to an outstanding Award, provided that the number of shares subject to any Award shall always be a whole number.

(c) Subject to adjustment under Subsection (b): (i) the maximum number of shares of Common Stock with respect to which Options and Stock Appreciation Rights may be granted to any Participant in the aggregate in any calendar year shall not exceed 1,000,000 shares, and (ii) the maximum number of shares of Common Stock that may be granted as Restricted Stock, with respect to which performance goals apply, to any Participant in the aggregate in any calendar year shall not exceed 1,000,000 shares.

Section 6. STOCK OPTIONS

(a) Subject to the provisions of the Plan, the Committee may award Incentive Stock Options and Nonstatutory Stock Options and determine the number of shares to be covered by each Option, the option price therefor and the conditions and limitations applicable to the exercise of the Option. The terms and conditions of Incentive Stock Options shall be subject to and comply with Section 422 of the Code or any successor provision and any regulations thereunder, and no Incentive Stock Option may be granted hereunder more than ten years after the Effective Date.

(b) The Committee shall establish the option price at the time each Option is awarded, which price shall not be less than 100% of the Fair Market Value of the Common Stock on the date of award with respect to Incentive Stock Options. Nonstatutory Stock Options may be granted at such prices as the Committee may determine.

(c) Each Option shall be exercisable at such times and subject to such terms and conditions as the Committee may specify in the applicable Award or thereafter. The Committee may impose such conditions with respect to the exercise of Options, including conditions relating to applicable federal or state securities laws, as it considers necessary or advisable.

(d) No shares shall be delivered pursuant to any exercise of an Option until payment in full of the option price therefor is received by the Company. Such payment may be made in whole or in part in cash or, to the extent permitted by the Committee at or after the award of the Option, by delivery of a note or shares of Common Stock owned by the optionee, including Restricted Stock, or by retaining shares otherwise issuable pursuant to the Option, in each case valued at their Fair Market Value on the date of delivery or retention, or such other lawful consideration as the Committee may determine.

Section 7. STOCK APPRECIATION RIGHTS

(a) Subject to the provisions of the Plan, the Committee may award SARs in tandem with an Option (at or after the award of the Option), or alone and unrelated to an Option. SARs in tandem with an Option shall terminate to the extent that the related Option is exercised, and the related Option shall terminate to the extent that the tandem SARs are exercised.

(b) The Committee shall fix the exercise price of each SAR or specify the manner in which the price shall be determined. SARs granted in tandem with Options shall have an exercise price not less than the exercise price of the related Option. SARs granted alone and unrelated to an Option may be granted at such exercise prices as the Committee may determine.

Section 8. RESTRICTED STOCK

(a) Subject to the provisions of the Plan, the Committee may award shares of Restricted Stock and determine the duration of the Restricted Period during which, and the conditions under which, the shares may be forfeited to the Company and the other terms and conditions of such Awards. The Committee may establish performance goals for the granting or lapse of risk of forfeiture of Restricted Stock. Such performance goals may be based on earnings per share, revenues, sales or expense targets of the Company or any subsidiary, division or product line thereof, stock price or such other business criteria as the Committee may determine. Shares of Restricted Stock may be issued for no cash consideration or such minimum consideration as may be required by applicable law.

(b) Shares of Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered, except as permitted by the Committee, during the Restricted Period. Shares of Restricted Stock shall be evidenced in such manner as the Committee may determine. Any certificates issued in respect of shares of Restricted Stock shall be registered in the name of the Participant and unless otherwise determined by the Committee, deposited by the Participant, together with a stock power endorsed in blank, with the Company. At the expiration of the

Restricted Period, the Company shall deliver such certificates to the Participant or if the Participant has died, to the Participant's Designated Beneficiary.

Section 9. GENERAL PROVISIONS APPLICABLE TO AWARDS

(a) Documentation. Each Award under the Plan shall be evidenced by a writing delivered to the Participant or agreement executed by the Participant specifying the terms and conditions thereof and containing such other terms and conditions not inconsistent with the provisions of the Plan as the Committee considers necessary or advisable to achieve the purposes of the Plan or to comply with applicable tax and regulatory laws and accounting principles.

(b) Committee Discretion. Each type of Award may be made alone, in addition to or in relation to any other type of Award. The terms of each type of Award need not be identical, and the Committee need not treat Participants uniformly. Except as otherwise provided by the Plan or a particular Award, any determination with respect to an Award may be made by the Committee at the time of award or at any time thereafter.

(c) Settlement. The Committee shall determine whether Awards are settled in whole or in part in cash, Common Stock, other securities of the Company, Awards or other property. The Committee may permit a Participant to defer all or any portion of a payment under the Plan, including the crediting of interest on deferred amounts denominated in cash and dividend equivalents on amounts denominated in Common Stock.

(d) Dividends and Cash Awards. In the discretion of the Committee, any Award under the Plan may provide the Participant with (i) dividends or dividend equivalents payable currently or deferred with or without interest, and (ii) cash payments in lieu of or in addition to an Award.

(e) Termination of Employment or Service on the Board. The Committee shall determine the effect on an Award of the disability, death, retirement or other termination of employment or service on the Board of a Participant and the extent to which, and the period during which, the Participant's legal representative, guardian or Designated Beneficiary may receive payment of an Award or exercise rights thereunder.

(f) Change in Control. In order to preserve a Participant's rights under an Award in the event of a change in control of the Company (as defined by the Committee), the Committee in its discretion may, at the time an Award is made or at any time thereafter, take one or more of the following actions: (i) provide for the acceleration of any time period relating to the exercise or realization of the Award, (ii) provide for the purchase of the Award upon the Participant's request for an amount of cash or other property that could have been received upon the exercise or realization of the Award had the Award been currently exercisable or payable, (iii) adjust the terms of the Award in a manner determined by the Committee to reflect the change in control, (iv) cause the Award to be assumed, or new rights substituted therefor, by another entity, or (v) make such other provision as the Committee may consider equitable to Participants and in the best interests of the Company.

(g) Loans. The Committee may authorize the making of loans or cash payments to Participants in connection with any Award under the Plan, which loans may be secured by any

security, including Common Stock, underlying or related to such Award (provided that such Loan shall not exceed the Fair Market Value of the security subject to such Award), and which may be forgiven upon such terms and conditions as the Committee may establish at the time of such loan or at any time thereafter.

(h) Withholding Taxes. The Participant shall pay to the Company, or make provision satisfactory to the Committee for payment of, any taxes required by law to be withheld in respect of Awards under the Plan no later than the date of the event creating the tax liability. In the Committee's discretion, the minimum tax obligations required by law to be withheld in respect of Awards may be paid in whole or in part in shares of Common Stock, including shares retained from the Award creating the tax obligation, valued at their Fair Market Value on the date of retention or delivery. The Company and its Affiliates may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the Participant.

(i) Foreign Nationals. Awards may be made to Participants who are foreign nationals or employed outside the United States on such terms and conditions different from those specified in the Plan as the Committee considers necessary or advisable to achieve the purposes of the Plan or to comply with applicable laws.

(j) Amendment of Award. The Committee may amend, modify or terminate any outstanding Award, including substituting therefor another Award of the same or a different type, changing the date of exercise or realization and converting an Incentive Stock Option to a Nonstatutory Stock Option, provided that the Participant's consent to such action shall be required unless the Committee determines that the action, taking into account any related action, would not materially and adversely affect the Participant.

(k) Transferability. In the discretion of the Committee, any Award may be made transferable upon such terms and conditions and to such extent as the Committee determines, provided that Incentive Stock Options may be transferable only to the extent permitted by the Code. The Committee may in its discretion waive any restriction on transferability.

Section 10. MISCELLANEOUS

(a) No Right To Employment or Service on the Board. No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to continued employment or service on the Board. The Company expressly reserves the right at any time to dismiss a Participant free from any liability or claim under the Plan, except as expressly provided in the applicable Award.

(b) No Rights As Stockholder. Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed under the Plan until he or she becomes the holder thereof. A Participant to whom Common Stock is awarded shall be considered the holder of the Stock at the time of the Award except as otherwise provided in the applicable Award.

(c) Effective Date. Subject to the approval of the stockholders of the Company, the Plan shall be effective on the Effective Date. Before such approval, Awards may be made under the Plan expressly subject to such approval.

(d) Amendment of Plan. The Board may amend, suspend or terminate the Plan or any portion thereof at any time, subject to any stockholder approval that the Board determines to be necessary or advisable.

(e) Governing Law. The provisions of the Plan shall be governed by and interpreted in accordance with the laws of Delaware.

This Plan was approved by the Board of Directors on November 15, 1999.
This Plan must be approved by the stockholders prior to November 15, 2000.

EXHIBIT 10.2

ANTIGENICS INC.

1999 EMPLOYEE STOCK PURCHASE PLAN

1. PURPOSE.

This 1999 Employee Stock Purchase Plan (the "Plan") is adopted by Antigenics Inc. (the "Company") to provide Eligible Employees who wish to become shareholders of the Company an opportunity to purchase shares of Common Stock, par value $0.01 per share, of the Company ("Common Stock"). The Plan is intended to qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code of 1986, as amended (the "Code"), and the provisions of the Plan shall be construed so as to extend and limit participation in a manner consistent with the requirements of Section 423; provided that, if and to the extent authorized by the Board, the fact that the Plan does not comply in all respects with the requirements of Section 423 shall not affect the operation of the Plan or the rights of Employees hereunder.

2. CERTAIN DEFINITIONS.

As used in this Plan:

(a) "Board" means the Board of Directors of the Company, and "Committee" means the Compensation Committee of the Board or such other committee as the Board may appoint from time to time to administer the Plan.

(b) "Coordinator" means the officer of the Company or other person charged with day-to-day supervision of the Plan as appointed from time to time by the Board or the Committee.

(c) "Designated Beneficiary" means a person designated by an Employee in the manner prescribed by the Committee or the Coordinator to receive certain benefits provided in this Plan in the event of the death of the Employee.

(d) "Eligible Employee" with respect to any Offering hereunder means any Employee who, as of the Offering Commencement Date for such Offering:

(i) has been a Full-time Employee of the Company or any of its Subsidiaries for not less than 90 days; and

(ii) would not, immediately after any right to acquire Shares in such Offering is granted, own stock or rights to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or of any subsidiary corporation, determined in accordance with Section 423.

(e) "Employee" means an employee (as that term is used in Section 423) of the Company or any of its Subsidiaries.

(f) "Fair Market Value" of a Share shall mean the fair market value of a share of Common Stock, as determined by the Committee.

(g) "Full-time Employee" is an Employee whose customary employment is for more than (i) 20 hours per week and (ii) five months, in the calendar year during which the respective Offering Commencement Date occurs.

(h) "Offering" is an offering of Shares pursuant to Section 5 of the Plan.

(i) "Offering Commencement Date" means the date on which an Offering under the Plan commences, and "Offering Termination Date" means the date on which an Offering under the Plan terminates.

(j) "Purchase Date" means each date on which the rights granted under the Plan may be exercised for the purchase of Shares.

(k) "Section 423" and subdivisions thereof refer to Section 423 of the Code or any successor provision(s).

(l) "Shares" means the shares of Common Stock issuable under the Plan.

(m) "Subsidiary" means a subsidiary corporation, as defined in Section 424 of the Code, of the Company the Employees of which are designated by the Board of Directors or the Committee as eligible to participate in the Plan.

3. ADMINISTRATION OF THE PLAN.

The Committee shall administer, interpret and apply all provisions of the Plan as it deems necessary or appropriate, subject, however, at all times to the final jurisdiction of the Board of Directors. The Board may in any instance perform any of the functions of the Committee hereunder. The Committee may delegate administrative responsibilities to the Coordinator, who shall, for matters involving the Plan, be an ex officio member of the Committee. Determinations made by the Committee and approved by the Board of Directors with respect to any provision of the Plan or matter arising in connection therewith shall be final, conclusive and binding upon the Company and upon all participants, their heirs or legal representatives.

4. SHARES SUBJECT TO THE PLAN.

The maximum aggregate number of Shares that may be purchased upon exercise of rights granted under the Plan shall be 300,000. Appropriate adjustments in such amount, the number of Shares covered by outstanding rights granted hereunder, the securities that may be purchased hereunder, the Exercise Price, and the maximum number of Shares or other securities that an employee may purchase (pursuant to Section 8 below) shall be made to give effect to any mergers, consolidations, reorganizations, recapitalizations, stock splits, stock dividends or other relevant changes in the capitalization of the Company occurring after the effective date of the Plan; provided that any fractional Share otherwise issuable hereunder as a result of such an adjustment shall be adjusted downward to the nearest full Share. Any agreement of merger or consolidation involving the Company will include appropriate provisions for protection of the

then existing rights of participating employees under the Plan. Either authorized and unissued Shares or treasury Shares may be purchased under the Plan. If for any reason any right under the Plan terminates in whole or in part, Shares subject to such terminated right may again be subjected to a right under the Plan.

5. OFFERINGS; PARTICIPATION.

(a) From time to time, the Company, by action of the Committee, will grant rights to purchase Shares to Eligible Employees pursuant to one or more Offerings, each having an Offering Commencement Date, an Offering Termination Date, and one or more Purchase Dates as designated by the Committee. No Offering may last longer than twenty-seven (27) months or such longer period as may then be consistent with Section 423. The Committee may limit the number of Shares issuable in any Offering, either before or during such Offering.

(b) Participation in each Offering shall be limited to Eligible Employees who elect to participate in such Offering in the manner, and within the time limitations, established by the Committee. No person otherwise eligible to participate in any Offering under the Plan shall be entitled to participate if he or she has elected not to participate. Any such election not to participate may be revoked only with the consent of the Committee.

(c) An Employee who has elected to participate in an Offering may make such changes in the level of payroll deductions as the Committee may permit from time to time, or may withdraw from such Offering, by giving written notice to the Company before any Purchase Date. No Employee who has withdrawn from participating in an Offering may resume participation in the same Offering, but he or she may participate in any subsequent Offering if otherwise eligible.

(d) Upon termination of a participating Employee's employment for any reason, including retirement but excluding death or disability (as defined in Section 22(e)(3) of the Code) while in the employ of the Company or a Subsidiary, such Employee will be deemed to have withdrawn from participation in all pending Offerings.

(e) Upon termination of a participating Employee's employment because of disability or death, the Employee or his or her Designated Beneficiary, if any, as the case may be, shall have the right to elect, with respect to each Offering in which the Employee was then participating, by written notice given to the Coordinator within 30 days after the date of termination of employment (but not later than the next applicable Purchase Date for each Offering), either (i) to withdraw from such Offering or (ii) to exercise the Employee's right to purchase Shares on the next Purchase Date of such Offering to the extent of the accumulated payroll deductions or other contributions in the Employee's account at the date of termination of employment. If no such election with respect to any Offering is made within such period, the Employee shall be deemed to have withdrawn from such Offering on the date of termination of employment. The foregoing election is not available to any person, such as a legal representative, as such, other than the Employee or a Designated Beneficiary.

6. EXERCISE PRICE.

The rights granted under the Plan shall be exercised and Shares shall be purchased at a price per Share (the "Exercise Price") determined by the Committee from time to time; provided that the Exercise Price shall not be less than eighty-five percent (85%) of the Fair Market Value of a Share on (a) the respective Offering Commencement Date or (b) the respective Purchase Date, whichever is lower.

7. EXERCISE OF RIGHTS; METHOD OF PAYMENT.

(a) Participating Employees may pay for Shares purchased upon exercise of rights granted hereunder through regular payroll deductions, by lump sum cash payment, by delivery of shares of Common Stock valued at Fair Market Value on the date of delivery, or a combination thereof, as determined by the Committee from time to time. No interest shall be paid upon payroll deductions or other amounts held hereunder (whether or not used to purchase Shares) unless specifically provided for by the Committee. All payroll deductions and other amounts received or held by the Company under this Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such amounts.

(b) Subject to any applicable limitation on purchases under the Plan, and unless the Employee has previously withdrawn from the respective Offering, rights granted to a participating Employee under the Plan will be exercised automatically on the Purchase Date of the respective Offering coinciding with the Offering Termination Date, and the Committee may provide that such rights may at the election of the Employee be exercised on one or more other Purchase Dates designated by the Committee within the period of the Offering, for the purchase of the number of whole Shares that may be purchased at the applicable Exercise Price with the accumulated payroll deductions or other amounts contributed by such Employee as of the respective Purchase Date. Fractional Shares will not be issued under the Plan, and any amount that would otherwise have been applied to the purchase of a fractional Share shall be retained and applied to the purchase of Shares in the following Offering unless the respective Employee elects otherwise. The Company will deliver to each participating Employee a certificate representing the shares of Common Stock purchased within a reasonable time after the Purchase Date.

(c) Any amounts contributed by an Employee or withheld from the Employee's compensation that are not used for the purchase of Shares, whether because of such Employee's withdrawal from participation in an Offering (voluntarily, upon termination of employment, or otherwise) or for any other reason, except as provided in Section 7(b), shall be repaid to the Employee or his or her Designated Beneficiary or legal representative, as applicable, within a reasonable time thereafter unless the Employee is eligible to and does elect to apply such amounts to the purchase of Shares in the next Offering to commence after the date of withdrawal.

(d) The Company's obligation to offer, sell and deliver Shares under the Plan at any time is subject to (i) the approval of any governmental authority required in connection with the authorized issuance or sale of such Shares, (ii) satisfaction of the listing requirements of any national securities exchange or securities market on which the Common Stock is then listed, and (iii) compliance, in the opinion of the Company's counsel, with all applicable federal and state securities and other laws.

8. LIMITATIONS ON PURCHASE RIGHTS.

(a) Any provision of the Plan or any other employee stock purchase plan of the Company or any subsidiary (collectively, "Other Plans") to the contrary notwithstanding, no Employee shall be granted the right to purchase Common Stock (or other stock of the Company and any subsidiary) under the Plan and all Other Plans at a rate that exceeds an aggregate of $25,000 (or such other maximum as may be prescribed from time to time by Section 423) in Fair Market Value of such stock (determined at the time the rights are granted) for each calendar year in which any such right is outstanding.

(b) An Employee's participation in any one or a combination of Offerings under the Plan shall not exceed such additional limits as the Committee may from time to time impose.

9. TAX WITHHOLDING.

Each participating Employee shall pay to the Company or the applicable Subsidiary, or make provision satisfactory to the Committee for payment of, any taxes required by law to be withheld in respect of the purchase or disposition of Shares no later than the date of the event creating the tax liability. In the Committee's discretion and subject to applicable law, such tax obligations may be paid in whole or in part by delivery of Shares to the Company, including Shares purchased under the Plan, valued at Fair Market Value on the date of delivery. The Company or the applicable Subsidiary may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the Employee or withhold Shares purchased hereunder, which shall be valued at Fair Market Value on the date of withholding.

10. PARTICIPANTS' RIGHTS AS SHAREHOLDERS AND EMPLOYEES.

(a) No participating Employee shall have any rights as a shareholder in the Shares covered by a right granted hereunder until such right has been exercised, full payment has been made for such Shares, and the Share certificate is actually issued.

(b) Each Employee is an employee-at-will (that is to say that either the Employee or the Company or any Subsidiary may terminate the employment relationship at any time for any reason or no reason at all) unless and only to the extent provided in a written employment agreement for a specified term executed by the chief executive officer of the Company or his duly authorized designee or the authorized signatory of any Subsidiary. Neither the adoption, maintenance, nor operation of the Plan nor any grant of rights hereunder shall confer upon any Employee any right with respect to the continuance of his/her employment with the Company or any Subsidiary nor shall they interfere with the rights of the Company or Subsidiary to terminate any Employee at any time or otherwise change the terms of employment, including, without limitation, the right to promote, demote or otherwise re-assign any Employee from one position to another within the Company or any Subsidiary.

11. RIGHTS NOT TRANSFERABLE.

Rights under the Plan are not assignable or transferable by a participating Employee other than by will or the laws of descent and distribution and, during the Employee's lifetime, are

exercisable only by the Employee. The Company may treat any attempted inter vivos assignment as an election to withdraw from all pending Offerings.

12. AMENDMENTS TO OR TERMINATION OF THE PLAN.

The Board shall have the right to amend, modify or terminate the Plan at any time without notice, subject to any stockholder approval that the Board determines to be necessary or advisable; provided that the rights of Employees hereunder with respect to any ongoing or completed Offering shall not be adversely affected.

13. GOVERNING LAW.

Subject to overriding federal law, the Plan shall be governed by and interpreted consistently with the laws of the State of Delaware.

14. EFFECTIVE DATE AND TERM.

This Plan will become effective on November 15, 1999, and no rights shall be granted hereunder after November 15, 2009.

EXHIBIT 10.3

FOUNDING SCIENTISTS AGREEMENT

AGREEMENT dated as of March 28, 1995 by and between Antigenics, Inc., a Delaware corporation having its principal place of business at Armen Partners, L.P., 30 Rockefeller Plaza, Suite 4220, New York, New York 10112 (the "Company"), and Pramod K. Srivastava (the "Founding Scientist").

WHEREAS, the Founding Scientist has been and is engaged in research, development and teaching activities relating to the use of heat shock proteins for the development of therapeutic and/or prophylactic vaccines for cancer and infectious diseases (the "Field") at Mt. Sinai School of Medicine ("Mt. Sinai") and Fordham University ("Fordham");

WHEREAS, the Founding Scientist desires to be the founding scientist of the Company and to assign to the Company to the extent permitted by Fordham or any other employer or funding agency certain intellectual property rights and, with the assistance of the Company, to facilitate Mt. Sinai and Fordham (or any other university or institution with which the Founding Scientist shall become affiliated) to exclusively license the intellectual property rights in the Field owned by Mt. Sinai, Fordham or any other employer or funding agency as a result of the Founding Scientist's research and development in the Field and the Company desires to obtain the rights to commercialize the results of such research and development;

WHEREAS, the Company has issued to the Founding Scientist 380 shares of its common stock, $.01 par value (the "Common Stock"), of the Company, representing 38% of the total Common Stock of the Company initially issued to the Founding Scientist and the other founders of the Company, in consideration of the agreements herein specified;

WHEREAS, the Founding Scientist and the Company agree that certain information regarding the Company's product research and development, its business planning and marketing strategy, and other Company proprietary information and trade secrets relating to the products, services and business of the Company that the Founding Scientist may obtain during the course of his activities under that certain Sponsored Research and Technology License Agreement between the Company and Fordham dated the date hereof (the "Sponsored Research and Technology License Agreement") should be used exclusively for the benefit of the Company;

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties hereto agree as follows:

1. TERM. The term of this Agreement shall commence as of the date of this Agreement and unless terminated earlier as a result of the death, physical incapacity or mental incompetence of the Founding Scientist or under Section 10 hereof, it shall continue in effect for a period of ten (10) years (the "Initial Term"). The term of this Agreement shall be extended beyond the Initial Term for one or more additional one (1) year periods (individually, an "Additional Term") unless either party desires NOT to extend the term of this Agreement for an Additional Term, in which case such party shall give the other party at least thirty (30) days' prior written notice of his or its intention not to extend the Agreement for an Additional Term.

As used in this Agreement, the term of the Agreement shall include the Initial Term and any Additional Terms.

2. RESTRICTIONS ON THE DISCLOSURE OF PROPRIETARY INFORMATION.

(A) PROPRIETARY INFORMATION. For purposes of this Agreement, the term "Proprietary Information" shall mean all knowledge and information which the Founding Scientist has acquired or may acquire as a result of, or related to, his relationship with the Company concerning the Company's business, finances, operations, strategic planning, research and development activities, products, molecules, organisms, laboratory materials, prototypes, software programs, firmware, designs, systems, improvements, applications, processes, trade secrets, services, cost and pricing policies, and including, but not limited to, information relating to formulae, diagrams, schematics, notes, data, memoranda, methods, know-how, techniques, inventions, and purchasing, merchandising and selling strategies. Notwithstanding the foregoing sentence, but subject to Section 3 hereof, such Proprietary Information does not include (i) information which is or becomes publicly available (except as may be disclosed by the Founding Scientist in violation of this Agreement), or (ii) information acquired by the Founding Scientist from a third-party source other than the Company or any of its employees, consultants or shareholders, which source legally acquired such information directly from the Company or elsewhere.

(B) NONDISCLOSURE OBLIGATION. The Founding Scientist agrees that he will not at any time, either during or after the term of this Agreement, without the prior written consent of the President or Board of Directors of the Company, divulge or disclose to anyone outside the Company, or appropriate for his own use or the use of any third party, any such Proprietary Information, and will not during his engagement by the Company hereunder, or at any time thereafter, disclose or use or attempt to use any such Proprietary Information for his own benefit, or the benefit of any third party, or in any manner which may injure or cause loss or may be calculated to injure or cause loss to the Company. The Founding Scientist's obligations contained in this subsection 2(B) shall lapse on the fifth anniversary of the termination of this Agreement.

3. ASSIGNMENT OF PROPRIETARY INFORMATION.

(A) INFORMATION. In consideration of this Agreement, the sale of Common Stock of the Company to the Founding Scientist and the parties' mutual interest in the Field, the Founding Scientist agrees that the term "Information" shall include all inventions, discoveries, know-how, technical information, improvements and other information relating to the Field

which, during the term of or prior to this Agreement, are or were made, conceived (whether or not reduced to practice) or become known to the Founding Scientist and the Founding Scientist further agrees that Proprietary Information shall include the Information.

INSTITUTIONALLY-FUNDED RESEARCH. The parties hereto acknowledge that the Founding Scientist is and may become obligated to make certain disclosures to and assign all rights therein including certain patents and patent applications covering Information developed pursuant to research funded by the National Institutes of Health ("NIH") or other U.S. government or non-governmental agency to Fordham or another institution. Subject to the foregoing obligation, all patents and patent applications covering the Information shall be assigned by the Founding Scientist to the Company and the Founding Scientist agrees to execute all documents and take all other actions necessary to transfer title to such patents and patent applications to the Company. With respect to NIH or other sponsored research, the Founding Scientist and the Company agree to use best efforts to facilitate licensing of such Information to the Company by Fordham or any other institution.

DISCLOSURE AND PATENT PROSECUTION. The Founding Scientist agrees that he will promptly disclose to the Company any and all such Information in a manner that will enable the Company to use effectively the Information, and that, upon request of the Company, he will execute and deliver any and all documents or instruments and take any other action which the Company shall deem necessary to assign to and vest in the Company (subject to Section 3(B) hereof), to perfect copyright and patent protection with respect to, to procure licenses to, or to protect the Company's interest in, all of its rights and interests in and to such Information. The obligations of this Section 3 to take any such actions shall continue beyond the termination of this Agreement with respect to such Information and shall be binding upon his heirs, legal representatives, successors and assigns. The Company agrees to pay all copyright and patent fees and expenses incurred by the Founding Scientist for any assistance rendered to the Company pursuant to the foregoing.

4. PUBLICATIONS. Nothing in this Agreement shall prevent the Founding Scientist from submitting for publication to any academic journal or periodical the results of research relating to the Field. So long as the Founding Scientist is subject to a non-disclosure obligation under Section 2 hereof, the Founding Scientist shall deliver, at least 30 days prior to any such submission for publication, to the Company the manuscript to be so submitted. The Founding Scientist shall cooperate in a timely manner with the Company in taking any and all actions necessary to perfect copyright and patent protection with respect to, or to protect the Company's interest in, any Information that the Company may deem to be disclosed in such manuscript.

5. LICENSE AGREEMENTS; FUNDING. It is the expectation of the parties that the Sponsored Research and Technology License Agreement will be executed concurrently herewith and will provide the Company with an exclusive worldwide license to the results of the Founding Scientist's research and development in the Field at Fordham for a royalty set forth in such Sponsored Research and Technology License Agreement. The Company and the Founding Scientist further agree to use best efforts to obtain such a license from Mt. Sinai. The Company agrees that it will fund the Founding Scientist's research and development in the Field at Fordham or any other university or institution with which the Founding Scientist shall become affiliated during the three (3) years beginning effective as of November 1, 1994 at a quarterly

rate of $100,000 per quarter, and that negotiations between the parties for funding beyond said three (3) year period will commence within the year prior to the expiration of said three (3) year period. It is the parties' expectation that the Sponsored Research and Technology Agreement will reflect a commitment of such funding to the Founding Scientist's laboratory at Fordham which will terminate on the earlier of October 31, 1997 or the date upon which the Founding Scientist terminates his employment with Fordham.

6. CONFLICT OF INTEREST WITH RESPECT TO EQUITY POSITION. To avoid the appearance of a conflict of interest for so long as such a conflict is of concern to the Founding Scientist, the Company will not object to the establishment by the Founding Scientist of a blind trust to hold the Founding Scientist's Common Stock.

7. CONSULTANCY. After the Company closes an equity financing of the Company of $2,000,000 or more of funds invested by parties other than the existing stockholders of the Company or their affiliates, the Company will enter into a consulting arrangement with the Founding Scientist on mutually satisfactory terms providing for the payment of consultant fees to the Founding Scientist at a per diem rate of $1,500 for up to three days per month of the Founding Scientist's consulting time which will be in addition to the Founding Scientist's obligations to Fordham.

8. ABSENCE OF CONFLICTING AGREEMENTS. The Company does not desire to acquire from the Founding Scientist any trade secret, confidential know-how or confidential information that he may have acquired from others. Accordingly, the Founding Scientist represents and warrants that subject to his duties and obligations under the terms of his employment by Fordham or any other institution he is free to divulge to the Company, without any obligation to, or violation of any right of others, any and all information, know-how, technical information, practices and techniques which the Founding Scientist will be and is required to describe, demonstrate, divulge or in any other manner make known to the Company under this Agreement. The Founding Scientist represents and warrants that he is not a party to and he is not aware that Fordham is a party to any agreement or arrangement, whether oral or written, which would constitute a conflict of interest with this Agreement or would prevent him from carrying out his obligations to the Company under this Agreement. The Founding Scientist further covenants not to enter into any such agreement or arrangement during the term hereof.

