

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

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

Enzon, Inc.

(Name of Issuer)

Common Stock, \$.01 Par Value

(Title of Class of Securities)

29390400

(CUSIP Number)

Todd J. Emmerman, Esq., c/o Rosenman & Colin LLP, 575 Madison Avenue,
New York, NY 10022 (212) 940-8873

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

February 28, 1997

(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 Rule 13d-1 (b) (3) or (4), check the following box / /.

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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SCHEDULE 13D

CUSIP No. 29390400

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) /X/
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
British Virgin Islands

7 SOLE VOTING POWER
NUMBER OF
SHARES 2,359,108 Shares

8 SHARED VOTING POWER

OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING
PERSON 2,359,108 Shares

WITH
10 SHARED DISPOSITIVE POWER
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,359,108 Shares

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
7.7%

14 TYPE OF REPORTING PERSON*
CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 29390400

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Clearwater Fund IV, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) /X/
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

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

7 SOLE VOTING POWER
NUMBER OF
SHARES 2,789,571 Shares(1)

8 SHARED VOTING POWER
BENEFICIALLY
OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING
PERSON
WITH 2,789,571 Shares(1)

10 SHARED DISPOSITIVE POWER
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,789,571 Shares(1)

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
9.1%

14 TYPE OF REPORTING PERSON*
OO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

(1) Includes 2,359,108 Shares of Common Stock beneficially owned by
Clearwater Fund IV Ltd.

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Item 1. Security and Issuer

This statement relates to the shares of Common Stock, .01 par value per share (the "Common Stock"), of Enzon, Inc. (the "Company"), a corporation organized under the laws of the State of Delaware. The principal executive offices of the Company are located at 20 Kingsbridge Road, Piscataway, New Jersey, 08854.

Item 2. Identity and Background

(a)-(c)

Pursuant to Rule 13d-1(f)(1) promulgated under the Securities

Exchange Act of 1934, as amended (the "Exchange Act"), this Schedule 13D is being filed by Clearwater Fund IV Ltd. (2) ("Clearwater Ltd.") and Clearwater Fund IV, LLC ("Clearwater LLC" and collectively with Clearwater LLC the "Reporting Persons"). Clearwater Ltd. and Clearwater LLC may be deemed to constitute a group for purposes of this Schedule 13D, due to the fact that Clearwater Ltd. is wholly owned by Clearwater LLC.

CLEARWATER LTD.

Clearwater Ltd. is a corporation organized under the laws of the British Virgin Islands whose investment strategy is to make investments in equity private placements. The principal business address of Clearwater Ltd. is CITCO Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands.

The Directors of Clearwater Ltd. are Tortola Corporation Company Ltd. ("Tortola"), Hans Frederic Heye and Inter Caribbean Services Ltd. ("Inter Caribbean"). The President of Clearwater Ltd. is A.P. de Groot. The Vice-President of Clearwater Ltd. is J.M.S. Verhooren. The Treasurer of Clearwater Ltd. is Trust Company of Willemstad N.V. ("Trust Company"). The Secretary of Clearwater Ltd. is Inter Caribbean. Clearwater Ltd. is wholly owned by Clearwater LLC.

The principal business address of Mr. de Groot, Mr. Verhooren, Inter Caribbean Services Ltd. and Trust Company is c/o CITCO Fund Services (Curacao) N.V., Kaya Flamboyan 9, P.O. Box 812, Curacao, Netherland Antilles. The principal business address of Tortola is Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands. Mr. Heye's principal business address is 611 Druid Road East, Suite 200, Clearwater, Florida,

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(2) In May of 1997 Clearwater Fund IV Ltd. changed its name from GFL Performance Fund Ltd. to its present name.

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34616.

Tortola principally functions as a provider of administrative services for offshore funds. Mr. Heye is principally employed as the President of the Clearwater Funds, a series of private investment entities. Inter Caribbean principally functions as a provider of administrative services for offshore funds. Mr. de Groot is principally employed as the Account Manager of CITCO Fund Services (Curacao) N.V., a provider of administrative services for offshore funds. Mr. Verhooren is principally employed as the Managing Director of CITCO Fund Services (Curacao) N.V. Trust Company principally functions as a provider of administrative services for offshore funds.

CLEARWATER LLC

Clearwater LLC is a Delaware limited liability company whose investment strategy is to make investments in equity private placements. The principal business address of Clearwater LLC is 611 Druid Road East, Suite 200, Clearwater, Florida, 34616. Mr. Heye is the Managing Member of Clearwater LLC.

(d) To the best knowledge of the Reporting persons, during the last five years, none of the persons named in this Item 2 has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) To the best knowledge of the Reporting Persons, during the last five years, none of the persons names in this Item 2 was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which as a result of such proceeding

was or is subject to any judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or state securities laws or finding any violation with respect to such laws.

(f) Mr. Heye is a United States citizen. Mr. de Groot and Mr. Verhooren are both citizens of the Netherlands.

Item 3. Source and Amount of Funds or Other Consideration.

The amount of funds used by Clearwater Ltd. to purchase the 595,157 shares of Common Stock it now owns as a result of the Series B Agreement (as defined below in Item 6) is \$1,630,730. The 273,723 \$4.11 Warrants (as defined below in Item 5) owned by Clearwater Ltd., were issued to Clearwater Ltd. contemporaneously with the issuance to GFL Advantage Fund Ltd. ("Advantage") of

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40,000 shares of the Company's Series B Convertible Preferred Stock for no extra purchase price.

Clearwater Ltd. acquired 1,015,228 shares of the Company's Common Stock by converting its 20,000 shares of Series D Preferred Stock (as defined below in Item 6); Clearwater Ltd. acquired the shares of Series D Preferred Stock when it exchanged its shares of Series C Preferred Stock (as defined below in Item 6). The amount of funds used by Clearwater Ltd. to purchase the shares of Series C Preferred Stock was \$2,000,000. Contemporaneously with the issuance to Clearwater Ltd. of the shares of Series C Preferred Stock, Clearwater Ltd. was issued 200,000 \$5.625 Warrants (as that term is defined below), for no extra purchase price.

Clearwater Ltd. purchased 275,000 shares of the Company's Common Stock on the open market, for an aggregate purchase price of \$687,500.

The amount of funds used by Clearwater LLC to purchase 364,962 \$4.11 Warrants (as defined below in Item 5) was \$219,064.73.

The amount of funds used by Clearwater LLC to purchase 18,000 shares of the Company's Common Stock on the open market on March 31, 1997 was \$46,125.

The amount of funds used by Clearwater LLC to purchase 47,500 shares of the Company's Common Stock on the open market on April 30, 1997 was \$137,498.25.

The source of all funds referred to in this Item 3 was working capital.

Item 4. Purpose of Transaction.

