



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **December 13, 2004**

**REGENERON PHARMACEUTICALS, INC.**

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(Exact name of registrant as specified in its charter)

**New York**

(State or other jurisdiction of  
incorporation)

**0-19034**

(Commission  
File Number)

**No. 13-3444607**

(IRS Employer  
Identification No.)

**777 Old Saw Mill River Road, Tarrytown, New York**

(Address of principal executive offices)

**10591-6707**

(Zip Code)

Registrant's telephone number, including area code (914) 347-7000

NOT APPLICABLE

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### Item 8.01 Other Events

The Compensation Committee of the Registrant's Board of Directors (the "Committee") approved the forms of option agreement to be used for the grant of options to purchase shares of the Registrant's common stock, par value \$0.001 per share, under the Registrant's 2000 Long-Term Incentive Plan, in connection with such grants pursuant to Registrant's Option Exchange Program. The Committee has approved substantially similar option agreements in connection with regular annual stock option grants to the Registrant's executive officers and directors.

The form of option agreement and related notice of grant approved by the Committee for use in connection with the grant of options to the Registrant's "named executive officers" (as such term is defined in Item 402(a)(3) of Regulation S-K under the Securities and Exchange Act of 1933, as amended) and non-employee directors is attached hereto as Exhibit 10.01 and incorporated herein by reference.

The form of option agreement and related notice of grant approved by the Committee for use in connection with the grant of options to the Registrant's executive officers, other than the named executive officers, is attached hereto as Exhibit 10.03 and incorporated herein by reference.

The form of restricted stock award agreement and related notice of grant approved by the Committee for use in connection with the grant of restricted stock awards to the Registrant's executive officers, is attached hereto as Exhibit 10.03 and incorporated herein by reference.

### Item 9.01 Financial Statements and Exhibits

(c) *Exhibits.*

<b>Exhibit Number</b>	<b>Description</b>
10.01	Form of option agreement and related notice of grant for use in connection with the grant of options to the Registrant's non-employee directors and named executive officers.
10.02	Form of option agreement and related notice of grant for use in connection with the grant of options to the Registrant's executive officers other than the named executive officers.
10.03	Form of restricted stock award agreement and related notice of grant for use in connection with the grant of restricted stock awards to the Registrant's executive officers.

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

REGENERON PHARMACEUTICALS, INC.

Dated: December 13, 2004

By: /s/ Stuart Kolinski

Stuart Kolinski  
Vice President & General Counsel

**Exhibit Index**

<b>Number</b>	<b>Description</b>
10.01	Form of option agreement and related notice of grant for use in connection with the grant of options to the Registrant's non-employee directors and named executive officers.
10.02	Form of option agreement and related notice of grant for use in connection with the grant of options to the Registrant's executive officers other than the named executive officers.
10.03	Form of restricted stock award agreement and related notice of grant for use in connection with the grant of restricted stock awards to the Registrant's executive officers.



[The Non-Qualified Stock Option expires on [ ]\*\*\* (the "Expiration Date").]\*

You and the Company agree that these options are granted under and governed by the terms and conditions of the Company's 2000 Long-Term Incentive Plan as amended and the enclosed Option Agreement, both of which are attached and made a part of this document.

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\* This language will only be included in an option agreement or notice of grant for replacement options granted to eligible "named executive officers" (which are executive vice president and senior vice presidents) to the extent such individuals exchange options in the Option Exchange Program commenced December 3, 2004. All replacement options granted to a named executive officer will be nonqualified stock options. Directors who are not also eligible named executives officers and the president and chief executive officers are not eligible to participate in the Option Exchange Program.

\*\* Options for executive officers will vest in approximately equal annual 25% installments. Full Vest Dates will occur on the first, second, third and fourth anniversaries of the Grant Date. Options for non-employee directors will vest in approximately equal annual 33-1/3% installments. Full Vest Dates will occur on the first, second, and third anniversaries of the Grant Date.

\*\*\* Date to be the later of (i) the remaining term of the tendered option this replacement option replaces, and (ii) 6 years from the Grant Date.



REGENERON PHARMACEUTICALS, INC.

OPTION AGREEMENT  
PURSUANT TO THE  
2000 LONG-TERM INCENTIVE PLAN

THIS AGREEMENT, made as of the date on the *Notice of Grant of Stock Options*, by and between Regeneron Pharmaceuticals, Inc., a New York corporation (the “Company”), and the employee named on the *Notice of Grant of Stock Options* (the “Grantee”);

WHEREAS, the Grantee is an employee of the Company and the Company desires to afford the Grantee the opportunity to acquire or enlarge the Grantee’s stock ownership in the Company so that the Grantee may have a direct proprietary interest in the Company’s success; and

WHEREAS, the Committee administering the 2000 Long-Term Incentive Plan (the “Plan”) has granted (as of the effective date of grant specified in the *Notice of Grant of Stock Options*) to the Grantee a Stock Option to purchase the number of shares of the Company’s Common Stock (\$.001 par value) (the “Common Stock”) as set forth in the *Notice of Grant of Stock Options*.

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

**1. Grant of Award.** Pursuant to Section 7 of the Plan, the Company grants to the Grantee, subject to the terms and conditions of the Plan and subject further to the terms and conditions set forth here, the option to purchase from the Company all or any part of an aggregate of shares of Common Stock at the purchase price per share (the “Option”) as shown on the *Notice of Grant of Stock Options*. [The Option is intended to be an Incentive Stock Option under Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”). Notwithstanding the foregoing, the Option will not qualify as an Incentive Stock Option, among other events, (i) if the Grantee disposes of the Common Stock acquired pursuant to the Option at any time during the two year period following the date of this Agreement or the one year period following the date on which the Option is exercised, or (ii) if the Grantee is not employed by the Company or a subsidiary of the Company within the meaning of Section 424 of the Code (a “Subsidiary”) at all times during the period beginning on the date of this Agreement and ending on the day three months before the date of exercise of the Option, or (iii) to the extent the aggregate fair market value (determined as of the time the Option is granted) of the stock subject to Incentive Stock Options which become exercisable for the first time in any calendar year exceeds \$100,000. To the extent that the Option does not qualify as an Incentive Stock Option, it shall constitute a separate Non Qualified Stock Option.]<sup>1</sup> [No part of the Option granted hereby is intended to qualify as an Incentive Stock Option under Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”).]<sup>2</sup>.