9. RESTRICTION ON SOLICITATION. During any period in which the Founding Scientist works on projects for the Company under the Sponsored Research and Technology License Agreement and for a period of one year thereafter, the Founding Scientist shall not recruit or otherwise solicit, entice or induce any employees of the Company or any of its subsidiaries or affiliates to terminate their employment with, or otherwise cease their relationships with the Company or any of its subsidiaries or affiliates, in order to engage in any activity for any business, firm, corporation or any other entity that conducts research with respect to, develops, produces or manufactures any products or techniques or provides services similar to those developed, produced, manufactured or provided by the Company.

10. FOUNDING SCIENTIST'S AFFILIATION WITH ANOTHER UNIVERSITY. If the Founding Scientist shall become affiliated with a university or institution other than Fordham, the Founding Scientist and the Company agree and undertake to use best efforts and negotiate in

good faith to obtain the same or substantially similar arrangements for himself and the Company with such other university relating to sponsored research for the Company and a worldwide exclusive license to the intellectual property produced in respect of such sponsored research as are provided for herein and in the Sponsored Research and Technology License Agreement with Fordham. If the Founding Scientist and the Company shall be unable to obtain such arrangements, the Company may terminate this Agreement and for a two-year period after any such termination, the Founding Scientist will not, without the Company's prior written consent, directly or indirectly, alone or as a partner, joint venturer, officer, director, employee, consultant, agent, independent contractor or stockholder of any company or business, engage in any business activity which is directly or indirectly in competition in the United States with any of the products or services being researched, developed, sold or otherwise provided by the Company at such time. The ownership by the Founding Scientist of not more than three percent of the shares of stock of any corporation having a class of equity securities actively traded on a national securities exchange or on NASDAQ shall not be deemed, in and of itself, to violate the prohibitions of this paragraph.

11. GENERAL.

(A) This Agreement constitutes the entire Agreement between the parties relative to the subject matter hereof, and supersedes all proposals or agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement.

(B) No provision of this Agreement shall be waived, amended, modified, superseded, canceled, renewed or extended except in a written instrument signed by the party against whom any of the foregoing actions is asserted. Any waiver shall be limited to the particular instance and for the particular purpose when and for which it is given.

(C) The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision of this Agreement.

(D) This Agreement and all rights and obligations hereunder are personal to the Founding Scientist and may not be transferred or assigned by the Founding Scientist at any time. The Company may assign its rights, together with its obligations hereunder, to any affiliate or successor in connection with any consolidation, merger, sale, transfer or other disposition of all or substantially all of the Company's business and assets. In the event of any consolidation or merger of the Company with or into any other corporation, or the sale or conveyance of all or substantially all of the assets of the Company to another corporation, the surviving or acquiring corporation shall be entitled to all rights and benefits provided under this Agreement, and become obligated to perform all of the terms and conditions hereof. The foregoing notwithstanding, the Company may transfer its Proprietary Information without limitation.

(E) Either party may terminate upon a material breach by the other party of any of their obligations set forth herein upon sixty (60) days' written notice; provided that if during said sixty (60) days the party so notified cures the breach then this Agreement shall remain in full force and effect. For purposes of this section 11(E) a material breach by the Company shall be

defined as a failure to make the minimum payments set forth in Section 5 hereof and any payment required to be made under the terms of the Founding Scientist's consultancy set forth in Section 7 hereof. In addition, the Founding Scientist may terminate this Agreement on thirty (30) days' written notice in the event that funding of the Founding Scientist's research and development is not extended, at the same level, beyond the three (3) years contemplated in Section 5 hereof.

(F) This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the internal laws of the State of New York.

(G) All notices provided for in this Agreement shall be given in writing and shall be effective when either served by personal delivery, express overnight courier service, or by registered or certified mail, return receipt requested, addressed to the parties at their respective addresses herein set forth, or to such other address or addresses as either party may later specify by written notice to the other.

(H) This Agreement may be executed in duplicate counterparts, which, when taken together, shall constitute one instrument and each of which shall be deemed to be an original instrument.

(I) The provisions of Sections 2, 3, 4, 8, 9 and 10 shall survive the termination or expiration of this Agreement for the periods set forth herein as a continuing agreement of the Company and the Founding Scientist; provided, however that the provisions of Sections 9 and 10 shall not survive if the Founding Scientist has terminated the Agreement for a material breach pursuant to the provisions of Section 11(E) hereof.

(J) The parties agree that a breach of the provisions of Sections 2, 3, 4, 8, 9 and 10 hereof by the Founding Scientist will cause irreparable damage to the Company and that in the event of such breach the Company shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent the violation of the Founding Scientist's obligations hereunder. Nothing herein contained shall be construed as prohibiting the Company or the Founding Scientist from pursuing any other remedies available to either for breach by the other under this Agreement or applicable law.

(K) The parties agree that each provision of this Agreement shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the

(L) enforceability of any of the other clauses herein. Moreover, if any one or more of the provisions of this Agreement shall for any reason be held to be exclusively broad as to scope, activity or subject so as to be unenforceable at law, such provisions shall be construed by the appropriate judicial body by limiting and reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

(M) The Company agrees to pay the Founding Scientist's reasonable legal fees and expenses in connection with the preparation and negotiation of this agreement not to exceed $2,500.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY.]

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

ANTIGENICS, INC.

By: /s/ Garo H. Armen

President

FOUNDING SCIENTIST

/s/ Pramod K. Srivastava

Pramod K. Srivastava
3805 Greystone Avenue
Riverdale, NY 10463

EXHIBIT 10.4

ANTIGENICS INC.

INDEMNIFICATION AGREEMENT

This Agreement dated _____ is between Antigenics Inc. (the "Company"), a Delaware corporation, and _____ (the "Indemnitee"), who is [an officer][a director][an officer and director] of the Company. Its purpose is to provide the maximum protection for the Indemnitee against personal liability arising out of his or her service to the Company so as to encourage the continuation of such service and the effective exercise of his or her business judgment in connection therewith.

The parties hereto agree as follows:

1. Definitions. For purposes of this Agreement, the following terms shall have the meanings hereafter assigned to them:

(a) CHANGE IN CONTROL: a change in control of the Company of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is in fact required to comply therewith; provided, that, without limitation, such a change in control shall be deemed to have occurred if:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(ii) during any period of twenty-four (24) consecutive months (not including any period prior to the date of this Agreement), individuals who at the beginning of such period constitute the Company's Board of Directors (the "Board") and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in paragraphs (i), (ii) or (iii) of this Section 1(a)) whose election by the Board or nomination for election by the stockholders of the Company was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding

immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 50% of the combined voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no "person" (as hereinabove defined) acquires 30% or more of the combined voting power of the Company's then outstanding securities; or

(iv) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

(b) CLAIM: any threatened, pending or completed action, suit or proceeding, or any inquiry or investigation, whether instituted by the Company or any other party that the Indemnitee in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, administrative, investigative or other.

(c) EXPENSES: include attorneys' fees and all other costs, expenses and obligations paid or incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any Claim relating to any Indemnifiable Event.

(d) INDEMNIFIABLE EVENT: any event or occurrence related to the fact that the Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, employee, trustee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, or by reason of anything done or not done by the Indemnitee in any such capacity.

(e) POTENTIAL CHANGE IN CONTROL: shall be deemed to have occurred if:

(i) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control;

(ii) any person (as hereinabove defined), including the Company, publicly announces an intention to take or consider taking actions which if consummated would constitute a Change in Control;

(iii) any person (as hereinabove defined), other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company (A) is or becomes the beneficial owner, (B) discloses directly or indirectly to the Company or publicly a plan or intention to become the beneficial owner, or (C) makes a filing under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, with respect to securities to become the beneficial owner, directly or indirectly, of securities representing 9.9% or more of the combined voting power of the outstanding voting securities of the Company; or

(iv) the Board adopts a resolution to the effect that, for purposes of this Agreement, a potential change in control of the Company has occurred.

(f) REVIEWING PARTY: The person or body appointed by the Board pursuant to Section 2(b), which shall not be or include a person who is a party to the particular Claim for which the Indemnitee is seeking indemnification.

2. Basic Indemnification Arrangement. (a) In the event that the Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Claim by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify the Indemnitee to the fullest extent permitted by law as soon as practicable, but in any event no later than thirty days after written demand is presented to the Company, against all Expenses, judgments, fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties or amounts paid in settlement) of such Claim. If so requested by the Indemnitee, the Company shall advance (within ten business days of such request) all Expenses to the Indemnitee (an "Expense Advance"). Notwithstanding anything in this Agreement to the contrary, prior to a Change in Control, the Indemnitee shall not be entitled to indemnification pursuant to this Agreement in connection with any Claim initiated by the Indemnitee against the Company or any director or officer of the Company (otherwise than to enforce his or her rights under this Agreement) unless the Company has consented in writing to the initiation of such Claim.

(b) In the event of any demand by the Indemnitee for indemnification hereunder or under the Company's Certificate of Incorporation or By-laws, the Board shall designate a Reviewing Party, who shall, if there has been a Change of Control of the Company, be the special independent counsel referred to in Section 3 hereof. The obligations of the Company under Section 2(a) shall be subject to the condition that the Reviewing Party shall not have determined (in a written opinion, in any case in which the special independent counsel referred to in Section 3 hereof is involved) that the Indemnitee is not permitted to be indemnified under applicable law, and the obligation of the Company to make an Expense Advance pursuant to Section 2(a) shall be subject to the condition that, if, when and to the extent that the Reviewing Party determines that the Indemnitee is not permitted to be so indemnified under applicable law, the Company shall be entitled to be reimbursed by the Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid. If the Indemnitee has commenced legal proceedings in a court of competent jurisdiction to secure a determination that the Indemnitee may be indemnified under applicable law, any determination made by the Reviewing Party that the Indemnitee is not permitted to be indemnified under applicable law shall not be binding, and the Indemnitee shall not be required to reimburse the Company for any Expense Advance until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed). If there has been no determination by the Reviewing Party or if the Reviewing Party determines that the Indemnitee is not permitted to be indemnified in whole or in part under applicable law, the Indemnitee shall have the right to commence litigation in any court in the state of Delaware having subject matter jurisdiction thereof and in which venue is proper seeking an initial determination by the court or challenging any such determination by the Reviewing Party or any aspect thereof, and the Company hereby

consents to service of process and to appear in any such proceeding. Any determination by the Reviewing Party otherwise shall be conclusive and binding on the Company and the Indemnitee.

3. Change in Control. The Company agrees that if there is a Change in Control of the Company, then with respect to all matters thereafter arising concerning the rights of the Indemnitee to indemnity payments and Expense Advances under this Agreement or any other agreement or under the Company's Certificate of Incorporation or By-laws now or hereafter in effect relating to Claims for Indemnifiable Events, the Company shall seek legal advice only from special independent counsel selected by the Indemnitee and approved by the Company (which approval shall not be unreasonably withheld) who has not otherwise performed services for the Company within the last ten years (other than in connection with such matters) or for the Indemnitee. Such counsel, among other things, shall render its written opinion to the Company and the Indemnitee as to whether and to what extent the Indemnitee is permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of the special independent counsel and to indemnify such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages relating to this Agreement or its engagement pursuant hereto.

4. Establishment of Trust. In the event of a Potential Change in Control, the Company may create a trust for the benefit of the Indemnitee (either alone or together with one or more other indemnitees) and from time to time fund such trust in such amounts as the Board may determine to satisfy Expenses reasonably anticipated to be incurred in connection with investigating, preparing for and defending any Claim relating to an Indemnifiable Event, and all judgments, fines, penalties and settlement amounts of all Claims relating to an Indemnifiable Event from time to time paid or claimed, reasonably anticipated or proposed to be paid. The terms of any trust established pursuant hereto shall provide that upon a Change in Control (i) the trust shall not be revoked or the principal thereof invaded, without the written consent of the Indemnitee, (ii) the trustee shall advance, within ten business days of a request by the Indemnitee, all Expenses to the Indemnitee (and the Indemnitee hereby agrees to reimburse the trust under the circumstances under which the Indemnitee would be required to reimburse the Company under Section 2(b) of this Agreement), (iii) the trustee shall promptly pay to the Indemnitee all amounts for which the Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise, and (iv) all unexpended funds in such trust shall revert to the Company upon a final determination by the Reviewing Party or a court of competent jurisdiction, as the case may be, that the Indemnitee has been fully indemnified under the terms of this Agreement. The trustee shall be a person or entity satisfactory to the Indemnitee. Nothing in this Section 4 shall relieve the Company of any of its obligations under this Agreement.

5. Indemnification for Additional Expenses. The Company shall indemnify the Indemnitee against all expenses (including attorneys' fees) and, if requested by the Indemnitee, shall (within ten business days of such request) advance such expenses to the Indemnitee, which are incurred by the Indemnitee in connection with any claim asserted against or action brought by the Indemnitee for (i) indemnification or advance payment of Expenses by the Company under this Agreement or any other agreement or Company By-law or provision of the Company's Certificate of Incorporation now or hereafter in effect relating to Claims for Indemnifiable Events or (ii) recovery under any directors' and officers' liability insurance

policies maintained by the Company, regardless of whether the Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be.

6. Partial Indemnity, Etc. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for a portion of the Expenses, judgments, fines, penalties and amounts paid in settlement of a Claim but not for the total amount thereof, the Company shall indemnify the Indemnitee for the portion thereof to which the Indemnitee is entitled. Notwithstanding any other provision of this Agreement, to the extent that the Indemnitee has been successful on the merits or otherwise in defense of Claims relating to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, the Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

7. Burden of Proof. In connection with any determination by the Reviewing Party or otherwise as to whether the Indemnitee is entitled to be indemnified hereunder, the burden of proof shall be on the Company to establish that the Indemnitee is not so entitled.

8. No Presumption. For purposes of this Agreement, the termination of any claim, action, suit or proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that the Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. In addition, neither the failure of the Reviewing Party to have made a determination as to whether the Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the Reviewing Party that the Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by the Indemnitee to secure a judicial determination that the Indemnitee should be indemnified under applicable law shall be a defense to the Indemnitee's claim or create a presumption that the Indemnitee has not met any particular standard of conduct or did not have any particular belief.

9. Non-exclusivity, Etc. The rights of the Indemnitee hereunder shall be in addition to any other rights the Indemnitee may have under the Company's Certificate of Incorporation and By-laws or the Delaware General Corporation Law or otherwise. To the extent that a change in the Delaware General Corporation Law (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's Certificate of Incorporation and By-laws and this Agreement, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits afforded by such change.

10. Liability Insurance. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, the Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer.

11. Amendments, Etc. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the

provisions of this Agreement shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

12. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all such papers and do all such things as may be necessary or desirable to secure such rights.

13. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any Claim made against the Indemnitee to the extent the Indemnitee has otherwise received payment (under any insurance policy, provision of the Company's Certificate of Incorporation, Company By-law or otherwise) of the amounts otherwise indemnifiable hereunder.

14. Binding Effect, Etc. This Agreement shall be binding and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company, spouses, heirs, and personal and legal representatives. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the business or assets of the Company by written agreement expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business or assets aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise. This Agreement shall continue in effect regardless of whether the Indemnitee continues to serve as an officer or director of the Company or of any other enterprise at the Company's request.

15. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.

16. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such state without giving effect to the principles of conflicts of laws.

ANTIGENICS INC.

By:_______________________________

Title:____________________________

____
(Indemnitee)

EXHIBIT 10.5

CUMMINGS PROPERTIES MANAGEMENT, INC.
STANDARD FORM
COMMERCIAL LEASE

In consideration of the covenants herein contained, Cummings Properties Management, Inc., hereinafter called LESSOR, does hereby lease to ANTIGENICS, L.L.C. (A DE L.L.C.), 630 FIFTH AVENUE, SUITE 2170, NEW YORK, NY 10111 hereinafter called LESSEE, the following described premises, hereinafter called the leased premises: APPROXIMATELY 30,225 SQUARE FEET AT 34-A COMMERCE WAY, WOBURN, MA 01801 TO HAVE AND HOLD the leased premises for a term of FIVE (5) YEARS commencing at noon on AUGUST 15, 1998 and ending at noon on AUGUST 14, 2003 unless sooner terminated as herein provided. LESSOR and LESSEE now covenant and agree that the following terms and conditions shall govern this lease during the term hereof and for such further time as LESSEE shall hold the leased premises.

1. RENT. LESSEE shall pay to LESSOR base rent at the rate of FOUR HUNDRED TWELVE THOUSAND TWO HUNDRED TEN 412,210 U.S. dollars per year, drawn on a U.S. bank, payable in advance in monthly installments of $34,350.83 on the first day in each calendar month in advance, the first monthly payment to be made upon LESSEE's execution of this lease, including payment in advance of appropriate fractions of a monthly payment for any portion of a month at the commencement or end of said lease term. All payments shall be made to LESSOR or agent at 200 West Cummings Park, Woburn, Massachusetts 01801, or at such other place as LESSOR shall from time to time in writing designate. If the "Cost of Living" has increased as shown by the Consumer Price Index (Boston, Massachusetts, all items, all urban consumers), U.S. Bureau of Labor Statistics, the amount of base rent due during each calendar year of this lease and any extensions thereof shall be annually adjusted in proportion to any increase in the Index. All such adjustments shall take place with the rent due on January 1 of each year during the lease term. The base month from which to determine the amount of each increase in the Index shall be January 1998, which figure shall be compared with the figure for November 1998, and each November thereafter to determine the percentage increase (if any) in the base rent to be paid during the following calendar year. In the event that the Consumer Price Index as presently computed is discontinued as a measure of "Cost of Living" changes, any adjustment shall then be made on the basis of a comparable index then in general use.

2. SECURITY DEPOSIT. LESSEE shall pay to LESSOR a security deposit in the amount of SIXTY FIVE THOUSAND (65,000.00) U.S. dollars upon the execution of this lease by LESSEE, which shall be held as security for LESSEE's performance as herein provided and refunded to LESSEE without interest at the end of this lease, subject to LESSEE's satisfactory compliance with the conditions hereof. LESSEE may not apply the security deposit to payment of the last month's rent. In the event of any default or breach of this lease by LESSEE, LESSOR may immediately apply the security deposit first to any unamortized improvements completed for LESSEE's occupancy, then to offset any outstanding invoice or other payment due to LESSOR, with the balance applied to outstanding rent. If all or any portion of the security deposit is applied to cure a default or breach during the term of the lease, LESSEE shall be responsible for restoring said deposit forthwith, and failure to do so shall be considered a substantial default under the lease. LESSEE's failure to remit the full security deposit or any portion thereof when due shall also constitute a substantial lease default. Until such time as LESSEE pays the security deposit and first month's rent, LESSOR may declare this lease null and void for failure of consideration.

3. USE OF PREMISES. LESSEE shall use the leased premises only for the purpose of OFFICE, PROCESSING, MANUFACTURING AND RELATED RESEARCH AND DEVELOPMENT ACTIVITIES

4. ADDITIONAL RENT. LESSEE shall pay to LESSOR as additional rent a proportionate share (based on square footage leased by LESSEE as compared with the total leaseable footage of the building of which the leased premises are a part) of any increase in the real estate taxes levied against the land and building of which the leased premises are a part (hereinafter called the building), whether such increase is caused by an increase in the tax rate, or the assessment on the property, or a change in the method of determining real estate taxes. LESSEE shall make payment within thirty (30) days of written notice from LESSOR that such increased taxes are payable and any additional rent shall be prorated should the lease terminate before the end of any tax year. The base from which to determine the amount of any increase in taxes shall be the rate and the assessment in effect as of July 1, 1997.

5. UTILITIES.LESSEE shall provide equipment per LESSOR's building standard specifications to heat the leased premises in season and to cool all office areas between May 1 and November 1. LESSEE shall pay all charges for utilities used on the leased premises, including electricity, gas, oil, water and sewer. LESSEE shall pay the utility provider or LESSOR, as applicable, for all such utility charges as determined by separate meters serving the leased premises. LESSEE shall also pay LESSOR a proportionate share of any other fees and charges relating in any way to utility use at the building. No plumbing, construction or electrical work of any type shall be done without LESSOR's prior written approval and LESSEE obtaining the appropriate municipal permit.

6. COMPLIANCE WITH LAWS. LESSEE acknowledges that no trade, occupation, activity or work shall be conducted in the leased premises or use made thereof which may be unlawful, improper, noisy, offensive, or contrary to any applicable statute, regulation, ordinance or bylaw. LESSEE shall keep all employees working in the leased premises covered by Worker's Compensation Insurance and shall obtain any licenses and permits necessary for LESSEE's occupancy. LESSEE shall be responsible for causing the leased premises and any alternations by LESSEE which are allowed hereunder to be in full compliance with any applicable statute, regulation, ordinance or bylaw.

7. FIRE, CASUALTY, EMINENT DOMAIN. Should a substantial portion of the leased premises, or of the property of which they are a part, be substantially damaged by fire or other casualty, or be taken by eminent domain, LESSOR may elect to terminate this lease. When such fire, casualty or taking renders the leased premises substantially unsuitable for their intended use, a just and proportionate abatement of rent shall be made, and LESSEE may elect to terminate this lease if: (a) LESSOR fails to give written notice within thirty (30) days of intention to restore the leased premises or (b) LESSOR fails to restore the leased premises to a condition substantially suitable for their intended use within ninety (90) days of said fire, casualty or taking. LESSOR reserves all rights for damages or injury to the leased premises for any taking by eminent domain, except for damage to LESSEE's property or equipment.

8. FIRE INSURANCE. LESSEE shall not permit any use of the leased premises which will adversely affect or make voidable any insurance on the property of which the leased premises are a part, or on the contents of said property, or which shall be contrary to any law or regulation from time to time established by the Insurance Services Office (or successor), local Fire Department, LESSOR's insurer, or any similar body. LESSEE shall on demand reimburse LESSOR and all other tenants all extra insurance premiums caused by LESSEE's use of the leased premises. LESSEE shall not vacate the leased premises or permit same to be unoccupied other than during LESSEE's customary non-business days or hours.

9. MAINTENANCE OF PREMISES. LESSOR will be responsible for all structural maintenance of the leased premises and for the normal daytime maintenance of all space heating and cooling equipment, sprinklers, doors, locks, plumbing and electric wiring, but specifically excluding damage caused by the careless, malicious, willful, or negligent acts of LESSEE or others, chemical, water or corrosion damage from any source, and maintenance of any non "building standard" leasehold improvements. LESSEE agrees to maintain at its expense all other aspects of the leased premises in the same condition as they are at the commencement of the term or as they may be put in during the term of this lease, normal wear and tear and damage by fire or other casualty only expected, and whenever necessary, to replace light bulbs, plate glass and other glass therein, acknowledging that the leased premises are now in good order and the light bulbs and glass whole. LESSEE will properly control or vent all solvents degreasers, smoke, odors , etc. and shall not cause the area surrounding the leased premises to be in anything other than a neat and clean condition, depositing all waste in appropriate receptacles. LESSEE shall be solely responsible for any damage to plumbing equipment sanitary lines or any other portion of the building which results from the discharge or use of any acid or corrosive substance by LESSEE. LESSEE shall not permit the leased premises to be overloaded, damaged, stripped or defaced, nor suffer any waste, and will not keep animals within the leased premises If the leased premises include any wooden mezzanine type space, the floor capacity of such space is suitable only for office use, light storage or assembly work. LESSEE will protect any carpet with plastic or masonite chair pads under any rolling chairs. Unless heat is provided at LESSOR's expense, LESSEE shall maintain sufficient heat to prevent freezing of pipes or other damage. Any increase in air conditioning equipment or electrical capacity or any installation or maintenance of equipment which is necessitated by some specific aspect of LESSEE's use of the leased premises shall be LESSEE's sole responsibility at LESSEE's expense and subject to LESSOR's prior written consent. All maintenance provided by LESSOR shall be during LESSOR's normal business hours.

10. ALTERATIONS. LESSEE shall not make structural alterations or additions of any kind to the leased premises, but may make nonstructural alterations provided LESSOR consents thereto in writing. All such allowed alterations shall be at LESSEE's expense and shall conform with LESSOR's construction specifications. If LESSOR or LESSOR's agent provides any services or maintenance for LESSEE in connection with such alterations or otherwise under this lease, any just invoice will be promptly paid. LESSEE shall not permit any mechanics' liens, or similar liens, to remain upon the leased premises in connection with work of any character performed or claimed to have been performed at the direction of LESSEE and shall cause any such lien to be released or removed forthwith without cost to LESSOR. Any alterations or additions shall become part of the leased premises and the property of LESSOR. Any alterations completed by LESSOR or LESSEE shall be LESSOR's "building standard" unless noted otherwise. LESSOR shall have the right at any time to change the arrangement of parking areas stairs walkways or other common areas of the building, PROVIDED SUCH CHANGES DO NOT MATERIALLY INTERFERE WITH LESSEE'S INTENDED USE.

11. ASSIGNMENT OR SUBLEASING. LESSEE shall not assign this lease or sublet or allow any other firm or individual to occupy the whole or any part of the leased premises without LESSOR's prior written consent. * Notwithstanding such assignment or subleasing, LESSEE shall remain liable to LESSOR for the payment of all rent and for the full performance of the covenants and conditions of this lease. LESSEE shall pay LESSOR promptly for legal and administrative

expenses incurred by LESSOR in connection with any consent requested hereunder by LESSEE. *WHICH SHALL NOT BE UNREASONABLY WITHHELD.

12. SUBORDINATION. This lease shall be subject and subordinate to any and all mortgages and other instruments in the nature of a mortgage, now or at any time hereafter, and LESSEE shall, when requested, promptly execute and deliver such written instruments as shall be necessary to show the subordination of this lease to said mortgages or other such instruments in the nature of a mortgage.

13. LESSOR'S ACCESS. LESSOR or agents of LESSOR may at any reasonable time enter to view the leased premises, to make repairs and alterations as LESSOR should elect to do for the leased premises, the common areas or any other portions of the building, to make repairs which LESSEE is required but has failed to do and to show the leased premises to others.

14. SNOW REMOVAL. The plowing of snow from all roadways and unobstructed parking areas shall be at the sole expense of LESSOR. The control of snow and ice on all walkways, steps and loading areas serving the leased premises and all other areas not readily accessible to plows shall be the sole responsibility of LESSEE. Notwithstanding the foregoing, however, LESSEE shall hold LESSOR and OWNER harmless from any and all claims by LESSEE's agents, representatives, employees, callers or invitees for damage or personal injury resulting in et way from snow or ice on any area serving the leased premises.

15. ACCESS AND PARKING. LESSEE shall have the right without additional charge to use parking facilities provided for the leased premises in common with others entitled to the use thereof. Said parking areas plus any stairs, corridors, walkways, elevators or other common areas (hereinafter collectively called the common areas) shall in all cases be considered a part of the leased premises when they are used by LESSEE or LESSEE's employees, agents, callers or invitees. LESSEE will not obstruct in any manner any portion of the building or the walkways or approaches to the building, and will conform to all rules and regulations now or hereafter made by LESSOR for parking, and for the care, use, or alteration of the building, its facilities and approaches. LESSEE further warrants that LESSEE will not permit any employee or visitor to violate this or any other covenant or obligation of LESSEE. No unattended parking will be permitted between 7:00 PM and 7:00 AM without LESSOR's prior written approval and from December 1 through March 31 annually, such parking shall be permitted only in those areas specifically designated for assigned overnight parking. Unregistered or disabled vehicles, or storage trailers of any type, may not be parked at any time. LESSOR may tow, at LESSEE's sole risk and expense, any misparked vehicle belonging to LESSEE or LESSEE's agents, employees, invitees or callers, at any time. LESSOR shall not be responsible for providing any security services for the leased premises.

16. LIABILITY. LESSEE shall be solely responsible as between LESSOR and LESSEE for deaths or personal injuries to all persons whomsoever occurring in or on the leased premises (including any common areas that are considered part of the leased premises hereunder) from whatever cause arising, and damage to property to whomsoever belonging arising out of the use, control, condition or occupation of the leased premises by LESSEE; and LESSEE agrees to indemnify and save harmless LESSOR and OWNERS from any and all liability, including but not limited to costs, expenses, damages, causes of action, claims, judgments and attorney's fees caused by or in any way growing out of any matters aforesaid, except for death, personal injuries or property damage directly resulting from the sole negligence of LESSOR.

17. INSURANCE. LESSEE will secure and carry at its own expense a commercial general liability policy insuring LESSEE, LESSOR and OWNER against any claims based on bodily injury (including death) or property damage arising out of the condition of the leased premises (including any common areas that are considered part of the leased premises hereunder) or their use by LESSEE such policy to insure LESSEE, LESSOR and OWNER against any claim up to One Million (1,000,000) Dollars in the case of any one accident involving bodily injury (including death), and up to One Million (1,000,000) Dollars against any claim for damage to property. LESSOR and OWNER shall be included in each such policy as additional insureds using ISO FORM CG 20 26 11 85 or some other form approved by LESSOR. LESSEE will file with LESSOR prior to occupancy certificates and any applicable riders or endorsements showing that such insurance is in force, and thereafter will file renewal certificates prior to the expiration of any such policies. All such insurance certificates shall provide that such policies shall not be cancelled without at least ten (10) days prior written notice to each insured. In the event LESSEE shall fail to provide or maintain such insurance at any time during the term of this lease, then LESSOR may elect to contract for such insurance at LESSEE's expense.

18. SIGNS. LESSOR authorizes and LESSEE at LESSEE's expense agrees to erect promptly upon commencement of this lease, signage for the leased premises in accordance with LESSOR's building standards for style, size, location, etc. LESSEE shall obtain the prior written consent of LESSOR before erecting any sign on the leased premises, which consent shall include approval as to size, wording, design and location. LESSOR may remove and dispose of any sign not approved, depicted or displayed in conformance with this lease.

