

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 13D**

Under the Securities Exchange Act of 1934  
(Amendment No. 1)

NPS Pharmaceuticals, Inc.

---

(Name of Issuer)

Common Stock, \$0.001 par value

---

(Title of Class of Securities)

62936P103

---

(CUSIP Number)

Kenneth J. Zuerblis  
Chief Financial Officer  
Enzon Pharmaceuticals, Inc.  
685 Route 202/206  
Bridgewater, New Jersey 08807  
(908) 541-8600

Copy to:  
Kevin T. Collins, Esq.  
Dorsey & Whitney LLP  
250 Park Avenue  
New York, New York 10177  
(212) 415-9200

---

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

June 4, 2003

---

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

---

CUSIP No. 62936P103

1. NAME OF REPORTING PERSONS

Enzon Pharmaceuticals, Inc.

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

22-2372868

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

1,500,000

8. SHARED VOTING POWER

NONE

9. SOLE DISPOSITIVE POWER

1,500,000

10. SHARED DISPOSITIVE POWER

NONE

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,500,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

N/A

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.21%

14. TYPE OF REPORTING PERSON\*

CO



SCHEDULE 13D  
(Amendment No. 1)

This Amendment No. 1 ("**Amendment No. 1**") to that certain statement on Schedule 13D of Enzon Pharmaceuticals, Inc. ("**Enzon**") filed on February 28, 2003 (the "**Original Statement**") hereby amends and restates the Original Statement as provided herein. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Original Statement.

References to, and descriptions of, the Merger Agreement, the Voting Agreement, the Termination Agreement, the Stock Purchase Agreement and the Registration Rights Agreement (as each is defined hereinafter) in this Amendment No. 1 are qualified in their entirety by reference to the Merger Agreement, the Voting Agreement, the Termination Agreement, the Stock Purchase Agreement and the Registration Rights Agreement attached hereto as Exhibits 1, 2, 3, 4 and 5 respectively, which are incorporated by reference in this Amendment No. 1 in their entirety where such references or descriptions appear.

**Item 3. Source and Amount of the Funds and Other Consideration**

This Amendment No. 1 amends and restates Item 3 of the Original Statement in its entirety.

On June 4, 2003, Enzon, NPS Pharmaceuticals, Inc. ("**NPS**"), Momentum Merger Corporation, Newton Acquisition Corporation and Einstein Acquisition Corporation entered into a mutual termination agreement and release (the "**Termination Agreement**"), which terminated the Merger Agreement and the Voting Agreement. As a result of the termination of the Voting Agreement, Enzon's interest in the shares of common stock of NPS, par value \$0.001 ("**NPS Common Stock**"), was terminated as of June 4, 2003. Under the Termination Agreement, NPS agreed to pay a termination fee to Enzon in the form of 1.5 million shares of NPS Common Stock (the "**Shares**").

**Item 4. Purpose of the Transaction**

This Amendment No. 1 amends and restates Item 4 of the Original Statement in its entirety.

(a) The information set forth or incorporated by reference in Item 3 of this Amendment No. 1 is incorporated herein by reference.

In addition to the Termination Agreement, Enzon and NPS entered into a restricted stock purchase agreement dated as of June 4, 2003 (the "**Stock Purchase Agreement**"), pursuant to which NPS sold to Enzon, and Enzon purchased from the NPS, the Shares, in consideration of Enzon's executing and delivering the Termination Agreement.

(b) – (j) Not applicable.

**Item 5. Interest in Securities of the Issuer**

This Amendment No. 1 amends and restates Item 5 of the Original Statement in its entirety.

---

The information set forth or incorporated by reference in Items 3 and 4 of this Amendment No. 1 is incorporated herein by reference.

(a) As a result of the Termination Agreement and the Stock Purchase Agreement, Enzon may be deemed to be the beneficial owner of the Shares. The Shares represent approximately 4.21% of the class, based on the 34,885,474 shares of NPS Common Stock outstanding as of June 4, 2003 (excluding 310,785 shares of NPS Allelix Inc., a wholly owned Canadian subsidiary of NPS, which are exchangeable into shares of NPS Common Stock).

(b) The number of shares of NPS Common Stock as to which Enzon may be deemed to (i) have sole power to vote or to direct the vote, (ii) shared power to vote or to direct the vote, (iii) sole power to dispose or direct the disposition, or (iv) shared power to dispose or direct the disposition is set forth in the cover pages of this Amendment No. 1 and such information is incorporated herein by reference.

(c) The information set forth or incorporated by reference in Item 3 of this Amendment No. 1 is incorporated herein by reference.

(d) Not applicable.

(e) As a result of the Termination Agreement, which terminated the Merger Agreement and the Voting Agreement, Enzon and the executive officers and directors of Enzon as set forth in Schedule A of the Original Statement ceased to be the beneficial owners of more than five percent of NPS Common Stock.

**Item 6. Contracts, Arrangements, Understandings or Relationships with respect to Securities of the Issuer**

This Amendment No. 1 amends and restates Item 6 of the Original Statement in its entirety.

The information set forth or incorporated by reference in Items 3 and 4 of this Amendment No. 1 is incorporated herein by reference. In addition to the Termination Agreement and the Stock Purchase Agreement, Enzon and NPS entered into a registration rights agreement dated as of June 4, 2003 (the "**Registration Rights Agreement**"), which sets forth certain limitations on the resale of the Shares by Enzon and the agreement by NPS to (i) file with the Securities and Exchange Commission (the "**SEC**") a registration statement registering the resale of the Shares by Enzon (the "**Registration Statement**") within 30 days and (ii) within 90 days, to cause the Registration Statement to be declared effective by the SEC and, for a period thereafter, to keep the Registration Statement effective.

Other than the Termination Agreement, the Stock Purchase Agreement and the Registration Rights Agreement, to the knowledge of Enzon, there are no contracts, arrangements, understandings or relationships (legal or otherwise) (i) among the persons named in Item 2 and (ii) between such persons and any person with respect to any securities of NPS, including, but not limited to, with respect to transfer or voting of any of the class of securities reported on this Amendment No.1, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

---

Item 7. **Material to be Filed as Exhibits**

The following documents are filed as exhibits to this Amendment No. 1:

1. Agreement and Plan of Reorganization, dated as of February 19, 2003, by and among NPS Pharmaceuticals, Inc., Enzon Pharmaceuticals, Inc., Momentum Merger Corporation, Newton Acquisition Corporation and Einstein Acquisition Corporation. (Incorporated by reference from Exhibit 1 of the Schedule 13D of Enzon Pharmaceuticals, Inc. filed on February 28, 2003 (File No. 005-46256).)
  2. Form of Voting Agreement, dated as of February 19, 2003 by and among Enzon Pharmaceuticals, Inc. and certain stockholders of NPS Pharmaceuticals, Inc. (Incorporated by reference from Exhibit 1 of the Schedule 13D of Enzon Pharmaceuticals, Inc. filed on February 28, 2003 (File No. 005-46256).)
  3. Mutual Termination Agreement and Release dated as of June 4, 2003 by and among Enzon Pharmaceuticals, Inc., NPS Pharmaceuticals, Inc., Momentum Merger Corporation, Newton Acquisition Corporation and Einstein Acquisition Corporation.
  4. Restricted Stock Purchase Agreement dated as of June 4, 2003 by and between Enzon Pharmaceuticals, Inc. and NPS Pharmaceuticals, Inc.
  5. Registration Rights Agreement dated as of June 4, 2003 by and between Enzon Pharmaceuticals, Inc. and NPS Pharmaceuticals, Inc.
-

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: June 12, 2003

ENZON PHARMACEUTICALS, INC.

By: /s/ Kenneth J. Zuerblis

Name: Kenneth J. Zuerblis  
Title: Chief Financial Officer

---

## MUTUAL TERMINATION AND RELEASE AGREEMENT

This MUTUAL TERMINATION AND RELEASE AGREEMENT (this "Agreement") is made and entered into as of June 4, 2003 (the "Effective Date"), by and among NPS Pharmaceuticals, Inc., a Delaware corporation ("NPS"), Enzon Pharmaceuticals, Inc., a Delaware corporation ("Enzon"), Momentum Merger Corporation, a Delaware corporation ("Momentum"), Newton Acquisition Corporation a Delaware corporation ("Newton"), and Einstein Acquisition Corporation, a Delaware corporation ("Einstein"). NPS, Enzon, Momentum, Newton, and Einstein are collectively referred to herein as the "Parties" and each individually as a "Party." Unless otherwise defined herein, capitalized terms used herein shall have the meaning given them in the Merger Agreement (as defined below).