The Reporting Persons acquired the securities reported herein as being beneficially owned by the Reporting Persons for investment purposes. Depending upon market conditions and other factors that each of the Reporting Persons may deem material to their respective investment decisions, the Reporting Persons may purchase additional shares of the securities of the Company in the open market or in private transactions, or may dispose of all or a portion of the securities of the Company that each owns or hereafter may acquire. In addition, Clearwater Ltd. has agreed not to sell any of the shares of the Company's Common Stock received by it upon conversion of the Series D Preferred Stock, on or before February 28, 1998. Except as otherwise set forth herein, the Reporting Persons have no plans or proposals which relate to, or could result in any matters referred to in paragraphs (b) through (j) of Item 4 of Schedule 13D.

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Item 5. Interest in Securities of the Issuer.

(a)-(b)

According to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 1997, there were, as of May 7, 1997, 30,796,174 shares of Common Stock of the Company outstanding.

Clearwater Ltd.

For purposes of this Schedule 13D, Clearwater Ltd. beneficially owns 2,359,108 shares of the Company's Common Stock (comprising 7.7% of the outstanding Common Stock of the Company as of May 7, 1997) by virtue of the following:

(i) Clearwater Ltd. owns 1,885,385 shares of the Company's Common Stock. 595,157 of said shares were acquired pursuant to the Series B Agreement (as defined below in Item 6). 1,015,228 of said shares were received by Clearwater Ltd. upon its conversion of its 20,000 shares of Series D Preferred Stock. Clearwater Ltd. has agreed not to sell the shares which it received through the conversion of Series D Preferred Shares before February 28, 1998. Clearwater Ltd. acquired 275,000 shares of the Company's Common Stock on the open market.

(ii) Clearwater Ltd. owns 273,723 warrants to purchase shares of the Company's Common Stock at any time before February 7, 2001 at the purchase price of \$4.11 per share (the "\$4.11 Warrants").

(iii) Clearwater Ltd. owns 200,000 warrants to purchase shares of the Company's Common Stock at any time before March 15, 2001 at the purchase price of \$5.625 per share (the "\$5.625 Warrants").

Clearwater Ltd. has the sole power to vote and dispose of all such shares.

Clearwater LLC

For purposes of this Schedule 13D, Clearwater LLC beneficially owns 2,789,571 shares of the Company's Common Stock (comprising 9.1% of the outstanding shares of the Company's Common Stock as of May 7, 1997) by virtue of the following:

(i) Clearwater LLC beneficially owns the 2,359,108 shares of Common Stock which are beneficially owned by Clearwater Ltd. by virtue of the fact that Clearwater Ltd. is wholly owned by Clearwater LLC.

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(ii) Clearwater LLC owns 364,963 \$4.11 Warrants.

(iii) Clearwater LLC owns 65,500 shares of the Common Stock which it acquired on the open market.

Clearwater LLC has the sole power to vote and dispose of all such shares.

(c) Clearwater LLC purchased 47,500 shares of the Company's Common Stock on the open market on April 30, 1997 at an average purchase price of \$2.8947.

(d) Each of the Reporting Persons affirms that no person other than the Reporting Persons has the right to receive, or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Common Stock owned by the Reporting Persons.

(e) It is inapplicable for the purposes herein to state the date on which the Reporting Persons ceased to be the owners of more than five percent of the Company's Common Stock.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Pursuant to the Securities Purchase Agreement, by and among the Company and Clearwater Ltd. and Advantage dated as of January 31, 1996 (the "Series B Agreement"), Clearwater Ltd. purchased 1,094,890 shares of the Company's Common Stock at a purchase price of \$2.74 per share and Advantage purchased 40,000 shares of Series B Convertible Preferred Stock of the Company for a purchase price of \$4,000,000. Contemporaneous with the issuance of said shares of Series B Convertible Preferred Stock the Company issued 273,723 \$4.11 Warrants to Clearwater Ltd. and 364,962 \$4.11 Warrants to Advantage and the parties executed Warrant Certificates relating to both issuances of \$4.11 Warrants on February 7, 1997.

Pursuant to that certain Registration Rights Agreement, dated as of January 31, 1997 by and among the Company, and Clearwater Ltd. and Advantage (the "Series B Registration Rights Agreement"), the Company agreed to file a registration statement covering the public sale of the shares of Common Stock receivable by Clearwater Ltd. and Advantage as a result of the Series B Agreement.

Pursuant to that certain Securities Purchase Agreement, dated as of March 15, 1996 (the "Series C Agreement") by and between the Company and Clearwater Ltd., Clearwater Ltd. purchased 20,000 shares of the Company's Series C Convertible Preferred Stock, \$0.01 par value

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per share (the "Series C Preferred Stock") for a purchase price of \$2,000,000.

Pursuant to that certain Registration Rights Agreement, dated as of March 15, 1996, by and between the Company and Clearwater Ltd. (the "Series C Registration Rights Agreement"), the Company agreed to file a registration statement covering the public sale of the shares receivable by Clearwater Ltd. upon conversion of the shares of Series C Preferred Stock owned by Clearwater Ltd.

On March 15, 1996, the Company issued to Clearwater Ltd. 200,000 \$5.625 Warrants. On even date with said warrant issuance, the parties executed a Warrant Certificate relating to the \$5.625 Warrants.

Pursuant to that certain Stock Exchange Agreement, dated as of February 28, 1997, (the "Stock Exchange Agreement") by and between the Company and Clearwater Ltd., Clearwater Ltd. exchanged its shares of Series C Preferred Stock for an equal number of the Company's Series D Convertible Preferred Stock, \$0.01 par value share (the "Series D Convertible Preferred Stock") and agreed not to sell or otherwise transfer the shares of Common Stock issued upon conversion of the Series D Preferred Stock before February 28, 1998. In addition, the parties agreed that the rights and obligations of the parties under the Series C Registration Rights Agreement with respect to shares of the Company's Common Stock receivable by Clearwater Ltd. upon conversion of the shares of Series C Preferred Stock would attach to the shares of Common Stock issuable upon conversion of the shares of Series D Preferred Stock, provided, however, that the obligation of the Company to file a registration statement with respect to the shares of Common Stock issuable upon exercise of the Series D Preferred Stock would not commence until September 17, 1997. On the day that the Stock Exchange Agreement was executed, Clearwater

Ltd. converted all of its shares of Series D Preferred Stock into 1,015,228 shares of the Company's Common Stock.

Pursuant to that certain Warrant Purchase and Sale Agreement, dated as of March 10, 1997, by and between Advantage and Clearwater LLC, Clearwater LLC purchased 364,963 \$4.11 Warrants from Advantage.

Item 7. Material to be Filed as Exhibits

1. Agreement, dated May 27, 1997, among the Reporting Persons relating to filing of a joint acquisition statement pursuant to Rule 13d-1(f) (1).

2. Warrant Certificates relating to the issuance to

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Clearwater Ltd. of the \$4.11 Warrants.

3. Warrant Certificate relating to the issuance to Clearwater Ltd. of the \$5.625 Warrants.

4. Warrant Purchase and Sale Agreement between Advantage and Clearwater LLC relating to the purchase by Clearwater LLC of \$4.11 Warrants.