19. BROKERAGE. LESSEE warrants and represents to LESSOR that LESSEE has dealt with no broker or third person with respect to this lease, and LESSEE agrees to indemnify LESSOR against any brokerage claims arising by virtue of this lease. LESSOR warrants and represents to LESSEE that LESSOR has employed no exclusive broker or agent in connection with the letting of the leased premises.

20. DEFAULT AND ACCELERATION OF RENT. In the event that: (a) any assignment for the benefit of the creditors, trust mortgage, receivership or other insolvency shall be made or instituted with respect to LESSEE or LESSEE's property; (b) LESSEE shall default in the observance or performance of any LESSEE's covenants, agreements or obligations hereunder, other than substantial monetary payments as provided below, and such default shall not be corrected within ten (10) days after written notice thereof; or (c) LESSEE vacates the leased premises, then LESSOR shall have the right thereafter while such default continues and without demand or further notice, to re-enter and take possession of the leased premises, to declare the term of this lease ended, and to remove LESSEE's effects, without being guilty of any manner of trespass, and without prejudice to any remedies which might be otherwise used for arrears of rent or other default or breach of the lease. If LESSEE shall default in the payment of the security deposit, rent, taxes, substantial invoice from LESSOR or LESSOR's agent for goods and/or services or other sum herein specified, and such default shall continue for ten (10) days after written notice thereof, and, because both parties agree that nonpayment of said sums when due is a substantial breach of the lease, and, because the payment of rent in monthly installments is for the sole benefit and convenience of LESSEE, then in addition to the foregoing remedies the entire balance of rent which is due hereunder shall become immediately due and payable as liquidated damages. LESSOR without being under any obligation to do so and without thereby waiving any default, may remedy same for the account and at the expense of LESSEE. If LESSOR pays or incurs any obligations for the payment of money in connection therewith, such sums paid or obligations incurred plus interest and costs, shall be paid to LESSOR by LESSEE as additional rent. Any sums received by LESSOR from or on behalf of LESSEE at any time shall be applied first to any unamortized improvements completed for LESSEE's occupancy, then to offset any outstanding invoice or other payment due to LESSOR, with the balance applied to outstanding rent. LESSEE agrees to pay reasonable attorney's fees and/or administrative costs incurred by LESSOR in enforcing any or all obligations of LESSEE under this lease at any time. LESSEE shall pay LESSOR interest at the rate of eighteen (18) percent per annum on any payment from LESSEE to LESSOR which is past due.

21. NOTICE. Any notice from LESSOR to LESSEE relating to the leased premises or to the occupancy thereof shall be deemed duly served when left at the leased premises addressed to LESSEE, or served by constable, or sent to the leased premises by certified mail, return receipt requested, postage prepaid, addressed to LESSEE. Any notice from LESSEE to LESSOR relating to the leased premises or to the occupancy thereof shall be deemed duly served when served by constable, or delivered to LESSOR by certified mail, return receipt requested, postage prepaid, addressed to LESSOR at 200 West Cummings Park, Woburn, MA 01801 or at LESSOR's last designated address. No oral notice or representation shall have any force or effect. Time is of the essence in the service of any notice.

22. OCCUPANCY. In the event that LESSEE takes possession of said leased premises prior to the start of the lease term, LESSEE will perform and observe all of LESSEE's covenants from the date upon which LESSEE takes possession except the obligation for the payment of extra rent for any period of less than one month. LESSEE shall not remove LESSEE's goods or property from the leased premises other than in the ordinary and usual course of business, without having first paid and satisfied LESSOR for all rent which may become due during the entire term of this lease. In the event that LESSEE continues to occupy or control all or any part of the leased premises after the agreed termination of this lease without the written permission of LESSOR, then LESSEE shall be liable to LESSOR for any and all loss, damages or expenses incurred by LESSOR, and all other terms of this lease shall continue to apply except that rent shall be due in fully monthly installments at a rate of one hundred fifty (150) percent of that which would otherwise be due under this lease, it being understood between the parties that such extended occupancy is as a tenant at sufferance and is solely for the benefit and convenience of LESSEE and as such has greater rental value. LESSEE's control or occupancy of all or any part of the leased premises beyond noon on the last day of any monthly rental period shall constitute LESSEE's occupancy for an entire month and increased rent as provided in this section shall be due and payable immediately in advance. LESSOR's acceptance of any payments from LESSEE during such extended occupancy shall not alter LESSEE's status as a tenant at sufferance.

23. FIRE PREVENTION. LESSEE agrees to use every reasonable precaution against fire and agrees to provide and maintain approved, labeled fire extinguishers, emergency lighting equipment, and exit signs and complete any other modifications within the leased premises as required or recommended by the Insurance Services Office (or successor organization), OSHA, the local Fire Department, or any similar body.

24. OUTSIDE AREA. Any goods, equipment, or things of any type or description held or stored in any common area without LESSOR's prior written consents shall be deemed, abandoned and may be removed by LESSOR at LESSEE's expense without notice. LESSEE shall maintain a building standard size dumpster in a location approved by LESSOR, which dumpster shall be provided and serviced at LESSEE's expense by whichever disposal firm may from time to time be designated by LESSOR. Alternatively, if a shared dumpster or compactor is provided by LESSOR, LESSEE shall pay its proportionate share of any costs associated therewith.

25. ENVIRONMENT. LESSEE will so conduct and operate the leased premises as not to interfere in any with the use and enjoyment of other portions of the same or neighboring buildings by others by reason of odors, smoke, exhaust, smells, noise, pets, accumulation or garbage or trash, vermin or other pests, or otherwise, and will at its expense employ a professional pest control service if necessary. LESSEE agrees to maintain efficient and effective devices for preventing damage to heating equipment from solvents, degreasers, cutting oils, propellants, etc. which may be present at the lease premises. No hazardous materials or wastes shall be stored, disposed of, or allowed to remain at the leased premises at any time, and LESSEE shall be solely responsible for any and all corrosion or other damage associated with the use, storage and/or disposal of same by LESSEE.

26. RESPONSIBILITY. Neither, LESSOR nor OWNER shall be held liable to anyone for loss or damage caused in any way by the use, leakage, seepage or escape of water from any source, or for the cessation of any service rendered customarily to said premises or buildings, or agreed to by the terms of this lease, due to any accident, the making of repairs, alterations or improvements, labor difficulties, weather conditions, mechanical breakdown, trouble or scarcity in obtaining fuel, electricity, service or supplies from the sources from which they are usually obtained for said building, or any cause beyond LESSOR's immediate control.

27. SURRENDER. LESSEE shall at the termination of this lease remove all of LESSEE's goods and effects from the leased premises. LESSEE shall deliver to LESSOR the leased premises and all keys and locks thereto, all fixtures and equipment connected therewith, and all alterations, additions and improvements made to or upon the leased premises, whether completed by LESSEE, LESSOR or others, including but not limited to any offices, partitions, window blinds, floor coverings (including computer floors), plumbing and plumbing fixtures, air conditioning equipment and ductwork of any type, exhaust fans or heaters, water coolers, burglar alarms, telephone wiring, telephone equipment, air or gas distribution piping, compressors, overhead cranes, hoists, trolleys or conveyors, counters, shelving or signs attached to walls or floors, all electrical work, including but not limited to lighting fixtures of any type, wiring, conduit, EMT, transformers, distribution panels, bus ducts, raceways, outlets and disconnects, and furnishings or equipment which have been bolted, welded, nailed, screwed, glued or otherwise attached to any wall, floor, ceiling, roof, pavement or ground, or which have been directly wired to any portion of the electrical system or which have been plumbed to the water supply, drainage or venting systems serving the leased premises. LESSEE shall deliver the leased premises sanitized from any chemicals or other contaminants, and broom clean and in the same condition as they were at the commencement of this lease or any prior lease between the parties of the leased premises, or as they were modified during said term with LESSOR's written consent, reasonable wear and tear and damage by fire or other casualty only excepted. In the event of LESSEE's failure to remove any of LESSEE's property from the leased premises upon termination of the lease, LESSOR is hereby authorized, without liability to LESSEE for loss or damage thereto, and at the sole risk of LESSEE, to remove and store any such property at LESSEE'S expense, or to retain same under LESSOR's control, or to sell at public or private sale without notice, any or all of the property not so removed and to apply the net proceeds of such sale to the payment of any sum due hereunder, or to destroy such abandoned property. I no case shall the leased premises be deemed surrendered to LESSOR until the termination date provided herein or such other date as may be specified in a written agreement between the parties, notwithstanding the delivery of any keys to LESSOR.

28. GENERAL. (a) The invalidity or unenforceability of any provision of this lease shall not affect or render invalid or unenforceable any other provision hereof (b) The obligations of this lease shall run with the land, and this lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that LESSOR and OWNER shall be liable only for obligations occurring while lessor, owner, or master lessee of the premises. (c) Any action or proceeding arising out of the subject matter of this lease shall be brought by LESSEE within one year after the cause of action has occurred and only in a court of the Commonwealth of Massachusetts. (d) If LESSOR is acting under or as agent for any trust or corporation, the obligations of LESSOR shall be binding upon the trust or corporation, but not upon any trustee, officer, director, shareholder, or beneficiary of the trust or corporation individually. (e) If LESSOR is not the owner (OWNER) of the lease premises, LESSOR represents that said OWNER has agreed to be bound by the terms of this lease unless LESSEE is in default hereof. (f) This lease is made and delivered in the Commonwealth of Massachusetts, and shall be interpreted, construed and enforced in accordance with the laws thereof. (g) This lease was the result of negotiations between the parties of equal bargaining strength, and when executed by both parties shall constitute the entire agreement between the parties, superseding all prior oral and written agreements. (h) Notwithstanding any other statements herein, LESSOR makes no warranty, express or implied, concerning the suitability of the leased premises for LESSOR's intended use. (i) LESSEE agrees that if LESSOR does not deliver possession of the leased premises as herein provided for any reason, LESSOR shall not be liable for any damages to LESSEE for such failure, but LESSOR agrees to use reasonable efforts to deliver possession to LESSEE at the earliest possible date. A proportionate abatement of rent, excluding the cost of any amortized improvements to the leased premises, for such time as LESSEE may be deprived of possession of the leased premises, except where a delay in delivery is caused in any way by LESSEE, shall be LESSEE's sole remedy. (j) Neither the submission of this lease form, nor the prospective acceptance of the security deposit and/or rent shall constitute a reservation of or option for the leased premises, or an offer to lease, it being expressly understood and agreed that this lease shall not bind either party in any manner whatsoever until it has been executed by both parties. (k) LESSEE shall not be entitled to exercise any option contained herein if LESSEE is at that time in default of any terms or conditions hereof. ((l) Except as otherwise provided herein, LESSOR, OWNER and LESSEE shall not be liable for any special, incidental, indirect or consequential damages, including but not limited to lost profits or loss of

business, arising out of or in any manner connected with performance or nonperformance under this lease, even if any party has knowledge of the possibility of such damages. (m) The headings in this lease are for convenience only and shall not be considered part of the terms hereof. (n) No endorsement by LESSEE on any check shall bind LESSOR in any way. (o) LESSOR and LESSEE hereby waive any and all rights to a jury trial in any proceeding in any way arising out of this lease.

29. [THIS PARAGRAPH SHALL NOT APPLY]

30. WAIVERS, ETC. No consent or waiver, express or implied, by LESSOR, to or of any breach of any covenant, condition or duty of LESSEE shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition or duty. If LESSEE is several persons, several corporations or partnerships, LESSEE's obligations are joint or partnership and also several. Unless repugnant to the context, "LESSOR" and `LESSEE" mean the person or persons, natural or corporate, named above as LESSOR and LESSEE respectively, and their respective heirs, executors, administrators, successors and assigns.

31. AUTOMATIC FIVE-YEAR EXTENSIONS. This lease, including all terms, conditions, escalations, etc. shall be automatically extended for additional successive periods of five (5) years each unless LESSOR or LESSEE shall serve written notice, either party to the other, of either party's desire not to so extend the lease. The time for serving such written notice shall be not more than twelve (12) months or less than six (6) months prior to the expiration of the then current lease period. Time is of the essence.

32. ADDITIONAL PROVISIONS. (Continued on attached rider(s) if necessary.)

- See Attached Rider.

IN WITNESS WHEREOF, LESSOR AND LESSEE have hereunto set their hands and common seals and intend to be legally bound hereby this 29th day of May, 1998.

LESSOR: CUMMINGS PROPERTIES MANAGEMENT, INC.

By: /s/ W.S. Cummings

LESSEE: ANTIGENICS, L.L.C.

By: /s/ Garo Armen

GARO ARMEN

CUMMINGS PROPERTIES MANAGEMENT, INC.
STANDARD FORM
RIDER TO LEASE

The following additional provisions are incorporated into and made a part of the attached lease:

A. The attached lease and the additional provisions of this Rider are subject to LESSEE and LESSOR reaching mutual agreement on a plan for construction and on the amount of modifications to be funded by LESSOR and amortized and paid for by LESSEE over the term of the lease. LESSEE shall use its best efforts to deliver to Lessor a plan within two weeks after full execution of the lease.

B. LESSOR, at LESSOR's cost, shall construct standard office space according to said plan before or about the time LESSEE takes possession of the leased premises. Said space shall be air conditioned, carpeted and completed with painted drywall partitions, acoustical tile ceilings, recessed lighting, chrome pendent fire protection sprinklers, and 110V convenience electrical wall outlets at regular intervals.

C. LESSOR, if requested to do so by LESSEE and at LESSEE's sole expense, shall make modifications necessitated by LESSEE's use of the leased premises according to said plan. These alterations shall be considered "nonbuilding standard" for maintenance purposes pursuant to Section 9 of the lease. At LESSEE's request, the charges for certain modifications agreed to in advance and completed by LESSOR or Lessor's agents may be incorporated into the lease by separate amendment to be attached hereto. The cost shall be amortized into the rent, based on a level payment structure, over a 60 month period using a 10.5% annual interest rate, and shall be paid monthly by LESSEE together with the monthly rental payment.

D If LESSOR should make any modifications and amortize the cost thereof under the preceding paragraph, then LESSEE shall provide LESSOR with an additional security deposit equal to two (2) payments of the monthly amortized cost.

E. * The leased premises consists of approximately 20,797 square feet of ground level space and approximately 9,428 square feet of mezzanine level office space.

F. * With reference to Section 25 above, no hazardous materials or hazardous wastes shall be used, processed, stored, or disposed of in any manner or form within the leased premises or any extension thereof in violation of any applicable local, state, or federal law, rule or regulation. LESSEE shall be solely responsible for and shall indemnify and hold LESSOR harmless from any and all liability, damage or personal injury associated with any use, processing, storage, or disposal of such materials.

G. * As of the termination date of this lease, LESSEE, at LESSEE's sole expense, shall return the leased premises free from any and all hazardous materials, hazardous wastes, biological, radiological, chemical or other contamination or any other materials that are in any way harmful to anyone, and shall be solely responsible for remedying any and all damage, removing any and all contamination, and properly disposing of any hazardous materials, hazardous wastes and contamination. In addition, LESSEE, at LESSEE's sole expense, shall engage an independent and accredited industrial hygiene consultant to certify that as of the termination date of this lease, the entire leased premises and any extension thereof utilized in any way by LESSEE is free from any biological, radiological, chemical or other contamination and is in no way damaged as a result of LESSEE's use of the premises. Said certification shall also specify that the premises are then fully suitable for unrestricted, unconditional future use and occupation by others. Time is of the essence.

H. * The maximum cumulative Cost of Living increase during the initial term of the lease (only) shall not exceed an average of 7% per calendar year.

I. * LESSEE shall have the right to assign this lease or sublet the leased premises to an affiliated corporation, namely a corporation in which LESSEE owns at least a 50 percent interest, a corporation which owns at least a 50 percent interest in LESSEE, a corporation which is under common control with LESSEE, a corporation with which LESSEE merges, or a corporation which is formed as a result of a merger or consolidation involving LESSEE, without further consent from LESSOR, provided LESSEE serves LESSOR with prior written notice to that effect. The provisions of Section 11 shall govern said assignment in all other respects.

J. * LESSEE acknowledges and agrees that the leased premises may not be substantially completed as of the commencement date of the lease. Notwithstanding this delay in delivery of possession, LESSEE's obligation to pay monthly rent shall commence as of the commencement date of the lease without any abatement.

K. * In the event that LESSOR is unable to obtain a building permit for the modifications at the leased premises for the purposes set forth in Section 3 above, LESSOR shall have the right, at its sole expense, to appeal any such decision. If LESSOR declines to prosecute said appeal or if any such decision is upheld after all applicable appeals have been exhausted, then LESSEE may cancel this lease by serving LESSOR with 30 days prior written notice to that effect, and neither party shall have any further obligation to the other. Cancellation of the lease shall be LESSEE's exclusive remedy for any failure by LESSOR to obtain a building permit or otherwise in connection with this paragraph.

L. LESSOR will use reasonable efforts to substantially complete, except for punch list items, the modifications to the leased premises described in Paragraph B above eight (8) weeks following full execution of this lease, payment in full of the first month's rent and security deposits under Section 2 and Paragraph D above, approval of all final plans and specifications and, if applicable, full execution of the lease amendment referred to in Paragraph C above.

LESSOR: CUMMINGS PROPERTIES MANAGEMENT, INC.

By: /s/ W.S. Cummings

Date: 5/29/98

LESSEE: ANTIGENICS, L.L.C.

By: /s/ Garo Armen

Garo Armen

CUMMINGS PROPERTY MANAGEMENT, INC.

STANDARD FORM

AMENDMENT TO LEASE #1

In connection with a lease currently in effect between the parties at 34-A Commerce Way, Woburn, Massachusetts, executed on May 29, 1998 and terminating August 14, 2003 and in consideration of the mutual benefits to be derived herefrom, Cummings Properties Management, Inc., LESSOR, and Antigenics, L.L.C. LESSEE, hereby agree to amend said lease as follows:

1. Notwithstanding the provisions of Section 27 of the lease, LESSOR hereby authorizes LESSEE to remove (1) certain fixtures, equipment and other personal property supplied and installed by LESSEE, including without limitation all those items set forth in Exhibit A attached hereto, and (2) such additional fixtures, equipment and other personal property that are hereafter supplied and installed by LESSEE, if LESSEE has satisfactorily complied with all other conditions of this lease and completes said removal on a timely basis prior to the end of the lease term. In the event LESSEE removes any key components of a building system as provided in this amendment, LESSEE shall remove the entire system including without limitation associated piping, conduit, ductwork, and wiring, except as otherwise excluded in Section 2 below. Time is of the essence.

2. Notwithstanding the preceding paragraph and Exhibit A, LESSEE shall specifically not disturb or remove any of the following items: all components of the electrical and natural gas systems, except LESSEE may remove one 500 kW standby generator and replace it with a fully operational 100 kW standby generator; all underground, sanitary and potable water plumbing and anything else below the surface of the concrete floor or the exterior ground; all bathroom fixtures; the 4" water meter, all backflow preventers; and all fire suppression, detection or annunciation system(s), except LESSEE may remove fire extinguishers supplied and installed by LESSEE.

3. In consideration of LESSOR's consent to removal of the foregoing items, the parties agree that the rent shall be increased as provided for below during the initial term of the lease and any extension terms.

4. The parties acknowledge and agree that a rent credit was incorporated into the annual base rent in Section 1 of the lease in consideration of LESSOR not being required to complete, at a cost incorporated into the base rent, certain building standard modifications that LESSOR would typically do. LESSEE acknowledges and agrees that this rent credit was a just and sufficient amount, and LESSEE waives any and all claims that it may now have or may ever have arising in any way out of the amount of said credit.

All other terms, conditions and covenants of the present lease shall continue to apply, except that adjusted base rent shall be increased $30,000.00 annually, from a total of $412,210.00 to a new annual total of $442,210.00 or $36,850.83 per month. Annual base rent for purposes of computing any future escalations thereon shall be $442,210.00. This amendment

shall be effective August 15, 1998 and shall continue through the balance of the lease and any extensions thereof unless further modified by with amendment(s).

In Witness Whereof, LESSOR and LESSEE have hereunto set their hands and common seals this 10th day of December, 1998.

LESSOR: CUMMINGS PROPERTIES MANAGEMENT, INC.

By: /s/ Douglas Stephens
Executive Vice President

LESSEE: ANTIGENICS, L.L.C.

By: /s/ Garo Armen
Garo Armen

EXHIBIT A

ANTIGENICS REMOVABLE EQUIPMENT LIST

STRUCTURAL STEEL (Structural steel is defined as the structural steel holding and supporting the non-building standard air handling equipment. It does not include the steel that is part of the structural integrity of the building.)

DOORS AND HARDWARE

Security Hardware

Electromagnetic Locks

Quarantine Doors (qty =4)

ACOUSTICAL CALLINGS

Clean Room

Washable Metal Face

ACCESSORIES

Pass-thrus

Fire Extinguisher Cabinets

Bumper & Corner Guards

Window Treatments

Lockers

Darkroom Door

CASEWORK

Cabinets, counters, tables, fume hoods, plumbing fixtures, except as otherwise excluded in Amendment to Lease #1, shelving, eyewashes, BSC*

COLD ROOMS (incl. Evap and condensers)

PLUMBING SYSTEM

Major Equipment

S.S. Sinks in Gown Degown

Potable Water Heater (qty = 1 of 2 only)

Gas-Fired nonpotable Water Heater (qty = 1)

pH Neutralization System(above ground components only)

Eye & Shower Washes

Mixing Valves for Tempered water

Quenches

Non Potable System**

Tempered Water System**

Acid Waste System** (above ground components only)

PROCESS SYSTEM**

Major Equipment

See attached equipment list

See attached instrument list

RODI Water System**

WFI System**

Clean Steam System**

Compressed Air System**

Chilled Water (to Plate Chillers) System**

Chilled water (to other than Plate Chiller) System**

Vacuum System**

Plant Steam System**

Medical Gas (N2, 02, C02) System**

Instrumental & Controls System**

HVAC SYSTEM

Major Equipment

Air Handling Units (qty=3)

Exhaust and Supply Fans (qty =28)

Hot Water Rehost Calls (qty = 43)

Expansion Tank

Electric Humidifiers (qty =6)

Atomizing Humidifiers (qty = 2)

Hot Water Boilers (qty =2)

Hot Water Pumps (qty = 2)

Electric Unit Heaters (qty =2)

Hot Water Unit Heaters(qty = 8)

See attached instrument list

HEPA Filters

Dampers (fire, smoke, control)

Registers, Grills, & Diffusers

Air Compressor for Atomizing Humidifier

DDC Control Panel for BMS

Air Distribution System**

Hot Water System**

Building Management System**

MISCELLANEOUS SYSTEMS

Telephone/ Data System**

Environmental Data Acquilation system**

Security System**

* All equipment listed in the attached Equipment List and Instrument list shall be considered appended to this list.

** All piping, ductwork, and miscellaneous components installed in the system which are not specifically identified, shall be considered part of the system.

Antigenics LLC

34 Commerce Way

Woburn, MA

Lease Rider Schedule

October 1998

Equipment	Quantity	Manufacturer	Model	Attached to Building
Fume Hood - 6'	1			Yes
Refrigerator/Freezer	1		VWR	
BSC 4'	1	Nuaire	NU 425-600	Yes
BSC 4'	1	Baker	SG-400	Yes
Cyro Safe	1	Cyro Safe	SBA2	
Table Top Centrifuge	1	Sorvall	RT7	
10 Liter Bio-Reactor	1	B. Braun	Biostat B	Yes
Refrigerator/Freezer	1	VWR	R415G	
3 Stacked Incubator (115v)	1	Belco	7728-09005	Yes
Shelves	4	Belco	7728-40035	Yes
9 Deck Roller Apparatus	1	Belco	7630-06509	Yes
Refrigerated Incubator -ldoor-3	1	Belco	7728-01005	Yes
Microscope	1	l Olympus	CK2	
1 Inverted Microscope	1	Olympus	CH3ORF 100	
Water Bath	1	Precision	180	
Centrifuge	1	Sorvall	RC5C Plus	
B5C-6'	1	Nuaire	NU 425-600	Yes
BSC-4'	2	Baker	SG-400	Yes
Table Top Centrifuge	1	Beckman GPR	349702	
Centrifuge	1	Beckman	Avanti J-20	

Equipment	Quantity	Manufacturer	Model	Attached to Building
Freezer-80	1	Harris	EL-21V-85	
Refrigerator/Freezer	1	VWR	R415G	
Microscope Inverted	1	Nikon TMS	TMS 212168	
Microscope Inverted	1	Nikon TMS	TMS 212168	
Microscope	1	Olympus	CH3ORF100	
Water Bath - Recirculating	1	VWR	1112	
Water Bath	1	Precision	180	
Stacked Incubators - 2' - C02	1	Forma Scient.	3250	Yes
Stacked Incubators 2' C02	1	Nuaire	NU-2700	Yes
Stacked Incubators - 2' - C02	1	Forma Scient.	3250	Yes
9 Deck Roller Apparatus	1	Belco	7630-06509	Yes
Refrigerated Incubator -1door-3'	1	Belco	7728-01005	Yes
BSC -6'	1	Baker	SG-600	Yes
Fume Hood - 6'	1			Yes
Centrifuge	1	Beckman	Avanti J-20	
Table Top Centrifuge	1	Beckman Alegra #6	366802	
Refrigerator 4 degree	1	VWR	R421G	
Freezer-80	1	Harris	EL-21V-85	
Refrigerator/Freezer	1	VWR	R415G	
Cold Box	1	Lab. Research Products,	CHR-47	
Elect. Power Supply	2	VWR	135	
Elect. Workstations	2	BioRad	Mini Transbiot I Mini Pro 2	
UV Spectrophotometer	1	Beckman	DU 640	
Milliflex- 100 Pump	2	Watson Mallow	302 S/RL	
Bio Cad	1	PE Biosystems	700 E	
Analytical HPLC	1	?	?	