## RECITALS

A. NPS, Enzon, Momentum, Newton and Einstein are Parties to that certain Agreement and Plan of Reorganization dated as of February 19, 2003, as amended (the "Merger Agreement").

B. Contemporaneously with the execution of the Merger Agreement, NPS, Enzon, Momentum, certain officers and directors of NPS and Enzon entered into (i) those certain NPS Voting Agreements, (ii) those certain Enzon Voting Agreements, (iii) those certain NPS Affiliate Agreements, and (iv) those certain Enzon Affiliate Agreements (collectively, the "Ancillary Agreements").

C. Pursuant to the Merger Agreement, Enzon entered into that certain Amended and Restated Employment Agreement with Arthur J. Higgins, as amended (the "Higgins Employment Agreement").

D. NPS and Enzon in connection with the execution of this Agreement shall enter into that certain Restricted Stock Purchase Agreement of even date herewith and attached hereto as Exhibit A (the "Stock Purchase Agreement") and the Registration Rights Agreement as described in the Stock Purchase Agreement (the "Registration Rights Agreement").

E. The Board of Directors of each of NPS, Enzon, Momentum, Newton and Einstein has determined to terminate the Merger Agreement and each of the Ancillary Agreements and to effect certain other matters as provided herein.

## AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Termination of Merger Agreement. The Parties agree that, effective at 5:30 p.m., Eastern Standard Time, on the Effective Date, and subject to the terms and conditions of this Agreement, the Stock Purchase Agreement and the Registration Rights Agreement, (i) the Merger Agreement is hereby terminated and of no further force or effect pursuant to Section 7.1(a) therein, and (ii) each of the Ancillary Agreements is each hereby terminated and of no further force or effect. For the avoidance of doubt, it is the intention of the Parties that no provision of the Merger Agreement, including without limitation Section 7.2 (Notice of Termination; Effect of Termination) and 7.3 thereof (Fees and Expenses), shall survive the termination of the Merger Agreement pursuant to the terms of this Agreement.

2. Issuance of NPS Shares. Subject to the terms and conditions of this Agreement, the Stock Purchase Agreement and the Registration Rights Agreement, NPS agrees to issue to Enzon, and Enzon agrees to purchase from NPS, One Million Five Hundred Thousand (1,500,000) shares of NPS common stock, \$0.001 par value per share (the "Shares").

3. Releases.

(a) Each of the Parties on its behalf and on behalf of its parents, affiliates, subsidiaries, segments or divisions, successors and assigns, present and former stockholders, officers, directors, employees, insurers, administrators, agents, representatives, attorneys and any persons acting by, through, under or in concert with each of them or any of them, hereby completely releases and forever discharges the other Parties, their parents, affiliates, subsidiaries, segments or divisions, successors and assigns, present and former stockholders, officers, directors, employees, insurers, administrators, agents, representatives and attorneys (collectively, the "Releasees") from any and all claims, rights, demands, actions, obligations, liabilities and causes of action of any and every kind, nature and character whatsoever, known or unknown, which such Party may now have, could have had or may in the future have against the other Parties and the other Parties' Releasees for or on account of any acts, omissions, events or matters relating to or arising out of the Merger Agreement, the Ancillary Agreements, the Higgins Employment Agreement and the transactions contemplated by any of such agreements, including without limitation, claims of fraud, claims of willful or intentional breach, or otherwise based on the termination thereof, and whether based on tort, contract (express or implied), or any federal, state or local law, statute or regulation (hereinafter, the "Released Matters"); provided, however, that notwithstanding the foregoing, no Party releases any other Party from any obligations, liabilities or claims arising under or in connection with the performance of this Agreement, the Stock Purchase Agreement, the Registration Rights Agreement or, after the date of this Agreement, the Confidentiality Agreement. Each of the Parties shall refrain from asserting any matter released or purported to be released hereby against the other Parties and the other Parties' Releasees in any manner, including without limitation by way of counterclaim, offset or defense.

-2-

(b) It is understood and agreed that the preceding paragraph is a full and final release covering all known as well as unknown or unanticipated debts, claims or damages of the Parties relating to or arising out of the Merger Agreement, the Ancillary Agreements, the Higgins Employment Agreement and the transactions contemplated by any of such agreements. Therefore, each of the Parties expressly waives any rights it may have under statute or common law principle under which a general release does not extend to claims which such Party does not know or suspect to exist in its favor at the time of executing the release, which if known by such Party must have affected such Party's settlement with the other. In connection with such waiver and relinquishment, the Parties acknowledge that they or their attorneys or agents may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the Released Matters, but that it is their intention hereby fully, finally and forever to settle and release all of the Released Matters. In furtherance of this intention, the releases herein given shall be and remain in effect as full and complete mutual releases with regard to the Released Matters notwithstanding the discovery or existence of any such additional or different claim or fact.

4. Fees and Expenses. As was provided in Section 7.3(a) of the Merger Agreement, NPS and Enzon shall share equally (i) all fees and expenses, excluding attorneys' fees and expenses, which shall be paid for by the Party incurring such expense but including accountants' fees and expenses, incurred in relation to the printing and filing (with the SEC) of the Joint Proxy Statement/Prospectus (including any preliminary materials related thereto) and the Registration Statement (including financial statements and exhibits) and any amendments or supplements thereto, (ii) the filing fee for the Notification and Report Forms filed with the FTC and DOJ under the HSR Act, and pre-merger notification and reports forms under similar applicable laws of other jurisdictions, and (iii) reasonable attorneys' fees and expenses incurred in connection with any foreign pre-merger filings. The Parties further acknowledge that NPS and Enzon have each incurred additional expenses, including without limitation attorneys' and accountants' fees and expenses, and fees and expenses payable to their respective investment banks, which shall be paid for by the Party incurring such expenses, in connection with the consummation of the transactions contemplated by the Merger Agreement. In furtherance of the foregoing with respect to fees and expenses that NPS and Enzon have agreed to share, each of NPS and Enzon agree that (i) they shall accurately and completely account to the other for all expenses that each of them has incurred for which responsibility is to be shared pursuant to this Section 4 (a "Shared Expense"), (ii) if either has paid or at any time pays more than fifty percent (50%) of any Shared Expense, then such Party shall notify the other Party of such payment and



(iii) such other Party shall, within fifteen (15) days of its receipt of such notice, reimburse to the notifying Party the appropriate amount so that both Parties will have paid their share of each Shared Expense.

5. Confidentiality. The Parties acknowledge that Enzon and NPS have previously executed a letter agreement effective December 18, 2002 (the "Confidentiality Agreement"), which Confidentiality Agreement, including the "Standstill" provisions in paragraph 7 therein (the "Standstill Provision"), will continue in full force and effect in accordance with its terms and each of NPS and Enzon will hold, and will cause its respective directors, officers, Employees, agents and advisors (including attorneys, accountants, consultants, bankers and financial advisors) to hold, any Evaluation Material (as defined in the Confidentiality Agreement) confidential in accordance with the terms of the Confidentiality Agreement. Notwithstanding the Standstill Provision, Enzon and NPS acknowledge and agree that the negotiation and execution of this Agreement, the Stock Purchase Agreement and the Registration Rights Agreement and NPS' issuance of the Shares to Enzon pursuant to the Stock Purchase Agreement and the completion of any other transactions contemplated by the Stock Purchase Agreement and the Registration Rights Agreement and any transactions in which Enzon may engage to hedge its position in the Shares it receives pursuant to the Stock Purchase Agreement do not and will not cause a breach or violation of the Standstill Provision by Enzon. In addition, as soon as practicable, but in no event later than thirty (30) days from the date hereof, each of NPS and Enzon shall (i) return to the other Party all copies of all Evaluation Material received from such other Party and (ii) destroy all analyses, compilations, summaries, studies and other materials prepared by it based in whole or in part on, or otherwise containing or reflecting any of, the Evaluation Material received from such other Party.

-3-

6. Publicity. NPS and Enzon will issue a joint press release in the form attached hereto as Exhibit B (the "Initial Release") upon the signing of this Agreement with respect to this Agreement and the termination of the Merger Agreement and the Ancillary Agreements. Except as required by law or applicable listing agreement, no Party shall issue any other press release or make any public announcement or statement relating to the termination of the Merger Agreement or execution of this Agreement prior to the issuance of the Initial Release or at any time thereafter that is inconsistent with the Initial Release.