**2. Vesting.** (a) The Option is exercisable as provided on the *Notice of Grant of Stock Options*. To the extent that the Option has become exercisable as provided on the *Notice of Grant of Stock Options* and subject to the terms and conditions of the Plan, including without limitation, Section 7(c)(1) & (2), the Option may thereafter be exercised by the Grantee, in whole or in part, at any time or from time to time prior to the expiration of the Option in accordance with the requirements set forth in Section 7(c)(3) of the Plan, including, without limitation, the filing of such written form of exercise notice as may be

<sup>1</sup> This text will appear in agreements for options that are intended to be incentive stock options under Section 422 of the Internal Revenue Code of 1986, as amended.

<sup>2</sup> This text will appear in agreements for options that are not intended to be incentive stock options under Section 422 of the Internal Revenue Code of 1986, as amended. All replacement options granted to eligible “named executive officers” will be nonqualified stock options. Directors who are not employees are only eligible to receive nonqualified stock options.

promulgated by the Committee, and in accordance with applicable tax and other laws. The Company shall have the right to require the Grantee in connection with the exercise of the Option to remit to the Company in cash an amount sufficient to satisfy any federal, state and local withholding tax requirements related thereto.

(b) The *Notice of Grant of Stock Options* describes the date (the “Full Vest Date”) upon which the Grantee shall be entitled to exercise the Option provided that the Grantee has not incurred a termination of employment or service with the Company and all Subsidiaries (collectively, the Company and all Subsidiaries shall be referred to herein as the “Employer” and no termination of employment or service shall be deemed to take place unless the Grantee is no longer employed by or providing service to the Employer) prior to such date. There shall be no proportionate or partial vesting prior to the Full Vest Date specified in the *Notice of Grant of Stock Options* and all vesting shall occur only on the Full Vest Date. Except as otherwise provided in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date specified in the *Notice of Grant of Stock Options*, no vesting shall occur after such date as the Grantee ceases to be employed by the Employer (or serve as a member of the Board of Directors, as the case may be) and all unvested Options shall be forfeited at such time.

(c) [If Grantee makes payment upon exercise of the Option by delivering shares of Common Stock owned by the Grantee for at least six months prior to the date of exercise, the Grantee shall be granted a new option (a “Reload Option”) on the date of exercise for a number of shares equal to the number of shares surrendered by the Grantee upon exercise, subject to the availability of shares of Common Stock under the Plan at the time of such exercise. Such Reload Option shall be granted at an exercise price equal to the Fair Market Value (as defined in the Plan) of a share of Common Stock on the date of grant, shall expire on the date on which the original Option would have expired, and shall be fully vested; provided, however, that the Reload Option may not be exercised until the date that is six months after the date of grant. The Reload Option shall otherwise be subject to the same terms and conditions as the original Option; provided, however, that the exercise of the Reload Option shall not entitle the Grantee to any further Reload grant.]<sup>3</sup>

(d) Notwithstanding anything herein (except the following sentence) or in the *Notice of Grant of Stock Options* to the contrary, the Option shall be fully vested if the Grantee’s employment with the Employer (or serve as a member of the Board of Directors, as the case may be) is terminated on or within two years after the occurrence of a Change in Control by the Employer (other than for Cause) or by the Grantee for Good Reason. Except as otherwise provided in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options*, if the application of the provision in the foregoing sentence, similar provisions in other stock option or restricted stock grants, and other payments and benefits payable to the Grantee upon termination of employment (collectively, the “Company Payments”) would result in the Grantee being subject to excise tax payable under Internal Revenue Code Section 4999 (the Excise Tax”), the amount of any Company Payments shall be automatically reduced to an amount one dollar less than an amount that would subject the Grantee to the Excise Tax; provided, however, that the reduction shall occur only if the reduced Company Payments received by the Grantee (after taking into account further reductions for applicable federal, state and local income, social security and other taxes) would be greater than the unreduced Company Payments to be received by the Grantee minus (i) the Excise Tax payable with respect to such Company Payments and (ii) all applicable federal, state and local income, social security and other taxes on such Company Payments. If the Company Payments are to be reduced in accordance with the foregoing, the Company Payments shall be reduced as mutually agreed between the Employer and the Grantee or, in the event the parties cannot agree, in the following order (1) acceleration of vesting of any option where the exercise price exceeds the fair market value of the underlying shares at the time the acceleration would otherwise occur, (2) any lump sum severance based on a multiple of base salary or bonus, (3) any other cash amounts payable to the

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<sup>3</sup> This text will only appear in replacement options granted in exchange for options which currently have these “reload” provisions and in future option grants.

Grantee, (4) any benefits valued as parachute payments, and (5) acceleration of vesting of any equity not covered by (1) above.