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SIGNATURE

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

Dated: May 27, 1997

CLEARWATER FUND IV LTD.

/s/ A.P. de Groot

By: A.P. de Groot
Title: President

CLEARWATER FUND IV, LLC

/s/ Hans Frederic Heye

By: Hans Frederic Heye
Title: Managing Member

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Exhibit Index

Exhibit No. -----	Description -----	Sequentially Numbered Page -----
1.	Agreement, dated May 27, 1997, among the Reporting Persons relating to filing of a joint acquisition statement pursuant to Rule 13-d(f) (1).	
2.	Warrant Certificate of Enzon, Inc. representing the right of Clearwater Fund IV Ltd. to purchase 273,723 shares of Common Stock.	
3.	Warrant Certificate of Enzon, Inc. representing the right of Clearwater Fund IV Ltd. to purchase 200,000 shares of Common Stock.	
4.	Warrant Purchase and Sale Agreement between GFL Advantage Fund Ltd. and Clearwater Fund IV, LLC, dated as of March 14, 1997.	

The undersigned hereby agree, pursuant to Rule 13d-1(f)(1) to file a joint statement on Schedule 13D and amendments thereto pertaining to their beneficial ownership of shares of Common Stock of Enzon, Inc.

This agreement may be terminated for any reason by any party hereto immediately upon the personal delivery or facsimile transmission of notice to that effect to the other parties hereto.

This agreement may be executed in counterparts and all so executed shall constitute one agreement.

Date: May 27, 1997

CLEARWATER FUND IV LTD.

/s/ A.P. de Groot

By: A.P. de Groot

Title: President

CLEARWATER FUND IV, LLC

/s/ Hans Frederic Heye

By: Hans Frederic Heye

Title: Managing Member

EXHIBIT 2

WARRANT TO PURCHASE 273,723 SHARES OF COMMON STOCK VOID AFTER 5:00 P.M., NEW JERSEY TIME, ON FEBRUARY 7, 2001. THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE HEREOF HAVE BEEN AND WILL BE ISSUED IN TRANSACTIONS WHICH HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER ANY STATE SECURITIES OR BLUE SKY LAWS. THIS WARRANT AND SUCH SHARES MAY NOT BE SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF, IN WHOLE OR IN PART, IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE LAW, OR AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

NO. 2

273,723 SHARES

ENZON, INC.

This certifies that, for value received, GFL Performance Fund Ltd., the registered holder hereof, or assigns (the "Warrantholder") is entitled to purchase from Enzon, Inc., a Delaware corporation (the "Company"), at any time on and after the earlier of the date the Registration Statement (filed with the Securities and Exchange Commission (the "SEC") pursuant to Section 2(a) of a certain Registration Rights Agreement of even date herewith by and among the parties hereto) is declared effective by the SEC or seventy (70) days from the date of issuance of this Warrant and before 5:00 p.m., New Jersey time, on February 7, 2001 (the "Termination Date"), at the purchase price of \$4.11 per share (the "Exercise Price"), the number of shares of Common Stock, par value \$.01 per share (the "Common Stock"), of the Company set forth above (the "Warrant Stock"); provided, however, that in no event shall the Warrantholder be entitled to exercise this Warrant if, after giving effect to such exercise, the number of shares of Common Stock beneficially owned by the Warrantholder and all other holders of Common Stock whose holdings would be aggregated with the Warrantholder for purposes of calculating beneficial ownership in accordance with Sections 13(d) and 16 of the Securities Exchange Act of 1934, as amended, and the regulations thereunder ("Sections 13(d) and 16"), including without limitation any person serving as an adviser to any holder (collectively, the "Related Persons"), would exceed four and nine-tenths percent (4.9%) of the outstanding shares of Common Stock (calculated in accordance with Sections 13(d) and 16). The Common Stock issuable upon conversion of shares of the Company's preferred stock or exercise of warrants for the purchase of Common Stock held by the Warrantholder or the Related

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Persons shall not be deemed to be beneficially owned by the Warrantholder or such Related Persons for this purpose. The number of shares of Warrant Stock, the Termination Date and the Exercise Price per share of this Warrant shall be subject to adjustment from time to time as set forth below.

SECTION 5. TRANSFER OR EXCHANGE OF WARRANT

The Company shall be entitled to treat the Warrantholder as the owner in fact hereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in this Warrant on the part of any other person. This Warrant shall be transferable only on the books of the Company, maintained at its principal office, upon delivery of this Warrant Certificate duly endorsed by the Warrantholder or by its duly authorized attorney or representative, or accompanied by proper evidence of succession, assignment or authority to transfer. Upon any registration of transfer, the Company shall deliver a new Warrant Certificate or Certificates to the persons entitled thereto.

SECTION 6. TERM OF WARRANT; EXERCISE OF WARRANTS

A. Termination. The Company may, in its sole discretion, extend the Termination Date with respect to the exercise of this Warrant upon notice to

the Warrantholder. As used herein, "Termination Date" shall be deemed to include any such extensions.

B. Exercise. This Warrant shall be exercised by surrender to the Company, at its principal office, of this Warrant Certificate, together with the Purchase Form attached hereto duly completed and signed, and upon payment to the Company of the Exercise Price for the number of shares of Warrant Stock in respect of which this Warrant is then exercised. Payment of the aggregate Exercise Price shall be made in cash or by certified or official bank check.

C. Warrant Certificate. Subject to Section III hereof, upon such surrender of this Warrant Certificate and payment of the Exercise Price as aforesaid, the Company shall issue and cause to be delivered to or upon the written order of the Warrantholder, by the second trading day after exercise, a certificate or certificates for the number of full shares of Warrant Stock so purchased upon the exercise of such Warrant, together with cash, as provided in Section VI hereof, in respect of any fractional shares of Warrant Stock otherwise issuable upon such surrender. Such certificate or certificates representing the Warrant Stock shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become a holder of record of such shares of Warrant Stock as of the date of receipt by the Company of this Warrant Certificate and payment of the Exercise Price as aforesaid; provided, however, that if, at the date of surrender of this Warrant Certificate and payment of the Exercise Price, the transfer books

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for the Warrant Stock or other class of stock purchasable upon the exercise of this Warrant shall be closed, the certificate or certificates for the shares of Warrant Stock in respect of which this Warrant is then exercised shall be deemed issuable as of the date on which such books shall next be opened (whether before or after the Termination Date) and until such date the Company shall be under no duty to deliver any certificate for such shares of Warrant Stock; provided further, however, that the transfer books of record, unless otherwise required

by law, shall not be closed at any one time for a period longer than twenty (20) days. The rights of purchase represented by this Warrant shall be exercisable, at the election of the Warrantholder, either in full or from time to time in part, and, in the event that this Warrant is exercised in respect of fewer than all of the shares of Warrant Stock purchasable on such exercise at any time prior to the Termination Date, a new Warrant Certificate evidencing the remaining Warrant or Warrants will be issued, and the Company shall deliver the new Warrant Certificate or Certificates pursuant to the provisions of this Section.