7. Further Assurances. Each Party agrees to cooperate fully with the other Parties and to execute such further instruments, documents and agreements and to give such further written assurances as may be reasonably requested by any other Party to evidence and reflect the transactions described in this Agreement and to carry into effect the intents and purposes of this Agreement. Without limiting the foregoing, the Parties shall (a) cooperate with each other and promptly prepare and file all necessary documentation to withdraw all applications, including without limitation Momentum's listing application with The NASDAQ National Market, notices, petitions and filings made with, and shall use their reasonable efforts to terminate any proceedings before, any Governmental Authority, including without limitation the SEC, in connection with the Merger Agreement and (b) cooperate with each other to promptly wind up the affairs of, and to dissolve under the laws of the State of Delaware, Momentum, Einstein and Newton.

8. Representations and Warranties. Each of the Parties represents and warrants to the other Parties that (a) such Party has all requisite legal and corporate power and authority to execute, deliver and perform its obligations under this Agreement; (b) all corporate action on the part of such Party, its directors, officers and stockholders necessary for the authorization, execution, delivery and performance of this Agreement by such Party has been taken; and (c) this Agreement constitutes a valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies.

9. Miscellaneous.

(a) No Assignment; Binding Effect. Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party hereto without the prior written consent of the other Parties hereto and any

attempt to do so shall be void, except for assignments and transfers by operation of law. Subject to the preceding sentence, this Agreement is binding upon, inures to the benefit of and is enforceable by and upon the Parties and their respective successors and assigns.

-4-

(b) Amendment. This Agreement may be amended, supplemented or modified by a written instrument duly executed by NPS and Enzon. Any such amendment, supplement, or modification shall be binding upon all of the Parties.

(c) Notices. All notices and other communications required or permitted hereunder shall between Enzon and NPS be in writing and shall be mailed by registered or certified mail, postage prepaid by hand, by messenger or by overnight courier, addressed:

(i) if to Enzon, to:

Enzon Pharmaceuticals, Inc.  
685 Route 202/206  
Bridgewater, New Jersey 08807  
Attention: Chief Executive Officer

Or at such other address as Enzon shall have furnished to NPS, with a copy to:

Dorsey & Whitney LLP  
250 Park Avenue  
New York, New York 10177-1500  
Attention: Kevin T. Collins

(ii) if to NPS, to:

NPS Pharmaceuticals, Inc.  
420 Chipeta Way  
Salt Lake City, Utah 84108  
Attention: General Counsel

Or as such address as NPS shall have furnished to Enzon, with a copy to:

Wilson Sonsini Goodrich & Rosati,  
Professional Corporation  
2795 East Cottonwood Parkway, Suite 300  
Salt Lake City, Utah 84121  
Attention: Robert G. O'Connor, Esq.

(iii) Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given when actually delivered as provided above, if delivered personally or by messenger, or, on the day shown on the return receipt, if sent by mail or other delivery service.

-5-

(d) Entire Agreement. This Agreement supercedes all prior discussions, representations, warranties and agreements, both written and oral, among the Parties with respect to the subject matter hereof, and contains the sole and entire agreement among the Parties with respect to the subject matter hereof, other than the Confidentiality Agreement.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of law thereof.

(f) Remedies. In the event of any breach or default of this Agreement, the non-breaching Party shall have all rights and remedies provided by law and equity to enforce this Agreement, including, without limitation, an action for damages and to obtain specific performance of the

terms of this Agreement.

(g) Submission to Jurisdiction. Each of the Parties irrevocably agrees that any legal action or proceeding with respect to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by an other Party hereto or its successors or assigns may be brought and determined in the Chancery or other Courts of the State of Delaware, and each of the Parties hereby irrevocably submits with regard to any such action or proceeding for itself and in respect to it property, generally and unconditionally, to the nonexclusive jurisdiction of the aforesaid courts.

(h) Severability. In the event that any provision of this Agreement or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the Parties. The Parties further agree to replace such void and unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

(i) Rules of Construction. The Parties agree that they have been represented by counsel during the negotiation and execution of this Agreement and, therefore, waive the application of any Legal Requirement or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting such agreement or document.

(j) Waiver of Jury Trial. EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF MOMENTUM, NPS, ENZON, NEWTON, OR EINSTEIN IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

-6-

(k) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart.

(l) Third Party Beneficiaries. There are no third Party beneficiaries to this Agreement except for the Parties' Releasees and the Parties to the Ancillary Agreements that are not Parties to this Agreement

[Signature page follows.]

-7-

IN WITNESS WHEREOF, NPS, Enzon, Momentum, Newton and Einstein have caused this Agreement to be duly executed as of the date first above written by their respective officers duly authorized.

NPS PHARMACEUTICALS, INC.

By: /s/ Hunter Jackson  
-----

Name: Hunter Jackson  
-----

Its: President and CEO  
-----

ENZON PHARMACEUTICALS, INC.

By: /s/ Arthur J. Higgins  
-----

Name: Arthur J. Higgins  
-----

Its: Chairman, President and CEO  
-----

MOMENTUM MERGER CORPORATION

By: /s/ Hunter Jackson  
-----

Name: Hunter Jackson  
-----

Its: Executive Chairman  
-----

[Signature Page to Mutual Termination and Release Agreement]

NEWTON ACQUISITION CORPORATION

By: /s/ Hunter Jackson  
-----

Name: Hunter Jackson  
-----

Its: President and CEO  
-----

EINSTEIN ACQUISITION CORPORATION

By: /s/ Arthur J. Higgins  
-----

Name: Arthur J. Higgins  
-----

Its: President and CEO  
-----

[Signature Page to Mutual Termination and Release Agreement]

EXHIBIT A

Restricted Stock Purchase Agreement

EXHIBIT B

Joint Press Release

NPS PHARMACEUTICALS, INC.

RESTRICTED STOCK PURCHASE AGREEMENT

This RESTRICTED STOCK PURCHASE AGREEMENT (this "Agreement") is made as of June 4, 2003, by and between NPS Pharmaceuticals, Inc., a Delaware corporation (the "Company"), and Enzon Pharmaceuticals, Inc., a Delaware corporation (the "Purchaser").

RECITALS

A. The Company and the Purchaser are parties to that certain Mutual Termination and Release Agreement, dated of even date herewith (the "Termination Agreement").

B. The obligations of the Company and the Purchaser under the Termination Agreement are conditioned in part upon the execution and delivery of this Agreement.

C. Pursuant to the Termination Agreement, the Company agreed to issue shares of its common stock pursuant to the terms provided in this Agreement.

D. Pursuant to the Termination Agreement, the Company has also agreed to provide certain registration rights relating to such shares as contained in that certain Registration Rights Agreement, to be executed and delivered herewith, by and between the Company and the Purchaser (the "Registration Rights Agreement").

AGREEMENT

NOW THEREFORE, in consideration of the Company and the Purchaser entering into the Termination Agreement and the Registration Rights Agreement, the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Purchaser, intending to be legally bound, agree as follows:

1. Common Stock Purchase.

1.1 Purchase. Subject to the terms and conditions of this Agreement, the Company will sell to the Purchaser, and the Purchaser will purchase from the Company One Million Five Hundred Thousand (1,500,000) shares (the "Shares") of the Company's Common Stock, par value \$0.001 per share ("Common Stock"), in consideration of the Purchaser executing and delivering the Termination Agreement and performing its obligations thereunder.

1.2 Closing Date. The purchase and sale of the Shares shall be consummated at a closing (the "Closing") held at the offices of Wilson Sonsini Goodrich & Rosati, Professional Corporation, 2795 East Cottonwood Parkway, Suite 300, Salt Lake City, Utah, 84121 on June 4, 2003, at 3:30 p.m., local time, or at such other date, time and place upon which the Company and the Purchaser shall agree (the "Closing Date").

1.3 Delivery. On the Closing Date, the Company shall deliver to the Purchaser a certificate (or other electronic evidence) representing the Shares (issued in the Purchaser's name) after receipt of the Termination Agreement executed by the Purchaser.