**3. Option Term.** (a) Except as otherwise provided in the next sentence or in the Plan, the Option shall expire on the Expiration Date shown on the *Notice of Grant of Stock Options*. In the event of termination of employment or service with the Employer (including, by way of example, termination of service as a member of the Board of Directors), except as set forth in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Option*, the vested portion of the Option shall expire on the earlier of (i) the Expiration Date, or (ii)(A) subject to (E) below, three months after such termination if such termination is for any reason other than death, retirement, or long-term disability, (B) two years after such termination if such termination is due to the Grantee's retirement, (C) one year after the termination if such termination is due to the Grantee's death or long-term disability, (D) the occurrence of the Cause event if such termination is for Cause or Cause existed at the time of such termination (whether then known or later discovered) or (E) one year after such termination if such termination is at any time within two years after the occurrence of a Change in Control and is by the Employer without Cause or by the Grantee for Good Reason.

(b) For purposes of this Agreement, "Cause" shall mean (i) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* (or where there is such an agreement but it does not define "cause" (or words of like import)) (A) the willful and continued failure by the Grantee substantially to perform his or her duties and obligations to the Employer, including without limitation, repeated refusal to follow the reasonable directions of the Employer, knowing violation of law in the course of performance of the duties of the Grantee's employment with the Employer, repeated absences from work without a reasonable excuse, and intoxication with alcohol or illegal drugs while on the Employer's premises during regular business hours (other than any such failure resulting from his or her incapacity due to physical or mental illness); (B) fraud or material dishonesty against the Employer; or (C) a conviction or plea of guilty or nolo contendere to a felony or a crime involving material dishonesty or (ii) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* that defines "cause" (or words of like import), as defined under such agreement. For purposes of this Section 3(b), no act, or failure to act, on a Grantee's part shall be considered "willful" unless done, or omitted to be done, by the Grantee in bad faith and without reasonable belief that his or her action or omission was in the best interest of the Employer. Any determination of Cause made prior to a Change in Control shall be made by the Committee in its sole discretion.

(c) For purposes of this Agreement, "Good Reason" shall mean (i) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* (or where there is such an agreement but it does not define "good reason" (or words of like import)) a termination of employment or services by the Grantee within one hundred twenty (120) days after the occurrence of one of the following events after the occurrence of a Change in Control unless such events are fully corrected in all material respects by the Employer within thirty (30) days following written notification by the Grantee to the Employer that Grantee intends to terminate his employment hereunder for one of the reasons set forth below: (A) (1) any material diminution in the Grantee's duties and responsibilities from that which exists immediately prior to a Change in Control (except in each case in connection with the termination of the Grantee's employment or services for Cause or as a result of the Grantee's death, or temporarily as a result of the Grantee's illness or other absence), or (2) the assignment to the Grantee of duties and responsibilities materially inconsistent with the position held by the Grantee; (B) any material breach by the Employer of any material provision of any written agreement with the Grantee or failure to timely pay any compensation obligation to the Grantee; (C) a reduction in the Grantee's annual base salary or target bonus opportunity (if any) from that which exists immediately prior to a Change in Control; or (D) if the Grantee is based at the Employer's principal executive office, any relocation therefrom or, in any event, a relocation of the Grantee's primary office of more than fifty (50) miles from the location immediately prior to a Change in Control; or (ii) in the case where there is an

employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* that defines “good reason” (or words of like import), as defined under such agreement.

**4. Restrictions on Transfer of Option.** The Option granted hereby shall not be transferable other than by will or by the laws of descent and distribution. During the lifetime of the Grantee, this Option shall be exercisable only by the Grantee. In addition, except as otherwise provided in this Agreement, the Option shall not be assigned, negotiated, pledged or hypothecated in any way (whether by operation of law or otherwise), and the Option shall not be subject to execution, attachment or similar process. Upon any other attempt to transfer, assign, negotiate, pledge or hypothecate the Option, or in the event of any levy upon the option by reason of any execution, attachment, or similar process contrary to the provisions hereof, the Option shall immediately become null and void. Notwithstanding the foregoing provisions of this Section 4, subject to the approval of the Committee in its sole and absolute discretion and to any conditions that the Committee may prescribe, the Grantee may, upon providing written notice to the Company, elect to transfer the Option to members of his or her immediate family, including, but not limited to, children, grandchildren and spouse or to trusts for the benefit of such immediate family members or to partnerships in which such family members are the only partners; provided, however, that no such transfer may be made in exchange for consideration.

**5. Rights of a Stockholder.** The Grantee shall have no rights as a stockholder with respect to any shares of Common Stock subject to this Option prior to the date of issuance to the Grantee of a certificate or certificates for such shares. No adjustment shall be made for dividends in cash or other property, distributions, or other rights with respect to such shares for which the record date is prior to the date upon which the Grantee shall become the holder of record therefor.

**6. Compliance with Law and Regulations.** This award and any obligation of the Company hereunder shall be subject to all applicable federal, state and local laws, rules and regulations and to such approvals by any government or regulatory agency as may be required. The Company shall be under no obligation to effect the registration pursuant to federal securities laws of any interests in the Plan or any shares of Common Stock to be issued hereunder or to effect similar compliance under any state laws. The Company shall not be obligated to cause to be issued or delivered any certificates evidencing shares of Common Stock pursuant to this Agreement unless and until the Company is advised by its counsel that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which shares of Common Stock are traded. The Committee may require, as a condition of the issuance and delivery of certificates evidencing shares of Common Stock pursuant to the terms hereof, that the recipient of such shares make such agreements and representations, and that such certificates bear such legends, as the Committee, in its sole discretion, deems necessary or desirable. Except to the extent preempted by any applicable federal law, this Agreement shall be construed and administered in accordance with the laws of the State of New York without reference to its principles of conflicts of law.

**7. Grantee Bound by Plan.** The Grantee acknowledges receipt of a copy of the Plan and agrees to be bound by all the terms and provisions thereof. The Plan is incorporated herein by reference, and any capitalized term used but not defined herein shall have the same meaning as in the Plan. To the extent that this Agreement is silent with respect to, or in any way inconsistent with, the terms of the Plan, the provisions of the Plan shall govern and this Agreement shall be deemed to be modified accordingly.