SECTION 7. PAYMENT OF TAXES

The Company will pay all documentary stamp taxes, if any, attributable to the initial issuance of the shares of Warrant Stock upon the exercise of this Warrant; provided, however, that the Warrantholder shall pay any tax or taxes which may be payable in respect of any transfer involved in the issue or delivery of Warrant Certificates or the certificates for the shares of Warrant Stock in a name other than that of the Warrantholder in respect of which this Warrant or shares of Warrant Stock are issued.

SECTION 8. MUTILATED OR MISSING WARRANT CERTIFICATES

In case this Warrant Certificate shall be mutilated, lost, stolen or destroyed, the Company shall, at the request of the Warrantholder, issue and deliver, in exchange and substitution for and upon cancellation of this certificate if mutilated, or in lieu of and in substitution for this certificate if lost, stolen or destroyed, a new Warrant Certificate of like tenor and representing an equivalent right or interest, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction of this Warrant Certificate and indemnity, if requested, also reasonably satisfactory to the Company.

SECTION 9. RESERVATION OF SHARES OF WARRANT STOCK

There has been reserved, and the Company shall at all times keep reserved so long as this Warrant remains outstanding, out of its authorized Common Stock a number of shares of Common Stock sufficient to provide for the exercise of the rights of purchase represented by this Warrant. The transfer

agent for the Common Stock and every subsequent transfer agent for any shares of the Company's capital stock issuable upon the exercise of this

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Warrant will be irrevocably authorized and directed at all times to reserve such number of authorized shares as shall be requisite for such purpose.

SECTION 10. FRACTIONAL SHARES

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. With respect to any fraction of a share called for upon the exercise of this Warrant, the Company shall pay to the Warrantholder an amount in cash equal to such fraction multiplied by the

Exercise Price then in effect.

SECTION 11. ADJUSTMENTS OF EXERCISE PRICE AND NUMBER OF SHARES

A. Computation of Adjusted Exercise Price. Except as hereinafter provided, in case the Company shall at any time after the date hereof (i) issue or sell any shares of Common Stock (except in those instances referred to in subsection F of this Section VII), including shares held in the Company's treasury and shares issued upon the exercise of any option, rights or warrants (with the exception of this Warrant and any other options and warrants outstanding on the date hereof, and without duplicating any adjustments pursuant to clause (ii) below) and shares issued upon the direct or indirect conversion or exchange of securities for shares of Common Stock (with the exception of the Company's Series A Cumulative Convertible Preferred Stock and Series B Convertible Preferred Stock (collectively, the "Preferred Stock"), and without duplicating any adjustments pursuant to clause (ii) below) for a consideration per share less than the Market Price (as hereinafter defined) on the trading day immediately prior to the date of issuance or sale of such share or without consideration, or (ii) issue any rights, options or warrants to subscribe for or purchase or otherwise acquire Common Stock (the "Option Securities") or any evidences of indebtedness, shares of stock or other securities (other than the Preferred Stock) which are convertible into or exchangeable, with or without payment of consideration, for shares of Common Stock (the "Convertible Securities"), whether or not the right to exercise such Option Securities or to convert or exchange such Convertible Securities is immediately exercisable or is conditioned upon the passage of time, the occurrence or nonoccurrence of some other event, or both, for a consideration per share of Common Stock (calculated in accordance with subsections A(iii) and A(iv) of this Article VII) less than the Market Price on the trading day immediately prior to the date of issuance of such Option Securities or Convertible Securities, then forthwith upon such issuance or sale the Exercise Price shall (until another such issuance or sale) be reduced to a price (calculated to the nearest full cent) determined by multiplying the Exercise Price immediately prior to such issuance or sale by a fraction, the numerator of which is an amount equal to the sum of (X) the total number of shares of Common Stock outstanding immediately prior to such issuance or sale, multiplied by the Market Price in effect immediately prior to such issuance or sale, plus (Y) the

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aggregate of the amount of all consideration, if any, received by the Company upon such issuance or sale, and the denominator of which is the Market Price in effect immediately prior to such issuance or sale multiplied by the total number of shares of Common Stock outstanding immediately after such issuance or sale; provided, however, that in no event shall the Exercise Price be adjusted pursuant to this computation to an amount in excess of the Exercise Price in effect immediately prior to such computation, except in the case of a combination of outstanding shares of Common Stock, as provided by subsection B of this Section VII.

For the purposes of any computation to be made in accordance with this subsection A, the following provisions shall be applicable:

1. In case of the issuance or sale of shares of Common Stock for a consideration part or all of which shall be cash, the amount

of the cash consideration therefor shall be deemed to be the amount of the cash received by the Company for such shares (or, if shares are offered by the Company for subscription, the subscription price, or, if sold to underwriters or dealers the public offering price) before deducting therefrom any compensation paid or discount allowed in the sale, underwriting or purchase thereof by underwriters or dealers or others performing similar services, or any expenses incurred in connection therewith.

2. In case of the issuance or sale (otherwise than as a dividend or other distribution on any stock of the Company) of shares of Common Stock for a consideration part or all of which shall be other than cash, the amount of the consideration therefor other than cash shall be deemed to be the value of such consideration as determined in good faith by the Board of Directors of the Company.

3. In case of the issuance of Convertible Securities (other than the Convertible Securities described in (iv) below), the aggregate consideration received therefor shall be deemed to be the consideration, if any, received by the Company for the issuance of such Convertible Securities, plus the additional minimum consideration, if any, to be received by the Company upon the conversion or exchange thereof.

4. In the case of the issuance of Option Securities, the aggregate consideration received therefor shall be deemed to be the consideration, if any, received by the Company for the issuance of such Option Securities, plus the additional minimum consideration, if any, to be received by the Company upon the exercise thereof.

5. Shares of Common Stock issuable by way of dividend or other distribution on any stock of the Company shall be deemed to have been issued immediately after the opening of business on the date following the record date for the

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determination of stockholders entitled to receive such dividend or other distribution and shall be deemed to have been issued without consideration.

6. The reclassification of securities of the Company, other than shares of Common Stock into securities including shares of Common Stock, shall be deemed to involve the issuance of such shares for a consideration other than cash immediately prior to the close of business on the date fixed for the determination of security holders entitled to receive such shares, and the value of the consideration allocable to such shares shall be determined as provided in subsection (ii) of this subsection A.

7. The number of shares of Common Stock at any one time outstanding shall include the aggregate number of shares issued or issuable (subject to readjustment upon the actual issuance thereof) upon the exercise of outstanding options, rights, warrants and upon the conversion or exchange of outstanding convertible or exchangeable securities.

"Market Price," as of any date, (i) means the average of the last reported sale prices for the shares of Common Stock as reported by National Association of Securities Dealers Automated Quotation National Market System ("NASDAQ-NMS") for the five consecutive trading days ending on such date, or (ii) if the NASDAQ-NMS is not the principal trading market for the shares of Common Stock, the average of the last reported sale prices on the principal trading market for the Common Stock during the same period, or (iii) if market value cannot be calculated as of such date on any of the foregoing bases, the Market Price shall be the average fair market value as reasonably determined in good faith by the Board of Directors of the Company.