Equipment	Quantity	Manufacturer	Model	Attached to Building
Mass Spec	1	PE Biosystems		Yes
BSC - 4'	1	Baker	SG-400	Yes
Animal Racks (VENTILATED)	4	Lab Products	59005	Yes
Animal Racks (VENTILATED)	3	Lab Products	59005	Yes
Polycarb Hi Temp Rat Cages	200 @ 10/lot	Allentown	PC1O198HT	Yes
Rat Wire Lids	200 @ 10/lot	Allentown	WRL 1O19RMB	Yes
3 x 5 Hanging Card Holders	500	Allentown	HH35MB	Yes
BSC- 4'	1	Baker	SG-400	Yes
Animal Racks (VENTILATED)	2	Lab Products	59006	Yes
Animal Racks (VENTILATED)	2	Lab Products	59006	Yes
Polycarb Hi/Temp Mouse	200 @ 10/lot	Allentown	PC7115HT	
Mouse Wire Bar Lid	200 @ 10/lot	Allentown	WBLL71155MD	
BSC-4	1	Baker	SG-400	Yes
Refrigerator/Freezer	1	Frigidare	FPES19TP	
Table Top Centrifuge	1	Beckman GPR	349702	
Microscope	1	Olympus	CH3O	
Drug Cabinet	1	Standard	Standard	Yes
Freezer - 20	1	VWR	U202OG	
Animal Racks (NV) (MOUSE)	2	Allentown	IPC7115URT30 (98 Mice each)	Yes
Animal Racks (nv) (G-Pig)*	2	Allentown	IPC1019SURT30 (30 G-pig each)	Yes
Animal Racks (nv) (G-pig)*	8	Allentown	IPCIO198URT3O (30 G-pig each)	Yes
Change-over cages	100	Allentown	PC 1098 RTG (high temp)	Yes
Wire Racks	11			Yes
Freezer-80	3	Harris	EL-21V-85 Ultra Low	
Freezer-80	3	Harris	EL-21V-85 Ultra Low	

Equipment	Quantity	Manufacturer	Model	Attached to Building
Freezer-80	3	Harris	EL-21V-85 Ultra Low	
____ Room Box/Freezer	1			
Wire Racks	4			
Cold Room Box	1			
Wire Racks	4			
Irradiator	1	JH Shepard	143-68 S# 2065	Yes
Autoclave GMP	1		Getinge	Yes
Glasswasher	2		Lancer	Yes
BSC -6'	2	Baker	SG-400	Yes
Fume Hood - 6'	1			Yes
Table Top Centrifuge	1	Beckman	BK362114	
Centrifuge	1	Sorvall	RC5C Plus	
Ultra Centrifuge	1	Sorvall	DISC 90	
Fac Scan Machine	1	Becton Dickinson	Fac Scan	
Cold Box	1	Lab Research Products, Inc.	CHR 147	
HPLC	1	?		
Refrigerator/Freezer	1	Whirlpool	E+20+K	
Freezer-80	1	Harris	EL-21V-85	
Freezer-20	1	Gibson		
Refrigerator 4 degree	1	VWR	R421 G	
Stacked Incubator	1	Forma Scient.	3250	
Water Bath	1	Precision	180	
Shaker	1	New Brunswick	Innova 4000	
Elect. Power Supply	1	Pharmacia	ECPS-3000/150	
Elect. Workstations	1	BioRaD	N/A	
Trilux Benchtop Radioactivity	1	EG & G Wallac	1450 MicroBeta Trilux	

Equipment	Quantity	Manufacturer	Model	Attached to Building
Elisa Plate Washer	1	Biorad	?	
Elisa Plate Reader	1	Biorad	Benchmark	
Tabletop Centrifuge (Refrigerated)	1	Savant	?	
Microcentrifuge	1	Eppendorf	?	
Computer for Trilux	1			
Microscope	1	Zeiss	40967 9799521531	
BSC -6'	2	Nuaire		Yes
Fume Hood - 4'	1			Yes
Centrifuge	1	Sorvall	RC5C Plus	
Centrifuge	1	Beckman	Avanti J-20	
Ultra Centrifuge	1	Sorvall	Disc 90	
Ultra Centrifuge	1	Beckman	LE 80K	
Cold Box	1	Lab. Research Inc.	CHR-47	
Freezer -80	1	Harris	EL-21V-85	
Refrigerator/Freezer	1	Magic Chef	RB-212P	
Microscopes	1	Meiji		
Microscopes	1	Olympus		
UV Spectrophotometer	1	1 Beckman	DU 640	
Milliflex - 100 Pump	2	Watson Marlow	101U/R	
Milliflex - 100 Pump	1	Master Flex	7523-20	
Milliflex - 100 Pump	1	Master Flex	7523-20	
HPLC	1	BIOSEPRA	700504 PROSYS	
Cold Plate for BSC	2	Polar Tap, Inc.	PT-MED PROTOTYPE	
Elect. Power Supply	4	BioRad	200	
Elect. Workstations	4	BioRad	Mini Transblott Mini Pro 2	
Fluorescent UV Plate Reader	1	?	?	
BSC - 6'	1	Nuaire		Yes

Equipment	Quantity	Manufacturer	Model	Attached to Building
Pass Thru Autoclave nGMP	1	Consolidated	SR-24EMCB	Yes
Autoclave GMP - 1 door	1	Getinge	GE6915AR-1	Yes
Glasswasher	1	Lancer	1400SS PRO	Yes
Depyrogenation Oven	1	Gruenberg	L34HW2	Yes
Canopy Hood with Curtain	1	?	?	Yes
Top Loading Balance	1	VWR	PB302	
BSC - 4'	1	Baker	SG-400	Yes
Ultra Centrifuge	1	Beckman	LE-80K	
10 Liter Bio-Reactor	1	B. Braun	Biostat B	
50 Liter Bio-Reactor	1	B. Braun	Biostat D	Yes
Inverted Microscopes	1	Olympus	CK2	
Refrigerator/Freezer	1	VWR	R415G	
Cyro Safe	1	Cyro Safe	SBA2	
9 Deck Roller Apparatus	1	Belco	7630-06509	
Refrigerated Incubator -ldoor-3'	1	Belco	7728-01005	
Water Bath	1	Precision	180	
Sonicator	1	?	?	
Table Top Centrifuge	1	Beckman	?	
10 Liter Bioreactor Vessel & Probes	1	Braun	?	Yes
BSC - 4' (EXHAUSTED)	1	Baker	SG-400	Yes
Fume Hood - 4'	1			Yes
Refrig/Freezer	1	VWR	415G	Yes
Lucite Box Hoods	3			Yes
Halogen Lights	3	VWR		Yes
Bottle Washer	1	Hoplab	1021	Yes
Rack Washer	1	Basil	RW4600	Yes
Cage Wash Racks	1	Allentown	CWRO8	Yes

Equipment	Quantity	Manufacturer	Model	Attached to Building
Autoclave nGMP	1	Consolidated	SR-24 DMCV	Yes
Autologous Mouse Racks	2	Allentown	IPC7115URT98 (98 Mice each)	Yes
Toxicology G-pig Racks	3	Allentown	IPCIO198URT30 (30 G-pig each)	Yes
ID Mouse	1	Lab Products	59006	Yes
Wire Racks	4	Metro		Yes
Animal Racks (nv)(MOUSE)*	2	Allentown	IPC7115URT98 (98 Mice each)	Yes
Animal Racks (nv) (MOUSE)*	3	Allentown	IPC7115URT98 (98 Mice each)	Yes
Change over Cages	180 @ 30/Lot	Allentown	PC7115RTG	Yes
Change over Cages	220 @ 30/Lot	Allentown	PC7115RTG	Yes
BSC-6	2	Baker	SG-400	Yes
BSC -6	2	Baker	SG-400	Yes
Fume Hood - 6'*	1			Yes
Refrigerator 4 degree	1	VWR	R421G	
Freezer-80	1	Harris	EL21V-85	
Freezer-20	1	VWR	U2O2OG	
Elect. Power Supply	2	BioRad	?	
Elect. Workstations	2	BioRad	?	
Digital Camera	1	?	?	
UV Spectrophotometer	1	Beckman	DU640	
Total Organic Computer	1	?	?	
Milliflex - 100 Pump	1	?	?	
LAL 5000 & Computer	1	?	?	
Stacked Incubactor	2	?	?	
Stacked Incubactor	2	?	?	
SMA Viable Particle Counter tpump	1	VAI	SMA-CC-2	

Equipment	Quantity	Manufacturer	Model	Attached to Building
SMA Viable Particle Counter	1	VAI	SMA-CC-1	
Extra SMA counters	3	VAI	?	
Viable Particle Counter	1	?	?	
Particle Counter	1	Met One	?	
Sensor 2 Pump (Bioburden)	1	?	?	
HPLC	1	?	?	
Microscope	1	?	?	
IR	1	?	?	
GC	1	?	?	
BSC -6'	10	Baker	SG-400	Yes
BSC -4'	2	Baker	SG-400	Yes
Centrifuge	5	Beckman	Avanti J-20	
Ultra Centrifuge	5	Beckman	LE-80K	
Microscopes	10	Olympus	CH30	
Freezer-80	1	Harris	EL-21V-85	
Freezer -80	2	Harris	EL-21V-85	
Refrigerator/Freezer	3	VWR	R415G	
Cold Plate	10	Polar Tap Inc.	PT-MED PROTOTYPE	
Blenders	10	?	?	
Homogenizers	8	?	?	
Homogenizers	2	?	?	
SMA Viable Particle Counter 1 pump.				
2 counters	1	VAI	SMA-CC-2	
Extra SMA counters	2	VAI	?	
Electrophoresis Work Station	10	?	?	
Electrophoresis Power Supply	5	Labcono (VWR)	27366-000	
Shaker Tables	4	VWR	?	

Equipment	Quantity	Manufacturer	Model	Attached to Building
DU Spectrometer	2	Beckman	DU	
DU Spectrometer	1	Beckman	DU	
Top Loading Balance	10	VWR	11302-062	
pH Meters	4	VWR	34 103-220	
Stir Plates	10	VWR	33020-230	
Pass Thru Autoclave GMP	1	Getinge	GE6915AR-2	Yes
Depyrogenation Ovens	2	Gruenberg	L34HV72	Yes
Refrigerator/Freezer	1	VWR	R415G	
Laminar Flow Hood 4'	1	?	?	Yes
Laminar Flow Hood 6'	1	Baker	EG6320	Yes
Cold Box 5'	1	?	?	
Biosafety Cabinet 6	4	Baker	SG 400	Yes
Biosafety Cabinet 4	4	Baker	SG-400	Yes
Centrifuge	1	Beckman	Avanti J-20	
Canopy Hood with Curtain	1	?	?	Yes

Note: Attached to Building as defined by the Cummings/Antigenics lease for Commerce way dated August 15, 1998 section 27.

EXHIBIT 10.6

LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("License") is made on this 12th day of November, 1999, by and between GHA MANAGEMENT CORPORATION, a New York corporation (hereinafter called "Licensor"), and ANTIGENICS INC., a Delaware corporation and its affiliates, including but not limited to ANTIGENICS, LLC (hereinafter collectively referred to as "Licensee").

Reference is made to a Lease dated December 6, 1995, between Licensor, as Tenant, and Rockefeller Center Properties, as Landlord, as amended pursuant to that certain First Amendment to Lease dated October 23, 1996 by and between RCPI Trust as successor to Rockefeller Center Properties (hereinafter called "Landlord") for space on the 9th floor and 21st floor of the building (hereinafter "Building") known as 630 Fifth Avenue (hereinafter "Premises"), and comprising a part of Rockefeller Center, in the Borough of Manhattan, New York, N.Y., as more particularly described in the Lease (the Lease and the First Amendment thereto are hereinafter collectively referred to as the "Lease").

WHEREAS, the Licensor and Licensee have agreed that Licensor will license to Licensee the Premises consisting of approximately ninety-six percent (96%) of the rentable square footage described in the Lease ("Licensed Premises") and more particularly described in EXHIBIT A attached hereto and made a part hereof; and

WHEREAS, the Lease provides that Licensor may enter into license agreements with Licensee, without Landlord's consent, pursuant to which Licensee may occupy the Licensed Premises for general office use.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and for the mutual covenants contained herein, the parties agree as follows.

1. LICENSE; COMMENCEMENT DATE. Licensor licenses to Licensee, and Licensee licenses from Licensor, the Licensed Premises, for the term commencing at noon on November 12, 1999 ("Commencement Date").

2. EXPIRATION DATE. This License shall expire on the date specified as the expiration date by the Lease.

3. CONDITION OF THE SUBLEASED PREMISES. The Licensed Premises are licensed to Licensee in their condition on the date hereof and Licensor has made no representations, warranties or promises with respect to the Licensed Premises or the suitability thereof for the uses contemplated by this License. Licensee agrees to accept possession of the Licensed Premises on the Commencement Date "as is," in the same condition as it is on the date hereof.

4. PAYMENT FOR LICENSE. Licensee shall pay Licensor ninety-six percent (96%) of the total rent payable under the Lease ("License Payment"). The License Payment shall be drawn on a U.S. bank, payable in advance in equal monthly installments on the Commencement Date and thereafter on the first day of each calendar month in advance. The License Payment shall be prorated for any partial month at the beginning of the License Term. The License Payment shall be payable without demand, notice, set-off, or counterclaim at Licensor's address set forth above or at such other places as may be set forth in notices, from time to time, from Licensor to Licensee.

5. USE. The Licensee shall use the Licensed Premises only for the uses permitted by the Lease.

6. SUBORDINATE TO LEASE. This License and all of its terms, covenants, representations, warranties, agreements and conditions are in all respects subject and subordinate to the Lease, which Lease has been submitted to and examined by Licensee.

7. LICENSEE OBLIGATIONS UNDER LEASE. For so long as the Lease remains in full force and effect, Licensee agrees to perform, fulfill, and observe all of the covenants, agreements, obligations, conditions, representations, warranties, terms and provisions imposed upon Licensor as Tenant of the Licensed Premises under the Lease except for the amount of the License Payment which shall be governed by this License.

8. TERMINATION. This License shall terminate upon the termination of the Lease for any reason whatsoever, without any liability therefor on the part of Licensor to Licensee with the same force and effect as if the date of such termination had been provided expressly in this License as the day of the expiration hereof. In the event of such termination or expiration of this License, Licensee shall remove any and all personal property contained in the Licensed Premises and surrender possession of the Licensed Premises in the same condition as the condition on the Commencement Date on or before the Expiration Date.

9. BROKERAGE REPRESENTATIONS. Licensor represents and warrants that it has not dealt with any broker in connection with this License and will indemnify and hold harmless Licensee from and against any loss or expense suffered by Licensee as a result of such dealings with any broker. Licensee represents and warrants that it has not dealt with any broker in connection with this License and will indemnify and hold harmless each of Licensor from and against any loss and expenses suffered by either of them as a result of such dealings with any broker.

10. NOTICES. Any notice required hereunder shall be deemed to have been given if delivered Certified Mail, Return Receipt Requested, or by overnight courier such as Federal Express, to:

If to Landlord: RCPI Trust
c/o Tishman Speyer Properties, L.P.
45 Rockefeller Plaza
New York, New York 10111

If to Licensor: GHA Management Corporation
630 Fifth Avenue
New York, New York 10111
Attention: Garo Armen

With a copy to: Palmer & Dodge LLP
One Beacon Street
Boston, Massachusetts 02108
Attention: Michael Lytton

If to Licensee: Antigenics Inc.
630 Fifth Avenue
New York, NY 10111
Attention: Garo Armen

Any party may change its address for notice by notifying the other parties as aforesaid.

11. ENTIRE AGREEMENT. All prior understandings and agreements between the parties are merged within this License, which alone fully and completely sets forth the understanding of the parties, and this License may not be changed or terminated orally or in any manner other than by an agreement in writing and signed by the party against whom enforcement of the change or termination is sought.

12. BINDING EFFECT. The covenants and agreements herein contained shall bind and inure to the benefit of Licensor and Licensee and their respective successors and assigns.

13. GOVERNING LAW. The License and all rights and remedies thereunder shall be governed by the law of the State of New York.

IN WITNESS WHEREOF the parties hereto set their hands and seals this 12th day of November, 1999.

LICENSOR:

ATTEST: GHA MANAGEMENT CORPORATION

/s/ Jeffrey Rona By: /s/ Garo Armen
- ---------- ----------
Garo Armen, Ph.D.
Chief Executive Officer

LICENSEE:
ATTEST: ANTIGENICS INC.

/s/ Jeffrey Rona By: /s/ Garo Armen
- ---------- ----------
Garo Armen, Ph.D.
Chief Executive Officer

EXHIBIT A

LICENSED PREMISES

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

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

FTF Promissory Note & Schedule

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

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

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

FTF Promissory Note & Schedule

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

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

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.

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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

EXHIBIT 10.8

PATENT LICENSE AGREEMENT

This Patent License Agreement (the "Agreement") is made and entered as of the 1st day of November, 1994 by and between Antigenics, Inc., a Delaware corporation having its principal place of business c/o Armen Partners, L.P., 135 East 57th Street, 30th Floor, New York, N.Y. 10022 ("Antigenics"), and Mount Sinai School of Medicine, located at One Gustave L. Levy Place,. New York, NY 10029 ("MSSM").

RECITALS:

WHEREAS, Dr. Pramod K. Srivastava ("Dr. Srivastava") was formerly on the faculty of and performed research and development at. MSSM in the area of the use of heat shock proteins for the development of therapeutic and prophylactic vaccines for cancer and infectious diseases;

WHEREAS, Antigenics desires to obtain and MSSM desires to grant exclusive licenses to the patent rights which resulted from Dr. Srivastava's research and development efforts in heat shock proteins at MSSM;

NOW, THEREFORE, in consideration of the mutual covenants expressed herein and other good and valuable consideration, Antigenics and MSSM hereby agree as follows;

1. LICENSE OF PATENT RIGHTS.

(a) DEFINITIONS OF PATENT RIGHTS. "MSSM Patent Rights" shall be defined as U.S. patent application serial nos. [ ]* and all U.S. patents which issue therefrom, including without limitation, any continuations, divisionals, continuations-in-part, reissues, reexaminations and related foreign applications and patents issuing therefrom or patents which are owned by MSSM based on Pramod Srivastava's work conducted at MSSM prior to January 1, 1994. For purposes of this Agreement, the term "Licensed Products" shall be defined as products covered by the MSSM Patent Rights.

(b) GRANT OF LICENSE. In consideration if the royalty set out in Section 2(a) and other consideration set forth in Section 2(b), MSSM hereby grants to Antigenics a worldwide, exclusive license to all MSSM Patent Rights. In consideration of the mutual covenants herein contained, MSSM hereby agrees to execute and deliver all documents and instruments and to take any other action on a best efforts basis which Antigenics shall deem necessary to perfect patent protection in the United States and in foreign countries with respect to, or to perfect said exclusive license to the MSSM Patent Rights in Antigenics.

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

(c) RIGHT TO SUBLICENSE. Antigenics may not grant sublicenses to the MSSM Patent Rights without the prior written consent of MSSM.

(d) PROTECTION OF MT. SINAI PATENT RIGHTS. MSSM hereby agrees that upon request of Antigenics, authorized officials of MSSM will execute and deliver any and all documents or instruments and take any other action which Antigenics shall deem necessary to transfer and vest an exclusive license in Antigenics, to perfect copyright and patent protection with respect to, or to protect Antigenics' interest in, all of its rights and interests in and to such MSSM Patent Rights. Antigenics shall have the right to prepare, file and prosecute, by counsel of its choice, any U.S. and foreign patent applications covering inventions arising out of the MSSM Patent Rights. Antigenics shall prepare, file and prosecute any such patent applications at its own expense. In the event that Antigenics elects not to apply for patent protection in a foreign country, or fails to prosecute U.S. patent applications, MSSM shall have the right to prepare and file its own patent application at MSSM's expense. Without limiting the generality of the foregoing, MSSM specifically agrees to execute all documents, and take any other actions necessary to perfect filing of such patent applications in the U.S. Patent and Trademark Office and in such foreign Patent Offices as Antigenics shall choose to file. MSSM agrees to notify Antigenics of any Patent Office actions taken after execution of this Agreement which affect the Patent Rights to the extent that MSSM is aware of such Patent Office actions. MSSM will use its best efforts to assist Antigenics with responses to such Patent Office actions. The obligations of this Section 1(d) shall be binding upon the successors and assigns of MSSM. Antigenics agrees to pay all copyright and patent fees and reasonable expenses incurred by MSSM for any assistance rendered to Antigenics pursuant to the foregoing.

(e) NIH AND OTHER INSTITUTIONAL FUNDING. MSSM and Antigenics each acknowledges that certain of the research and development efforts that are embodied in MSSM Patent Rights were funded in whole or in part by institutions other than MSSM, including the National Institutes of Health and the Cancer Research Institute (the "Institutions").

MSSM represents and warrants that it has taken and will take any actions required by such Institutions or applicable law to be taken to obtain ownership right, title and interest in any MSSM Patent Rights to be licensed hereunder. Both Antigenics and MSSM agree to comply with all laws, regulations and requirements of NIH or any other government agency with respect to research sponsored by such agency and MSSM Patent Rights resulting therefrom. Without limiting the foregoing, if required by law, Antigenics agrees to manufacture in the United States Licensed Products which are to be sold in the United States.

2. ROYALTIES; EQUITY INTEREST.

(a) ROYALTIES. For the rights and privileges granted under this Agreement, Antigenics shall pay to MSSM a royalty of [ ]* on Net Sales of Licensed Products from the date hereof until the date the last patent embodying or using the

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

Patent Rights has expired. For purposes of this Agreement "Net Sales" shall mean sales that are net of any take-backs and/or trade discounts or allowances whether Licensed Products are sold by Antigenics or another party with which Antigenics has a marketing agreement. Royalties are payable for sales of Licensed Products only if a patent has been issued or is pending which covers the country or countries in which such Licensed Products are sold. If and only for so long as gross margins on Net Sales of Licensed Products [ ]*, Antigenics shall pay MSSM a royalty of [ ]* of Net Sales of such Licensed Products.

On or before the forty-fifth (45th) day following each fiscal quarter, Antigenics shall submit to MSSM full and accurate statements showing the quantity, description and Net Sales of Licensed Products distributed and/or sold during the preceding fiscal quarter, including any additional information kept in the ordinary course of business by Antigenics, which is appropriate to enable an independent determination of the amount due hereunder. All payments then due MSSM shall be made simultaneously with the submission of the statements. Such quarterly statements shall be submitted only when they reflect any sales. Antigenics shall inform MSSM within thirty (30) days of the first sale of Licensed Products. In addition, Antigenics will provide MSSM with audited financial statements within ninety (90) days of the end of Antigenics' fiscal year provided, however, that Antigenics shall not be required to deliver audited financial statements until such time as there are sales of Licensed Products.

(b) EQUITY INTEREST. For the rights and privileges granted under this Agreement, in-addition to the royalty described in Section 2(a), Antigenics shall, [

]*.

3. DUE DILIGENCE.

Antigenics represents and warrants that it will use due diligence to make Licensed Products commercially available. Antigenics will use its best efforts to reach the following milestones:

(i) [

]*.

(ii) [ ]*.

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

(iii) [

]*.

(iv) [

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(v) [

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(vi) [
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(vii) [
]*.

(viii) [
]*.

Antigenics will notify MSSM as to the status of the milestones outlined in this Section 30 days prior to the date of each milestone. If at any time MSSM is of the opinion that Antigenics is not using due diligence to make Licensed Products commercially available, as outlined above, MSSM shall notify Antigenics to that effect, and Antigenics shall have six (6) months after such notice within which to cure or to make arrangements satisfactory to MSSM. If at the end of the six (6) month period MSSM and Antigenics cannot agree that Antigenics is using due diligence, then MSSM may, at its option, convert the exclusive license described in section 1(b) to a non-exclusive license upon thirty (30) days' notice to Antigenics. At such time as the exclusive license becomes non-exclusive, MSSM's obligations pursuant to Section 1(d) shall terminate. Notwithstanding the foregoing, Antigenics' obligation to pay royalties pursuant to Section 2(a) shall not terminate upon any conversion of the exclusive license to a non-exclusive license.

4. INDEMNIFICATION. Antigenics shall indemnify, defend and hold harmless, MSSM, its directors, officers, employees and agents (the "Indemnitees") from and against any liability, damage, loss or expense (including reasonable attorney's fees) incurred or imposed upon Indemnitees arising in connection with any claim, suit, action, loss, settlement, demand or judgment that arises, directly or indirectly, out of the design, manufacture, sale, use, distribution or promotion by Antigenics or any of its licensees, affiliates or agents of any product, process or service developed pursuant to this Agreement or arising out of the acts or omissions of Antigenics committed in the course of the performance of this Agreement. Antigenics'

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obligation to protect, defend, indemnify and hold harmless hereunder shall survive the expiration and termination of the Agreement.

Antigenics agrees to obtain product liability insurance covering claims arising or resulting from the design, manufacture, sale, use, distribution or promotion f the Licensed Products prior to the time human clinical trials o the Licensed Products are commenced. The amount of such product liability insurance will be acceptable to MSSM and consistent with industry practice for companies which are similar to Antigenics and institutions which are similar to MSSM. Such insurance shall be underwritten by insurers acceptable to MSSM, and shall list MSSM as an additional named insured.

5. NON-DISCLOSURE.

Unless required by law, MSSM agrees that it will not at any time, either during or after the term of this Agreement, without the prior written consent of Antigenics, divulge or disclose to anyone outside, or appropriate for its own use or lie use of any third party, any financial or patent-related information received from Antigenics after execution of this Agreement which is marked "Confidential" (such information shall be referred to as "Confidential Information"), and will not during the term hereof, or at any time thereafter, disclose or use or attempt to use any such Confidential Information for its own benefit, or the benefit of any third party, or in any manner which may injure or cause loss or may be calculated to injure or cause loss to Antigenics. MSSM's obligations contained in this subsection 5 shall lapse on the termination of this Agreement.

6. GENERAL.

(a) ENTIRE AGREEMENT. This Agreement constitutes the entire Agreement between the parties relative to the subject matter hereof, and supersedes all proposals or agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement.

(c) SEVERABILITY. The parties agree that each provision of this Agreement shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if any one or more of the provisions of this Agreement shall for any reason be held to be exclusively broad as to scope, activity or subject so as to be enforceable at law, such provisions shall be construed by the appropriate judicial body by limiting and reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

(d) ASSIGNMENT. Antigenics may assign its rights, together with its obligations hereunder, to any affiliate or successor in connection with any consolidation, merger, sale, transfer or other disposition of all or substantially all of Antigenics' business and assets. In the event of an consolidation or merger of Antigenics' with or into any other corporation, or the sale or conveyance of -all or substantially all of the assets of Antigenics to another corporation, the surviving or acquiring corporation shall be entitled to the rights and benefits provided under this Agreement, and become obligated to perform all of the terms and conditions hereof. The foregoing notwithstanding, Antigenics may also transfer its rights hereunder with the consent of MSSM which consent shall not be withheld unreasonably.

(e) GOVERNING LAW. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the internal laws of the State of New York.

(f) NOTICE. All notices provided for in this Agreement shall be given in writing and shall be effective when either served by personal delivery, express overnight courier service, or by registered or certified mail, return receipt requested, addressed to the parties at their respective address s herein set forth, or to such other address or addresses as either party may later specify by written notice to the other.

(g) SURVIVAL. The provisions set forth in Sections 4, 5, and 6 shall survive the termination or expiration of this Agreement for the periods set forth herein as a continuing agreement of the parties hereto.

(h) REMEDIES. The parties agree that a breach of the provisions of Section 5 of this Agreement by either party will cause irreparable damage to the other party and that in the event of such breach the party who has suffered the breach shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent the violation of the other party's obligations hereunder. Nothing herein contained shall be construed as prohibiting either party from pursuing any other remedies available to either for breach by the other under this Agreement or applicable law.

(i) TERM. The term of this Agreement shall be until the last patent embodying or using the MSSM Patent Rights has expired. MSSM may terminate this agreement if after at least sixty (60) days' written notice by MSSM to Antigenics, Antigenics shall continue to fail to pay any royalties then due under Section 2(a). The termination of this Agreement will not relieve Antigenics of its obligations to make any payments required hereunder.

(j) USE OF NAME. Except where required by law, Antigenics may not use the name "Mount Sinai School of Medicine", the MSSM logo or the MSSM insignia in any advertisement, commercial or product literature without the express written consent of MSSM. If Antigenics is required by law to use the name "Mount Sinai School of Medicine", Antigenics will only use such name in connection with factually correct information. The "Mount Sinai School of Medicine" name may be used in connection with fundraising activities of Antigenics with MSSM's consent, which consent may not be unreasonably withheld.

This Agreement may be executed in duplicate counterparts, which, when taken together, shall constitute one instrument and each of which shall be deemed to be an original instrument.

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

ANTIGENICS, INC.

By: /s/ Garo H. Armen

President

MOUNT SINAI SCHOOL OF MEDICINE

By: /s/ Nathan Kase

Title Dean MSSM

AMENDMENT TO
PATENT LICENSE AGREEMENT
BY AND BETWEEN
ANTIGENICS, INC.
AND
MOUNT SINAI SCHOOL OF MEDICINE

THIS AMENDMENT TO THE PATENT LICENSE AGREEMENT ("AMENDMENT"), effective as of June 5, 1995 ("EFFECTIVE DATE"), is made and entered into by and between ANTIGENICS, INC., a Delaware corporation having a principal place of business c/o Armen Partners, 135 East 57th Street, 30th Floor, New York, New York 10022, ("Antigenics") and MOUNT SINAI SCHOOL OF MEDICINE, having a principal of business at One Gustave L. Levy Place, New York, New York 10029 ("MSSM").

WHEREAS Antigenics and MSSM entered into a Patent License Agreement ("License Agreement") effective as of November 1, 1994 pursuant to which Antigenics obtained a worldwide, exclusive license under the MSSM Patent Rights (as defined in the License Agreement); and

WHEREAS Antigenics and MSSM desire to amend the License Agreement to provide for modification of the obligations of the parties.

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

1. RIGHT TO SUBLICENSE

Section 1(c) of the License Agreement is hereby amended to read in its entirety as follows:

> (c) RIGHT TO SUBLICENSE. Antigenics may grant sublicenses to the MSSM Patent Rights; provided that, at least ten (10) business days prior to the effective date of any such sublicense, Antigenics, in accordance with Section 6(f), shall provide written notice to MSSM of Antigenics' intention to grant such sublicense, such notice to be provided for the purpose of obtaining MSSM's consent. MSSM agrees that such consent shall not be unreasonably withheld. In addition, MSSM may provide comments to Antigenics relating to the terms and conditions of such sublicense. In the event that MSSM provides no comments to Antigenics in writing within five (5) business days after receipt of Antigenics' written notice, MSSM will be deemed to have given consent to such sublicense. In the event that MSSM provides comments to Antigenics in writing within five (5) business days after receipt of Antigenics' written notice, Antigenics shall consider such comments in good faith and shall in incorporate such comments into the sublicense to the extent necessary to provide that Antigenics complies with its obligations to MSSM under the License Agreement.

2. OTHER PROVISIONS

All provisions of the License Agreement not expressly modified by this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused authorized their duly authorized representatives to execute this Amendment.

ANTIGENICS, INC.	MOUNT SINAI SCHOOL OF MEDICINE
("Antigenics")	("MSSM")
By: /s/ Garo H. Armen	By: /s/ Nathan Kase
Name: Garo H. Armen	Name: Nathan Kase
Title: Chairman and CEO	Title: Dean

EXHIBIT 10.9

SPONSORED RESEARCH AND TECHNOLOGY LICENSE AGREEMENT

This Sponsored Research and Technology License Agreement (the "Agreement") is made and entered into this 28th day of March, 1995 by and between Antigenics, Inc., a Delaware corporation having its principal place of business c/o Armen Partners, L.P., 30 Rockefeller Plaza, Suite 4220, New York, N.Y. 10011 ("Antigenics"), and Fordham University, located at 441 East Fordham Rd., Bronx, New York 10458-5153 ("Fordham").

R E C I T A L S:

WHEREAS, Dr. Pramod K. Srivastava ("Dr. Srivastava") is currently on the faculty of and performing research and development at Fordham in the area of the use of heat shock proteins for the development of therapeutic and prophylactic vaccines for cancer and infectious diseases (the "Field");

WHEREAS, Antigenics desires to sponsor, support and fund Dr. Srivastava's research and development efforts at Fordham in the Field and obtain exclusive rights to the intellectual property which has resulted to date from his research and development efforts in the Field at Fordham and which may result from his continuing research and development efforts in the Field at Fordham; and

WHEREAS, Fordham desires to obtain funding for Dr. Srivastava's research and development efforts in the Field and to support the commercialization of the results of such efforts;

NOW, THEREFORE, in consideration of the mutual covenants expressed herein and other good and valuable consideration, Antigenics and Fordham hereby agree as follows:

1. Sponsored Research.

(A) PERIOD OF PERFORMANCE; TERM. This Agreement shall begin on the date hereof and shall continue in effect for a period of three (3) years (the "Initial Term"). The term of this Agreement shall be extended beyond the Initial Term for one or more additional one (1) year periods (individually, an "Additional Term") unless either party desires not to extend the term of this Agreement for an additional term, in which case such party shall give the other party at least thirty (30) days' prior written notice of his or its intention not to extend the Agreement for an Additional Term. As used in this Agreement, the term of the Agreement shall include the Initial Term and any Additional Terms. Notwithstanding the foregoing, Antigenics may terminate this agreement on thirty (30) days' prior notice if Dr. Srivastava dies, becomes incapacitated or otherwise incapable of performing his duties at Fordham or if Dr. Srivastava becomes affiliated with a university or institution other than Fordham. The termination of this Agreement will not relieve Antigenics of its obligation to make any payments due but unpaid on the date of termination.