2. Representations and Warranties of the Company. In connection with the sale of the Shares, the Company represents and warrants to the Purchaser that as of the date hereof:

2.1 Organization and Standing. The Company is a corporation duly organized and validly existing under, and by virtue of, the laws of the State of Delaware and is in good standing, under such laws. The Company has requisite corporate power and authority to own and operate its

properties and assets and to carry on its business as presently conducted. The Company is presently qualified to do business as a foreign corporation, and is in good standing in those jurisdictions in which the nature of its business and properties makes such qualification necessary and in which the failure to be so qualified would have a material adverse effect on the business or financial condition of the Company.

2.2 Corporate Power. The Company has all requisite legal and corporate power and authority to execute, deliver and perform its obligations under this Agreement and the Registration Rights Agreement and to sell and issue the Shares hereunder.

2.3 Authorization. All corporate action on the part of the Company, its directors and stockholders necessary for the authorization, execution, delivery and performance of this Agreement and the Registration Rights Agreement by the Company and the authorization, sale, issuance and delivery of the Shares has been taken or will be taken prior to the Closing Date. This Agreement and the Registration Rights Agreement constitutes valid and binding obligations of the Company, enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies. The Shares, when issued in compliance with the provisions of this Agreement, will be validly issued, fully paid and nonassessable, and the Shares will be free of any liens or encumbrances other than any liens or encumbrances created by or imposed upon the holders; provided, however, that the Shares may be subject to restrictions on transfer under state or federal securities laws and restrictions set forth in the Registration Rights Agreement.

#### 2.4 Capitalization.

(a) Immediately prior to the Closing, the authorized capital stock of the Company consists of (i) 45,000,000 shares of Common Stock and (ii) 5,000,000 shares of preferred stock, par value \$0.001 ("Preferred Stock") none of which are issued and outstanding. As of June 3, 2003, 35,196,259 shares of Common Stock were issued and outstanding (which included 310,785 shares of NPS Allelix Inc., a wholly owned Canadian subsidiary of the Company, which are exchangeable into shares of Common Stock). All of the outstanding shares of capital stock of NPS are duly authorized and validly issued, fully paid and nonassessable and not subject to any preemptive rights.

-2-

2.5 Approvals. No authorization, approval or consent of any court, governmental body, regulatory agency, self-regulatory organization, or stock exchange or market or third party is required to be obtained by the Company for the issuance and sale of the Shares to the Purchaser as contemplated by this Agreement, except for notices and filings with the Nasdaq National Market and such other authorizations, approvals and consents that have been obtained.

2.6 Offering. Subject to the accuracy of the Purchaser's representations in Section 3, the offer, sale and issuance of the Shares constitutes a transaction exempt from the registration requirements of Section 5 of the Securities Act of 1933, as amended (the "Securities Act").

2.7 NASDAQ Listing Requirements. NPS is in compliance with its listing agreement with The NASDAQ National Market, fully satisfies all continued listing requirements of The NASDAQ National Market and is not aware of any facts or circumstances that could reasonably be expected to result in a violation of its listing agreement or such continued listing requirements and has received no notice from The NASDAQ National Market of any such violation.

2.8 Non-Contravention. The execution and delivery of this Agreement by NPS does not, and performance of this Agreement by NPS will not: (i) conflict with or violate NPS' certificate of incorporation or bylaws or the certificate of incorporation or bylaws of any subsidiary of NPS or (ii) conflict with or violate any material order or decree of any court or governmental authority.

2.9 Form S-3 Eligibility. NPS is currently eligible to use Form S-3 to register the resale of the Shares. The Form S-3 Registration Statement and the Prospectus (as such terms are defined in the Registration

Rights Agreement) will comply with the requirements of applicable law and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they are made.

2.10 Brokers' and Finders' Fees. With respect to or in connection with the transactions contemplated in this Agreement, the Purchaser will have no liability to any broker, finder or other third party acting on the behalf of NPS.

3. Representations and Warranties of the Purchaser. In connection with the acquisition of the Shares, the Purchaser represents and warrants to the Company as of the date hereof:

3.1 Accredited Investor. It is an "accredited investor," as such term is defined in Section (2)(a)(15) of the Securities Act.

3.2 Preexisting Relationship with Company; Business and Financial Experience. By reason of its business or financial experience or the business or financial experience of its professional advisors who are unaffiliated with the Company and who are not compensated by the Company, it has the capacity to protect its own interests in connection with the purchase of the Shares.

-3-

3.3 Investment Intent; Blue Sky. It is acquiring the Shares for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. It understands that the issuance of the Shares has not been, and will not be, registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the Purchaser's investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser's address set forth on the signature page attached hereto represents the Purchaser's true and correct state of domicile, upon which the Company may rely for the purpose of complying with applicable "blue sky" laws.

3.4 Rule 144. It acknowledges that the Shares must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from such registration is available. It is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale occurring not less than one year after a party has purchased and paid for the security to be sold, the sale being effected through a "broker's transaction" or in a transaction directly with a "market maker," and the number of shares being sold during any three-month period not exceeding specified limitations.

3.5 Restrictions on Transfer; Restrictive Legends. It understands that the transfer of the Shares is restricted by applicable state and federal securities laws and by the provisions of the Registration Rights Agreement, and that all certificates representing the Shares will be imprinted with legends restricting transfer except in compliance therewith.

3.6 Authorization. All action on the part of the Purchaser's board of directors and stockholders, as applicable, necessary for the authorization, execution, delivery and performance of this Agreement and the Registration Rights Agreement by the Purchaser, the purchase of and payment for the Shares and the performance of all of the Purchaser's obligations under this Agreement and the Registration Rights Agreement has been taken or will be taken prior to the Closing Date. This Agreement and the Registration Rights Agreement, when executed and delivered by the Purchaser, shall constitute valid and binding obligations of the Purchaser, enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies.

3.7 Risks. Purchaser understands that the purchase of the Shares involves risk. Purchaser acknowledges that that it is able to fend for itself in the transactions contemplated by this Agreement and has the ability to



bear the economic risks of its investment pursuant to this Agreement and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of this investment in the Shares and protecting its own interests in connection with this investment. Purchaser acknowledges that in making its investment decision Purchaser has relied solely on its review of the information contained in publicly available information, including but not limited to the Company's filings with the Securities and Exchange Commission and has not relied on any prior discussions or correspondence between the Parties resulting from their pre-existing business relationship. Purchaser further acknowledges that in making its investment decision Purchaser is not using or relying upon any non-public or confidential information of the Company.

-4-

4. Conditions to Closing.

4.1 Purchaser's Conditions to Closing. The Purchaser's obligation to purchase the Shares is, unless waived in writing by the Purchaser, subject to the fulfillment of the following conditions:

(a) Representations Correct. The representations and warranties made by the Company in Section 2 hereof shall be true and correct in all material respects.

(b) Blue Sky. The Company shall have obtained all necessary "blue sky" law permits and qualifications, or have the availability of exemptions therefrom, required by any state for the offer and sale of the Shares.

(c) Consents. No consent, approval order or authorization of or registration, qualification, designation, declaration or filing with any governmental authority shall be required in connection with the sale or issuance of the Shares.

(d) Registration Rights Agreement. The Company shall have executed and delivered to the Purchaser the Registration Rights Agreement substantially in the form attached hereto as Exhibit A.

(e) Mutual Termination and Release Agreement. The Company shall have executed and delivered to the Purchaser the Termination Agreement.

4.2 Company's Conditions to Closing. The Company's obligation to sell and issue the Shares is, unless waived in writing by the Company, subject to the fulfillment of the following conditions:

(a) Representations Correct. The representations and warranties made by the Purchaser in Section 3 hereof shall be true and correct in all material respects.

(b) Blue Sky. The Company shall have obtained all necessary "blue sky" law permits and qualifications, or have the availability of exemptions therefrom, required by any state for the offer and sale of the Shares.

(c) Consents. No consent, approval order or authorization of or registration, qualification, designation, declaration or filing with any governmental authority shall be required in connection with the sale or issuance of the Shares to the Purchaser.

(d) Registration Rights Agreement. The Purchaser shall have executed and delivered to the Company the Registration Rights Agreement.

-5-

(e) Mutual Termination and Release Agreement. The Purchaser shall have executed and delivered to the Company the Termination Agreement.

5. Miscellaneous.

5.1 Amendment. Except as otherwise provided above, any provision of this Agreement may be amended or the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Purchaser.