B. Subdivision and Combination. In case the Company shall at any time subdivide or combine the outstanding shares of Common Stock, the Exercise Price shall forthwith be proportionately decreased in the case of subdivision or increased in case of combination.

C. Adjustment in Number of Shares. Upon each adjustment of the

Exercise Price pursuant to the provisions of this Section VII, the number of shares of Warrant Stock issuable upon the exercise of this Warrant shall be adjusted to the nearest full share by multiplying a number equal to the Exercise Price in effect immediately prior to such adjustment by the number of shares of Warrant Stock issuable upon exercise of this Warrant immediately prior to such adjustment and dividing the product so obtained by the adjusted Exercise Price.

D. Reclassification, Consolidation, Merger, etc. In case of any reclassification or change of the outstanding shares of Common Stock (other than a change in par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), or in the case of any consolidation

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of the Company with, or merger of the Company into, another corporation (other than a consolidation or merger in which the Company is the surviving corporation and which does not result in any reclassification or change of the outstanding shares of Common Stock, except a change as a result of a subdivision or combination of such shares or a change in par value, as aforesaid), or in the case of a sale or conveyance to another corporation of all or substantially all of the property of the Company, the Warrantholder shall thereafter have the right to purchase upon the exercise of this Warrant the kind and number of shares of stock and other securities and property receivable upon such reclassification, change, consolidation, merger, sale or conveyance as if the Warrantholder were the owner of the shares of Warrant Stock underlying this Warrant immediately prior to any such events at the Exercise Price in effect

immediately prior to the record date for such reclassification, change, consolidation, merger, sale or conveyance as if such Warrantholder had exercised this Warrant.

E. Special Adjustment. If the purchase price provided for in any Option Securities, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exchangeable for Common Stock shall change, or if any Option Securities or Convertible Securities terminate in whole or in part without being exercised, converted or exchanged, the Exercise Price in effect at the time of such event shall forthwith be readjusted. The Exercise Price shall be adjusted to that amount which would have been in effect at such time had such Option Securities or Convertible Securities outstanding at such time initially been granted, issued or sold and the Exercise Price initially adjusted as provided in subsection A of this Article VII, except that the minimum amount of additional consideration payable and the total maximum number of shares issuable shall be determined after giving effect to such event (and any prior event or events).

F. No Adjustment of Exercise Price in Certain Cases.
No adjustment of the Exercise Price shall be made:

1. Upon the issuance or sale of this Warrant or the shares of Warrant Stock issuable upon the exercise of this Warrant, or the issuance or sale of the Preferred Stock, or upon the issuance of shares of Common Stock in connection with the conversion of such Preferred Stock, or the issuance of shares of Common Stock pursuant to Section 2(c) of the Registration Rights Agreement of even date herewith by and among the Company and the Buyer and pursuant to Section 2(b) of the Certificate of Designations, Preferences and Rights of Series B Convertible Preferred Stock of the Company;

2. Upon the issuance of options, or shares upon the exercise thereof, pursuant to the Company's Non-Qualified Stock Option Plan, or any amendment or successor plan thereto;

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3. If the amount of said adjustment shall be less

than one cent (\$.01) per share; provided, however, that in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with any adjustment so carried forward, shall amount to at least one cent (\$.01) per Share;

4. Upon the issuance or sale of shares of Common Stock or securities which are exercisable or convertible into shares of Common Stock to employees of the Company or its affiliates, under an Employee Stock Purchase Plan;

5. Upon the issuance of any Option Securities or the issuance of shares of Common Stock upon the exercise thereof, where such Option Security was issued for a consideration price per share of Common Stock initially deliverable upon exercise of such Option Security equal to or greater than the Market Price in effect immediately prior to the issuance or sale of such Option Security;

6. Upon the issuance of Convertible Securities where the conversion price is equal to or greater than the Market Price in effect immediately prior to the issuance of such Convertible Securities;

7. Upon the issuance of Common Stock to non-management directors of the Company in an amount up to Fourteen Thousand Dollars (\$14,000) per such director per year, based upon such method of valuation as may be established from time to time by the Company's Board of Directors in its reasonable discretion; or

8. Upon the issuance of an aggregate of up to Three Million Dollars (\$3,000,000) of Common Stock or securities which are exercisable or convertible into Common Stock at a discount to the Market Price as of the date of such issuance that does not exceed twenty percent (20%).

SECTION 12. NOTICES TO WARRANTHOLDERS

So long as this Warrant shall be outstanding and unexercised (a) if the Company shall pay any dividend or make any distribution upon the Common Stock or (b) if the Company shall offer to the holders of Common Stock for subscription or purchase by them any shares of stock of any class or any other rights or (c) if any capital reorganization of the Company, reclassification of the capital stock of the Company, consolidation or merger of the Company with or into another corporation, sale, lease or transfer of the Company to another corporation, or voluntary or involuntary dissolution, liquidation or winding up of the Company shall be effected, then, in any such case, the Company shall cause to be delivered to the Warrantholder, at least ten (10) days prior to the date specified in (i) or (ii) below, as the case may be, a notice containing a brief description of the proposed action and stating the date on

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which (i) a record is to be taken for the purpose of such dividend or distribution, or (ii) such reclassification, reorganization, consolidation, merger, conveyance, lease, dissolution, liquidation or winding up is to take place and the date, if any, as of which the holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up. Additionally, so long as this Warrant shall be outstanding and unexercised, if the Company shall make any adjustment to the Exercise Price, the Company shall cause to be delivered to the Warrantholder, within twenty (20) days after the date of such adjustment, a notice containing a description of the calculations pertaining to such adjustment and stating the date on which the adjustment to the Exercise Price became effective.

SECTION 13. DELIVERY OF NOTICES

Any notice pursuant to this Warrant by the Company or by the Warrantholder shall be in writing and shall be deemed to have been duly given if delivered or mailed certified mail, return receipt requested, (a) if to the Company, to it at 20 Kingsbridge Road, Piscataway, New Jersey 08854, Attention:

Corporate Secretary and (b) if to the Warrantholder, to it at the address set forth on the signature page hereto. Each party hereto may from time to time change the address to which such party's notices are to be delivered or mailed hereunder by notice in accordance herewith to the other party.

SECTION 14. SUCCESSORS

All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrantholder shall bind and inure to the benefit of their respective successors and assigns hereunder.

SECTION 15. APPLICABLE LAW

This Warrant shall be deemed to be a contract made under the laws of the State of Delaware applicable to agreements made and to be performed entirely in Delaware and for all purposes shall be construed in accordance with the internal laws of Delaware without giving effect to the conflicts of laws principles thereof.

SECTION 16. BENEFITS OF THIS AGREEMENT

Nothing in this Warrant shall be construed to give to any person or corporation other than the Company and the Warrantholder any legal or equitable right, remedy or claim under this Warrant and this Warrant shall be for the sole and exclusive benefit of the Company and the Warrantholder.