(B) STATEMENT OF WORK. Fordham agrees to use its best efforts to facilitate the performance by Dr. Srivastava and his laboratory personnel at Fordham of the project set forth and described on EXHIBIT A attached hereto (the "Project").

(C) RESEARCH SUPPORT. Antigenics will supply the equipment to be associated with the Project as set forth and described on EXHIBIT B hereto. All such property supplied by Antigenics will be the property of Antigenics. Antigenics will pay Fordham [

]*. The parties agree to update EXHIBIT B from time to time and at least annually as of November 1 of each year during the term hereof. No update of EXHIBIT B will be effective unless executed by each of the parties hereto.

(D) PAYMENT. An initial payment of [ ]* has been paid to Fordham covering the quarter commencing November 1, 1994 and ending January 31, 1995. An additional payment of [ ]* will be made upon execution of this Agreement covering the quarter commencing. February 1, 1995 and ending April 30, 1995. The remaining quarterly payments of [ ]* will be payable in advance as of the first day of the quarter commencing May 1, 1995. Notwithstanding the foregoing, Fordham shall reimburse to Antigenics the pro rata portion of any quarterly payment paid if this Agreement shall terminate within a quarter for which payment has been made in advance.

2. LICENSE OF INTELLECTUAL PROPERTY.

(A) DEFINITION OF INTELLECTUAL PROPERTY. "Intellectual Property" shall mean all inventions, discoveries, know-how, technical information, improvements and other information which are or were conceived (whether or not reduced to practice) and/or made or become known (i) by employees of Fordham, including Dr. Srivastava, (ii) jointly by employees of Fordham and employees of Antigenics, if any, or (iii) by employees of or consultants to Antigenics, if any, at Dr. Srivastava's Fordham laboratory in the Field or resulting or arising from or in connection with the performance of the Project hereunder.

(B) GRANT OF LICENSE. In consideration of the research support set out in Section 1(C) hereinabove and other good and valuable consideration, Fordham hereby grants to Antigenics a worldwide, exclusive license to all Intellectual Property resulting or arising from or in connection with the performance of the Project hereunder, including all patents and patent applications and specifically the patent applications described in subsection 2(C) hereof.

(C) PROTECTION OF INTELLECTUAL PROPERTY RIGHTS. Fordham hereby agrees that it will promptly disclose to Antigenics any and all of such intellectual Property in a manner that will enable Antigenics to use effectively such Intellectual Property, and that, upon request of

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

Antigenics, authorized officials of Fordham will execute and deliver any and all documents or instruments and take any other action which Antigenics shall deem necessary to transfer and vest an exclusive license in Antigenics, to perfect copyright and patent protection with respect to, or to protect Antigenics' interest in, all of its rights and interests in and to such Intellectual Property. Antigenics shall have the right to prepare, file and prosecute, at its own expenses, by counsel of its choice, any U.S. and foreign patent applications covering inventions arising out of the Intellectual Property. Without limiting the generality of the foregoing, Fordham specifically agrees to execute all documents, to ensure the cooperation of its employees, and take any other actions necessary to perfect filing of such patent applications in the U.S. Patent and Trademark Office and in such foreign Patent Offices as Antigenics shall choose to file. The obligations of this Section 2 shall continue beyond the termination of this agreement with respect to such Intellectual Property and shall be binding upon the successors and assigns of Fordham. Antigenics agrees to pay all copyright and patent fees and expenses incurred by Fordham for any assistance rendered to Antigenics pursuant to the foregoing.

(D) RIGHT TO SUBLICENSE. Antigenics may not grant sublicenses to the Intellectual Property without the prior written consent of Fordham which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Antigenics may grant sublicenses to the Intellectual Property to its affiliates without the prior written consent of Fordham.

(E) NIH AND OTHER INSTITUTIONAL FUNDING. Fordham and Antigenics each acknowledges that certain of the research and development, efforts that are embodied in certain of the Intellectual Property to which Antigenics will receive exclusive license rights hereunder were funded in whole or in part by institutions other than Fordham, including the National Institutes of Health and the Cancer Research Institute (the "Institutions"). The parties also acknowledge that the Project may be partially funded by other Institutions. Fordham hereby represents and warrants that it has taken and will take any actions required by such Institutions or applicable law to be taken to obtain ownership right, title and interest in any Intellectual Property to be licensed hereunder. During the term hereof, both Antigenics and Fordham agree to comply with all laws, regulations and requirements of NIH or any other government agency with respect to research sponsored by such agency and Intellectual Property resulting therefrom. Each party agrees to indemnify and hold harmless the other party in the event of a breach of the provisions of this Section 2(E).

3. ROYALTIES. For the rights and privileges granted under this Agreement, Antigenics shall pay to Fordham a royalty of [ ]*on Net Sales of any product covered by any patent based on the Intellectual Property licensed hereunder from the date hereof until the date the last such patent has expired. For purposes of this Agreement "Net Sales" shall mean sales that are net of any take-backs and/or trade discounts or allowances whether products are sold by Antigenics or another party with which Antigenics has a marketing agreement. Royalties are payable for sales of products only if a patent has been issued or is pending which covers the country or countries in which such products are sold.

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

On or before the forty-fifth (45th) day following each fiscal quarter, Antigenics shall submit to Fordham full and accurate statements showing the quantity, description and Net Sales of any products distributed and/or sold during the preceding fiscal quarter and covered by the foregoing royalty payment obligation, including any additional information kept in the ordinary course of business by Antigenics, which is appropriate to enable an independent, determination of the amounts due hereunder. All payments then due Fordham shall be made simultaneously with the submission of the statements. Such quarterly statements shall be submitted only when they reflect any sales. Antigenics shall inform Fordham within thirty (30) days of the first such sale. In addition, Antigenics will provide Fordham with audited financial statement within ninety (90) days of the end of Antigenics' fiscal year provided, however, that Antigenics shall not be required to deliver-audited financial statements until such time as there are sales hereunder.

4. ACKNOWLEDGMENT OF AGREEMENT BETWEEN ANTIGENICS AND DR. SRIVASTAVA. Fordham hereby acknowledges that Dr. Srivastava will enter into an agreement or agreements with Antigenics which will provide, among other things, for Dr. Srivastava to receive an equity interest in Antigenics and to consult for Antigenics.

5. MUTUAL NON-DISCLOSURE.

(A) PROPRIETARY INFORMATION. For purposes of this Agreement, the term "Proprietary Information" shall mean all knowledge and information which each party hereto has acquired or may acquire as a result of, or related to the performance of the terms of this Agreement concerning the other party's business, finances, operations, strategic planning, research and development activities, products, molecules, organisms, laboratory materials, prototypes, software programs, firmware, designs, systems, improvements, applications, processes, trade secrets, services, cost and pricing policies, and including, but not limited to, information relating to formulae, diagrams, schematics, notes, data, memoranda, methods, know-how, techniques, inventions, and purchasing, merchandising and selling strategies. Notwithstanding the foregoing sentence such Proprietary Information does not include (i) information which is or becomes publicly available (excepts as may be disclosed by either party in violation of this Agreement), or (ii) information acquired by either party from a third-party source, other than the other party or any of its employees, consultants or shareholders, which source legally acquired such information from the party for whom the information is Proprietary Information.

(B) NONDISCLOSURE OBLIGATION. Each party agrees that it will not at any time, either during or after the term of this Agreement, without the prior written consent of the other party, divulge or disclose to anyone outside of the other party, or appropriate for his own use or the use of any third party, any such Proprietary Information, and will not during the term hereunder, or at any time thereafter, disclose or use or attempt to use any such Proprietary Information for his own benefit, or the benefit of any third party, or in any manner which may injure or cause loss or may be calculated to injure or cause loss to the other party. Each party's obligations contained in this subsection 5(B) shall lapse on the fifth anniversary of the termination of this Agreement. Each party shall obtain from personnel, agents or other representatives employed or engaged by it to perform any work hereunder an agreement which contains the provisions of this Section 5.

6. ANTIGENICS COLLABORATION. Subject to the nondisclosure obligations of Section 5 hereof, Antigenics agrees that during the term hereof it will share with the Fordham employees working on the Project hereunder the results of research and development efforts of Antigenics employees in the Field for the purpose of enhancing the performance of the Project hereunder.

7. PUBLICATIONS. Nothing in this Agreement shall prevent Fordham from submitting for publication to any academic journal or periodical the results of research relating to the Field or to which the services provided by Fordham to Antigenics hereunder shall then pertain. So long as Fordham is subject to a non-disclosure obligator under Section 5 hereof, Fordham shall deliver at least 30 days prior to any such submission for publication, to Antigenics a final form of the manuscript to be so submitted. Notwithstanding the foregoing obligation to deliver publications to Antigenics prior to submission for publication, Fordham does not need to obtain Antigenics' approval of any manuscript prior to publication of the manuscript. Fordham shall cooperate in a timely manner with Antigenics in taking any and all actions necessary to perfect copyright and patent protection with respect to, or to protect Antigenics' interest in, any Proprietary Information or Intellectual Property that Antigenics may deem to be disclosed in such manuscript.

8. CONSULTATION WITH NON-COMMERCIAL ENTITIES. Subject to all the provisions hereof, nothing herein shall preclude Fordham or employees of Fordham working on the Project hereunder from consulting in the Field with non-commercial entities and institutions.

9. GENERAL. This Agreement constitutes the entire Agreement between the parties relative to the subject matter hereof, and supersedes all proposals or agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement.

No provision of this Agreement shall be waived, amended, modified, superseded, cancelled, renewed or extended except in a written instrument signed by the party against whom any of the foregoing actions is asserted. Any waiver shall be limited to the particular instance and for the particular purpose when and for which it is given.

The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision of this Agreement.

This Agreement, the Project to be performed and all rights hereunder may not be transferred or assigned by Fordham at any time. Antigenics may assign its rights, together with its obligations hereunder, to any affiliate or successor in connection with any consolidation, merger, sale, transfer or other disposition of all or substantially all, of Antigenics' business and assets. In the event of any consolidation or merger of Antigenics' with or into any other corporation, or the sale or conveyance of all or substantially all of the assets of Antigenics to another corporation, the surviving or acquiring corporation shall he entitled to the rights and benefits of the services provided under this Agreement, and become obligated to perform all of the terms and conditions hereof. The foregoing notwithstanding, Antigenics may transfer its Proprietary Information without limitation.

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the internal laws of the State of New York.

All notices provided for in this Agreement shall be given in writing and shall be effective when either served by personal delivery, express overnight courier service, or by registered or certified mail, return receipt requested, addressed to the parties at their respective addresses herein set forth, or to such other address or addresses as either party may later specify by written notice to the other.

This Agreement may be executed in duplicate counterparts, which, when taken together, shall constitute one instrument and each of which shall he deemed to be an original instrument.

The provisions of Sections 2, 3, 5 and 7 shall survive the termination or expiration of this Agreement for the periods set forth herein as a continuing agreement of the parties hereto.

The parties agree that a breach of the provisions of Sections 2, 3, 5 and 7 of this Agreement by either party will cause irreparable damage to the other party and that in the event of such breach either party shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent the violation of the other party's obligations hereunder. Nothing herein contained shall he construed as prohibiting either party from pursuing any other remedies available to either for breach by the other under this Agreement or applicable law.

The parties agree that each provision of this Agreement shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if any one or more of the provisions of this Agreement shall for any reason be held to be exclusively broad as to scope, activity or subject so as to be unenforceable at law, such provisions shall be construed by the appropriate judicial body by limiting and reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable low as it shall then appear.

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

ANTIGENICS, INC.

By: /s/ Garo H. Armen

President

FORDHAM UNIVERSITY

By: [AUTHORIZED SIGNATORY]

Title:

EXHIBIT A

THE PROJECT

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

EXHIBIT B

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]*.

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

AMENDMENT TO
SPONSORED RESEARCH AND
TECHNOLOGY LICENSE AGREEMENT
BY AND BETWEEN
ANTIGENICS, INC.
AND
FORDHAM UNIVERSITY

THIS AMENDMENT TO THE SPONSORED RESEARCH AND TECHNOLOGY LICENSE AGREEMENT ("AMENDMENT"), effective as of March 22, 1996 ("EFFECTIVE DATE"), is made and entered into by and between ANTIGENICS, INC., a Delaware corporation having a principal place of business c/o Armen Partners, L.P., 630 Fifth Avenue, Suite #918, New York, New York 10111, ("Antigenics") and FORDHAM UNIVERSITY, having a principal of business at 441 East Fordham Road, Bronx, New York 10458 ("Fordham").

WHEREAS Antigenics and Fordham entered into a Sponsored Research and Technology License Agreement ("License Agreement") effective as of March 28, 1995 pursuant to which Antigenics (i) agreed to fund certain research activities by Dr. Pramod K. Srivastava at Fordham, and (ii) obtained a worldwide, exclusive license under Intellectual Property (as defined in thc License Agreement); and

WHEREAS Antigenics and Fordham desire to amend the License Agreement to provide for modification of the obligations of the parties.

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

1. GRANT

Section 2(B) of the License Agreement is hereby amended to read in its entirety as follows:

> (B) GRANT OF LICENSE. In consideration of the research support set out in Section 1(C) hereinabove and other good and valuable consideration, Fordham hereby grants to Antigenics a worldwide, exclusive license to all Intellectual Property, including without limitation all patents and patent applications therein.

2. RIGHT TO SUBLICENSE

Section 2(D) of the License Agreement is hereby amended to read in its entirety as follows:

> (D) RIGHT TO SUBLICENSE. Antigenics may grant sublicenses to the Intellectual Property; provided that, at least ten (10) business days prior to the effective date of any such sublicense, Antigenics shall provide written notice to Fordham of Antigenics'

intention to grant such sublicense, such notice to be provided in accordance with the provisions of Section 9. Fordham may provide comments to Antigenics relating to the terms and conditions of such sublicense. In the event that Fordham provides comments to Antigenics, Antigenics shall consider such comments in good faith; provided that such comments are received by Antigenics within ten (10) business days after Fordham's receipt of Antigenics written notice. Antigenics acknowledges that it is aware of, and will take fully into account the distinctive history, tradition and mission of Fordham, in its evaluation and selection of sublicensees under the Intellectual property. Antigenics agrees that the economic terms and conditions of any sublicense granted by Antigenics will be at least as favorable as the economic terms and conditions of the license between Fordham and Antigenic relating to the Intellectual Property. In addition, Antigenics agrees that it will include in any sublicense granted by Antigenics the condition that in the event of any event of, or filing for, bankruptcy, arrangement among creditors or any other procedure sounding in insolvency, the sublicense, to the extent permitted by applicable law, will be immediately terminated and of no further force or effect.

3. OTHER PROVISIONS

All provisions of the License Agreement not expressly modified by this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Amendment.

ANTIGENICS, INC. ("Antigenics")	FORDHAM UNIVERSITY ("FORDHAM")
By: /s/ Garo H. Armen	By: /s/ Robert W. Charrubba
Name: Garo H. Armen	Name: Robert W. Charrubba
Title: Chairman & CEO	Title: VP for Academic Affairs

EXHIBIT 10.10

RESEARCH AGREEMENT

This Agreement is made by and between:

Antigenics, L.L.C., a limited liability company organized and existing under the laws of the State of Delaware, having an office at 630 Fifth Avenue, Suite # 2170, New York, NY 10111, hereinafter referred to as Sponsor.

and

The University of Connecticut Health Center, an agency of the State of Connecticut, having a business address at 263 Farmington Avenue, Farmington, Connecticut, 06030, hereinafter referred to as UCHC.

and

Pramod Srivastava, Ph.D., Professor of Immunology, and Director, Center for Immunotherapy of Cancer and Infectious Diseases, University of Connecticut Health Center, having a business address at MC-1601, University of Connecticut Health Center, 263 Farmington Avenue, Farmington, Connecticut, 06030, hereinafter referred to as Principal Investigator.

The purpose of this Agreement is to promote the increase of useful knowledge relating to a project entitled, "Use of heat shock proteins for the development of therapeutic and prophylactic vaccines for cancer and infectious diseases."

IT IS AGREED:

1.0 The UCHC agrees to undertake certain research (hereinafter referred to as the Project) specifically described in the attached proposal (Appendix A) which by reference is incorporated into this Agreement, and such other work as may be mutually agreed upon in a duly executed amendment to this Agreement.

2.0 The Project and all work assignments shall be carried out under the direction of the Principal Investigator, while employed by UCHC, and by other research staff employed by UCHC (e.g. technician, graduate student, postdoctoral follow, staff assistant, hereinafter collectively referred to as Personnel), as assigned by Principal Investigator.

3.0 The Project covered by this Agreement shall commence on February 12, 1998 and shall extend for a period of 58.5 months, expiring on December 31, 2002.

4.0 UCHC agrees to furnish such available facilities as it shall determine necessary for the work to be done on this Project. During the term of this Agreement, UCHC and the Principal Investigator will permit, upon reasonable notice and at reasonable times, representatives of Sponsor to observe research facilities utilized for and research performed by Principal Investigator pursuant to this Agreement.

5.0 Sponsor agrees to pay UCHC the sum of [ ]* for this Project in accordance with the agreed budget (Appendix B), plus any agreed to excess costs as evidenced by a writing signed by both parties; payments to be made as follows:

[	]*	Payable upon execution of Agreement
[	]*	Payable by no later than May 15, 1998
[	]*	Payable by no later than August 15, 1998
[	]*	Payable by no later than November 15, 1998

Payments for all subsequent years shall be due by no later than February 15, May 15, August 15, and November 15 of each year.

Sponsor further agrees to pay preaward costs incurred by Dr. Srivastava upon submission of an invoice in an amount not to exceed [ ]*. Payment of said preaward costs shall be made within ten day of Sponsor's receipt of the invoice.

5.1 Payments are to be made to:

University of Connecticut Health Center
Grant and Contract Administration
ASB3, MC 5335
263 Farmington Ave.
Farmington, CT 06030
Attn.: Ken Landorf, Manager
IRS No.: 52-1725543

6.0 The Principal Investigator shall furnish Sponsor with written reports on the progress of the work on dates as mutually agreed upon and a final report on the entire Project within ninety (90) days after termination of this Agreement.

7.0 The data and information accruing from the Project may be published in writing or orally presented by the Principal Investigator, but Sponsor shall be provided with a copy of any proposed written manuscript at least thirty (30) day prior to submission or the text of any oral disclosure at least fourteen (14) days prior to its presentation and shall have thirty (30) days in the case of written manuscripts and fourteen (14) days in the case of oral presentations for review of patentable items or items deemed confidential and proprietary as defined in Article 8.0.

7.1 If Sponsor believes that any planned publication contains a patentable development, publication, or presentation shall be delayed for a reasonable time to permit the filing of a patent application(s). If the patent application is prepared under direction of UCHC, counsel approved by the Sponsor from the list of firms

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having Professional Employment Agreements with the Attorney General of the State of Connecticut for the purposes of patent preparation, prosecution and maintenance of University of Connecticut inventions conceived or reduced to practice in the conduct of the Project shall be used. Sponsor shall have the right to elect to use its own counsel who will then conduct such patent preparation, prosecution, and maintenance. If Sponsor elects to use its own counsel, said counsel shall be subject to UCHC approval, which approval shall not be unreasonably withheld. When such election has been approved by UCHC, Sponsor, and Sponsor's counsel, or their agents shall provide UCHC and its agents on a timely basis with copies of all correspondence and patent application submissions (including but not limited to parent, continuation, continuation-in-part or reissue applications) by and between Sponsor and Sponsor's counsel and/or agents and the U.S. Patent and Trademark Office. Notwithstanding the preceding service requirement, Sponsor and Sponsor's counsel and/or agents shall make diligent efforts to provide all such correspondence and applications to UCHC or UCHC's agents prior to their submission and shall to the extent practicable consult with UCHC and its agents regarding the form of such submissions. UCHC acknowledges and approves Sponsor's election to use as patent counsel the firm of Pennie and Edmonds, New York, NY.

7.2 Sponsor shall reimburse UCHC for all costs associated with UCHC's filing, prosecution and maintenance of patents arising form this work pursuant to Sponsor's request that is carried out by UCHC counsel. If Sponsor has elected to use it's own counsel and UCHC has approved such election, Sponsor shall directly pay all costs associated with the preparation, submission and maintenance of the resulting patent carried out by its counsel.

7.3 UCHC and the Principal Investigator shall not disclose to other or publish any information disclosed to the Principal Investigator by Sponsor which is confidential within the meaning of Article 8.0 without the prior written approval of Sponsor.

8.0 UCHC and Principal Investigator agree to hold in confidence all information which Sponsor may wish to disclose to Principal Investigator in writing and marked "CONFIDENTIAL" under this Agreement except:

a. technical information which at the time of disclosure publicly known or available;

b. technical information which after disclosure is published or otherwise becomes publicly known or available through no fault of Principal Investigator;

c. technical information which was in the possession of the Principal Investigator at the time of disclosure and was not acquired from Sponsor under an obligation of confidence.

9.0 Sponsor shall retain patent rights to all of its technologies currently protected by existing patents or pending patent applications, and for technologies developed by Sponsor outside the terms of this Agreement.

9.1 Pursuant to the work performed under this Agreement UCHC shall retain patent rights to all new technologies developed as a result of intellectual contributions of UCHC's faculty or staff or involving the use of UCHC facilities or resources.

9.2 UCHC shall provide Sponsor with a copy of each written invention disclosure of intellectual property conceived or developed in the conduct of the Project within forty five (45) days of its submittal to the UCHC, in sufficient detail so as to enable one skilled in the art to understand the subject matter of the invention. The UCHC shall also notify Sponsor immediately of any potential statutory bar, including but not limited to, the dates of any publication, presentation or other disclosure of the intellectual property accruing to the project.

9.3 For new inventions, other than incremental improvements which are dominated by existing patents or pending patent applications for which Sponsor holds a license, UCHC agrees to grant and hereby grants to Sponsor an option to secure a royalty-bearing exclusive license, including the right to grant sublicenses, under reasonable terms with the right to make, use and sell, have made, have used, import and offer for sale the claimed invention of any patent or patent application which is based on any invention conceived or reduced to practice in the conduct of the Project, subject to Article 9.1 above. The license (and all sublicenses) will include a royalty rate in an amount [

]*. Such option shall be in effect and exercisable for each invention within [ ]* from the date of filing a U.S. patent application on each such invention. Upon exercise of such option, the terms and conditions of the license will be negotiated in good faith by the parties. In the absence of agreement [ ]*, which time shall be extended upon mutual written agreement, the dispute shall be submitted to a mutually acceptable third-party mediator, which period of mediation shall not exceed 90 days or such longer period as may be mutually acceptable to the parties.

9.4 For inventions which are incremental improvements dominated by existing patents or pending patent applications for which Sponsor holds a license, UCHC agrees to grant and hereby grants to Sponsor an option to secure a royalty-bearing exclusive license with the right to make, use and sell, have made, have used, import and offer for sale the claimed invention conceived or reduced to practice in

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the conduct of the Project. Such option shall be in effect and exercisable within [ ]* from the date of filing a U.S. Patent Application on each such invention. In the case of Licensed Products that incorporate the UCHC Technology but are dominated by patent applications licensed by Sponsor from one other third party, Sponsor shall pay UCHC a royalty calculated at the rate of [ ]* of Net Sales of Licensed Product. In the case of Licensed Products that incorporate the UCHC technology but are dominated by patent applications licensed by Sponsor from two or more third parties, Sponsor shall pay UCHC a royalty calculated at the rate of [ ]* of Net Sales of Licensed Product. Upon exercise of such option, the remaining terms and conditions of the license will be negotiated in good faith by the parties. In the absence of agreement within[ ]* from the date of exercise of such option, which time period shall be extended upon mutual written agreement, the dispute shall be submitted to a mutually acceptable third-party mediator, which period of mediation shall not exceed 90 days.

9.5 For the purposes of this Article 9 the terms, Licensed Product and Net Sales shall be defined as follows:

- Affiliates are defined as any entity which controls, is controlled by or is under common control with Licensee. An entity shall be regarded as in control of another entity if it owns or controls more than fifty percent (50%) of the voting power of such entity.

- Licensed Product(s) means any method, procedure, process, product, or component part thereof conceived or developed by UCHC in the conduct of the Project whose manufacture, sale, use, importation, or offer for sale is covered by the claim of a pending patent application or which could be construed to infringe the licensed patent in the absence of the license.

- Net Sales means total billings for Licensed Product(s), determined in accordance with generally accepted accounting principles, sold by Licensee, its Affiliates and sublicensees, less: (a) discounts allowed in amounts customary in the trade; (b) sales, tariff duties and/or use taxes directly imposed and with reference to particular sales; (c) outbound transportation prepaid or allowed; and (d) amounts allowed or credited on returns. Licensed Products shall be considered "sold" when billed out or invoiced. Sales of Licensed Product(s) between or among Licensee, its Affiliates and sublicensees shall not be subject to any royalty hereunder, and in such cases royalties shall be calculated upon Licensee's or its Affiliates' or sublicensees' Net Sales to an independent third party. Licensee shall be responsible for payment of any royalty accrued on Net Sales of Licensed Products to such independent third party through Licensee's Affiliates or

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sublicensees. Royalties shall accrue hereunder only once in respect of the same unit of the Licensed Product.

9.6 As to all licenses which may be granted by UCHC to Sponsor under the terms of this Agreement, UCHC retains a perpetual royalty-free non-exclusive right to use the licensed property, product, procedure or process and to use the licensed UCHC technology for basic and clinical research, and the educational purposes of the UCHC, and not for any commercial purpose.

10.0 UCHC and Sponsor agree that the Principal Investigator and Personnel are acting as employees of UCHC and not as agents or employees of Sponsor.

11.0 No advertising or publicity matter having or containing any reference to either party shall be used by the other party without advanced written authorization. Notwithstanding the afore-stipulated restrictions, Sponsor may use publications containing the name of UCHC and other documentation (abstracts, poster presentations, etc.) which are generally accessible to the public without the further review and consent of UCHC. All other advertising and publicity matter shall be submitted to the Office of the Vice Chancellor for Research for review prior to its use or public release. Said documentation shall be reviewed expeditiously, and in no event shall such review be unreasonably delayed. In addition, UCHC may disclose the sponsorship, title, duration and total budget of this project in UCHC's "Annual Report of Research and Scholarly Activity," and in such other reports as may be required by the UCHC's Administration, Board of Trustees or by the Board of Governors of Higher Education.

12.0 UCHC agrees that there shall be no change in the Principal Investigator without prior written approval of Sponsor.

13.0 It is understood that the Project may be extended for additional periods of time under terms mutually agreed upon in writing in a duly executed amendment to this Agreement.

13.1 Renewal proposals shall be submitted by UCHC to Sponsor at least ninety (90) days prior to the expiration of this Agreement.

13.2 Sponsor agrees to give UCHC notice of its intention to continue the Project not less than sixty (60) days prior to the expiration date specified in Article 3.0 hereof or in a later amendment to this Agreement.

14.0 If UCHC is unable to fulfill the terms of this Agreement, then UCHC may terminate the Agreement by giving sixty (60) days notice to Sponsor. If Pramod Srivastava is unable to continue as Principal Investigator, or terminates his employment by UCHC, Sponsor shall have the right to terminate this Agreement by giving thirty (30) days notice to UCHC.

14.1 Upon termination of this Agreement, unexpended funds appropriate by Sponsor to UCHC shall be returned to Sponsor except for outstanding, unpaid commitments to a third party(ies) or to Personnel engaged in the conduct of the Project which

cannot be canceled or otherwise terminated. Upon issuance of notice, UCHC shall not enter into any material new commitments or obligations related to the Project without consent of the Sponsor.

14.2 Termination of this Agreement shall not affect the rights and obligations of the parties in inventions conceived or made in the conduct of the Project prior to termination.

15.0 This Agreement shall be binding upon and inure to the benefit of the respective parties and their successors.

16.0 This Agreement shall be governed by and construed according to the laws of the State of Connecticut; including, but not limited to the following:

a. Non-discrimination Section 4.1 14a of the General Statutes of Connecticut, as amended. UCHC in its employment practices under this grant Agreement will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, sex, mental retardation, or physical disability (including but not limited to blindness) unless it is shown that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut.

17.0 UCHC is authorized to enter into this Agreement under Section 10a-104, 10a-110 to 10a-l10g of the General Statutes of Connecticut as amended to date.

18.0 Sponsor agrees to indemnify, hold harmless, and pay all legal and other costs or losses incurred by Principal Investigator and Personnel, as investigator(s) in this study, and UCHC as the host institution, against any claim or legal cause of action brought against Principal Investigator, Personnel and UCHC arising out of the use by Sponsor, or by any party acting on behalf of or under authorization from Sponsor, sale or other disposition by Sponsor, or by any party acting on behalf of or under authorization from Sponsor of products made as a result of work conducted under this Agreement.

UCHC agrees to notify Sponsor as soon as it becomes aware of a claim or action and to cooperate with and to authorize Sponsor to carry out sole management and defense and settlement of such claim or defend against any actions brought or filed against its trustees, officers, agents and employees with respect to the subject of indemnity contained herein, whether such claims or actions are rightfully brought or filed.

Neither UCHC, nor its trustees, officers, agents or employees shall compromise or settle any claim or suit related to the Project of this Agreement without the prior written approval of Sponsor.

This Agreement will govern claims brought subsequent to the termination date of this Agreement. This provision shall survive the completion or termination of this project since it cannot be presently ascertained when the last claim will be filed.

19.0 Any notice required to be given hereunder shall be considered properly given if sent by certified letter, first class mail, postage prepaid, to the respective address of each party indicated at the beginning of this Agreement, or to such address as the addressee shall have last furnished in writing to the addressor in like manner.