5.2 Governing Law. This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflict of laws provisions. Each of the parties hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by any other party hereto or its successors or assigns may be brought and determined in the Chancery or other Courts of the State of Delaware, and each of the parties hereto hereby irrevocably submits with regard to any such action or proceeding for itself and in respect to its property, generally and unconditionally, to the non-exclusive jurisdiction of the aforesaid courts.

5.3 Entire Agreement. This Agreement, the Registration Rights Agreement, the letter agreement dated December 18, 2002 between the Company and the Purchaser (the "Confidentiality Agreement") and the Termination Agreement and the Annexes, Exhibits and Schedules attached hereto and thereto and delivered in connection herewith and therewith, as the case may be, constitute the full and entire understanding and agreement among the parties regarding the matters set forth herein. The provisions hereof shall inure to the benefit of, and be binding upon the successors, permitted assigns, heirs, executors and administrators of the parties hereto.

5.4 Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, by hand, by messenger or by overnight courier, addressed:

(a) if to the Purchaser, to:

Enzon Pharmaceuticals, Inc.  
685 Route 202/206  
Bridgewater, New Jersey 08807  
Attention: Chief Executive Officer

or at such other address as the Purchaser shall have furnished to the Company, with a copy to:

Dorsey & Whitney LLP  
250 Park Avenue  
New York, New York 10177-1500  
Attention: Kevin T. Collins

-6-

(b) if to the Company, to:

NPS Pharmaceuticals, Inc.  
420 Chipeta Way  
Salt Lake City, UT 84108  
Attention: General Counsel

or at such other address as the Company shall have furnished to the Purchaser, with a copy to:

Wilson Sonsini Goodrich & Rosati,  
Professional Corporation  
2795 East Cottonwood Parkway  
Suite 300  
Salt Lake City, UT 84121  
Attn: Robert G. O'Connor, Esq.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given when actually delivered as provided above, if delivered personally or by messenger, or, on the day shown on the return receipt, if sent by mail or other delivery service.

5.5 Successors and Assigns. Each party's rights and

benefits of this Agreement shall inure to the benefit of, and be enforceable by, such party's permitted successors and assigns. The rights and obligations of the Purchaser under this Agreement may only be assigned with the prior written consent of the Company. The rights and obligations of the Company under this Agreement may only be assigned with the prior written consent of the Purchaser.

5.6 Further Actions. Both parties agree to execute any additional documents and take such further action as may be reasonably necessary to carry out the purposes of this Agreement.

5.7 Injunctive Relief. Each party hereto agrees that the other party shall be entitled to a decree of specific performance of the terms hereof or an injunction restraining violations of this Agreement, such right to be in addition to any of the remedies of the Company. No remedy provided herein is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

5.8 Severability. In the event that any provision of this Agreement or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The Parties further agree to replace such void and unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

-7-

5.9 Expenses. Each party hereto shall pay its own expenses incurred (including, without limitation, the fees of counsel) on its behalf in connection with this Agreement or any transactions contemplated by this Agreement.

5.10 Waivers. No waiver of any provision of this Agreement or any rights or obligations of any party hereunder shall be effective, except pursuant to a written instrument signed by the party or parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing.

5.11 Counterparts. This Agreement may be executed in any number of counterparts, including a facsimile counterpart, each of which shall be an original, but all of which together shall constitute one instrument.

5.12 "Standstill" Provisions in Confidentiality Agreement. Notwithstanding the "standstill" provisions of Section 7 of the Confidentiality Agreement, the Company and the Purchaser acknowledge and agree that the negotiation and execution of the Termination Agreement, this Agreement and the Registration Rights Agreement and the Company's issuance of the Shares to the Purchaser pursuant to this Agreement and the completion of any other transactions contemplated herein and in the Registration Rights Agreement and any transactions in which the Purchaser may engage to hedge its position in the Shares it receives pursuant to this Agreement do not and will not cause a breach or violation of such standstill provisions by the Purchaser.

(Remainder of page intentionally left blank.)

-8-

IN WITNESS WHEREOF, the parties hereto have executed this Restricted Stock Purchase Agreement as of the date first written above.

COMPANY:

NPS PHARMACEUTICALS, INC.

PURCHASER:

ENZON PHARMACEUTICALS, INC.

By: /s/ Hunter Jackson  
-----

By: /s/ Arthur J. Higgins  
-----

Name: Hunter Jackson  
-----

Name: Arthur J. Higgins  
-----

Its: President and CEO  
-----

Its: Chairman, President and CEO  
-----

Exhibit A  
Registration Rights Agreement

NPS PHARMACEUTICALS, INC.

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made effective as of June 4, 2003 (the "Closing Date") by and between NPS Pharmaceuticals, Inc., a Delaware corporation (the "Company"), and Enzon Pharmaceuticals, Inc., a Delaware corporation (the "Holder").

RECITALS

A. The Company and the Holder have entered into a Restricted Stock Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"), whereby the Holder will purchase shares of the Company's Common Stock.

B. The Company is entering into this Agreement to provide liquidity to Holder following Holder's acquisition of the shares of the Company's Common Stock.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Certain Definitions. As used in this Agreement, the terms below shall have the following respective meanings:

"Commission" means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any similar federal rule or statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Form S-3 Registration Statement" means a registration statement of the Company, on Form S-3 or any successor form filed by the Company pursuant to this Agreement permitting registration of the Registrable Securities for resale by the Holder (and in the event that pursuant to the Securities Act the Company is unable to use Form S-3 (or any successor form), another appropriate form permitting registration of the Registrable Securities for resale by the Holder).

"Prospectus" means the prospectus included in a Form S-3 Registration Statement (including without limitation, a prospectus that discloses information previously omitted from a prospectus filed as a part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by amendment or prospectus supplement, including post-effective amendments, and all materials incorporated by reference or explicitly deemed to be incorporated by reference in such prospectus.

"Registrable Securities" means the shares of the Company's Common Stock purchased by Holder under the Purchase Agreement, or issuable in respect thereof upon any conversion, stock split, stock dividend, recapitalization, merger or other reorganization; provided, however, that securities shall only be treated as Registrable Securities if and so long as they have not been registered or sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction.

"Register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement.

"Registration Expenses" means all expenses, except Selling Expenses, incurred by the Company in complying with Section 5 hereof, including

without limitation, all registration, qualification and filing fees, printing expenses, reasonable fees and disbursements of counsel for the Company, blue sky fees and expenses, the expense of any special audits incident to or required by any such registration.

"Securities Act" means the Securities Act of 1933, as amended, or any similar federal rule or statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Selling Expenses" means (i) all underwriting discounts, selling commissions and stock transfer taxes applicable to the securities registered by the Holder and (ii) all fees and disbursements of counsel for the Holder.

"Transfer" means a transfer or disposition, including but not limited to by way of sale, assignment, encumbrance, hypothecation, pledge, conveyance, gift, or transfer.

2. Restrictions on Transferability.

(a) The Registrable Securities shall not be Transferred, except upon the conditions specified in this Agreement. The Holder will cause any transferee who receives the Registrable Securities in a Transfer other than a sale pursuant to (i) an effective registration statement under the Securities Act or (ii) Rule 144 under the Securities Act to assume in writing the obligations and restrictions of the Holder under this Agreement, including without limitation the restrictions set forth in Section 4 (a "Permitted Transferee").

(b) Standstill. Each of the Company and the Holder hereby acknowledge that the Company and the Holder have previously executed a letter agreement, effective December 18, 2002 (the "Confidentiality Agreement"), under which each of the Company and the Holder agreed to certain "standstill" provisions in Section 7 therein regarding the acquisition of securities or control of the other. Each of the Company and the Holder acknowledge that the Confidentiality Agreement, including the "standstill" provisions under Section 7 therein, continues in full force and effect in accordance with its terms. Notwithstanding the "standstill" provisions in the Confidentiality Agreement, the Company and the Holder acknowledge and agree that the negotiation and execution of the Mutual Termination and Release Agreement dated of even date herewith between the Company and the Holder, the Purchase Agreement and this Agreement and the Company's issuance of shares of its Common Stock to the Holder pursuant to the Purchase Agreement and the completion of any other transactions contemplated therein and in this Agreement and any transactions in which the Holder may engage to hedge its position in the shares of Common Stock it receives pursuant to the Purchase Agreement do not and will not cause a breach or violation of such standstill provisions by the Holder.