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IN WITNESS WHEREOF, the parties hereto have executed this Warrant Certificate or caused this Warrant Certificate to be duly executed as of the 7th day of February, 1996.

ENZON, INC.

By: /s/ Peter G. Tombros

Name: Peter G. Tombros
Title: President and CEO

GFL PERFORMANCE FUND LTD.

By: /s/ A.P. de Groot

Name: A.P. de Groot
Title: President

Address of Warrantholder:

Genesee Fund Limited
CITCO Building
Wickhams Cay
P.O. Box 662
Road Town, Tortola
British Virgin Islands

Administrator
Curacao International Trust Co. N.V.
Kaya Flamboyan 9
P.O. Box 812
Curacao, Netherland Antilles

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PURCHASE FORM

The undersigned hereby irrevocably elects to exercise the Warrant represented by this Warrant Certificate to the extent of _____ shares of Common Stock, par value \$.01 per share, of Enzon, Inc., and hereby makes payment of \$_____ in payment of the actual exercise price thereof.

[-----]

By: _____
Name:
Title:

Employer Taxpayer
Identification Number:

Address for delivery of Stock
Certificate:

ASSIGNMENT FORM

FOR VALUED RECEIVED, _____ hereby sells, assigns and transfers unto _____ address _____ the right to purchase Common Stock, par value \$.01 per share, of Enzon, Inc., represented by this Warrant Certificate to the extent of _____ shares as to which such right is exercisable and does hereby irrevocably constitute and appoint _____, to transfer the same on the books of the Company with full power of substitution in the premises.

Signature

Dated: _____, _____

Notice: The signature of this assignment must correspond with the name as it appears upon the face of this Warrant Certificate in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

CROSS RECEIPT

In connection with the closing of the transaction provided for in the Securities Purchase Agreement dated as of January 31, 1996 (the "Stock Purchase Agreement") among Enzon, Inc. (the "Company") and the undersigned (the "Buyer"), the Company and the Buyer acknowledge as follows:

1. The Buyer does hereby acknowledge receipt from the Company of Certificate No. 1, representing 40,000 shares of the Company's Common Stock, \$.01 par value (the "Shares"), of Warrant No. 1 for 364,962 shares of Common Stock, and the Warrant No. 2 for 273,723 shares of Common Stock.

2. The Company does hereby acknowledge receipt from the Buyer, by wire transfer of immediately available funds, of the sum of \$4,000,000, representing payment in full of the purchase price for the Shares, said funds having been transferred to the Company's account in accordance with the Company's instructions.

IN WITNESS WHEREOF, the parties have executed this Cross Receipt this 7th day of February 1996.

ENZON, INC.

By: /s/ Kenneth J. Zuerblis

Name: Kenneth J. Zuerblis
Title: Vice President,
Finance and Chief
Financial Officer

GFL ADVANTAGE FUND LTD.
GFL PERFORMANCE FUND LTD.

By: /s/ Gena M. Seaberg

Name: Gena M. Seaberg
Title: Office Manager

EXHIBIT 3

AMENDED AND RESTATED WARRANT ("WARRANT") TO PURCHASE 200,000 SHARES OF COMMON STOCK. VOID AFTER 5:00 P.M. NEW JERSEY TIME, ON MARCH 15, 2001. THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE HEREOF HAVE BEEN AND WILL BE ISSUED IN TRANSACTIONS WHICH HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER ANY STATE SECURITIES OR BLUE SKY LAWS. THIS WARRANT AND SUCH SHARES MAY NOT BE SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF, IN WHOLE OR IN PART, IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE LAW, OR AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

NO. _____

200,000 SHARES

ENZON, INC.

This certifies that, for value received, GFL Performance Fund Ltd., the registered holder hereof, or assigns (the "Warrantholder") is entitled to purchase from Enzon, Inc., a Delaware corporation (the "Company"), at any time on and after the date hereof and before 5:00 p.m., New Jersey time, on March 15, 2001 (the "Termination Date"), at the purchase price of \$5.625 per share (the "Exercise Price"), the number of shares of Common Stock, par value \$.01 per share (the "Common Stock"), of the Company set forth above (the "Warrant Stock"). The number of shares of Warrant Stock, the Termination Date and the Exercise Price per share of this Warrant shall be subject to adjustment from time to time as set forth below.

SECTION I. TRANSFER OR EXCHANGE OF WARRANT

The Company shall be entitled to treat the Warrantholder as the owner in fact hereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in this Warrant on the part of any other person. This Warrant shall be transferable only on the books of the Company, maintained at its principal office, upon delivery of this Warrant duly endorsed by the Warrantholder or by its duly authorized attorney or representative, or accompanied by proper evidence of succession, assignment or authority to transfer. Upon any registration of transfer, the Company shall deliver a new Warrant or Certificates to the persons entitled thereto.

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SECTION II. TERM OF WARRANT; EXERCISE OF WARRANTS

A. Termination. The Company may, in its sole discretion, extend the Termination Date with respect to the exercise of this Warrant upon notice to the Warrantholder. As used herein, "Termination Date" shall be deemed to include any such extensions.

B. Exercise. This Warrant shall be exercised by surrender to the Company, at its principal office, of this Warrant, together with the Purchase Form attached hereto duly completed and signed, and upon payment to the Company of the Exercise Price for the number of shares of Warrant Stock in respect of which this Warrant is then exercised. Payment of the aggregate Exercise Price shall be made in cash or by certified or official bank check.

C. Warrant. Subject to Section III hereof, upon such surrender of this Warrant and payment of the Exercise Price as aforesaid, the Company shall issue and cause to be delivered to or upon the written order of the Warrantholder, by the second trading day after exercise, a certificate or certificates for the number of full shares of Warrant Stock so purchased upon the exercise of such Warrant, together with cash, as provided in Section VI hereof, in respect of any fractional shares of Warrant Stock other-wise issuable upon such surrender. Such certificate or certificates representing the Warrant Stock shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become a holder of record of such shares of Warrant Stock as of the date of receipt by the Company of this Warrant and payment of the Exercise Price as aforesaid; provided, however, that if, at the date of surrender of this Warrant and payment of the Exercise Price, the transfer books for the Warrant Stock or other class of stock purchasable upon the exercise of this Warrant shall be closed, the certificate or certificates for the shares of Warrant Stock in respect of which this Warrant is then exercised shall be deemed issuable as of the date on which such books shall next be opened (whether before or after the Termination Date) and until such date the Company shall be under no duty to deliver any certificate for such shares of Warrant Stock; provided further, however, that the transfer books of record, unless otherwise required by law, shall not be closed at any one time for a period longer than twenty (20) days. The rights of purchase represented by this Warrant shall be exercisable, at the election of the Warrantholder, either in full or from time to time in part, and, in the event that this Warrant is exercised in respect of fewer than all of the shares of Warrant Stock purchasable on such exercise at any time prior to the Termination Date, a new Warrant evidencing the remaining Warrant or Warrants will be issued, and the Company shall deliver the new Warrant or Certificates pursuant to the provisions of this Section.