20.0 Sections 7, 8, 9, 11, 15, 16, 18 and 19 shall survive termination or expiration of this Agreement.

21.0 It is understood that UCHC and the Principal Investigator and Personnel may be or become involved in other activities and projects which entail commitments to other sponsors; however, UCHC represents and warrants that the Principal Investigator and Personnel are not presently performing, and will not perform during the term of this Agreement, research relating to the Project (see Appendix A) that is sponsored by a commercial, for-profit, third party to whom UCHC is obligated to grant rights in any invention or discovery resulting therefrom, excluding Government rights pursuant to 35 U.S.C. ss.ss. 200 et seq. resulting from federal grant funding or a similar reservation of rights pursuant to grant funding from the State of Connecticut or other non-profit entities.

22.0 The Project will not be conducted in collaboration with a researcher who is not associated with UCHC, unless Sponsor has given prior written approval of such collaboration.

23.0 The parties hereto have caused this Agreement to be executed by duly authorized representatives effective as of the later date indicated below.

ANTIGENICS, L.L.C. - "SPONSOR"

/s/ Garo Armen 2/18/98

(Signature) (Date)

Name: Garo Armen

Title: CEO

UNIVERSITY OF CONNECTICUT HEALTH CENTER - "UCHC"

/s/ Leonard Paplauskas 2/17/98

(Signature) (Date)

Name: Leonard P. Paplauskas

Title: Assistant Vice Chancellor for Research

/s/ Pramod Srivastava 2/16/98

(Signature) (Date)

Name: Pramod Srivastava, Ph.D.

Title: Professor, Center for Immunotherapy of Cancer and Infectious Disease

APPENDIX A

SCOPE OF WORK

Scope of work for ANTIGENICS grant

[

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[

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

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APPENDIX B

BUDGET

[

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EXHIBIT 10.11

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "AGREEMENT") is made and entered into this 1st day of March, 1999, by and between DUKE UNIVERSITY, a not-for-profit corporation organized and existing under the laws of the State of North Carolina (hereinafter called "DUKE'), having a mailing address at Office of Science and Technology, Duke University, Room 230, North Building, Box 90083, Durham, North Carolina 27708, and ANTIGENICS, LLC, a limited liability company organized and existing under the laws of the State of Delaware (hereinafter called "ANTIGENICS"), having a mailing address at 630 Fifth Avenue, Suite 2170, New York, New York 10111.

WHEREAS, Christopher Nicchitta, Smita Nair, and Eli Gilboa (hereinafter called the "INVENTORS") are inventors of an invention within the PATENT RIGHTS (as hereinafter defined) and described generally in DUKE Office of Science and Technology File #1526 (hereinafter called the "1526 INVENTION");

WHEREAS, the INVENTORS have assigned their entire right, title and interest in, to, and under the PATENT RIGHTS to DUKE;

WHEREAS, DUKE is the sole owner of the entire right, title and interest in, to, and under the PATENT RIGHTS;

WHEREAS, DUKE has the right to grant licenses under the PATENT RIGHTS;

WHEREAS, DUKE wishes to have LICENSED PRODUCTS (as hereinafter defined) developed and commercialized for the public benefit; and

WHEREAS, ANTIGENICS wishes to develop and commercialize LICENSED PRODUCTS for the public benefit.

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

ARTICLE 1 - DEFINITIONS

1.01 - For the purposes of this AGREEMENT, and solely for that purpose, the terms and phrases set forth in this Section 1.01 in capital letters shall be defined as follows:

a. "FIELD" shall mean all uses of the LICENSED PRODUCTS.

b. "PATENT RIGHTS" shall mean the U.S. patent application filed February 26, 1999, and all U.S. and foreign patent applications filed, or to be filed, to protect the 1526 INVENTION, as well as all substitutes, continuations, continuations-in-part, divisions, and renewals thereof, all

U.S. or foreign patents now issued or hereafter issuing thereon, and all reexaminations, extensions, and reissues, thereof, and the inventions therein.

c. "VALID CLAIM" means a claim of an issued patent which has not lapsed or become abandoned or been declared invalid or unenforceable by a court of competent jurisdiction or an administrative agency for which there is no right of appeal or for which the right of appeal is waived.

d. "LICENSED PRODUCT" shall mean any product, the use, sale, offer for sale, manufacture, or importation of which, if unlicensed, would infringe one or more VALID CLAIMS of an application, if issued, or a patent within the PATENT RIGHTS.

e. "NET SALES" shall mean the total invoiced sales of LICENSED PRODUCTS sold by ANTIGENICS, or its AFFILIATES, or sublicensees, less the following sums actually paid or credited by ANTIGENICS as shall be detailed in ANTIGENICS' reports made pursuant to Section 5.02 of this AGREEMENT:

(a) trade, quantity or cash discounts or commissions allowed in amounts customary in the trade;

(b) any tax, excise or other governmental charge upon or measured by the production, sale, transportation, delivery or use and duties imposed on the import of LICENSED PRODUCTS included in such amount;

(c) credits or allowances, if given or made for LICENSED PRODUCTS, price adjustments, returns, rejections, recalls or destructions (voluntarily made by or requested or made by an appropriate government agency, subdivision or department) of LICENSED PRODUCTS previously delivered.

LICENSED PRODUCTS used by ANTIGENICS for its own use in the FIELD, LICENSED PRODUCTS sold to Affiliates, and internal sales for use in service businesses in arms length transactions shall be considered to be NET SALES for purposes of computing royalty obligations, except that LICENSED PRODUCTS used for non-revenue producing activities, including but not limited to promotional items or field trials, shall not be considered to be NET SALES.

For purposes of this definition, a LICENSED PRODUCT shall be considered sold when billed out to a customer other than ANTIGENICS or its AFFILIATES.

In the event a LICENSED PRODUCT is sold in combination with other active components, NET SALES, for purposes of determining royalties on

the combination will be calculated by multiplying NET SALES of the combination by the fraction A/(A+B), in which A is the invoiced price of the LICENSED PRODUCT if sold separately, and B is the invoiced price of the other active components in the combination if sold separately. If the LICENSED PRODUCTS and the other active components in the combination are not sold separately, then royalties on the combination will be calculated by the same method, in which A is the direct cost of manufacturing the LICENSED PRODUCT and B is the direct cost of manufacturing the other active components. However, in no case shall the calculated fraction A/(A+B) be less than [ ]*.

f. "AFFILIATE" shall mean any entity which, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with a party hereto. An entity shall be regarded as in control of another entity if it, directly or indirectly, owns or controls more than fifty percent (50%) of the voting power of the entity, except that in any country where the local law does not permit a U.S. entity to own or control at least fifty percent (50%) of the voting power of an entity organized under its laws, an entity shall be regarded as in control of a party hereto if it, directly or indirectly, owns or controls the maximum percentage permitted by local law.

g. "EFFECTIVE DATE" shall mean the date first set forth above.

ARTICLE 2 - LICENSE

2.01 - DUKE hereby grants to ANTIGENICS and ANTIGENICS hereby accepts from DUKE, subject to the terms and conditions of this AGREEMENT, an exclusive worldwide license, with the right to grant sublicenses, to make, have made, use, offer to sell, sell, and import LICENSED PRODUCTS under the PATENT RIGHTS during the term of this AGREEMENT, unless sooner terminated as hereinafter provided.

2.02 - Any sublicense granted by ANTIGENICS shall incorporate substantially the same terms and conditions of Articles 10, 17, 18, and 19 and Section 2.03 of this AGREEMENT, which terms shall be binding upon each sublicensee. Royalties paid to DUKE for NET SALES of LICENSED PRODUCTS by sublicensees shall be equal to the royalties that would have been paid to DUKE if LICENSED PRODUCTS were sold directly by ANTIGENICS. ANTIGENICS agrees to be responsible for the payment to DUKE of royalties on funds received by ANTIGENICS from its sublicensees and for using commercially reasonable efforts to enforce the terms of the sublicense agreements. If, for any reason, this AGREEMENT is terminated, ANTIGENICS agrees to assign all such sublicenses directly to DUKE.

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2.03 - It is agreed that, notwithstanding any provisions herein, DUKE is free to use the LICENSED PRODUCTS for its own non-commercial educational, teaching, and research purposes without restriction and without payment of royalties or other fees to ANTIGENICS.

2.04 - Within thirty (30) days following the execution of this AGREEMENT and thereafter during the period of this AGREEMENT, DUKE agrees to provide ANTIGENICS with copies of all information it may have or later obtain relative to the PATENT RIGHTS, and copies of any and all patents or patent applications owned or controlled by DUKE covering the PATENT RIGHTS or the use of the PATENT RIGHTS or processes for the manufacture of the LICENSED PRODUCTS, including all U.S. and foreign patent office actions received and amendments filed, in any, relative thereto.

ARTICLE 3 - ROYALTIES ON NET SALES OF LICENSED PRODUCTS

3.01 - As consideration for the license granted by DUKE to ANTIGENIC pursuant to Section 2.01 of this AGREEMENT, ANTIGENICS shall pay to DUKE royalties at the rate of [ ]* of NET SALES of LICENSED PRODUCTS sold by ANTIGENICS, its AFFILIATES, and its sublicensees, during the prior six (6) month period ending December 31st and June 30th, such royalties to paid to DUKE prior to February 28th and August 31st of each year, respectively.

3.02 - ANTIGENICS shall pay to DUKE a minimum annual royalty of [ ]* prior to February 28th of each year, starting with the second February 28th after the earlier of (i) the first approval for sale by the U.S. Food and Drug Administration ("F.D.A."), or a comparable regulatory authority in a foreign country, of a LICENSED PRODUCT, or (ii) the first sale of a LICENSED PRODUCT that does not require F.D.A. or comparable foreign approval, but only if the LICENSED PRODUCT so approved is actually sold by ANTIGENICS, its AFFILIATES, or sublicensees.

ARTICLE 4 - MILESTONE BASED ROYALTIES

4.01 - As further consideration for the license granted by DUKE to ANTIGENICS in Section 2.01 of this AGREEMENT, ANTIGENICS shall pay to DUKE milestone based royalties within thirty (30) days of the attainment by ANTIGENICS, its AFFILIATES, or its sublicensees of the commercial milestones specified below. No such milestone payments shall be credited towards other royalties or minimum royalties due by ANTIGENICS to DUKE under this AGREEMENT.

a. [ ]*.

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b. [

]*.

c. [

]*.

ARTICLE 5 - RECORDS AND REPORTS

5.01 - ANTIGENICS shall deliver to DUKE prior to February 28th and August 31st of each year a written account of the NET SALES of LICENSED PRODUCTS made during the prior six (6) month period ending December 31st and June 30th, respectively, upon which royalties are due hereunder. Such reports shall include a calculation of royalties by LICENSED PRODUCT and by country in substantially the format provided in APPENDIX A hereto.

5.02 - ANTIGENICS shall keep and maintain complete and accurate book and records containing an accurate accounting of all data in sufficient detail to enable verification of earned royalties and other payments hereunder. ANTIGENICS shall preserve such books and records for five (5) years after the sales recorded were actually made. Upon reasonable notice from DUKE, ANTIGENICS shall permit an independent certified public accountant selected by DUKE (except one to whom ANTIGENICS has some reasonable objection) to have access during ordinary business hours to such of ANTIGENICS' records as may be necessary to determine, in respect of any quarter ending not more than two (2) years prior to the date of such notice, the correctness of any report and/or payment made under this AGREEMENT. Such certified public accountant shall execute a written non-disclosure agreement reasonably acceptable to ANTIGENICS.

ARTICLE 6 - REPRESENTATIONS AND WARRANTIES

6.01 - ANTIGENICS represents and warrants to DUKE as follows:

a. ANTIGENICS has all necessary legal power to enter into and perform its obligations under this Agreement and has taken all necessary legal action under the laws of the State of Delaware and its articles of organization and operating agreement to authorize the execution of this Agreement and the consummation of the transactions contemplated hereunder.

6.02 - DUKE represents and warrants to ANTIGENICS as follows:

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

a. DUKE has all necessary legal power to enter into and perform its obligations under this Agreement and has taken all necessary legal action under the laws of the State of North Carolina, its charter, and bylaws to authorize the execution of this Agreement and the consummation of the transactions contemplated hereunder.

b. DUKE legally and beneficially owns and controls all of the INVENTORS' right, title, and interest in, to, and under the PATENT RIGHTS, free and clear of all liens and encumbrances and, to the best of DUKE's knowledge, no other party legally or beneficially owns or controls any right, title, or interest in, to, or under the PATENT RIGHTS, and the PATENT RIGHTS are free and clear of all liens and encumbrances.

c. To the best of DUKE's knowledge, there are no outstanding options or rights in any third party to any of the PATENT RIGHTS or to acquire any rights or licenses to any of the PATENT RIGHTS.

d. There is no action, suit, claim, proceeding, or governmental investigation pending or, to the best of DUKE's knowledge, threatened against DUKE, with respect to any of the PATENT RIGHTS either at law or in equity, before any court or administrative agency or before any governmental department, commission, board, bureau, agency or instrumentality, whether United States or foreign.

e. As used in this Section 3.02, the expression "to the best of DUKE's knowledge" means that, after an examination of documents in the files of DUKE's Office of Science and Technology and due inquiry of the INVENTORS and the personnel of DUKE's Office of Science and Technology, DUKE has found no reason to believe that the statements set forth in this Section 3.02 are false or misleading.

ARTICLE 7 - DUE DILIGENCE REQUIREMENTS

7.01 - Throughout the term of this AGREEMENT, and subject to the exercise of its reasonable business judgment, ANTIGENICS shall use commercially reasonable diligence to: (i) perform research and development to bring LICENSED PRODUCTS to market, (ii) develop manufacturing capabilities, (iii) market LICENSED PRODUCTS, and (iv) sublicense the PATENT RIGHTS for applications that ANTIGENICS will not pursue.

7.02 - Within twelve (12) months of the execution of this AGREEMENT, ANTIGENICS will demonstrate to DUKE that ANTIGENICS is using commercially reasonable diligence to establish a research effort to develop LICENSED PRODUCTS. For the purposes of the preceding sentence, commercially reasonable diligence shall mean that either (i) at least one of ANTIGENICS employee has dedicated sufficient time to perform appropriate research to develop LICENSED PRODUCTS for a period of at least six (6) months or (ii) ANTIGENICS has established a research agreement with another academic or commercial party, such agreement specifying that at least one ANTIGENICS employee will dedicate sufficient time to

perform appropriate research to develop LICENSED PRODUCTS for at least one year. Furthermore, ANTIGENICS shall continue to conduct the research in the use of calreticulin in vaccines during the term of this AGREEMENT that ANTIGENICS was conducting prior to the EFFECTIVE DATE, provided that continuing such research remains commercially reasonable.

7.03 - Within two (2) months of the EFFECTIVE DATE, ANTIGENICS will meet with the INVENTORS and DUKE to discuss ways to further develop the 1526 INVENTION. Neither this Section 7.03 nor the discussions referred to in the preceding sentence shall create any obligation on the part of ANTIGENICS to enter into any agreement.

ARTICLE 8 - PATENTS

8.01 - DUKE shall have the sole responsibility to file and prosecute U.S. and foreign patent applications covering any patentable invention within the PATENT RIGHTS; to prosecute and defend such applications against third party oppositions; and upon grant of any patent covering inventions included within the PATENT RIGHTS, to maintain such patent in full force. DUKE agrees to consider in good faith ANTIGENICS' advice as to the selection of appropriate legal counsel and jurisdictions within which to file and prosecute such patent applications and maintain such patents. DUKE shall keep ANTIGENICS advised as to the filing and prosecution of such applications and the maintenance of such patents by forwarding to ANTIGENICS (i) copies of all documents relating to such filing and prosecution, in sufficient time to review such documents and comment thereon, and (ii) all official correspondence relating thereto, promptly. ANTIGENICS agrees to provide DUKE with all commercially reasonable assistance in the filing and prosecution of such U.S. and foreign patent applications and the maintenance of such patents.

8.02 - DUKE shall request from ANTIGENICS a written list of foreign countries in which ANTIGENICS wishes DUKE to prosecute and maintain the PATENT RIGHTS ("DESIGNATED COUNTRIES"), and DUKE shall proceed to prosecute and maintain the PATENT RIGHTS in the DESIGNATED COUNTRIES. ANTIGENICS shall reimburse DUKE for all expenses associated with prosecution and maintenance of patent applications and patents related to the PATENT RIGHTS in the DESIGNATED COUNTRIES, such reimbursement to be made within thirty (30) days of being invoiced. DUKE shall be free, at its own option and expense, to file patents in foreign countries that are not DESIGNATED COUNTRIES. ANTIGENICS shall have no rights under Article 2 of this AGREEMENT to make, have made, use, sell, or offer for sale LICENSED PRODUCTS in countries that are not DESIGNATED COUNTRIES and no obligation to reimburse DUKE for patent expenses incurred in pursuing patent protection in countries that are not DESIGNATED COUNTRIES.

8.03 - DUKE shall pay for all expenses associated with the filing, prosecution, and issuance of U.S. patent applications within the PATENT RIGHTS, and ANTIGENICS shall reimburse DUKE for all such expenses within thirty (30) days of receipt of an invoice therefor from DUKE, provided, however, that ANTIGENICS shall not be obligated to reimburse DUKE

in excess of [ ]*for such expenses. If such filing, prosecution, and issuance expenses exceed [ ]* DUKE shall not be obligated to continue filing and prosecuting U.S. patent applications within the PATENT RIGHTS, and ANTIGENICS shall not be obligated to reimburse DUKE for additional expenses associated with the filing, prosecution, and issuance of U.S. patent applications within the PATENT SIGHTS. In the event that expenses for filing, prosecution, and issuance of U.S. patent applications within the PATENT RIGHTS exceed [ ]* DUKE and ANTIGENICS shall determine in good faith whether to continue filing and prosecution of U.S. patent applications within the PATENT RIGHTS and how such expenses of filing, prosecution, and issuance shall be financed by the parties.

8.04 - DUKE shall pay for all expenses associated with the maintenance of all issued U.S. patents within the PATENT RIGHTS, and ANTIGENICS shall reimburse DUKE for all such maintenance expenses within thirty (30) days of receipt of an invoice therefor from DUKE.

8.05 - ANTIGENICS may, at its sole option, elect to discontinue reimbursement of expenses incurred during filing or prosecution of any individual patent application within the PATENT RIGHTS or maintenance of any individual patent within the PATENT RIGHTS within the United States or any DESIGNATED COUNTRY which ANTIGENICS is otherwise obligate to reimburse DUKE for pursuant to Sections 8.02, 8.03, or 8.04 above, by providing DUKE with written notice that it no longer shall reimburse DUKE for such expenses. However, any rights granted to ANTIGENICS in Article 2 of this AGREEMENT shall be revoked with respect to such individual patent application or patent that ANTIGENICS so elects in writing not to reimburse DUKE for, such revocation of rights to become effective immediately upon receipt by DUKE of written notice from ANTIGENICS that it no longer wishes to reimburse DUKE for expenses for a given patent application or patent which ANTIGENICS would otherwise be obligated to reimburse DUKE for pursuant to Sections 8.02, 8.03, or 8.04 above.

ARTICLE 9 - INFRINGEMENT BY THIRD PARTIES

9.01 - Upon learning of the infringement of the PATENT RIGHTS by a third party, the party learning of such infringement shall promptly inform the other party in writing of that fact along with any evidence available to it pertaining to the infringement. ANTIGENICS may at its own expense take whatever steps are necessary to stop the infringement and recover damages, including but not limited to the right bring any legal action for infringement and defend any counterclaim of invalidity or action of a third party for declaratory judgment for non-infringement or non interference. ANTIGENICS may settle such suits solely in its own name and solely at its own expense and through counsel of its own choice.

9.02 - DUKE shall provide to ANTIGENICS all reasonable assistance and cooperation requested by ANTIGENICS with respect to the legal actions described in Section 9.01.

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

ANTIGENICS shall keep DUKE informed of the steps taken by ANTIGENICS and the progress of any legal actions taken by ANTIGENICS.

9.03 - ANTIGENICS shall pay to DUKE royalties pursuant to Section 3.01 on any such damages recovered as consideration for lost sales of LICENSED PRODUCTS that are in excess of legal expenses incurred by ANTIGENICS in enforcing its PATENT RIGHTS. Any punitive damages awarded shall be divided equally by the parties.

9.04 - If ANTIGENICS does not undertake, within sixty (60) days of notice, to enforce the PATENT RIGHTS against the infringing party, and if ANTIGENICS is not currently engaged in litigation involving the PATENT RIGHTS, DUKE shall have the right, at its own expense to take whatever steps are necessary to stop the infringement and recover damages, and shall be entitled to retain damages so recovered, after reimbursing ANTIGENICS for any of its expenses in cooperating with DUKE in prosecuting such infringement.

ARTICLE 10 - LAWS AND REGULATIONS

10.01 - ANTIGENICS shall use commercially reasonable efforts to comply with all foreign, federal, state, and local laws, regulations, rules, and orders applicable to the testing, production, transportation, packaging, labeling, export, sale, and use of the LICENSED PRODUCTS.

10.02 - ANTIGENICS shall use commercially reasonable efforts to comply with all U.S. export laws and regulations applicable to this AGREEMENT and ANTIGENICS' activities hereunder.

ARTICLE 11 - PUBLICATION

11.01 - ANTIGENICS agrees that the right of publication in scientific journal or to present orally at professional conferences or meetings the 1526 INVENTION and related information within the PATENT RIGHTS shall reside in the INVENTORS. DUKE shall use reasonable efforts to provide ANTIGENICS a review copy of such publication or the text of any propose presentation sixty (60) days in advance of submission for publication or public presentation for the sole purpose of DUKE and ANTIGENICS filing a patent application prior to such publication or public presentation. In the event that ANTIGENICS wishes to have patent applications filed in order to protect the subject matter to be disclosed, ANTIGENICS may request that DUKE cause the INVENTORS to delay publication or public presentation for no more than ninety (90) days, and DUKE shall comply in causing the INVENTORS to delay such publication or public presentation. ANTIGENICS shall also have the right to publish and/or co-author any publication relating to the 1526 INVENTION based upon data developed by ANTIGENICS.

ARTICLE 12 - DURATION AND TERMINATION

12.01 - This AGREEMENT shall become effective upon the EFFECTIVE DATE, and unless sooner terminated in accordance with this Article 12, shall remain in full force and effect for the longer of: (i) the life of the last-to-expire of the patents included in the PATENT RIGHTS; or (ii) ten (10) years from the EFFECTIVE DATE hereof.

12.02 - ANTIGENICS may terminate this AGREEMENT without cause by giving DUKE written notice at least sixty (60) days prior to such termination.

12.03 - Either party may immediately terminate this AGREEMENT for fraud, willful misconduct, or illegal conduct of the other party, that materially adversely affects such party, upon written notice of same to that other party.

12.04 - Except as provided in Section 12.03 above, if either party commits a breach of any material obligation under this AGREEMENT, the non-breaching party may terminate this AGREEMENT, upon sixty (60) days written notice to the breaching party. Such notice must contain a full description of the event or occurrence constituting a breach of this AGREEMENT. If the breach is not cured within that time, the termination will be effective as of the end of the sixty (60) day cure period.

12.05 - Upon the termination of this AGREEMENT, ANTIGENICS shall notify DUKE of the amount of LICENSED PRODUCTS ANTIGENICS then has on hand and ANTIGENICS shall then have a license to use, offer for sale, and sell that amount of LICENSED PRODUCTS, but no more, provided ANTIGENICS shall pay the royalty thereon at the rate and at the time provided for herein.

12.05 - If during the term of this Agreement, ANTIGENICS shall become bankrupt or insolvent or if the business of ANTIGENICS shall be placed in the hands of a receiver or trustee, whether by the voluntary act of ANTIGENICS or otherwise, or if ANTIGENICS shall .ease to exist as an active business, this AGREEMENT shall immediately terminate as though as a result of ANTIGENICS' uncured breach, and DUKE shall have all the remedies and rights available to it for termination with cause; provided, however, that this provision shall not apply to a reorganization of ANTIGENICS under Chapter 11 of the United States Bankruptcy Code.

12.06 - Articles 10, 17, and 19 shall all survive the termination of this AGREEMENT.

12.07 - The rights provided in this Article 12 shall be in addition to, and without prejudice to, any other rights which the parties may have with respect to any breach or violations of the provision of this AGREEMENT.

ARTICLE 13 - LAW TO GOVERN

13.01 - This AGREEMENT shall be construed and enforced in accordance with the laws of the State of North Carolina.

ARTICLE 14 - NOTICES

14.01 - Notice hereunder shall be deemed sufficient if personally delivered, if given by registered mail, postage prepaid, or by national overnight courier, charges prepaid, and in each instance addressed to the party to receive such notice at the address given below, or such other address as may hereafter be designated by notice in writing.

DUKE

Office of Science and Technology
Duke University
Room 230, North Building
Box 90083
Durham, North Carolina 27708
Attn.: Andrew E. Balber, Ph.D.

ANTIGENICS

Antigenics, LLC
630 Fifth Avenue
New York, New York 10111
Attn.: Jeffrey Rona

With a copy to:

Office of the University Counsel
Duke University Medical Center
DUMC Box 3024
2400 Pratt Street, Suite 4000
Durham, North Carolina 27710

Pennie & Edmonds LLP
1155 Avenue of the Americas
New York, New York 10036
Attn.: Adriane M. Antler, Ph.D

14.02 - Information and transactions exchanged between the parties in relation to financial consideration contemplated under this AGREEMENT, including but not limited to royalty reports and payments, shall be tendered to the following offices of each party respectively:

DUKE

Office of Science and Technology
Room 230, North Building
Box 90083
Durham, North Carolina 27708
Attn.: Financial Administrator

ANTIGENICS

Antigenics, LLC
630 Fifth Avenue
New York, New York 10111
Attn.: Jeffrey Rona

ARTICLE 15 - ASSIGNMENT

15.01 - This AGREEMENT shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto. This Agreement may not be assigned except by a written agreement signed by both parties, except that without such consent ANTIGENICS may assign this Agreement to an AFFILIATE or to an entity assuming all or substantially all of its business to which the LICENSED PRODUCTS relate.

ARTICLE 16 - INDEMNITY INSURANCE, REPRESENTATIONS, STATUS

16.01 - ANTIGENICS agrees to indemnify, hold harmless and defend DUKE, its officers, employees, and agents, against any and all claims, suits, losses, damages, costs, fees, and expenses asserted by third parties, both government and non-government, resulting from or arising out of the use, sale, or manufacture of the LICENSED PRODUCTS, except as may arise out of DUKE's own gross negligence or willful misconduct.

16.02 - ANTIGENICS shall maintain in full force, at its sole cost and expense, general liability insurance coverage and, with respect to the LICENSED PRODUCTS, if any, product liability insurance coverage, in amounts customary for businesses similarly situated in the ANTIGENICS' industry. DUKE shall have the right to ascertain from time to time that such coverage exists, such right to be exercised in a commercially reasonable manner. In lieu of said coverage, DUKE agrees to consider the existence of an adequate self-insurance program as an acceptable alternative.

16.03 - NOTHING IN THIS AGREEMENT SHALL BE DEEMED TO BE A REPRESENTATION OR WARRANTY BY DUKE OF THE VALIDITY OF ANY OF THE PATENTS OR THE ACCURACY, SAFETY, EFFICACY, OR USEFULNESS, FOR ANY PURPOSE, OF ANY PATENT RIGHTS. DUKE SHALL HAVE NO OBLIGATION, EXPRESS OR IMPLIED, TO SUPERVISE, MONITOR, REVIEW OR OTHERWISE ASSUME RESPONSIBILITY FOR THE PRODUCTION, MANUFACTURE, TESTING, MARKETING OR SALE OF ANY LICENSED PRODUCT, AND, EXCEPT AS MAY ARISE FROM DUKE'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, DUKE SHALL HAVE NO LIABILITY WHATSOEVER TO ANTIGENICS OR ANY THIRD PARTIES FOR OR ON ACCOUNT OF ANY INJURY, LOSS, OR DAMAGE, OF ANY KIND OR NATURE, SUSTAINED BY, OR ANY DAMAGE ASSESSED OR ASSERTED AGAINST, OR ANY OTHER LIABILITY INCURRED BY OR IMPOSED UPON ANTIGENICS OR ANY OTHER PERSON OR ENTITY, ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM:

a. the production, use, or sale of any LICENSED PRODUCT by ANTIGENICS or its sublicensees; or

b. any advertising or other promotional activities by ANTIGENIC with respect to any of the foregoing.

16.04 - Neither party hereto is an agent of the other party for any purpose whatsoever. The relationship of DUKE and ANTIGENICS established hereunder shall be that of independent contractors and, except as expressly provided herein, nothing contained in this AGREEMENT shall be construed to: (i) give either party the power to direct or control any activities of the other, (ii) constitute the parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or (iii) allow either party to create or assume any obligation on behalf of the other for any purpose whatsoever.

ARTICLE 17 - USE OF A PARTY'S NAME

17.01 - Neither party will, without the prior written consent of the other party:

a. use in advertising, publicity or otherwise, any trade-name, personal name, trademark, trade device, service mark, symbol, or any abbreviation, contraction or simulation thereof owned by the other party; or

b. represent, either directly or indirectly, that any product or service of the other party is a product or service of the representing party or that it is

made in accordance with or utilizes the information or documents of the other party.

ARTICLE 18 - SEVERANCE, WAIVER AND ALTERATION

18.01 - Each clause of this AGREEMENT is a distinct and severable clause and if any clause is deemed illegal, void or unenforceable, the validity, legality or enforceability of any other clause or portion of this AGREEMENT will not be affected thereby, unless the part or parts which are illegal, void, or unenforceable shall substantially impair the value of the entire AGREEMENT as to either party.

18.02 - The failure of a party in any instance to insist upon the strict performance of the terms of this AGREEMENT will not be construed to be a waiver or relinquishment of any of the terms of this AGREEMENT, either at the time of the party's failure to insist upon strict performance or at any time in the future, and such terms will continue in full force and effect.