**8. Notices.** Any notice or communication given hereunder shall be in writing and shall be deemed given when delivered in person, or by United States mail, at the following addresses: (i) if to the Employer, to: Regeneron Pharmaceuticals, Inc., 777 Old Saw Mill River Road, Tarrytown, NY 10591, Attention: Secretary, and (ii) if to the Grantee, to: the Grantee at Regeneron Pharmaceuticals, Inc., 777 Old Saw Mill River Road, Tarrytown, NY 10591, or, if the Grantee has terminated employment, to the last address for the Grantee indicated in the records of the Employer, or such other address as the relevant party shall specify at any time hereafter in accordance with this Section 8.

**9. No Obligation to Continue Employment.** This Agreement does not guarantee that the Employer will employ the Grantee for any specified time period, nor does it modify in any respect the Grantee’s employment or compensation.

**Form of [Replacement]\* Option Agreement and  
 Notice of Grant of [Replacement]\* Options for Executive Officers (other than  
 “named executive officers”) of Regeneron Pharmaceuticals, Inc.**

**Notice of Grant of Stock Options  
 and Option Agreement for [Replacement]\*  
 Option Awards**

**Regeneron Pharmaceuticals, Inc.**  
**ID:** [       ]  
 777 Old Saw Mill River Road  
 Tarrytown, New York 10591

**[OPTIONEE NAME]  
 [OPTIONEE ADDRESS]**

**Option Number:** [       ]  
**Plan:**                    **2004**  
**ID**                        [       ]

Effective <date> (the “Grant Date”) you have been granted a(n) [Incentive][Non-Qualified] Stock Option to buy [       ] shares of Regeneron Pharmaceuticals, Inc. (the Company) stock at [\$       ] per share.

The total option price of the shares granted is [\$       ].

Shares in each period will become fully vested on the date shown.

<u>Shares</u>	<u>Vest Type</u>	<u>Full Vest</u>	<u>Expiration Date</u>
**	On Vest Date	[ ] [ ] [ ]**	***
**	On Vest Date	[ ] [ ] [ ]**	***
**	On Vest Date	[ ] [ ] [ ]**	***
**	On Vest Date	[ ] [ ] [ ]**	***

You and the Company agree that these options are granted under and governed by the terms and conditions of the Company’s 2000 Long-Term Incentive Plan as amended and the enclosed Option Agreement, both of which are attached and made a part of this document.

\* This language will only be included in an option agreement or notice of grant for replacement options granted to eligible executive officers other than “named executive officers” to the extent such individuals exchange options in the Option Exchange Program, commenced December 3, 2004.

\*\* Option vests in approximately equal annual 25% installments. Full Vest Dates will occur on the first, second, third and fourth anniversaries of the Grant Date

\*\*\* Option expires 10 years from the Grant Date. Replacement options expire at the later to occur of (i) remaining term of the tendered option it replaces and (ii) 6 years from Grant Date

REGENERON PHARMACEUTICALS, INC.

OPTION AGREEMENT  
PURSUANT TO THE  
2000 LONG-TERM INCENTIVE PLAN

THIS AGREEMENT, made as of the date on the *Notice of Grant of Stock Options*, by and between Regeneron Pharmaceuticals, Inc., a New York corporation (the “Company”), and the employee named on the *Notice of Grant of Stock Options* (the “Grantee”);

WHEREAS, the Grantee is an employee of the Company and the Company desires to afford the Grantee the opportunity to acquire or enlarge the Grantee’s stock ownership in the Company so that the Grantee may have a direct proprietary interest in the Company’s success; and

WHEREAS, the Committee administering the 2000 Long-Term Incentive Plan (the “Plan”) has granted (as of the effective date of grant specified in the *Notice of Grant of Stock Options*) to the Grantee a Stock Option to purchase the number of shares of the Company’s Common Stock (\$.001 par value) (the “Common Stock”) as set forth in the *Notice of Grant of Stock Options*.

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

**1. Grant of Award.** Pursuant to Section 7 of the Plan, the Company grants to the Grantee, subject to the terms and conditions of the Plan and subject further to the terms and conditions set forth here, the option to purchase from the Company all or any part of an aggregate of shares of Common Stock at the purchase price per share (the “Option”) as shown on the *Notice of Grant of Stock Options*. [The Option is intended to be an Incentive Stock Option under Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”). Notwithstanding the foregoing, the Option will not qualify as an Incentive Stock Option, among other events, (i) if the Grantee disposes of the Common Stock acquired pursuant to the Option at any time during the two year period following the date of this Agreement or the one year period following the date on which the Option is exercised, or (ii) if the Grantee is not employed by the Company or a subsidiary of the Company within the meaning of Section 424 of the Code (a “Subsidiary”) at all times during the period beginning on the date of this Agreement and ending on the day three months before the date of exercise of the Option, or (iii) to the extent the aggregate fair market value (determined as of the time the Option is granted) of the stock subject to Incentive Stock Options which become exercisable for the first time in any calendar year exceeds \$100,000. To the extent that the Option does not qualify as an Incentive Stock Option, it shall constitute a separate Non Qualified Stock Option.]<sup>4</sup> [No part of the Option granted hereby is intended to qualify as an Incentive Stock Option under Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”).]<sup>5</sup>

**2. Vesting.** (a) The Option is exercisable in installments as provided on the *Notice of Grant of Stock Options*. To the extent that the Option has become exercisable with respect to the number of shares of Common Stock as provided on the *Notice of Grant of Stock Options* and subject to the terms and conditions of the Plan, including without limitation, Section 7(c)(1) & (2), the Option may thereafter be exercised by the Grantee, in whole or in part, at any time or from time to time prior to the expiration of the Option in accordance with the requirements set forth in Section 7(c)(3) of the Plan, including, without limitation, the filing of such written form of exercise notice as may be promulgated by the Committee, and in accordance with applicable tax and other laws. The Company shall have the right to require the Grantee

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<sup>4</sup> This text will appear in agreements for options that are intended to be incentive stock options under Section 422 of the Internal Revenue Code of 1986, as amended.