SECTION III. PAYMENT OF TAXES

The Company will pay all documentary stamp taxes, if any, attributable to the initial issuance of the shares of Warrant Stock upon the exercise of this Warrant; provided, however, that the

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Warrantholder shall pay any tax or taxes which may be payable in respect of any transfer involved in the issue or delivery of Warrants or the certificates for the shares of Warrant Stock in a name other than that of the Warrantholder in respect of which this Warrant or shares of Warrant Stock are issued.

SECTION IV. MUTILATED OR MISSING WARRANTS

In case this Warrant shall be mutilated, lost, stolen or destroyed, the Company shall, at the request of the Warrantholder, issue and deliver, in exchange and substitution for and upon cancellation of this certificate if mutilated, or in lieu of and in substitution for this certificate if lost, stolen or destroyed, a new Warrant of like tenor and representing an equivalent right or interest, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction of this Warrant and indemnity, if requested, also reasonably satisfactory to the Company.

SECTION V. RESERVATION OF SHARES OF WARRANT STOCK

There has been reserved, and the Company shall at all times keep reserved so long as this Warrant remains outstanding, out of its authorized Common Stock a number of shares of Common Stock sufficient to provide for the exercise of the rights of purchase represented by this Warrant. The transfer agent for the Common Stock and every subsequent transfer agent for any shares of the Company's capital stock issuable upon the exercise of this Warrant will be irrevocably authorized and directed at all times to reserve such number of authorized shares as shall be requisite for such purpose.

SECTION VI. FRACTIONAL SHARES

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. With respect to any fraction of a share called for upon the exercise of this Warrant, the Company shall pay to the

Warrantholder an amount in cash equal to such fraction multiplied by the Exercise Price then in effect.

SECTION VII. ADJUSTMENTS OF EXERCISE PRICE AND NUMBER OF SHARES

A. Computation of Adjusted Exercise Price. Except as hereinafter provided, in case the Company shall at any time after the date hereof (i) issue or sell any shares of Common Stock (except in those instances referred to in subsection F of this Section VII), including shares held in the Company's treasury and shares issued upon the exercise of any option, rights or warrants (with the exception of this Warrant and any other options and warrants outstanding on the date hereof, and without duplicating any adjustments pursuant to clause (ii) below) and shares issued upon the direct or indirect conversion or exchange of securities for shares of Common Stock (with the exception of the Company's Series A Cumulative Convertible Preferred Stock, Series B

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Convertible Preferred Stock and Series D Convertible Preferred Stock (collectively, the "Preferred Stock"), and without duplicating any adjustments pursuant to clause (ii) below) for a consideration per share less than the Market Price (as hereinafter defined) on the trading day immediately prior to the date of issuance or sale of such share or without consideration, or (ii) issue any rights, options or warrants to subscribe for or purchase or otherwise acquire Common Stock (the "Option Securities") or any evidences of indebtedness, shares of stock or other securities (other than the Preferred Stock) which are convertible into or exchangeable, with or without payment of consideration, for shares of Common Stock (the "Convertible Securities"), whether or not the right to exercise such Option Securities or to convert or exchange such Convertible Securities is immediately exercisable or is conditioned upon the passage of time, the occurrence or non-occurrence of some other event, or both, for a consideration per share of Common Stock (calculated in accordance with subsections A(iii) and A(iv) of this Article VII) less than the Market Price on the trading day immediately prior to the date of issuance of such Option Securities or Convertible Securities, then forthwith upon such issuance or sale the Exercise Price shall (until another such issuance or sale) be reduced to a price (calculated to the nearest full cent) determined by multiplying the Exercise Price immediately prior to such issuance or sale by a fraction, the numerator of which is an amount equal to the sum of (X) the total number of shares of Common Stock outstanding immediately prior to such issuance or sale, multiplied by the Market Price in effect immediately prior to such issuance or sale, plus (Y) the aggregate of the amount of all consideration, if any, received by the Company upon such issuance or sale, and the denominator of which is the Market Price in effect immediately prior to such issuance or sale multiplied by the total number of shares of Common Stock outstanding immediately after such issuance or sale; provided, however, that in no event shall the Exercise Price be adjusted pursuant to this computation to an amount in excess of the Exercise Price in effect immediately prior to such computation, except in the case of a combination of outstanding shares of Common Stock, as provided by subsection B of this Section VII.

For the purposes of any computation to be made in accordance with this subsection A, the following provisions shall be applicable:

(i) In case of the issuance or sale of shares of Common Stock for a consideration part or all of which shall be cash, the amount of the cash consideration therefor shall be deemed to be the amount of the cash received by the Company for such shares (or, if shares are offered by the Company for subscription, the subscription price, or, if sold to underwriters or dealers the public offering price) before deducting therefrom any compensation paid or discount allowed in the sale, underwriting or purchase thereof by underwriters or dealers or others performing similar services, or any expenses incurred in connection therewith.

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(ii) In case of the issuance or sale (otherwise than as a dividend or other distribution on any stock of the Company) of shares of Common Stock for a consideration part or all of which shall be other than cash, the amount of the consideration therefor other than cash shall be deemed to be the value of such consideration as determined in good faith by the Board of Directors of the Company.

(iii) In case of the issuance of Convertible Securities (other than the Convertible Securities described in (iv) below), the aggregate consideration received therefor shall be deemed to be the consideration, if any, received by the Company for the issuance of such Convertible Securities, plus the additional minimum consideration, if any, to be received by the Company upon the conversion or exchange thereof.

(iv) In the case of the issuance of Option Securities, the aggregate consideration received therefor shall be deemed to be the consideration, if any, received by the Company for the issuance of such Option Securities, plus the additional minimum consideration, if any, to be received by the Company upon the exercise thereof.

(v) Shares of Common Stock issuable by way of dividend or other distribution on any stock of the Company shall be deemed to have been issued immediately after the opening of business on the date following the record date for the determination of stockholders entitled to receive such dividend or other distribution and shall be deemed to have been issued without consideration.

(vi) The reclassification of securities of the Company, other than shares of Common Stock into securities including shares of Common Stock, shall be deemed to involve the issuance of such shares for a consideration other than cash immediately prior to the close of business on the date fixed for the determination of security holders entitled to receive such shares, and the value of the consideration allocable to such shares shall be determined as provided in subsection (ii) of this subsection A.

(vii) The number of shares of Common Stock at any one time outstanding shall include the aggregate number of shares issued or issuable (subject to readjustment upon the actual issuance thereof) upon the exercise of outstanding options, rights, warrants and upon the conversion or exchange of outstanding convertible or exchangeable securities.

"Market Price," as of any date, (i) means the average of the last reported sale prices for the shares of Common Stock as reported by National Association of Securities Dealers Automated Quotation National Market System ("NASDAQ-NMS") for five consecutive trading days, or (ii) if the NASDAQ-NMS is not the principal trading market for the shares of Common Stock, the average of the last reported sale prices on the principal trading market for the Common Stock during the same period, or (iii) if

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market value cannot be calculated as of such date on any of the foregoing bases, the Market Price shall be the average fair market value as reasonably determined in good faith by the Board of Directors of the Company.