-2-

(c) Volume Limitation on Sales. The Holder hereby agrees and covenants that after the Form S-3 Registration Statement is declared effective by the Commission (the "Effective Date") the Holder may Transfer no more than 125,000 shares (as appropriately adjusted for stock splits, stock dividends, combinations and similar events) of Registrable Securities in each monthly period after the Effective Date, however, any shares of Registrable Securities not Transferred in preceding monthly periods, which could have been Transferred under the volume limits of this Section 2(c), may be accumulated and Transferred subsequently provided, however, that in no instance may the Holder Transfer more than 375,000 shares of Registrable Securities in any one (1) month period. The Holder hereby acknowledges and agrees that the Company may place stop transfer restrictions on the Registrable Securities where such Transfer would exceed the volume limitations in the preceding sentence. In calculating the volume limitations of this Section 2(c), Transfers by the Holder shall be aggregated with any Transfers by Permitted Transferees. The limitations of this Section 2(c) shall cease to be effective if the Company consummates a Controlling Acquisition. For the purposes of this Section 2, the term "Controlling Acquisition" means, with reference to the Company, any of the following transactions: (i) a merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company pursuant to which the stockholders of the Company immediately preceding such transaction hold less than sixty percent (60%) of the aggregate equity interests in the surviving or resulting entity of such transaction or any direct

or indirect parent thereof, (ii) a sale or other disposition by the Company of assets representing in excess of forty percent (40%) of the aggregate fair market value of the Company's business immediately prior to such sale, or (iii) the acquisition by any Person or group (including by way of a tender offer or an exchange offer or issuance by the Company or such Person or group), directly or indirectly, of beneficial ownership or a right to acquire beneficial ownership of shares representing in excess of forty percent (40%) of the voting power of the then outstanding shares of capital stock of the Company.

3. Restrictive Legends. Each certificate representing the Registrable Securities shall be stamped or otherwise imprinted with the following or similar legends:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SECURITIES MAY NOT BE TRANSFERRED UNLESS A REGISTRATION STATEMENT UNDER SAID ACT IS IN EFFECT AS TO SUCH TRANSFER OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER, SUCH TRANSFER MAY BE MADE WITHOUT REGISTRATION UNDER SAID ACT.

-3-

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS SET FORTH IN A REGISTRATION RIGHTS AGREEMENT TO WHICH THE ORIGINAL HOLDER OF THESE SHARES WAS A PARTY, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY. SUCH RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.

The Holder consents to the making of a notation by the Company on its records and giving instructions to any transfer agent of its capital stock in order to implement the restrictions on transfer established in this Agreement.

4. Notice of Proposed Transfers. The Holder agrees to comply in all respects with the provisions of this Agreement. Without in any way limiting the immediately preceding sentence or the provisions of Section 2, no sale, assignment, transfer or pledge (other than (i) a sale made pursuant to a registration statement filed under the Securities Act and declared effective by the Commission for which no stop order has been issued and is then existing or (ii) a sale made in accordance with the applicable provisions of Rule 144) of Registrable Securities shall be made by the Holder to any person unless such person shall first agree in writing to be bound by the restrictions of this Agreement, including without limitation this Section 4. Prior to any proposed sale, assignment, transfer or pledge of any Registrable Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transfer or such sale is made pursuant to Rule 144, the holder thereof shall give written notice to the Company of such holder's intention to effect such transfer, sale, assignment or pledge. Each such notice shall describe the manner and circumstances of the proposed transfer, sale, assignment or pledge in reasonable detail, and, if requested by the Company, the holder shall also provide, at such holder's expense, a written opinion of legal counsel (who shall be, and whose legal opinion shall be, reasonably satisfactory to the Company) addressed to the Company, to the effect that the proposed transfer of the Registrable Securities may be effected without registration under the Securities Act and under applicable state securities laws and regulations. Upon delivery to the Company of such notice and, if required, such opinion, the holder of such Registrable Securities shall be entitled to transfer such Registrable Securities in accordance with the terms of such notice. The Company agrees that it shall not request such an opinion of counsel with respect to (i) a transfer not involving a change in beneficial ownership or (ii) a transaction involving the transfer without consideration of Registrable Securities by an individual holder during such holder's lifetime by way of gift or on death by will or the laws of descent and distribution. Each certificate evidencing the Registrable Securities transferred as above provided shall bear, except if such transfer is made pursuant to Rule 144 or pursuant to an effective registration statement, the appropriate restrictive legend set forth in Section 3 above, except that such certificate shall not bear such restrictive legend if, in the opinion of counsel for such Holder and counsel for the Company, such legend is not required in order to establish or ensure compliance with the provisions of the Securities Act and this Agreement.

-4-

5. Registration on Form S-3.

(a) Registration. The Company shall use commercially reasonable efforts to file with the Commission a Form S-3 Registration Statement covering all Registrable Securities within thirty (30) days after the Closing Date (the "Filing Deadline Date"). The Company shall use its commercially reasonable efforts to cause such Form S-3 Registration Statement to be filed and declared effective within ninety (90) days following the Closing Date (the "Effectiveness Deadline Date"). The Company shall use its commercially reasonable efforts to keep such Form S-3 Registration Statement effective until the earlier of (i) the date all Registrable Securities then held by the Holder represents less than one percent (1%) of the total issued and outstanding shares of the Common Stock of the Company or (ii) the date all Registrable Securities then held by the Holder may be sold pursuant to Rule 144(k) (the "Effective Period").

(b) Limitations on Registration and Sale of Registrable Securities. Notwithstanding anything in this Agreement to the contrary, the Company's obligations and the Holder's rights under this Section 5 are subject to the limitations and qualifications set forth below, which may be waived in writing by the Company.

(i) The Company shall have no obligation to keep effective a registration statement hereunder following the Effective Period.

(ii) Upon (i) the issuance by the Commission of a stop order suspending the effectiveness of the Form S-3 Registration Statement or the initiation of proceedings with respect to the Form S-3 Registration Statement, (ii) the occurrence of any event or the existence of any fact or circumstance as a result of which the Form S-3 Registration Statement shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or any Prospectus shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (a "Material Event"), or (iii) the occurrence, existence or pendency of any corporate development that, in the reasonable discretion of the Company, makes it detrimental to the Company for the Form S-3 Registration Statement and the related Prospectus to be available for a period of time, the Company shall (A) in the case of clause (ii) above, subject to the next sentence, as promptly as practicable prepare and file, if necessary pursuant to applicable law, a post-effective amendment to the Form S-3 Registration Statement or a supplement to the related Prospectus or any document incorporated therein by reference or file any other required document that would be incorporated by reference into the Form S-3 Registration Statement and Prospectus so that the Form S-3 Registration Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and such Prospectus does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as thereafter delivered to the purchasers of the Registrable Securities being sold thereunder, and, in the case of a post-effective amendment to a Registration Statement, subject to the next sentence, use its commercially reasonable efforts to cause it to be declared effective as promptly as is reasonably practicable, and (B) give notice to the Holder, counsel for the Holder and underwriter, if any, that the availability of the Form S-3 Registration Statement is suspended (a "Deferral Notice") and, upon receipt of any Deferral Notice, the Holder agrees not to sell any Registrable Securities pursuant to the Registration Statement until the Holder's receipt of copies of the supplemented or amended Prospectus provided for in clause (A) above, or until it is advised in writing by the Company that the Prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. The Company will use its commercially reasonable efforts to ensure that the use of the Prospectus may be resumed (x) in the case of clause (i) above, as promptly as is reasonably practicable, (y) in the case of clause (ii) above, as soon as, is reasonably practicable after the occurrence of the Material Event and (z) in the case of clause (iii) above, as soon as in the reasonable discretion of the Company, such suspension is no longer appropriate. The Company shall be entitled to exercise its right under this Section 5(b)(ii) to suspend the availability of the Form S-3 Registration Statement or any Prospectus no more than one (1) time in any three-month period or two (2) times in any twelve-month period, and any such period during which the availability of the Registration Statement and any



Prospectus is suspended (the "Deferral Period") shall not exceed 30 days; provided, that the aggregate duration of any Deferral Periods shall not exceed 45 days in any three-month period (or 55 days in any three-month period in the event of a Material Event pursuant to which the Company has delivered a second notice as required below) or 60 days in any twelve-month period; provided, that in the case of a Material Event relating to an acquisition or a probable acquisition or financing, recapitalization, business combination or other similar transaction, the Company may deliver to the Holder a second notice to the effect set forth above, which shall have the effect of extending the Deferral Period by up to an additional 10 days, or such shorter period of time as is specified in such second notice.