<sup>5</sup> This text will appear in agreements for options that are not intended to be incentive stock options under Section 422 of the Internal Revenue Code of 1986, as amended.

in connection with the exercise of the Option to remit to the Company in cash an amount sufficient to satisfy any federal, state and local withholding tax requirements related thereto.

(c) The *Notice of Grant of Stock Options* indicates each date upon which the Grantee shall be entitled to exercise the Option with respect to the additional number of shares of Common Stock granted as indicated provided that the Grantee has not incurred a termination of employment or service with the Company and all Subsidiaries (collectively, the Company and all Subsidiaries shall be referred to herein as the “Employer” and no termination of employment or service shall be deemed to take place unless the Grantee is no longer employed by or providing service to the Employer) prior to such date. There shall be no proportionate or partial vesting in the periods between the Full Vest Dates specified in the *Notice of Grant of Stock Options* and all vesting shall occur only on the Full Vest Dates. Except as otherwise provided in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date specified in the *Notice of Grant of Stock Options*, no vesting shall occur after such date as the Grantee ceases to be employed by the Employer and all unvested Options shall be forfeited at such time.

(c) Notwithstanding anything herein (except the following sentence) or in the *Notice of Grant of Stock Options* to the contrary, the Option shall be fully vested if the Grantee’s employment with the Employer is terminated on or within two years after the occurrence of a Change in Control by the Employer (other than for Cause) or by the Grantee for Good Reason. Except as otherwise provided in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options*, if the application of the provision in the foregoing sentence, similar provisions in other stock option or restricted stock grants, and other payments and benefits payable to the Grantee upon termination of employment (collectively, the “Company Payments”) would result in the Grantee being subject to the excise tax payable under Internal Revenue Code Section 4999 (the “Excise Tax”), the amount of any Company Payments shall be automatically reduced to an amount one dollar less than an amount that would subject the Grantee to the Excise Tax; provided, however, that the reduction shall occur only if the reduced Company Payments received by the Grantee (after taking into account further reductions for applicable federal, state and local income, social security and other taxes) would be greater than the unreduced Company Payments to be received by the Grantee minus (i) the Excise Tax payable with respect to such Company Payments and (ii) all applicable federal, state and local income, social security and other taxes on such Company Payments. If the Company Payments are to be reduced in accordance with the foregoing, the Company Payments shall be reduced as mutually agreed between the Employer and the Grantee or, in the event the parties cannot agree, in the following order (1) acceleration of vesting of any option where the exercise price exceeds the fair market value of the underlying shares at the time the acceleration would otherwise occur, (2) any lump sum severance based on a multiple of base salary or bonus, (3) any other cash amounts payable to the Grantee, (4) any benefits valued as parachute payments, and (5) acceleration of vesting of any equity not covered by (1) above.

**3. Option Term.** (a) Except as otherwise provided in the next sentence or in the Plan, the Option shall expire on the Expiration Date shown on the *Notice of Grant of Stock Options*. In the event of termination of employment or service with the Employer, except as set forth in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options*, the vested portion of the Option shall expire on the earlier of (i) the Expiration Date, or (ii) (A) subject to (E) below, three months after such termination if such termination is for any reason other than death, retirement, or long-term disability, (B) two years after such termination if such termination is due to the Grantee’s retirement, (C) one year after the termination if such termination is due to the Grantee’s death or long-term disability, (D) the occurrence of the Cause event if such termination is for Cause or Cause existed at the time of such termination (whether then known or later discovered) or (E) one year after such termination if such termination is at any time within two years after the occurrence of a Change in Control and is by the Employer without Cause or by the Grantee for Good Reason.

(d) For purposes of this Agreement, “Cause” shall mean (i) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company and the Grantee on the date of grant specified in the *Notice of Grant of Stock*



*Options* (or where there is such an agreement but it does not define “cause” (or words of like import)) (A) the willful and continued failure by the Grantee substantially to perform his or her duties and obligations to the Employer, including without limitation, repeated refusal to follow the reasonable directions of the Employer, knowing violation of law in the course of performance of the duties of the Grantee’s employment with the Employer, repeated absences from work without a reasonable excuse, and intoxication with alcohol or illegal drugs while on the Employer’s premises during regular business hours (other than any such failure resulting from his or her incapacity due to physical or mental illness); (B) fraud or material dishonesty against the Employer; or (C) a conviction or plea of guilty or nolo contendere to a felony or a crime involving material dishonesty or (ii) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* that defines “cause” (or words of like import), as defined under such agreement. For purposes of this Section 3(b), no act, or failure to act, on a Grantee’s part shall be considered “willful” unless done, or omitted to be done, by the Grantee in bad faith and without reasonable belief that his or her action or omission was in the best interest of the Employer. Any determination of Cause made prior to a Change in Control shall be made by the Committee in its sole discretion.