18.03 - Any alteration, modification, or amendment to this AGREEMENT must be in writing and signed by both parties.

ARTICLE 19 - CONFIDENTIALITY

19.01 - "CONFIDENTIAL INFORMATION" shall mean any information conspicuously labeled "confidential" or "proprietary" by the disclosing party or, if such information is communicated orally, is identified as confidential at the time of its disclosure and confirmed as such in writing within thirty (30) days of its disclosure. ANTIGENICS and DUKE each recognize that the other's CONFIDENTIAL INFORMATION constitutes highly valuable information. ANTIGENICS and DUKE agree that during the term of this AGREEMENT and until the later of five (5) years after the EFFECTIVE DATE or two (2) years after the effective date of termination of this AGREEMENT, they:

a. will keep confidential the other's CONFIDENTIAL INFORMATION by taking whatever action each would take to preserve the confidentiality of its own CONFIDENTIAL INFORMATION;

b. will only disclose that part of the other's CONFIDENTIAL INFORMATION that is necessary for those officers, employees, independent contractors, or agents who need to know to carry out their responsibilities under this Agreement;

c. will not disclose the other's CONFIDENTIAL INFORMATION to any third parties under any circumstance without written permission from the other party and taking commercially reasonable precautions to preserve the confidentiality of such CONFIDENTIAL INFORMATION;

d. will not use the CONFIDENTIAL INFORMATION except as provided in this Agreement; and

e. will, within sixty (60) days of the request of the disclosing party upon termination of this Agreement, return all the CONFIDENTIAL INFORMATION disclosed to the other party pursuant to this Agreement, save that the RECEIVING PARTY (hereinafter called the "RECEIVING PARTY") and its legal counsel may each keep one (1) copy of such CONFIDENTIAL INFORMATION for their records.

19.02 - Neither party shall be bound by the obligations of Section 19.01 hereof if the CONFIDENTIAL INFORMATION received from the other party:

a. is already known or available to the public or known or available to the RECEIVING PARTY thereof;

b. has become known or available to the public through no fault of the RECEIVING PARTY thereof;

c. is nonconfidentially disclosed to the RECEIVING PARTY by a third party legally entitled to disclose the CONFIDENTIAL INFORMATION;

d. is required by law to be disclosed, provided commercially reasonable measures are taken to preserve its confidentiality; or

e. is independently developed by the RECEIVING PARTY thereof, as evidenced by written documentation.

19.03 - Except as required by law or legally advisable, neither party may disclose the terms of this AGREEMENT without the written consent of the other party, which consent shall not be unreasonably withheld.

ARTICLE 20 - TRANSFER OF MATERIALS

20.01 - Any transfer of materials between DUKE and ANTIGENICS in connection with this AGREEMENT shall be made under the terms of a materials transfer agreement mutually acceptable to the parties.

ARTICLE 21 - TITLES

21.01 - All titles and headings contained in this AGREEMENT are inserted only as a matter of convenience and reference. They do not define, limit, extend or describe the scope of this AGREEMENT or the intent of any of its provisions.

ARTICLE 22 - ENTIRE UNDERSTANDING

22.01 - This AGREEMENT represents the entire understanding between the parties with respect to the subject matter hereof, and supersedes all other agreements, express or implied, between the parties concerning the 1526 INVENTION, and the PATENT RIGHTS.

ARTICLE 23 - FORCE MAJEURE

23.01 - Any delays in or failure by either party in performance of any obligations hereunder shall be excused if and to the extent caused by such occurrences beyond such party's reasonable control, including but not limited to such occurrences as acts of God, earthquakes, strikes or other labor disturbances, war, and other causes which cannot reasonably be controlled by the party who failed to perform.

ARTICLE 24 - COUNTERPARTS

24.01 - This AGREEMENT may be signed in counterparts which, when taken together, shall constitute one and the same document.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused these presents to be executed in duplicate as of the date and year first above written.

SEAL

DUKE UNIVERSITY

By: /s/ Robert Taber

Robert Taber
Director, Office of Science & Technology

Date: 3/3/99

SEAL

ANTIGENICS, LLC

By: /s/ Garo Armen

Title: CEO

Date: 3/4/99

Appendix A
License Agreement for 1526 INVENTION

ROYALTY REPORT for period ending _____

County	Product	Sales in (Month)	Sales in (Month)	Sales in (Month)	Sales in (Month)	Sales in (Month)	Sales in (Month)	TOTAL GROSS SALES(1)	Reductions to Sales(2)	TOTAL NET SALES	TOTAL ROYALTY DUE
SubTOTAL x Country											
SubTOTAL x Country											
GRAND TOTAL											

TOTAL Royalty Credits

(1) Includes sales by Affiliates or by sublicensees of Antigenics.

(2) Note that Reductions to Sales are limited by the definition of Net Sales as set forth in Section 1.01(e) of Article 1 of the License Agreement.

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ROYALTIES PAID

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EXHIBIT 10.12

LICENSE AGREEMENT

This License Agreement (the "Agreement") is entered into and made effective this 12th day of April, 1999, (the "Effective Date") between UNIVERSITY OF MIAMI and its School of Medicine, whose principal place of business is at 1600 N.W. 10th Avenue, Miami, Florida 33136 (hereinafter referred to as "LICENSOR") and ANTIGENICS LLC, a Delaware limited liability company, whose principal place of business is at 630 Fifth Avenue, New York, New York (hereinafter referred to as "LICENSEE").

WITNESSETH

WHEREAS, LICENSOR is the sole owner of the Inventions described and claimed in U.S. patent application serial number [ ]*; and,

WHEREAS, LICENSOR wishes to obtain United States patents, and foreign counterparts, and to have the Inventions commercially marketed; and,

WHEREAS, LICENSOR warrants that it possesses the right to license the aforestated patents to be obtained and the right to market the Products; and,

WHEREAS, LICENSOR wishes the LICENSEE to obtain the subject patent and to market the Products; and,

WHEREAS, LICENSEE desires to acquire the exclusive license in the Territory, with the right to sublicense, under the Patent Rights (as defined in Paragraph 1.3 below) for the purposes of making, having made, using, selling, importing and offering for sale the Products and practicing the Inventions disclosed and claimed in the Patent Rights;

NOW THEREFORE, For these and other valuable considerations, the receipt of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS:

1.1 "Affiliate" shall mean any corporation or other business entity controlled by, controlling or under common control with LICENSOR or LICENSEE. For this purpose, "control" shall mean direct or indirect beneficial ownership of at least a fifty percent (50%) of the voting stock of, or at least a fifty percent (50%) interest in the income of such corporation or other business entity, or such other relationship as in fact, constitutes actual control.

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

1.2 "Sublicensee" as used in this Agreement shall mean any third party to whom LICENSEE has granted a license to make, have made, use, sell, import or offer for sale the Product under the Patent Rights, provided said third party has agreed in writing with LICENSEE to accept the conditions and restrictions agreed to by LICENSEE in Sections 6 (Indemnification), 13 (Marking and Standards) and 17 (Certificate of Insurance) of this Agreement.

1.3 "Patent Rights" shall mean and collectively include United States patent application serial number[ ]* and United States patent application serial number [ ]* and the inventions therein; and all applications claiming priority to any of the foregoing applications under 35 U.S.C. ss. 119(e), and all continuations, continuations-in-part, divisions and renewals of any of such applications; all foreign counterparts of the foregoing; and all United States and foreign patents which may be granted thereon, and all reissues and extensions thereof.

1.4 "Products" shall mean and collectively include any product which:

(a) is covered by an issued, unexpired claim or a pending claim contained in the Patent Rights;

(b) is manufactured by using a process which is covered by an issued, unexpired claim or a pending claim contained in the Patent Rights.

1.5 "Processes" shall mean and collectively include any process which is covered by an issued, unexpired claim or pending claim contained in the Patent Rights.

1.6 "Net Sales" shall mean the sum of all amounts invoiced on account of sale of Products by LICENSEE and its Affiliates to non-affiliated third party purchasers of Products, if invoiced separately, (a) cash discounts to purchasers allowed in amounts customary in the trade, (b) amounts for transportation or shipping charges to purchasers, (c) credits for returns, allowances or trades, and (d) taxes and duties levied on the sale of Products, whether absorbed by Licensee or pa d by the purchaser. In the event a Product is sold in combination with another active component(s), Net Sales, for purposes of determining royalties on the combination will be calculated by multiplying Net Sales of the combination by the fraction A/(A+B), in which A is the invoiced price of the Product if sold separately, and B is the invoiced price of the other active component(s) in the combination if sold separately. If the Products and the other active component(s) in the combination are not sold separately, then royalties on the combination will be calculated by the same method, in which A is the direct cost of manufacturing the Product and B

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is the direct cost of manufacturing the other active component(s). However, in no case shall the calculated fraction A/(A+B) be less than [ ]*.

1.7 "Territory" shall mean the entire world.

1.8 "Inventions" shall mean the inventions disclosed and claimed in United States patent application serial number [

]* and U.S. patent application serial number [
]*.

1.9 "Confidential Information" shall mean all information related to the Patent Rights or to the business, plans and/or technology of LICENSEE which is disclosed by one party to the other, to the extent that such information, as of the date of disclosure, is not (a) known to the receiving party; (b) disclosed in published literature; (c) generally available to industry; or (d) obtained by the receiving party from a third party without binder of secrecy, PROVIDED, HOWEVER, that such third party has no confidentiality obligations to the disclosing party or to any of its Affiliates relating to the disclosed information.

1.10 "Net Royalties" shall mean the net royalties on all Net Sales of Products actually received by LICENSEE or its Affiliate(s), including the receipt of lump sums as advances against royalties, from non-affiliated licensees in connection with the licensing of any Patent Rights.

2. GRANT:

2.1 In consideration for payment of royalties and other good and valuable consideration, LICENSOR hereby grants to LICENSEE and its Affiliates the exclusive license in the Territory with the right to grant sublicenses to others, under the Patent Rights, to make, have made, use, sell, import and offer for sale Products and to practice Processes.

2.2 LICENSOR grants to the LICENSEE the authority to make application for Patents, in the name of the LICENSOR; all expenses of obtaining and maintaining said patents obtained and maintained by LICENSEE shall be paid by LICENSEE.

2.3 LICENSOR retains the non-exclusive right to use the Inventions solely for its own internal, non-commercial research purposes. LICENSOR shall be permitted to transfer Products only to academic researchers at non-profit institutions pursuant to a written Material Transfer Agreement whereby the researcher and his institution agree: (a) to use the transferred Product only for the researcher's own, noncommercial research purposes and not for research

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sponsored by a third party to whom an obligation to grant commercial rights exists, and (b) not to further transfer the Product.

3. TERM:

The term of this Agreement shall be until the later of (a) 15 years from the Effective Date of this Agreement, and (b) the expiration of the last to expire of all patents within the Patent Rights.

4. UNITED STATES LAWS:

4.1 This Agreement is subject to all of the terms and conditions of Public Law 96-517 as amended, and LICENSEE agrees to take all action necessary on its part as LICENSEE to enable LICENSOR to satisfy its obligation thereunder, relating to Inventions.

4.2 It is understood that LICENSOR is subject to United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities (including the Arms Export Control Act, as amended and the Export Administration Act of 199), and that its obligations hereunder are contingent on compliance with applicable United States export laws and regulations. The transfer of certain technical data and commodities may require a license from the cognizant agency of the United States Government and/or written assurances by LICENSEE that LICENSEE shall not export data or commodities to certain foreign countries without prior approval of such agency. LICENSOR neither represents that a license shall not be required nor that, if required, it shall be issued.

5. PATENT PROTECTION AND INFRINGEMENT:

5.1 LICENSEE, during the term of this Agreement, is responsible for the filing, payment and the prosecution of all patents and applications and maintenance fees covered by this Agreement. If LICENSEE elects not to file or prosecute such an application (except where such application is abandoned in favor of prosecuting the invention claimed therein in a related application) or maintain such patent, LICENSEE shall so notify the LICENSOR at least forty-five (45) days in advance of the relevant deadline, in which event the LICENSOR shall have the right to file or prosecute such applications and to maintain such patent entirely at its own expense and such application or patent shall no longer be deemed included within the Patent Rights.

5.2 Each party shall promptly notify the other party in writing of any third party claim of patent infringement of which it has received notice and which may be asserted against LICENSEE or LICENSOR, its Affiliates and any Sublicensees because of the manufacture, use, promotion and sale of Product by LICENSEE, its Affiliates or Sublicensees.

5.3 LICENSEE will defend, indemnify and hold harmless LICENSOR, its Trustees, officers, directors, employees and its Affiliates against any and all judgments and damages arising from any and all third party claims of patent infringement which may be asserted against LICENSOR, and its Affiliates because of the manufacture, use, promotion and sale of Products by LICENSEE or its Affiliates or Sublicensees. Except as provided herein below, LICENSEE will bear all costs and expenses incurred in connection with the defense of any such claims or as a result of any settlement made or judgment rendered on the basis of such claims.

LICENSOR shall have no further liability to LICENSEE for any loss or damages LICENSEE may incur as a result of any invalidity of LICENSOR'S Patent Rights except where due to gross negligence or intentional misconduct of LICENSOR. LICENSEE shall defend and control negotiation of settlement of any such claim with counsel of LICENSEE'S choosing. LICENSOR agrees to cooperate fully in the defense of any such claim and may participate in the defense with counsel of LICENSOR'S choosing, such separate counsel to be at LICENSOR'S expense. LICENSEE shall have no liability to defend any such claim unless it receives written notification of such claim by LICENSOR promptly after LICENSOR has actual knowledge of such claim, is given exclusive control of the defense and settlement thereof, and is provided with all reasonable assistance in connection therewith by LICENSOR. Notwithstanding the foregoing, any such settlement that adversely affects the validity or scope of the Patent Rights will require the approval of LICENSOR, which approval will not be unreasonably withheld.

5.4 Upon learning of any infringement of Patent Rights by third parties in any country, LICENSEE and LICENSOR will promptly inform each other, as the case may be, in writing of that fact and will supply the other with any available evidence pertaining to the infringement. LICENSEE at its own expense shall have the right but not the obligation to take whatever steps are necessary to stop the infringement at its expense and recover damages therefore, and will be entitled to retain all damages so recovered and LICENSOR will cooperate fully in connection therewith. In the event that LICENSEE elects not to take whatever steps are necessary to stop the infringement, LICENSEE will so notify LICENSOR, and upon such notification and in the event that LICENSEE is not at the time a party to a litigation involving a claim of infringement of the Patent Rights, LICENSOR shall have the right to bring suit against the infringer, and LICENSEE will cooperate fully in connection therewith. In the event that LICENSOR and LICENSEE mutually agree to bring suit, costs and expenses shall be shared equally and any recovery in excess of expenses shall be shared equally; the parties agree to cooperate fully with each other in connection therewith.

5.4.1 ROYALTY PAYMENTS DURING ENFORCEMENT OF PATENT RIGHTS. In the event that LICENSEE shall undertake the enforcement and/or defense of the Patent Rights by litigator either solely or jointly with the LICENSOR as provided above, LICENSEE may withhold up to[ ]* of the royalties otherwise thereafter due LICENSOR hereunder and apply the same toward reimbursement of its expenses, including reasonable attorneys' fees, in connection therewith, PROVIDED, HOWEVER that royalties due LICENSOR pursuant to Section 8.1(a) hereof shall not be reduced to less than [ ]* on Net Sales. Any recovery of damages by LICENSEE for any such suit, as provided above, shall be applied first in satisfaction of any unreimbursed expenses and legal fees of LICENSEE relating to the suit, and next toward the reimbursement of LICENSOR for any royalties past due or withheld. The balance remaining from any such recovery shall be retained

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* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

in its entirety by LICENSEE except where as provided hereinabove, LICENSOR and LICENSEE have mutually brought suit.

5.5 LICENSOR shall have no responsibility with respect to LICENSEE'S own trademarks and tradename.

6. INDEMNIFICATION:

6.1 Except as provided in Paragraphs 5.4 and 5.4.1, LICENSEE agrees to release, indemnify and hold harmless the LICENSOR, its Trustees, officers, faculty, employees and students against any and all losses, expenses, claims, actions, lawsuits and judgments thereon (including attorney's fees through the appellate levels) which may be brought against LICENSOR, its Trustees, officers, faculty, employees or students as a result of or arising out of any act of negligence or willful misconduct of LICENSEE, its agents, or employees relating to this Agreement, or arising out of the use, production, manufacture, sale, lease, consumption or advertisement by LICENSEE of Products. LICENSEE shall defend and control negotiation of settlement of any such claim with counsel of LICENSEE'S choosing. LICENSOR agrees to cooperate fully in the defense of any such clam and may participate in the defense with counsel of LICENSOR'S choosing, such separate counsel to e at LICENSOR'S expense. LICENSEE shall have no liability to defend any such claim unless it receives written notification of such claim by LICENSOR promptly after LICENSOR has actual knowledge of such claim, is given exclusive control of the defense and settlement thereof, and is provided with all reasonable assistance in connection therewith by LICENSOR. Notwithstanding the foregoing, any such settlement that adversely affects the validity or scope of the Patent Rights will require the approval of LICENSOR, which approval will not be unreasonably withheld.

7. WARRANTIES:

EXCEPT AS EXPRESSLY SET FORTH HEREIN LICENSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIMS ALL SUCH WARRANTIES, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF ANY INVENTIONS OR PRODUCTS, WHETHER TANGIBLE OR INTANGIBLE, LICENSED UNDER THIS AGREEMENT; OR THE MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE INVENTIONS OR PRODUCTS; OR THAT THE USE OF THE PRODUCTS WILL NOT INFRINGE ANY PATENT, COPYRIGHTS, TRADEMARKS, OR OTHER RIGHTS. LICENSOR SHALL NOT BE LIABLE FOR ANY DIRECT, CONSEQUENTIAL, OR OTHER DAMAGES SUFFERED BY ANY LICENSEE OR ANY THIRD PARTIES RESULTING FROM THE USE, PRODUCTION, MANUFACTURE, SALE, LEASE, CONSUMPTION, OR ADVERTISEMENT OF THE PRODUCTS BY LICENSEE.

The provisions of this Section shall continue beyond the termination of this Agreement.

8. ROYALTIES:

8.1 In consideration of the license herein granted, LICENSEE shall pay royalties to LICENSOR as follows:

(a) For the rights and privileges granted under this Agreement, LICENSEE shall pay to LICENSOR a royalty of [ ]*on Net Sales of Products which at the time and place of manufacture, embody or are made in accordance with one or more claims of any valid, issued, unexpired patent or pending patent application within the Patent Rights, subject to any credits permitted hereunder. Notwithstanding the foregoing, in the event that claim(s) in such pending application do not issue in a patent in the respective country within five (5) years after the filing date of such pending application in such country, LICENSEE'S obligation to pay LICENSOR such royalties on account of such claim(s) shall cease, until such time as such claim(s) issue.

(b) SHARE OF NET ROYALTY INCOME. In the event that LICENSEE grants licenses to any non-affiliated third parties under the Patent Rights at any time during the term of this Agreement, then for each sublicense LICENSEE agrees to pay LICENSOR additional royalties at the rate of [ ]* on all Net Royalties collected by LICENSEE and its Affiliate(s) (including dollar equivalents in foreign funds), subject to any credits permitted hereunder.

8.1.1 Offset Against Royalties.

(a) In the event that LICENSEE or its Affiliate(s) either:

(i) manufactures, uses, or sells a Product which contains or is combined with another product which is covered by inventions or technology duly licensed to LICENSEE by a third party, or

(ii) cannot manufacture or sell a particular Product without infringing the patent of a third party, LICENSEE shall have tee right to negotiate with the third party for a license under the third party's patent rights; and

then LICENSEE shall have the right to reduce LICENSEE'S royalty payments to LICENSOR by the amount which LICENSEE is obligated to pay such third party for such patent license, PROVIDED, HOWEVER, that such reduction does not reduce the royalties to an

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amount less than [ ]* the amount which would otherwise be due LICENSOR pursuant to the provisions of Section 8.1 hereof.

(b) LICENSEE shall have the right to credit its expense for the filing, prosecution and defense of applications and maintenance of patents within Patent Rights against royalties otherwise due LICENSOR pursuant to Section 8.1.

8.2 All payments shall be made hereunder in U.S. dollars; provided however, that if the proceeds of the sales upon which such royalty payments are based are received by the LICENSEE in a foreign currency or other form that is not convertible or exportable in dollars, and the LICENSEE does not have ongoing business operations or bank accounts in the country in which the currency is not convertible or exportable, the LICENSEE shall pay such royalties in the currency of the country in which such sales were made by depositing such royalties in LICENSOR'S name in a bank designated by LICENSOR in such country. Royalties in dollars shall be computed by converting the royalty in the currency of the country in which the sales were made at the exchange rate for dollars prevailing at the close of the business day of the LICENSEE'S quarter for which royalties are being calculated as published the following day in the Wall Street Journal (or, if it ceases to be published, a comparable publication to be agreed upon from time to time by the parties), and with respect to those countries for which rates are not published in the Wall Street Journal, the exchange rate fixed for such date by the appropriate United States governmental agency.

8.3 In the event the royalties set forth herein are higher than the maximum royalties permitted by the law or regulations of a particular country, the royalty payable for sales in such country shall be equal to the maximum permitted royalty under such law or regulation.

8.4 In the event that any taxes, withholding or otherwise, are levied by any taxing authority in connection with accrual or payment of any royalties payable to LICENSOR under this Agreement, the LICENSEE shall have the right to pay such taxes to the local tax authorities on behalf of LICENSOR and the payment to LICENSOR of the net amount due after reduction by the amount of such taxes, shall fully satisfy the LICENSEE'S royalty obligations under this Agreement.

9. BEST EFFORTS:

9.1 Subject to the exercise of LICENSEE'S reasonable business judgment, LICENSEE will use its best efforts to manufacture, market and sell the Products in the Territory and will exert its best efforts to create a demand for the Products.

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9.2 LICENSEE agrees to submit reports, upon LICENSOR'S request not more than once annually following the Effective Date, as to its efforts to develop markets for the Products. Such reports shall include assurance by LICENSEE of its intent to actively develop commercial embodiments of the inventions of the Patent Rights subject to the exercise of LICENSEE'S reasonable business judgment, and a summary of its efforts in this regard.

10. REPORTS AND RECORDS:

10.1 Commencing one (1) year after the first sale, the LICENSEE shall furnish to LICENSOR a report in writing specifying during the preceding calendar quarter (a) the number or amount of Products sold hereunder by LICENSEE, and/or its Affiliates or Sublicensees, (b) the total billings for all Products sold, (c) deductions as applicable in Paragraph 1.6, (d) amount of Net Royalties collected, (e) total royalties due, and (f) names and addresses of all Sublicensees. Such reports shall be due within forty-five (45) days following the last day of each calendar quarter in each year during the term of this Agreement. Each such report shall be accompanied by payment in full of the amount due LICENSOR in United States dollars calculated in accordance with Paragraph 8.1 hereof.

10.2 For a period of three (3) years from the date of each report pursuant to Paragraph 10.2, LICENSEE shall keep records adequate to verify each such report and accompanying payment made to LICENSOR under this Agreement, and an independent Certified Public Accountant or Accounting Firm selected by LICENSOR and acceptable to LICENSEE may have access, on reasonable notice during regular business hours, not to exceed once per year, to such records to verify such reports and payments. Such Accountant or Accounting Firm shall not disclose to LICENSOR any information other than that information relating solely to the accuracy of, or necessity for, the reports and payments made hereunder The fees and expense of the Certified Public Accountant or Accounting Firm performing such verification shall be borne by LICENSOR unless in the event that the audit reveals an underpayment of royalty by more than ten percent (10%), in which case the cost of the audit shall be paid by LICENSEE.

11. REPRESENTATIONS AND WARRANTIES: The following provisions relate to representations and warranties by the parties.

11.1 BY LICENSEE. LICENSEE represents and warrants to LICENSOR as follows:

11.1.1 CORPORATE POWER. LICENSEE has all necessary corporate power to enter into and perform its obligations under this Agreement and as taken all necessary action under the laws of the State of Delaware and its articles of organization and operating agreement to authorize the execution and consummation of this Agreement.

11.2 BY LICENSOR. LICENSOR represents and warrants to LICENSEE as follows:

11.2.1 CORPORATE POWER. LICENSOR has all necessary corporate power to enter into and perform its obligations under this agreement and has taken all

necessary corporate action under the laws of the State of Florida and its charter and by-laws to authorize the execution and consummation of this Agreement.

11.2.2 OWNERSHIP. Subject to (a) any statutory rights of the United States Government under 35 U.S.C. Sections 200 et seq., LICENSOR acknowledges that LICENSOR either legally and/or beneficially owns and controls the entire right, title and interest in and to the Patent Rights including the right to preclude the unauthorized disclosure or use of the foregoing.

11.2.3 NO OPTIONS. There are no outstanding options or rights in any third party to any of the Patent Rights or to acquire any rights or licenses to any of the Patent Rights.

11.2.4 NO LITIGATION. To the best of LICENSOR'S knowledge, there is no action, suit, claim, proceeding or governmental investigation pending or threatened against LICENSOR with respect to any of the Patent Rights either at law or in equity, before any court or administrative agency or before any governmental department, commission, board, bureau, agency or instrumentality, whether United States or foreign.

12. CONFIDENTIAL INFORMATION. The following provisions relate to restrictions on the disclosure and use of Confidential Information by the parties:

12.1 Confidential Information shall be marked confidential, or, if disclosed orally, shall be summarized in a writing marked confidential by the disclosing party and such summary shall be given to the receiving party within thirty (30) days after oral disclosure.

12.2 CONFIDENTIALITY. Until the later of (a) five years from the Effective Date of this Agreement, or (b) two years from the effective date of termination, LICENSEE and LICENSOR each agrees

(a) to treat as confidential and not disclose to any third pan all Confidential Information disclosed to it by the other party; and

(b) not to use such Confidential Information;

except as authorized by this Agreement.

12.3 RELEASE FROM RESTRICTIONS. All information which is characterized as Confidential Information shall cease to be confidential and LICENSEE and/or LICENSOR shall be released from their respective obligations under Paragraph 12.2 hereof on the date when, through no fault or omission of the party seeking such release, such information becomes (a) disclosed in published literature; or (b) generally available to industry; or (c) obtained by the party seeking such release from a third party without binder of secrecy, PROVIDED, HOWEVER, that such third party has no confidentiality obligations to the other party.

12.4 CONFLICT. In the event of any conflict between this Agreement and the terms of the Confidentiality Non-Disclosure Agreement dated December 29, 1997 between the parties, the terms of this Agreement shall govern.

13. MARKING AND STANDARDS:

13.1 In accordance with applicable law, LICENSEE agrees to mark and obligate Sublicensees to mark Products (or their containers or labels) sold in the United States with proper patent notice as specified under the patent laws of the United States and will also satisfy the marking standards of each foreign country in which patent protection is sought and products are sold.

13.2 LICENSEE further agrees to maintain satisfactory standards in respect to the nature of the Products manufactured and/or sold by LICENSEE. LICENSEE agrees that all Products manufactured and/or sold by it shall be of a quality which is appropriate to products of the type here involved LICENSEE agrees that similar provisions shall be included in its sublicenses under the Patent Rights.

14. ASSIGNMENT:

14.1 This Agreement is not assignable by LICENSEE without the prior written consent of LICENSOR at its sole discretion, except that LICENSEE may freely assign this Agreement to an Affiliate or to a party assuming substantially all of LICENSEE's business to which Products relate. Notice to LICENSOR shall be given within thirty (30) days after such an assignment in order to allow LICENSOR to comply with its affected obligations under this Agreement.

14.2 This Agreement shall extend to and be binding upon the successors and legal representatives and permitted assigns of LICENSOR and LICENSEE.

15. NOTICE:

Any notice, payment, report or other correspondence (hereinafter collectively referred to as "Correspondence") required or permitted to be given hereunder shall be mailed by certified mail or delivered by hand to the party to whom such Correspondence is required or permitted to be given hereunder. If mailed, any such notice shall be deemed to have been given when mailed as evidenced by the postmark at point of mailing. If delivered by hand, any such Correspondence shall be deemed to have been given when received by the party to whom such Correspondence is given, as evidenced by written and dated receipt of the receiving party.

All Correspondence to LICENSEE shall be addressed as follows:

Antigenics LLC
630 Fifth Avenue, Suite 2170
New York, NY 10111
Attn: Garo Armen, Chief Executive Officer

All Correspondence to LICENSOR shall be addressed, in duplicate, as follows:

FOR NOTICE:

University of Miami
School of Medicine
Research and Graduate Studies
P.O. Box 016960 (R64)
1600 N.W. 10th Avenue
Miami, Florida 33101
Attention: Dr. Norman H. Altman

Assistant Vice President
Business Affairs
327 Max Orovitz Building
1507 Levante Avenue
Coral Gables, Florida 33124-1432
Attention: Mr. Alan J. Fish

FOR NOTICE AND PAYMENT:

Director
Office of Technology Transfer
P.O. Box 016960 (M811)
Miami, FL 33101
Attention: Dr. Gary S. Margules

Either party may change the address to which Correspondence to it is to be addressed by notification as provided herein in this paragraph.

16. TERMINATION:

16.1 LICENSOR and LICENSEE shall each have the right to terminate this Agreement if the other party commits a material breach of an obligation under this Agreement or provides an intentionally false report and continues in default for more than two (2) months after receiving written notice of such default or intentionally false report. Such termination shall be effective upon further written notice to the breaching party after failure by the breaching party to cure such default. If LICENSOR commits a material breach or defaults, then LICENSEE has no duty to continue the payment of royalties as set forth in Section 8 of this Agreement.