-5-

(c) Registration Procedures. In connection with any registration required under this Agreement, the Company shall take the actions set forth below (subject to Section 5(b)(ii) below).

(i) Prepare and file with the Commission and use its commercially reasonable efforts to cause to become effective a Form S-3 Registration Statement with respect to the Registrable Securities in accordance with the provisions of Section 5(a).

(ii) Prepare and file with the Commission such amendments and supplements to such Form S-3 Registration Statement and the Prospectus as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Form S-3 Registration Statement.

(iii) The Company shall permit a single firm of counsel designated by the Holder to review the Form S-3 Registration Statement and all amendments and supplements thereto a reasonable period of time prior to the filing of the Form S-3 Registration Statement with the Commission.

(iv) The Company shall notify the Holder of any stop order issued or threatened by the Commission or other suspension of effectiveness of the Form S-3 Registration Statement and will take all reasonable actions necessary or appropriate to prevent the entry of such stop order or to remove it if entered and will notify the Holder of the resolution of such situation.

-6-

(v) The Company shall furnish to the Holder and each underwriter, if any, of Registrable Securities covered by the Form S-3 Registration Statement filed pursuant to this Agreement (A) promptly after the same is prepared and publicly distributed, filed with the Commission, or received by the Company, one copy of the Form S-3 Registration Statement and any amendment thereto, each Prospectus and each amendment or supplement thereto, and, as promptly as practicable after the date of effectiveness of the Form S-3 Registration Statement or any amendment thereto, a notice stating that the Form S-3 Registration Statement or amendment thereto has been declared effective, and (B) such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits thereto), and the Prospectus included in such registration statement, in conformity with the requirements of the Securities Act, and such other documents as the Holder may reasonably request in order to facilitate the disposition of the Registrable Securities owned by the Holder. Such delivery of documents pursuant to (B) above shall be made by the Company within three (3) trading days of receipt of a request therefor from the Holder.

(vi) The Company shall use its commercially reasonable efforts to register or qualify the Registrable Securities under the securities or "blue sky" laws of each State of the United States of America as any of the Holder or underwriters, if any, of the Registrable Securities covered by a registration statement filed hereunder reasonably requests, and shall do any and all other acts and things which may be reasonably necessary or advisable to enable the Holder and each underwriter, if any, to consummate the disposition in such States of the Registrable Securities owned by the Holder; provided that the Company shall not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this

subsection (vi), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction.

(vii) As promptly as reasonably practicable give notice to the Holder and counsel for the Holder, (i) when any Prospectus, Prospectus supplement, Form S-3 Registration Statement or post-effective amendment to the Form S-3 Registration Statement has been filed with the Commission and, with respect to the Form S-3 Registration Statement or any post-effective amendment, when the same has been declared effective, (ii) of any written request, following the effectiveness of the Form S-3 Registration Statement under the Securities Act, by the Commission or any other federal or state governmental authority for amendments or supplements to any Form S-3 Registration Statement or related Prospectus or for additional information, (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of the Form S-3 Registration Statement or the initiation or written threat of any proceedings for that purpose, (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction or the initiation or the written threat of any proceeding for such purpose, (v) of the occurrence of a Material Event (as defined below) (but not the nature of or details concerning such Material Event) and (vi) of the determination by the Company that a post-effective amendment to the Form S-3 Registration Statement will be filed with the Commission, which notice may, at the discretion of the Company (or as required pursuant to Section 5(b)(ii)), state that it constitutes a Deferral Notice (as defined below), in which event the provisions of Section 5(b)(ii) shall apply.

(viii) The Company shall enter into customary agreements (including an underwriting agreement in customary form) and take all such other reasonable and customary actions as the Holder or the underwriters, if any, may reasonably request in order to expedite or facilitate the disposition of the Registrable Securities in accordance with the terms of this Agreement.

-7-

(ix) Make reasonably available for inspection during normal business hours by a representative for the Holder, and any broker-dealers, counsel for the Holder, accountants or underwriter, all relevant financial and other records and pertinent corporate documents and properties of the Company and its subsidiaries, and cause the appropriate officers, directors and employees of the Company and its subsidiaries to make reasonably available for inspection during normal business hours on reasonable notice all relevant information reasonably requested by such representative for the Holder, or any such broker-dealers, counsel for the Holder, accountants or underwriter in connection with such disposition, in each case as is customary for similar "due diligence" examinations; provided, however, that the Holder (and its agents and representatives) shall hold in confidence and shall not make any disclosure of any such information, unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) disclosure of such information is necessary to avoid or to correct a misstatement or omission in the Form S-3 Registration Statement (and only for the purpose of correcting such misstatement or omission in the Form S-3 Registration Statement), (iii) release of such information is ordered pursuant to a subpoena or other order from a court or government body of competent jurisdiction, (iv) such information has been made generally available to the public other than by disclosure in violation of this or any other agreement, or (v) the Company consents to any such disclosure. The Holder agrees that it shall, upon learning that disclosure of such information is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, the information deemed confidential. Nothing herein shall be deemed to limit the Holder's ability to sell Registrable Securities in a manner which is otherwise consistent with applicable laws and regulations.

(x) The Company shall hold in confidence and not make any disclosure of information concerning the Holder provided to the Company pursuant to this Agreement unless (A) disclosure of such information is necessary to comply with federal or state securities laws, provided that the Holder shall be given reasonable notice of the proposed disclosure and that such disclosure is limited to the maximum extent permitted under such securities

laws, (B) disclosure of such information is necessary to avoid or correct a misstatement or omission in the Form S-3 Registration Statement, (C) release of such information is ordered pursuant to a subpoena or other order from a court or governmental body of competent jurisdiction, (D) such information has been made generally available to the public other than by disclosure in violation of this or any other agreement, or (E) the Holder consents to the form and content of any such disclosure. The Company agrees that it shall, upon learning that disclosure of such information concerning the Holder is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to the Holder prior to making such disclosure, and allow the Holder, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(xi) The Company shall cause all Registrable Securities registered under this Agreement to be listed on the Nasdaq National Market ("Nasdaq"), and shall pay any fees for the additional listing of the shares of its common stock on Nasdaq as required by Nasdaq, or such other principal market as the Company's Common Stock may then be listed or traded, and take such other acts as may be necessary to secure such listing.

-8-

6. Other Registration Rights. The Holder acknowledges that certain other securityholders of the Company may now or hereafter have registration rights, and that such other securityholders may be entitled to sell their securities at the same time as the Holder hereunder.

7. Expenses of Registration. All Registration Expenses incurred in connection with the Company's obligations hereunder shall be borne by the Company. All Selling Expenses relating to securities proposed to be registered hereunder and all other registration expenses shall be borne by the Holder.

8. Indemnification.

(a) The Company will indemnify and hold harmless the Holder, each of its officers and directors, employees, partners, advisors and agents, and each person controlling the Holder within the meaning of Section 15 of the Securities Act, with respect to a registration that has been effected pursuant to this Agreement, against all expenses, claims, losses, damages or liabilities (or actions or proceedings in respect thereof), including reasonable costs of investigation and reasonable legal fees and expenses and any of the foregoing incurred in settlement of any litigation, commenced or threatened, arising out of or based on (i) any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement, preliminary Prospectus, Prospectus, offering circular or other document, or any amendment or supplement thereto, incident to any such registration, or arising out of or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading or (ii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any other applicable securities law, including, without limitation, any state securities law, or any rule or regulation thereunder or under the Securities Act or the Exchange Act relating to the offer or sale of the Registrable Securities and, in either case, the Company will reimburse each Indemnified Party (as defined in Section 8(c)), for any legal and any other expenses reasonably incurred in connection with investigating, preparing or defending any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission or alleged untrue statement or omission, made in reliance upon and contained in written information furnished to the Company by the Holder or controlling person or their authorized agent, specifically for use therein; and provided, further, that the foregoing indemnity agreement is subject to the condition that, insofar as it relates to any such untrue statement, alleged untrue statement, omission or alleged omission made in a preliminary Prospectus, such indemnity agreement shall not inure to the benefit of any person, if a copy of the final Prospectus or an amended or supplemented Prospectus, as applicable, was furnished to the Holder or an underwriter within the period of time required by the Securities Act, and if the final Prospectus or the amended or supplemented Prospectus, as applicable, would have cured the defect giving rise to the loss, liability, claim or damage. In no event, however, shall the Company have any indemnification obligation to the extent that the expenses, claims, losses, damages or liabilities as to which indemnification is sought are in

connection with an offer or sale made by a person other than the Company during a period in which the availability of the Form S-3 Registration Statement and Prospectus are suspended pursuant to Section 5(b)(ii) hereof; provided a Deferral Notice was delivered by the Company to the person making such sale prior to the time such sale was effected (a "Violation"). The Company also agrees to indemnify underwriters participating in the distribution, their officers, directors, employees, partners and agents, and each person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above, if so requested.