(e) For purposes of this Agreement, “Good Reason” shall mean (i) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* (or where there is such an agreement but it does not define “good reason” (or words of like import)) a termination of employment by the Grantee within one hundred twenty (120) days after the occurrence of one of the following events after the occurrence of a Change in Control unless such events are fully corrected in all material respects by the Employer within thirty (30) days following written notification by the Grantee to the Employer that Grantee intends to terminate his employment hereunder for one of the reasons set forth below: (A) (1) any material diminution in the Grantee’s duties and responsibilities from that which exists immediately prior to a Change in Control (except in each case in connection with the termination of the Grantee’s employment for Cause or as a result of the Grantee’s death, or temporarily as a result of the Grantee’s illness or other absence), or (2) the assignment to the Grantee of duties and responsibilities materially inconsistent with the position held by the Grantee; (B) any material breach by the Employer of any material provision of any written agreement with the Grantee or failure to timely pay any compensation obligation to the Grantee; (C) a reduction in the Grantee’s annual base salary or target bonus opportunity (if any) from that which exists immediately prior to a Change in Control; or (D) if the Grantee is based at the Employer’s principal executive office, any relocation therefrom or, in any event, a relocation of the Grantee’s primary office of more than fifty (50) miles from the location immediately prior to a Change in Control; or (ii) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Grantee on the date of grant specified in the *Notice of Grant of Stock Options* that defines “good reason” (or words of like import), as defined under such agreement.

**4. Restrictions on Transfer of Option.** The Option granted hereby shall not be transferable other than by will or by the laws of descent and distribution. During the lifetime of the Grantee, this Option shall be exercisable only by the Grantee. In addition, except as otherwise provided in this Agreement, the Option shall not be assigned, negotiated, pledged or hypothecated in any way (whether by operation of law or otherwise), and the Option shall not be subject to execution, attachment or similar process. Upon any other attempt to transfer, assign, negotiate, pledge or hypothecate the Option, or in the event of any levy upon the option by reason of any execution, attachment, or similar process contrary to the provisions hereof, the Option shall immediately become null and void. Notwithstanding the foregoing provisions of this Section 4, subject to the approval of the Committee in its sole and absolute discretion and to any conditions that the Committee may prescribe, the Grantee may, upon providing written notice to the Company, elect to transfer the Option to members of his or her immediate family, including, but not limited to, children, grandchildren and spouse or to trusts for the benefit of such immediate family members or to partnerships in which such family members are the only partners; provided, however, that no such transfer may be made in exchange for consideration.

**5. Rights of a Stockholder.** The Grantee shall have no rights as a stockholder with respect to any shares of Common Stock subject to this Option prior to the date of issuance to the Grantee of a

certificate or certificates for such shares. No adjustment shall be made for dividends in cash or other property, distributions, or other rights with respect to such shares for which the record date is prior to the date upon which the Grantee shall become the holder of record therefor.

**6. Compliance with Law and Regulations.** This award and any obligation of the Company hereunder shall be subject to all applicable federal, state and local laws, rules and regulations and to such approvals by any government or regulatory agency as may be required. The Company shall be under no obligation to effect the registration pursuant to federal securities laws of any interests in the Plan or any shares of Common Stock to be issued hereunder or to effect similar compliance under any state laws. The Company shall not be obligated to cause to be issued or delivered any certificates evidencing shares of Common Stock pursuant to this Agreement unless and until the Company is advised by its counsel that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which shares of Common Stock are traded. The Committee may require, as a condition of the issuance and delivery of certificates evidencing shares of Common Stock pursuant to the terms hereof, that the recipient of such shares make such agreements and representations, and that such certificates bear such legends, as the Committee, in its sole discretion, deems necessary or desirable. Except to the extent preempted by any applicable federal law, this Agreement shall be construed and administered in accordance with the laws of the State of New York without reference to its principles of conflicts of law.

**7. Grantee Bound by Plan.** The Grantee acknowledges receipt of a copy of the Plan and agrees to be bound by all the terms and provisions thereof. The Plan is incorporated herein by reference, and any capitalized term used but not defined herein shall have the same meaning as in the Plan. To the extent that this Agreement is silent with respect to, or in any way inconsistent with, the terms of the Plan, the provisions of the Plan shall govern and this Agreement shall be deemed to be modified accordingly.

**8. Notices.** Any notice or communication given hereunder shall be in writing and shall be deemed given when delivered in person, or by United States mail, at the following addresses: (i) if to the Employer, to: Regeneron Pharmaceuticals, Inc., 777 Old Saw Mill River Road, Tarrytown, NY 10591, Attention: Secretary, and (ii) if to the Grantee, to: the Grantee at Regeneron Pharmaceuticals, Inc., 777 Old Saw Mill River Road, Tarrytown, NY 10591, or, if the Grantee has terminated employment, to the last address for the Grantee indicated in the records of the Employer, or such other address as the relevant party shall specify at any time hereafter in accordance with this Section 8.

**9. No Obligation to Continue Employment.** This Agreement does not guarantee that the Employer will employ the Grantee for any specified time period, nor does it modify in any respect the Grantee's employment or compensation.

**Notice of Grant of Award  
and Award Agreement**

**Regeneron Pharmaceuticals, Inc.**

**ID:** [            ]  
777 Old Saw Mill River Road  
Tarrytown, New York 10591

**[NAME]**  
**[ADDRESS]**

**Award Number:** [            ]  
**Plan:**            **04**  
**ID**                [            ]

Effective <date> (the "Grant Date") you have been granted an award of [            ] shares of Regeneron Pharmaceuticals, Inc. (the Company) common stock. These shares are restricted until the vest date(s) shown below.

The current total value of the award is [\$            ].

The award will vest in increments on the date(s) shown.

Shares	Full Vest
[            ]*	[            ]*
[            ]*	[            ]*

You and the Company agree that this award is granted under and governed by the terms and conditions of the Company's 2000 Long-Term Incentive Plan as amended and the Award Agreement, both of which are attached and made a part of this document.