16.2 The license and rights granted in this Agreement have been granted on the basis of the special capability of LICENSEE to perform research and development work leading to the manufacture and marketing of the Products. Accordingly, to the extent enforceable under

law, LICENSEE covenants and agrees that in the event any proceedings under the Bankruptcy Act or any amendment thereto, be commenced by or against LICENSEE, and, if against LICENSEE, said proceedings shall no be dismissed with prejudice before either an adjudication in bankruptcy or the confirmation of a composition arrangement, or plan of reorganization, or in the event LICENSEE shall be adjudged insolvent or make an assignment for the benefit of its creditors, or if a writ of attachment or execution be levied upon the license hereby created and not be released or satisfied within ten (10) days thereafter, or if a receiver be appointed in any proceeding or action to which LICENSEE is a party with authority to exercise any of the rights or privileges granted hereunder, any such event shall be deemed to constitute a breach of this Agreement by LICENSEE, and LICENSOR, at the election of LICENSOR, but not otherwise, ipso facto, and without notice or other action by LICENSOR, shall have the right to terminate this Agreement.

16.3 LICENSEE shall have the right to terminate this Agreement in whole or in part with respect to any patent or application within Patent Rights upon sixty (60) days notice.

16.4 Any termination of this Agreement shall be without prejudice to LICENSOR'S right to recover all amounts accruing to LICENSOR prior to such termination and cancellation. Except as otherwise provided, should this Agreement be terminated for any reason, LICENSEE shall retain no rights, express or implied, under the Patent Rights, nor have the right to recover any royalties paid LICENSOR hereunder. Upon termination, LICENSEE shall have the surviving right under this Agreement to dispose of Products then in its possession and to complete existing contracts for such products, so long as contracts are completed within six (6) months from the date of termination, subject to the payment of royalties to LICENSOR as provided in Section 8 hereof.

17. CERTIFICATE OF INSURANCE:

17.1 LICENSEE and LICENSOR each agree to carry and keep in force, each at its expense, general liability insurance with limits not less than one million dollars ($1,000,000) per person and three million dollars ($3,000,000) aggregate to cover liability for damages on account of bodily or personal injury or for any cause. Such insurance shall not be canceled for any cause without at least thirty (30) days prior written notice to the other party. LICENSEE'S insurance shall contain an endorsement naming LICENSOR as an additional insured with respect to this Agreement. LICENSEE shall provide a certificate of insurance stating the limits of coverage. Such insurance shall be written to cover claims during the term of this Agreement. The insurance certificate shall be sent to the University of Miami, attention Mr. William Coombs, 333 Max Orovitz Building, 1507 Levante Avenue, Coral Gables, Florida 33124-1437.

17.2 LICENSEE shall keep in force product liability insurance with limits not less than five million dollars ($5,000,000) in the event of human subject testing of a Product. Such insurance shall not be canceled for any cause without at least thirty (30) days prior written notice to the other party LICENSEE'S insurance shall contain an endorsement naming LICENSOR as an additional insured with respect to this Agreement. LICENSEE shall provide a certificate of insurance stating the limits of coverage. Such insurance shall be written to cover claims incurred, discovered, manifested or made during or after the expiration of this Agreement. The insurance certificate shall be sent to the University of Miami, attention Mr. William Coombs, 333 Max Orovitz Building, 1507 Levante Avenue, Coral Gables, Florida 33124-1437.

18. USE OF NAME:

Except as may be required by law, LICENSEE shall not use the name of the University of Miami, or any of its employees, or any adaptation thereof, in any publication, including advertising, promotional or sales literature without the prior written consent of Mr. Alan J. Fish, Assistant Vice President of Business Services, 327 Max Orovitz Bldg., 1507 Levante Avenue, Coral Gables, FL 33124-1432. Except as may be required by law, LICENSOR shall not use the name of Antigenics LLC, or any of its employees, or any adaptation thereof, in any publication, including advertising, promotional or sales literature without the prior written consent of the Chief Executive Officer of Antigenics LLC, 630 Fifth Avenue, Suite 2170, New York, NY 10111.

19. GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.

20. CAPTIONS:

The captions and Paragraph/Section headings of this Agreement are solely for the convenience of reference and shall not affect its interpretation.

21. SEVERABILITY:

Should any part or provision of this Agreement be held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provision shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in valid and enforceable manner, and the remainder of the Agreement shall remain binding upon the parties hereto.

22. SURVIVAL:

22.1 The provisions of Sections 5.3, 6, 7 and 12 shall survive the termination or expiration of this Agreement and shall remain in full force and effect.

22.2 The provisions of this Agreement which do not survive termination or expiration hereof (as the case may be) shall, nonetheless, be controlling on, and shall be used in construing and interpreting, the rights and obligations of the parties hereto with regard to any dispute, controversy or claim which may arise under, out of, in connection with, or relating to this Agreement.

23. AMENDMENT:

No amendment or modification of the terms of this Agreement shall be binding on either party unless in a prior writing signed by an authorized officer of each party.

24. WAIVER:

No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be deemed a waiver of any other right hereunder.

25. ENTIRE AGREEMENT:

This Agreement constitutes the entire agreement between the parties hereto respecting the subject matter hereof, and supercedes and terminates all prior agreements respecting the subject matter hereof, whether written or oral, and may be amended only by an instrument in writing executed by both parties hereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized to be effective as of the Effective Date.

ANTIGENICS LLC

Date: _____ By: /s/ Garo H. Armen

Garo H. Armen
Name

Chairman and Chief Executive Officer
Title

UNIVERSITY OF MIAMI

Date: 4/19/99 By: /s/ Alan J. Fish

Alan J. Fish
Name

Asst. Vice President Business Services
Title

EXHIBIT 10.13

June 3, 1998

Sigma-Tau Industrie Farmaceutiche Riunite SpA
Via Pontina km 30,400
00040 POMEZIA
ITALY

Gentlemen:

We refer to our recent discussions regarding a potential scientific and business cooperation between Antigenics L.L.C. ("Antigenics") and Sigma-Tau Industrie Farmaceutiche Riunite SpA (the "Company") in Italy (the "Territory") with regard to Antigenics' proprietary technology on the use of Heat Shock Proteins ("HSP") for the use of HSP to boost and modulate the immune system against cancer (the "Technology").

The following outlines our thinking on our discussions to date.

BASIC TERMS OF THE COOPERATION ("LETTER AGREEMENT")

1. The Company shall carry out at its own expense two Phase lB clinical trials sometimes referred to in the regulatory documents as Phase I/II) in the Territory, whose scope and operational protocol will be Identified and approved by Antigenics (the "Trials"). It is understood that the Company shall buy the Product, as hereinafter defined, necessary for the conduct of the Trials directly or indirectly from Antigenics, at a reasonable price to be agreed upon in good faith [ ]*, within 120 (one hundred and twenty) days from the date of signature of this Letter Agreement The Trials will commence upon the grant of the required authorizations by the Italian Ministry of Health.

2. In consideration of the Company undertaking and financing the Trials, Antigenics hereby grants to the Company the exclusive right (the "Right") to negotiate a marketing and development agreement (the "Development Agreement") for the exclusive use of Antigenics' patent rights (the "Patent Rights") and the Technology for the purpose of using, marketing and selling any active compound (the "Compound") and/or any pharmaceutical specialty for the treatment of cancer (the "Product") in the Territory. Antigenics and the Company will negotiate in good faith and professionally so as to finalize the Development Agreement within the Target Date (as hereinafter defined). Terms and conditions for a possible extension of the Territory will be discussed in good faith between the parties, if so requested by the Company, within 12 (twelve) months from the date of this Letter Agreement; it being understood, however, that such

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discussion would not preclude Antigenics from any activity whatsoever, including discussions, transactions, or agreements with others concerning countries other than the Territory.

3. The Right shall expire at a date (the "Target Date") which shall be the earliest of (i) the date on which the Development Agreement is duly authorized, executed and delivered by the parties, (ii) six months from the completion of the second Trial, if the parties agree to only one Trial, then six months from the completion of the first and only Trial, (iii) twenty-four months from the enrollment of the first patient in the first Trial, (iv) twenty-four months from the date of this Letter Agreement if required authorization to conduct the first Trial has not yet been granted by the appropriate Italian authorities, (v) twelve months from the hold imposed by the Italian Authorities on the Trials for any reason, or (vi) twenty-four months from the date of this Letter Agreement if no patients have been enrolled.

4. Antigenics also grants the Company the right of first offer to negotiate licenses for other medical uses of the Technology in the Territory. However, this shall in no way preclude Antigenics from previously or concurrently discussing such licenses for the Technology and Antigenics is not precluded from entering into an agreement, at any time, with others, provided that such discussions and agreements are meant to cover countries with a population larger than the Territory, and including the Territory.

5. It is anticipated that the Development Agreement shall provide that the Company shall initially purchase all its requirements of the Compound and/or the Product in finished form ready for use directly or indirectly from Antigenics at a price to be set forth in the Development Agreement. It is anticipated that the supply price of the Compound and/or the Product, respectively, will [

]*. [

]*.

6. The Development Agreement shall also provide for the possibility for the Company to manufacture or have the Compound/Product manufactured in the Territory upon appropriate terms and conditions including a royalty to Antigenics.

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7. All clinical information resulting from or relating to the Trials shall be promptly delivered to Antigenics upon expiration of the Right.

8. Each party will provide the other with access to all information requested to allow the other to carry out the Trials and to evaluate and negotiate the Development Agreement. Before the start of the Trials, a protocol will be established for the regular exchange of clinical information between the two parties as the Trials are being conducted.

9. In consideration of the foregoing:

(i) RELEASE OF INFORMATION. No party shall release information to the public concerning this Letter Agreement, the Development Agreement, or any other transaction contemplated hereby without the prior written consent of the other party, and each party shall consult with the other as to the form and substance of any press release or other public disclosure, if any. Nothing contained herein shall prevent any party from disclosing any information to officers, directors, trustees, employees and representatives of either party in connection with discussion concerning the Development Agreement or from disclosing any information required to be disclosed in accordance with any law, regulation or order of a court or regulatory agency of competent jurisdiction.

(ii) ACCESS. Each party shall make its management and other employees, agents and authorized representatives (including counsel and independent public accountants) available, as appropriate, to confer relating to the Development Agreement; and as appropriate, subject to the disclosing parties' approval, which approval shall not unreasonably be withheld, each party shall disclose and make available all books, paper, and records related to the Development Agreement.

(iii) CONFIDENTIALITY. Except as otherwise provided In Paragraph 9 (i) hereof, all information furnished to any party under this Letter Agreement shall be treated as confidential and each party shall preserve the confidentiality of such information. If the Right expires without the Development Agreement being executed, all documents and other materials containing, reflecting and referring to such information shall promptly be returned to the party that provided it. The obligations under this paragraph shall not apply to any information which: (a) was already in the possession of a party prior to the disclosure thereof hereunder, (b) was then generally known to the public, (c) became known to the public through no fault of the party receiving the information, (d) was disclosed to the receiving party by an unaffiliated third party who was not bound by an obligation of confidentiality to the party providing the confidential information hereunder. The obligations under this paragraph 9(iii) shall be replaced by corresponding obligations laid down in the Development Agreement. In the event that the Development Agreement is not executed by the parties hereto the obligations under this paragraph 9(iii) shall extend for seven years as of the date of this Letter Agreement.

This Letter Agreement shall be governed by and construed and enforced in accordance with the laws of the state of New York, without regard to the conflicts of law principle thereof. In the event of any dispute, New York courts shall have exclusive jurisdiction of such dispute.

Antigenics and the Company mutually acknowledge their common interest and intention to implement the provisions of this Letter Agreement and to consult with each other in the event of major, unforeseeable events which might hamper the finalization of the Development Agreement.

If the foregoing correctly expresses our understanding, please so indicate by signing and dating the enclosed copy of this Letter Agreement and returning it to the undersigned.

Sincerely.

ANTIGENICS, L.L.C.

By: /s/ Garo H. Armen

Name: Garo H. Armen

Title: Chairman & CEO

Agreed to:

SIGMA-TAU INDUSTRIE FARMACEUTICHE RIUNITE SPA

By: /s/ Claudio Cavazza

Name: Claudio Cavazza

Title: President

EXHIBIT 10.14

[ANTIGENICS LOGO]
ANITGENICS

November 15, 1999

Medison Pharma Ltd.
10 Hashiloach St. P.O.B. 7090
Petach-Tikva 49170
Israel

Dear Mr. Jakobsohn:

We refer to our recent discussions regarding a potential Licensing and Distribution Relationship between Antigenics LLC ("Antigenics") and Medison Pharma Ltd. ("Medison") in Israel with regard to Antigenics' proprietary technology utilizing Heat Shock Proteins ("HSP") for the boosting and modulating of the immune system of humans against cancer (the "Technology").

The following outline the general terms and conditions of a Licensing and Distribution Relationship:

1. Antigenics' shall grant Medison a license for the Technology in Israel solely for the purposes outlined in this Letter Agreement.
2. In each of Antigenics' Phase III Trials, Antigenics will include a limited number of clinical sites in Israel. Antigenics' obligation will cease if it is determined by both companies that there are insufficient sites available to accrue the appropriate number of patient's according to Antigenics' timelines.
3. All data, clinical and otherwise, generated in the Israeli sites will be property of Antigenics.
4. Medison shall be Antigenics' exclusive sales and marketing agent for the Israeli market.
5. For the Israeli market, Medison will be responsible[ ]* for preparing and filing all regulatory documents and providing whatever support is necessary to obtain regulatory approval in Israel.
6. Medison shall be responsible for obtaining any necessary reimbursement approvals.

- ----------
* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

7. After regulatory approval, Medison shall be responsible for all sales and marketing efforts and expenses.
8. Antigenics shall receive [ ]* of Net Sales and Medison shall receive [ ]* of Net Sales.
9. Medison and its affiliates shall make an equity investment of [ ]* in Antigenics LLC 1999 Private Placement and will be entitled to all the rights granted to the other investors as detailed in the Private Placement Memorandum dated 8/31/99, the Subscription Agreement and the Limited Liability Company Agreement.
10. Your rights and obligations will be subject to typical termination provisions, however, the Agreement will not contain a change in control termination provision.
11. The term of the agreement shall be 7 years.

Prior to the initiation of Antigenics' first Phase III trial in cancer, Antigenics and Medison shall negotiate and sign a License and Distribution Agreement acceptable to both parties. That agreement shall contain terms and conditions typical to for an agreement of that type, including appropriate termination provisions and best efforts clauses.

This Letter Agreement shall be governed by and construed and enforced in accordance with the laws of the state of New York, without regard to the conflicts of law principles thereof. In the event of any dispute, New York courts shall have exclusive jurisdiction of such dispute.

If the foregoing correctly expresses our understanding, please so indicate by signing and dating the enclosed copy of this Letter Agreement and returning it to the undersigned.

Sincerely,

Antigenics LLC

By: /s/ Garo H. Armen

Name: Garo H. Armen

Title: Chairman and Chief Executive Officer

- ---
* This portion of the Exhibit has been omitted pursuant to a Request for Confidential Treatment under Rule 406 of the Securities Act of 1933, as amended. The complete Exhibit, including the portions for which confidential treatment has been requested, has been filed separately with the Securities Exchange Commission.

Medison

By:	/s/ Mier Jakobsohn	/s/ Shmuel Berkovich
Name:	/s/ Mier Jakobsohn	/s/ Shmuel Berkovich
Title:	General Manager	General Manager

EXHIBIT 10.16

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT (this Agreement) dated as of June 1, 1998, between ANTIGENICS L.L.C., a Delaware limited liability company (the "LLC"), and ELMA HAWKINS (Employee").

WITNESSETH:

WHEREAS, the LLC desires to employ Employee as Senior Vice President and Employee desires to accept such employment, under the terms and conditions set forth in this Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

1. EMPLOYMENT. Subject to the terms and conditions hereof, the LLC hereby employs Employee as a Senior Vice President during the term hereof as hereinafter described, and Employee hereby accepts such employment.

2. TERM OF EMPLOYMENT. Unless earlier terminated pursuant to Section 6 hereof, the term of employment of Employee under this Agreement shall be for a period of one (1) year from the date hereof. At the end of such term, and at the end of each succeeding one year term (the end of each one year term an "Anniversary"), this Agreement shall automatically be renewed for a term of one (1) year unless either party gives the other party notice not more than sixty (60) nor less than thirty (30) days prior to the Anniversary of its intent to terminate this Agreement. If such notice is given, this Agreement shall terminate on the Anniversary.

3. DUTIES. During the term of her employment by the LLC, Employee shall serve as-a Senior Vice President. In such capacity, Employee shall serve at the pleasure of the LLC as a Senior Vice President. Employee shall at all times report to the Chief Executive Officer, and Employee shall keep the Chief Executive Officer fully apprised of all of Employees activities. Employee shall perform her duties hereunder faithfully, diligently and to the best of her ability, and shall devote all of her business time to the LLC's business.

4. COMPENSATION.

4.1 BASE SALARY. The LLC shall pay Employee a base salary ("Base Salary") at the rate of $200,000 per annum, with the understanding that Employee shall be eligible for all future performance or merit-based increases in Base Salary. Base Salary shall be payable in accordance with the standard payroll practices of the LLC in effect from time to time.

4.2 INCENTIVE EQUITY PLAN. In connection with her employment hereunder, Employee has been granted an option under the LLCs Incentive Equity Plan. The terms and conditions of such option are set forth in the form of Option Agreement attached hereto as EXHIBIT A, copies of which have been executed and delivered by the LLC and Employee as of the date hereof.

5. OTHER BENEFITS.

5.1 VACATION. Employee shall be entitled to up to four (4) weeks of paid vacation each calendar year. Such vacation shall be taken only at such time or times as the Chief Executive Officer may approve. If Employee does not use all four weeks of vacation time in any one calendar year, employee will abide by employer policy in using vacation in successive calendar year.

5.2 BENEFIT PROGRAMS. During the term of her employment, Employee shall be entitled to participate in all employee benefit programs of the LLC in effect from time to time.

6. TERMINATION OF EMPLOYMENT.

6.1 GENERAL. The employment of Employee may be terminated by the LLC at any time during the term hereof for "Cause" (as defined below), without "Cause" or as a result of Employee's "Permanent Disability" (as defined below) or death.

6.2 CERTAIN DEFINITIONS. For purposes of this Agreement:

(a) "Cause" means one or more of the following:

(1) any willful or intentional act of Employee that could reasonably be expected to have the effect of injuring the reputation, business or business relationships of the LLC;

(2) conviction of Employee (including a conviction on a nolo contendere plea) of any felony (other than a traffic violation), or of any crime or offense which involves property or money of the LLC or moral turpitude, or Employee's incarceration following any conviction which restricts or limits the ability of Employee to perform her duties hereunder;

(3) Employee's refusal or repeated failure or neglect to perform her duties as set forth herein; or

(4) any other conduct of Employee that constitutes a willful, intentional or material breach of this Agreement.

(b) "Permanent Disability" means the inability of Employee, even with reasonable accommodation, to perform the essential functions of her position hereunder for at least 90 consecutive days or for at least 120 days in any 365-day period as a result of physical or mental disability.

6.3 TERMINATION WITHOUT CAUSE. If Employee's employment hereunder is terminated by the LLC other than due to "Cause" or Employee's Permanent Disability, then the LLCs sole liability and obligation to Employee shall be to continue to make Base Salary payments to Employee until the end of the Anniversary in accordance with the LLC's standard payroll practices. Notwithstanding the foregoing, if Employee's employment hereunder is terminated by the LLC because (i) more than 50% of the outstanding units of equity interests in the LLC (the

"Units") are sold to an unaffiliated third party or (ii) the LLC eliminates the position of Senior Vice President, the LLC's sole liability and obligation to Employee shall be, at Employee's option, to (x) make Base Salary payments to Employee for one year in accordance with the LLC's standard payroll practices or (y) distribute to Employee Units that are valued in the aggregate at $[200,000]. The Units shall be distributed on a schedule corresponding to the amount of Base Salary Employee would have received if Employee's Base Salary was being paid in accordance with the LLC's standard payroll practices, rounded to the nearest Unit. Employee shall have no rights as a Member of the LLC with respect to any Units distributed pursuant to this Section 6.3 until Employee has duly executed and delivered a copy of the LLC's Limited Liability Company Agreement as then in effect. The parties acknowledge that it would be difficult to calculate the amount of damages that Employee would suffer as a result of such termination, and the severance payment provided for in this Section 6.3 is intended to be a reasonable estimate of such damages and to be Employee's exclusive remedy under this Agreement. Except as provided in this Agreement, neither Employee nor her estate or beneficiaries shall have any rights or claims against the LLC by reason of any termination of the employment of Employee hereunder.

6.4 VOLUNTARY TERMINATION, TERMINATION DUE TO CAUSE, PERMANENT DISABILITY OR DEATH. If Employee's employment hereunder is voluntarily terminated by Employee, is terminated by the LLC due to Cause, or is terminated due to Employee's Permanent Disability or death, then the LLC's sole liability and obligation to Employee shall be to pay Employee her accrued and unpaid Base Salary in addition to any accrued and unused vacation time through the date of such termination.

6.5 REQUIREMENT TO MITIGATE. If Employee's employment hereunder is terminated by the LLC other than due to "Cause" or Employee's Permanent Disability, then Employee shall be required to mitigate damages otherwise obtainable from the LLC pursuant to Section 6.3 hereof, as a result of the LLC's breach of this Agreement, and any compensation income received by Employee after such termination shall reduce the amount payable in accordance with Section 6.3.

7. CONFIDENTIALITY, NON-COMPETITION AND RELATED MATTERS.

7.1 CONFIDENTIAL INFORMATION. Employee shall not, directly or indirectly, during the period she is engaged as an employee to the LLC and during the three-year period thereafter (such period of employment plus such three-year period being hereinafter referred to as the "Restrictive Period"), disclose to anyone or use (except as authorized in the regular course of the LLC's business) any information acquired during her employment with the LLC or thereafter with respect to any of the LLC's confidential information (including information relating to the development of the LLC's inventions, processes, formulae, and any other information that is not then generally available to the public, all of which Employee acknowledges to be confidential).

7.2 COVENANT NOT TO COMPETE. Employee shall not, during the period she is engaged as an employee to the LLC and during the one-year period thereafter, directly or indirectly, engage or become interested in (as owner, stockholder, partner, director, officer, employee, consultant, agent or otherwise) any business which is involved in the study, development, marketing or sale of autologous cell-derived cancer vaccines. Employee acknowledges that this

provision is necessary for the LLC's protection and is reasonable since she is able to obtain employment or otherwise provide services to companies whose businesses or proposed businesses are not related to the study, development, marketing or sale of autologous cell-derived cancer vaccines. If, however, any provision of this paragraph is held to be unenforceable because of the duration, scope or absence of geographical limits of the restriction, the court making that determination shall modify that provision to the extent necessary to make it valid. Ownership of less than 5% of the securities of any class of a corporation registered under section 12(b) or 12(g) of the Securities Exchange Act of 1934 shall not be considered a violation of the provisions of this paragraph.

7.3 NON-SOLICITATION OF EMPLOYEES. Employee shall not, during the Restrictive Period, directly or indirectly employ or retain, solicit the employment or retention of, or be associated with any entity that employs or retains or solicits the employment or retention of, any person who was an employee of the LLC at any time during Employee's employment or during the Restrictive Period.

7.4 SET-OFF. If Employee shall, after termination of her employment hereunder, breach any provision of Section 7.1, 7.2 or 7.3 hereof, the LLC may set-off against the amounts otherwise payable to Employee pursuant to Section 6.3 hereof, the amount of the damages suffered by it as a result of such breach. Any amounts withheld from Employee by the LLC pursuant to this Section 7.4 shall be deposited with an escrow agent to be determined by the LLC (which escrow agent shall be reasonably satisfactory to Employee) pending a determination of the LLC's right to make such set-off. The parties shall agree to the escrow agent's standard terms and conditions, and the fees and expenses associated with such escrow agent shall be borne equally by the LLC and Employee.

8. INJUNCTIVE RELIEF: Without limiting the remedies available to the LLC, Employee acknowledges that a breach of the covenants contained in Sections 7.1, 7.2 and 7.3 hereof may result in material irreparable injury to the LLC for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the LLC shall be entitled to seek and obtain a temporary restraining order and/or a preliminary or permanent injunction, without the necessity of showing actual damage and without any bond or other security being required, restraining Employee from engaging in activities prohibited by such Section or such other relief as may be required to specifically enforce any of the covenants in such Sections 7.1, 7.2 and 7.3 hereof. If the LLC decides to seek and obtain such a temporary restraining order and/or a preliminary or permanent injunction, it shall notify Employee at least 24 hours in advance of such actions.

9. ASSIGNMENT. This Agreement shall be binding upon and inure to the benefit of the heirs and representatives of Employee and the assigns and successors of the LLC, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Employee (except by will or by operation of the laws of intestate succession) or by the LLC, except that the LLC may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock, assets or businesses of the LLC, if such successor expressly agrees to assume the obligations of the LLC hereunder.

10. NOTICES. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficiently given if delivered in person, or mailed by certified first class mail, postage prepaid, or sent by a reputable overnight courier service, addressed to the party to be notified at the address(es) specified below (or such other address as may be specified by notice in this manner):

Notice to LLC:

c/o Antigenics, Inc.
630 Fifth Avenue, Suite 2100
New York, New York 10111
Attention: Chief Executive Officer

with a copy to:

Proskauer Rose LLP
1585 Broadway
New York, New York 10036-8299
Attention: Edward Brodsky, Esq.

Notice to Employee:

Elma Hawkins
963 Lowell Road
Concord, Massachusetts 01742

Notices shall be deemed given as of the date delivered or the date entrusted to the United States postal service or courier service.

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

12. HEADINGS. The headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provision of this Agreement.

13. WAIVER. The waiver by either party of noncompliance by the other party of any term or provision of this Agreement shall not be construed as a waiver of any other non-compliance.

14. SEVERABILITY. If any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof.

15. GOVERNING OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ITS CONFLICTS OF LAWS RULES OR PRINCIPLES.

[END OF TEXT]

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

ANTIGENICS L.L.C.

By: /s/ Garo Armen

Authorized Signatory

/s/ Elma S. Hawkins

Elma Hawkins

ANTIGENICS L.L.C.

EQUITY OPTION AGREEMENT

ANTIGENICS, dated as of July 1, 1996 between Antigenics L.L.C., a Delaware limited liability company (the "Company"), and Elma Hawkins (the "Optionee").

WHEREAS, concurrently with the execution of this agreement, Optionee is entering into an employment agreement with the Company;

WHEREAS, the Company has granted to the Optionee the options (the "Options") to purchase an aggregate equity interest in the Company equal to 800 Units of the equity interests in the Company (the "Option Interests"), subject to the terms and conditions set forth in the Company's Incentive Equity Plan (the "Plan") and the additional terms and conditions set forth below.

NOW, THEREFORE, the Company and the Optionee agree as follows:

1. DEFINITIONS AND INTERPRETATION. Terms defined in the Plan and not otherwise defined herein shall have the same meanings when used herein. In the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan shall control.

2. EXERCISE. The Options shall be exercised by written notice to the Company (to the attention of the Corporate Secretary) accompanied by (i) payment in full of the Purchase Price, (ii) any payment or other action required to satisfy the tax withholding requirement, if any. Payment of the Purchase Price shall be made in cash (including check, bank draft, or money order) or with the Committee's prior written approval, by delivery of a promissory note of the Optionee, such promissory note to be on such terms as are specified by the Board, or by a combination of cash and the Optionee's promissory note.

3. VESTING; EXPIRATION. The Options shall be exercisable as to 200 Units immediately, as to 200 Units from and after the first anniversary of the date hereof, as to 200 Units from and after the second anniversary of the date hereof and as to the remaining 200 Units from and after the third anniversary of the date hereof. The options shall thereafter remain exercisable prior to their expiration or earlier termination as provided herein or under the Plan. The options shall expire on the tenth anniversary of the date hereof or earlier, as provided in the Plan.

4. PURCHASE PRICE; ADJUSTMENTS. The Purchase Price of the Options is $250.00 per Unit. The Option Interests issuable upon exercise of the Option and the Purchase Price shall be subject to adjustment in accordance with the Plan.

5. NO RIGHTS AS MEMBER. The Optionee shall have no rights as a Member of the Company with respect to the Option Interests until after an Option has been exercised and the Optionee has duly executed and delivered a copy of the LLC Agreement.

6. MISCELLANEOUS. This agreement shall be governed by and construed in accordance with the internal laws of the State of New York. The Option and this Agreement may not be transferred or assigned by the Optionee other than by will or the laws of descent and distribution, and during the lifetime of the Optionee, the Option may be exercised only by the Optionee or the Optionee's guardian or legal representative. This Agreement shall bind and inure to the benefit of the parties hereto and the successors and assigns of the Company and, to the extent provided above, the executors, administrators, legatees and heirs of the Optionee. Except as set forth in the Plan, neither this Agreement nor any provision hereof may be amended, modified, changed, discharged, terminated or waived orally or by any course of dealing or purported course of dealing, but only by an agreement in writing signed by the Optionee (or, following the death of the Optionee, by such person or persons as may be entitled hereunder or under the Plan to exercise the Option) and the Company. No such agreement shall extend to or affect any provision of this Agreement not expressly amended, modified, changed, discharged, terminated or waived or impair any right consequent on such a provision.

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

ANTIGENICS L.L.C.

By: /s/ Garo Armen

Authorized Signatory

/s/ Elma S. Hawkins

Elma Hawkins, Optionee

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
November 29, 1999

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE DECEMBER 31, 1998 CONSOLIDATED FINANCIAL STATEMENTS AND THE SEPTEMBER 30, 1999 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

1
U.S. DOLLAR (1)

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JAN-01-1998	JAN-01-1999
DEC-31-1998	SEP-30-1999
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0	0
0	0
0	0
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0	0
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0	0
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(8,267,614)	(10,987,967)
(86.42)	(105.57)
(86.42)	(105.57)