-9-

(b) The Holder will indemnify the Company, each of its directors and officers, employees, partners, advisors and agents and each person controlling the Company within the meaning of Section 15 of the Securities Act against all claims, losses, damages and liabilities (or actions or proceedings in respect thereof) arising out of or based on (i) a Violation by the Holder or (ii) any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, Prospectus, offering circular or other document, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party, for any legal or any other expenses reasonably incurred in connection with investigating, preparing or defending any such claim, loss, damage, liability or action, but, in the case of clause (ii) above, only to the extent that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in reliance upon and contained in written information furnished to the Company by such Holder or controlling person or their agent specifically for use therein; provided, however, that the foregoing indemnity is subject to the condition that, insofar as it relates to any untrue statement, alleged untrue statement, omission or alleged omission made in a preliminary Prospectus, such indemnity agreement shall not inure to the benefit of any person, if a copy of the final Prospectus or an amended or supplemented Prospectus, as applicable, was not furnished by the Company to the Holder or underwriter within the time period required by the Securities Act, and if the final Prospectus, as amended or supplemented, as applicable, would have cured the defect giving rise to the loss, liability, claim or damage; and provided further, however, that the Holder shall be liable for only that amount as does not exceed the net proceeds actually received by the Holder as a result of the offering of Registrable Securities to which the loss, liability, claim or damage relates. The Holder also agrees to indemnify underwriters participating in the distribution, their officers, directors, employees, partners and agents, and each person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above, if so requested.

(c) Each party entitled to indemnification under this Section 8 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom, provided that (i) counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld), and the Indemnified Party may participate in such defense at such party's expense, (ii) that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 8 unless the failure to give such notice is materially prejudicial to an Indemnifying Party's ability to defend such action, and then only to the extent that such Indemnifying Party is materially prejudiced, and (iii) that the Indemnifying Party shall not assume the defense for matters as to which, in the reasonable opinion of counsel retained by the Indemnified Party, there is a conflict of interest or there are separate and different defenses. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which (i) does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation and a covenant not to sue, (ii) includes admission of fault by the Indemnified Party or (iii) commits the Indemnified Party to pay any money damages. The indemnification required by this Section 8 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as such expense, loss, damage or liability is incurred and is due and payable.

9. Contribution. If the indemnification provided for in Section 8 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party or insufficient to hold it harmless as contemplated by Section 8, then the Indemnifying Party, in lieu of indemnifying the Indemnified Party hereunder, shall contribute to the amount paid or payable by the Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnifying Party and the Indemnified Party, but also the relative fault of the Indemnifying Party and the Indemnified Party in connection with the statements or omissions that resulted in such loss, claim, damage or liability, as well as any other relevant equitable considerations, provided that no Holder shall be required to contribute an amount greater than the dollar amount of the net proceeds received by such Holder with respect to the sale of the Registrable Securities giving rise to such indemnification obligation. The relative fault of any Indemnifying Party or of any Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such Indemnifying Party or the Indemnified Party or their affiliates or representatives, and the parties' relative intent, knowledge, access to information and the opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by (i) pro rata allocation (even if all Holders or any agents for the Holders or any underwriters of the Registrable Securities, or all of them, were treated as one entity for such purpose), or (ii) by any other method that does not take into account the equitable considerations referred to in this Section 9. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action, proceeding or claim. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person.

10. Liquidated Damages.

(a) If by the Effectiveness Deadline Date, the Form S-3 Registration Statement is not declared effective by the Commission (a "Registration Default"), then the Company shall be required to pay a cash amount equal to \$20,000 per week (the "Liquidated Damages") to the Holder from and including the day following such Registration Default until the time that the Form S-3 Registration Statement is declared effective.

(b) If the Form S-3 Registration Statement is declared effective, and then for any reason ceases to be effective or becomes the subject of a stop order or is otherwise unavailable to the Holder pursuant to the restrictions contained herein for a period in excess of any Deferral Periods allowed under Section 5(b)(ii) or any valid extensions thereof (an "Effectiveness Default"), the Company will pay a cash amount of \$20,000 per week to the Holder from and including the day following such Effectiveness Default until the time that the Form S-3 Registration Statement once again becomes effective or such stop order is lifted.

11. Information by Holder. The Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by it and the distribution proposed by the Holder as the Company may reasonably request in writing and as shall be required in connection with any registration referred to in this Agreement. Notwithstanding anything contained herein to the contrary, the Company shall have no obligation to effect any registration hereunder prior to its receipt of such information.

12. Rule 144 Reporting. With a view to making available to the Holder the benefits of certain rules and regulations of the Commission which may permit the sale of the Registrable Securities to the public without registration the Company agrees to use commercially reasonable efforts to:

(a) Make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act;

(b) File with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) Furnish to the Holder, so long as the Holder owns or has the right to acquire any Registrable Securities, promptly after the Holder's written request, a written statement by the Company as to its compliance with the foregoing requirements and such other information as may be reasonably requested in availing the Holder of any rule or regulation of the Commission which permits the selling of any such securities without registration.

13. Transfer of Registration Rights. The rights to cause the Company to register securities granted to the Holder by the Company pursuant to Section 5 may be transferred or assigned by the Holder to a Permitted Transferee who acquires no less than 500,000 shares of Registrable Securities, provided, that, such transfer or assignment is in compliance with the terms of this Agreement and the Company is provided with prior written notice of the securities with respect to which such registration rights are being transferred or assigned.

14. Amendment. Except as otherwise provided above, any provision of this Agreement may be amended or the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Holder.

15. Governing Law. This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflict of laws provisions.

16. Entire Agreement. This Agreement, the Purchase Agreement, the Confidentiality Agreement and that certain Mutual Termination and Release Agreement and the Annexes, Exhibits and Schedules attached hereto and thereto and delivered in connection herewith and therewith, as the case may be, constitute the full and entire understanding and agreement among the parties regarding the matters set forth herein. Except as otherwise expressly provided herein, all other agreements regarding the registration rights of the Holder shall hereby expire. The provisions hereof shall inure to the benefit of, and be binding upon the successors, permitted assigns, heirs, executors and administrators of the parties hereto.

-12-

17. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, by hand, by messenger or by overnight courier, addressed:

(a) if to a Holder, to:

Enzon Pharmaceuticals, Inc.  
685 Route 202/206  
Bridgewater, New Jersey 08807  
Attention: Chief Executive Officer

or at such other address as such Holder shall have furnished to the Company, with a copy to:

Dorsey & Whitney LLP  
250 Park Avenue  
New York, New York 10177-1500  
Attention: Kevin T. Collins

(b) if to the Company, to:

NPS Pharmaceuticals, Inc.  
420 Chipeta Way  
Salt Lake City, Utah 84108  
Attention: General Counsel

or at such other address as the Company shall have

furnished to the Holder, with a copy to:

Wilson Sonsini Goodrich & Rosati, Professional  
Corporation  
2795 East Cottonwood Parkway, Suite 300  
Salt Lake City, Utah 84121  
Attn: Robert G. O'Connor, Esq.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given when actually delivered as provided above, if delivered personally or by messenger, or, on the day shown on the return receipt, if sent by mail or other delivery service.

18. Counterparts. This Agreement may be executed in any number of counterparts, including a facsimile counterpart, each of which shall be an original, but all of which together shall constitute one instrument.

-13-

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

COMPANY:

NPS PHARMACEUTICALS, INC.

By: /s/ Hunter Jackson  
-----

Name: Hunter Jackson  
-----

Title: President and CEO  
-----

HOLDER:

ENZON PHARMACEUTICALS, INC.

By: /s/ Arthur J. Higgins  
-----

Name: Arthur J. Higgins  
-----

Title: Chairman, President and CEO  
-----

-14-