\* Shares vest in two approximately equal 50% installments 9 months and 18 months from the Grant Date

**REGENERON PHARMACEUTICALS, INC.**

**RESTRICTED STOCK AGREEMENT  
PURSUANT TO THE  
2000 LONG-TERM INCENTIVE PLAN**

THIS AGREEMENT, made as of the date on the *Notice of Grant of Restricted Stock*, by and between Regeneron Pharmaceuticals, Inc., a New York corporation (the “Company”), and the employee named on the *Notice of Grant of Restricted Stock* (the “Recipient”);

WHEREAS, the Recipient is an employee of the Company and the Company desires to afford the Recipient the opportunity to acquire or enlarge the Recipient’s stock ownership in the Company so that the Recipient may have a direct proprietary interest in the Company’s success; and

WHEREAS, the Committee administering the 2000 Long-Term Incentive Plan (the “Plan”) has granted (as of the effective date of grant specified in the *Notice of Grant of Restricted Stock*) to the Recipient the shares of Restricted Stock as set forth in the *Notice of Grant of Restricted Stock*.

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

1. Grant of Award. Pursuant to Section 8 of the Plan, the Company grants to the Recipient, subject to the terms and conditions of the Plan and subject further to the terms and conditions set forth herein, the number of shares of Restricted Stock as shown on the *Notice of Grant of Restricted Stock*. The Participant’s grant and record of Restricted Stock share ownership shall be kept on the books of the Company until the restrictions on transfer have lapsed. At the Recipient’s request, vested shares may be evidenced by stock certificates.

2. Vesting. (a) The shares of Restricted Stock granted to the Recipient shall vest in installments as provided in the *Notice of Grant of Restricted Stock*. The vesting schedule in the *Notice of Grant of Restricted Stock* indicates each date upon which the restrictions on transfer on the specified number of shares of Restricted Stock shall lapse, entitling the Recipient to freely transfer such shares, provided that the Recipient has not incurred a termination of employment or service with the Company and all Subsidiaries (collectively, the Company and its Subsidiaries shall be referred to herein as the “Employer”). There shall be no proportionate or partial vesting in the periods between the Full Vest Dates specified in the *Notice of Grant of Restricted Stock* and all vesting shall occur only on the Full Vest Dates. Except as set forth in the Plan or in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Recipient on the date specified in the *Notice of Grant of Restricted Stock*, no vesting shall occur after the termination of a Recipient’s employment or service with the Employer for any reason.

(b) Notwithstanding anything herein (except the following sentence) or in the *Notice of Grant of Restricted Stock* to the contrary, the Restricted Stock granted to Recipient shall be fully vested if the Recipient’s employment with the Employer is terminated on or within two years after the occurrence of a Change in Control by the Company (other than for Cause) or by the Recipient for Good Reason. Except as otherwise provided in any employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Recipient on the date of grant specified in the *Notice of Grant of Restricted Stock*, if the application of the provision in the foregoing sentence, similar provisions in other stock option or restricted stock grants, and other payments and benefits payable to the Grantee upon termination of employment (collectively, the “Company Payments”) would result in the Recipient being subject to excise tax payable under Internal Revenue Code Section 4999 (the “Excise Tax”) , the amount of

any Company Payments shall be automatically reduced to an amount one dollar less than an amount that would subject the Recipient to the Excise Tax; provided, however, that the reduction shall occur only if the reduced Company Payments received by the Recipient (after taking into account further reductions for applicable federal, state and local income, social security and other taxes) would be greater than the unreduced Company Payments to be received by the Recipient minus (i) the Excise Tax payable with respect to such Company Payments and (ii) all applicable federal, state and local income, social security and other taxes on such Company Payments. If the Company Payments are to be reduced in accordance with the foregoing, the Company Payments shall be reduced as mutually agreed between the Employer and the Recipient or, in the event the parties cannot agree, in the following order (1) acceleration of vesting of any option where the exercise price exceeds the fair market value of the underlying shares at the time the acceleration would otherwise occur, (2) any lump sum severance based on a multiple of base salary or bonus, (3) any other cash amounts payable to the Recipient, (4) any benefits valued as parachute payments, and (5) acceleration of vesting of any equity not covered by (1) above.

(c) For purposes of this Agreement, "Cause" shall mean (i) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Recipient on the date of grant specified in the *Notice of Grant of Restricted Stock* (or where there is such an agreement but it does not define "cause" (or words of like import)) (A) the willful and continued failure by the Recipient substantially to perform his or her duties and obligations to the Employer, including without limitation, repeated refusal to follow the reasonable directions of the Employer, knowing violation of law in the course of performance of the duties of the Recipient's employment with the Employer, repeated absences from work without a reasonable excuse, and intoxication with alcohol or illegal drugs while on the Employer's premises during regular business hours (other than any such failure resulting from his or her incapacity due to physical or mental illness); (B) fraud or material dishonesty against the Employer; or (C) a conviction or plea of guilty or nolo contendere to a felony or a crime involving material dishonesty or (ii) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Recipient on the date of grant specified on the *Notice of Grant of Restricted Stock* that defines "cause" (or words of like import), as defined under such agreement. For purposes of this Section 3(c), no act, or failure to act, on a Recipient's part shall be considered "willful" unless done, or omitted to be done, by the Recipient in bad faith and without reasonable belief that his or her action or omission was in the best interest of the Employer. Any determination of Cause made prior to a Change in Control shall be made by the Committee in its sole discretion.

