

that these statutes and regulations reserve to the federal government a royalty-free, non-exclusive, non-transferable license to practice any government funded invention claimed in the Patent Rights and requires Metabolix to comply with the United States manufacturing obligation of Section 3.4(c). If any term of this Agreement fails to conform with those laws and regulations, the relevant term is an invalid provision and shall be modified by the parties pursuant to Section 10.7.

2.4. Option Right. Under the Intellectual Property Rights Agreement effective June 1, 2012, between UMass, Metabolix, Inc., The Regents of the University of California (Berkeley), and Washington State University, Metabolix, Inc. has first option to negotiate for an exclusive license to UMass inventions developed under ARPA-E award grant no. DE-AR0000200 . The parties acknowledge that should additional UMass inventions arise under ARPA-E grant no. DE AR0000200 which cannot be practiced without infringing the Patent Rights, it would be common practice to add such inventions to the existing license agreement rather than negotiate separate license agreement(s). The parties also agree that it would be unusual for a licensee to pay multiple additive royalties if a Licensed Product is covered by more than one patent in the same patent family. For purposes of clarity, the aforementioned acknowledgement and agreement in no way obligates UMass to enter into an agreement with Metabolix that would provide for the licensing of such inventions to Metabolix, especially under terms that would not represent a fair market value for the inventions.

3. Metabolix's Obligations Relating to Commercialization.

3.1. Commercialization Requirements. Metabolix shall use diligent efforts, or shall cause its Sublicensees to use diligent efforts, to develop Licensed Products throughout the Field and to introduce such Licensed Products into the commercial market. Thereafter, Metabolix or its Sublicensees shall make such Licensed Products reasonably available to the public. Specifically, Metabolix shall fulfill the following obligations:

3.1.1 Reporting. Within sixty (60) days after the end of each calendar year, Metabolix shall furnish UMass with a written report on the progress of Metabolix's research and development, business development, manufacturing and marketing efforts during the prior year, which report shall include all information reasonably necessary for UMass to determine if the Milestones have been met by the Milestone Dates. The report shall also contain a discussion of intended efforts and sales projections for the current year.

*Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.*