(d) For purposes of this Agreement, "Good Reason" shall mean (i) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Recipient on the date of grant specified in the *Notice of Grant of Restricted Stock* (or where there is such an agreement but it does not define "good reason" (or words of like import)) a termination of employment by the Recipient within one hundred twenty (120) days after the occurrence of one of the following events after the occurrence of a Change in Control unless such events are fully corrected in all material respects by the Employer within thirty (30) days following written notification by the Recipient to the Employer that Recipient intends to terminate his employment hereunder for one of the reasons set forth below: (A) (1) any material diminution in the Recipient's duties and responsibilities from that which exists immediately prior to a Change in Control (except in each case in connection with the termination of the Recipient's employment for Cause or as a result of the Recipient's death, or temporarily as a result of the Recipient's illness or other absence), or (2) the assignment to the Recipient of duties and responsibilities materially inconsistent with the position held by the Recipient; (B) any material breach by the Employer of any material provision of any written agreement with the Recipient or failure to timely pay any compensation obligation to the Recipient; (C) a reduction in the Recipient's annual base salary or target bonus opportunity (if any) from that which exists immediately prior to a Change in Control; or (D) if the Recipient is based at the Employer's principal executive office, any relocation therefrom or, in any event, a relocation of the Recipient's primary office of more than fifty (50) miles from the location immediately prior to a Change in Control; or (ii) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Employer and the Recipient on the date on the *Notice of Grant of Restricted Stock* that defines "good reason" (or words of like import), as defined under such agreement.

3. Termination of Service. Subject to the terms of the Plan and Section 2(b), if the Recipient's employment or service with the Company is terminated for any reason (other than as set forth in Section 2(b)), the Recipient shall forfeit any or all of the shares of Restricted Stock that have not vested in accordance with Section 2 hereof (the "Unvested Shares").

4. Restrictions on Transfer. Unvested Shares may not be transferred or otherwise disposed of by the Recipient including by way of sale, assignment, transfer, pledge, hypothecation or otherwise, except as permitted by the Committee in its sole discretion.

5. Securities Laws Requirements. The Company shall not be obligated to transfer any Unvested Shares or other shares of Company Stock to the Recipient, if such transfer, in the opinion of counsel for the Company, would violate the Securities Act (or any other federal or state statutes having similar requirements as may be in effect at that time).

6. Invalid Transfers. No purported sale, assignment, mortgage, hypothecation, transfer, pledge, encumbrance, gift, transfer in trust (voting or other) or other disposition of, or creation of a security interest in or lien on, any of the shares of Restricted Stock by any holder thereof in violation of the provisions of this Restricted Stock Agreement or the Certificate of Incorporation or the by-laws of the Company, shall be valid, and the Company will not transfer any of said shares of Restricted Stock on its books nor will any of said shares of Restricted Stock be entitled to vote, nor will any dividends be paid thereon, unless and until there has been full compliance with said provisions to the satisfaction of the Company. The foregoing restrictions are in addition to and not in lieu of any other remedies, legal or equitable, available to enforce said provisions.

7. Taxes. The Recipient shall pay to the Company promptly upon request, and in any event at the time the Recipient recognizes taxable income in respect to the shares of Restricted Stock (or, if the Recipient makes an election under Section 83(b) of the Code in connection with such grant), an amount equal to the federal, state and/or local taxes the Company determines it is required to withhold under applicable tax laws with respect to the shares of Restricted Stock. The Recipient may satisfy the foregoing requirement by making a payment to the Company in cash or, with the consent of the Company, by authorizing the Company to withhold cash otherwise due to the Recipient. The Recipient shall promptly notify the Company of any election made pursuant to Section 83(b) of the Code. The Recipient understands that s/he (and not the Company) shall be responsible for any tax liability that may arise as a result of the transactions contemplated by this Restricted Stock Agreement.

THE RECIPIENT ACKNOWLEDGES THAT IT IS THE RECIPIENT'S SOLE RESPONSIBILITY AND NOT THE COMPANY'S TO FILE TIMELY THE ELECTION UNDER SECTION 83(b) OF THE CODE, IN THE EVENT THAT THE RECIPIENT DESIRES TO MAKE THE ELECTION.

8. Rights as a Stockholder. Pursuant to Section 8(e) of the Plan, the Company shall hold in escrow all dividends, if any, that are paid with respect to the Unvested Shares until all restrictions on such shares have lapsed. Pursuant to Section 8(f) of the Plan, the Recipient agrees (i) that the right to vote any Unvested Shares will be held by the Company and (ii) to execute an irrevocable proxy in favor of the Company in such form supplied by the Company.

9. Compliance with Law and Regulations. The award and any obligation of the Company hereunder shall be subject to all applicable federal, state and local laws, rules and regulations and to such approvals by any government or regulatory agency as may be required. The Company may require, as a condition of the issuance and delivery of certificates evidencing Restricted Stock pursuant to the terms hereof, that the certificates bear such legends as set forth in the Plan, in addition to any other legends required under federal and state securities laws or as otherwise determined by the Committee. Except to the extent preempted by any federal law, this Restricted Stock Agreement shall be construed and administered in accordance with the laws of the State of New York without reference to its principles of conflicts of law.

10. Recipient Bound by Plan. The Recipient acknowledges receipt of a copy of the Plan and this Restricted Stock Agreement and agrees to be bound by all the terms and provisions thereof. The Plan is incorporated by reference, and any capitalized terms used but not defined herein shall have the same meanings as in the Plan. To the extent that this Restricted Stock Agreement is silent with respect to, or in any way inconsistent with, the terms of the Plan, the provisions of the Plan shall govern and this Restricted Stock Agreement shall be deemed to be modified accordingly.

11. Notices. Any notice or communication given hereunder shall be in writing and shall be deemed given when delivered in person, or by United States mail, at the following addresses: (i) if to the Company, to: Regeneron Pharmaceuticals, Inc., 777 Old Saw Mill River Road, Tarrytown, NY 10591, Attention: Secretary, and (ii) if to the Recipient, to: the Recipient at Regeneron Pharmaceuticals, Inc., 777 Old Saw Mill River Road, Tarrytown, NY 10591, or, if the Recipient has terminated service with the Company, to the last address for the Recipient indicated in the records of the Company, or such other address as the relevant party shall specify at any time hereafter in accordance with this Section 11.