B. Subdivision and Combination. In case the Company shall at any time subdivide or combine the outstanding shares of Common Stock, the Exercise Price shall forthwith be proportionately decreased in the case of subdivision or increased in case of combination.

C. Adjustment in Number of Shares. Upon each adjustment of the Exercise Price pursuant to the provisions of this Section VII, the number of shares of Warrant Stock issuable upon the exercise of this Warrant shall be adjusted to the nearest full share by multiplying a number equal to the Exercise Price in effect immediately prior to such adjustment by the number of shares of Warrant Stock issuable upon exercise of this Warrant immediately prior to such adjustment and dividing the product so obtained by the adjusted Exercise Price.

D. Reclassification, Consolidation, Merger, etc. In case of any reclassification or change of the outstanding shares of Common Stock (other than

a change in par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), or in the case of any consolidation of the Company with, or merger of the Company into, another corporation (other than a consolidation or merger in which the Company is the surviving corporation and which does not result in any reclassification or change of the outstanding shares of Common Stock, except a change as a result of a subdivision or combination of such shares or a change in par value, as aforesaid), or in the case of a sale or conveyance to another corporation of all or substantially all of the property of the Company, the Warrantholder shall thereafter have the right to purchase upon the exercise of this Warrant the kind and number of shares of stock and other securities and property receivable upon such reclassification, change, consolidation, merger, sale or conveyance as if the Warrantholder were the owner of the shares of Warrant Stock underlying this Warrant immediately prior to any such events at the Exercise Price in effect immediately prior to the record date for such reclassification, change, consolidation, merger, sale or conveyance as if such Warrantholder had exercised this Warrant.

E. Special Adjustment. If the purchase price provided for in any Option Securities, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exchangeable for Common Stock shall change, or if any Option Securities or Convertible Securities terminate in whole or in part without being exercised, converted or exchanged, the Exercise Price in effect at the time of such event shall forthwith be readjusted. The Exercise Price shall be adjusted to that amount which would have been in effect at such time had such Option Securities or Convertible Securities outstanding at such

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time initially been granted, issued or sold and the Exercise Price initially adjusted as provided in subsection A of this Article VII, except that the minimum amount of additional consideration payable and the total maximum number of shares issuable shall be determined after giving effect to such event (and any prior event or events).

F. No Adjustment of Exercise Price in Certain Cases. No adjustment of the Exercise Price shall be made:

(i) Upon the issuance or sale of this Warrant or the shares of Warrant Stock issuable upon the exercise of this Warrant or the Warrants dated February 7, 1996, or the issuance or sale of the Preferred Stock, or upon the issuance of shares of Common Stock in connection with the conversion of such Preferred Stock, or the issuance of shares of Common Stock pursuant to Section 2(c) of the Registration Rights Agreements of even date herewith and January 31, 1996, respectively, by and among the Company and the Buyer and pursuant to Section 2(b) of the Certificate of Designations, Preferences and Rights of Series B Convertible Preferred Stock and of the Certificate of Designations, Preferences and Rights of Series D Convertible Preferred Stock of the Company;

(ii) Upon the issuance of options, or shares upon the exercise thereof, pursuant to the Company's Non-Qualified Stock Option Plan, or any amendment or successor plan thereto;

(iii) If the amount of said adjustment shall be less than one cent (\$.01) per share; provided, however, that in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with any adjustment so carried forward, shall amount to at least one cent (\$.01) per Share;

(iv) Upon the issuance or sale of shares of Common Stock or securities which are exercisable or convertible into shares of Common Stock to employees of the Company or its affiliates, under an Employee Stock Purchase or Option Plan;

(v) Upon the issuance of any Option Securities or the issuance of shares of Common Stock upon the exercise thereof, where such Option Security option, right or warrant was issued for a consideration price per share of Common Stock initially deliverable upon exercise of such Option Security equal to or greater than the Market Price in effect immediately prior to the issuance or sale of such Option Security;

(vi) Upon the issuance of securities convertible into Common Stock, where the conversion price is equal to or greater than the Market Price in effect immediately prior to the issuance of such securities; or

(vii) Upon the issuance of Common Stock to non-management directors of the Company in an amount up to Twelve Thousand Dollars (\$12,000) per such director per year, based upon

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such method of valuation as may be established from time to time by the Company's Board of Directors in its reasonable discretion.

SECTION VIII. NOTICES TO WARRANTHOLDERS

So long as this Warrant shall be outstanding and unexercised (a) if the Company shall pay any dividend or make any distribution upon the Common Stock or (b) if the Company shall offer to the holders of Common Stock for subscription or purchase by them any shares of stock of any class or any other rights or (c) if any capital reorganization of the Company, reclassification of the capital stock of the Company, consolidation or merger of the Company with or into another corporation, sale, lease or transfer of the Company to another corporation, or voluntary or involuntary dissolution, liquidation or winding up of the Company shall be effected, then, in any such case, the Company shall cause to be delivered to the Warrantholder, at least ten (10) days prior to the date specified in (i) or (ii) below, as the case may be, a notice containing a brief description of the proposed action and stating the date on which (i) a record is to be taken for the purpose of such dividend or distribution, or (ii) such reclassification, reorganization, consolidation, merger, conveyance, lease, dissolution, liquidation or winding up is to take place and the date, if any, as of which the holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up. Additionally, so long as this Warrant shall be outstanding and unexercised, if the Company shall make any adjustment to the Exercise Price, the Company shall cause to be delivered to the Warrantholder, within twenty (20) days after the date of such adjustment, a notice containing a description of the calculations pertaining to such adjustment and stating the date on which the adjustment to the Exercise Price became effective.

SECTION IX. DELIVERY OF NOTICES

Any notice pursuant to this Warrant by the Company or by the Warrantholder shall be in writing and shall be deemed to have been duly given if delivered or mailed certified mail, return receipt requested, (a) if to the Company, to it at 20 Kingsbridge Road, Piscataway, New Jersey 08854, Attention: Corporate Secretary and (b) if to the Warrantholder to it at the address set forth on the signature page hereto. Each party hereto may from time to time change the address to which such party's notices are to be delivered or mailed hereunder by notice in accordance herewith to the other party.

SECTION X. SUCCESSORS

All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrantholder shall bind and inure to the benefit of their respective successors and assigns hereunder.

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SECTION XI. APPLICABLE LAW

This Warrant shall be deemed to be a contract made under the laws of the State of Delaware applicable to agreements made and to be performed entirely in Delaware and for all purposes shall be construed in accordance with the internal laws of Delaware without giving effect to the conflicts of laws principles thereof.

SECTION XII. BENEFITS OF THIS AGREEMENT

Nothing in this Warrant shall be construed to give to any person or corporation other than the Company and the Warrantholder any legal or equitable right, remedy or claim under this Warrant and this Warrant shall be for the sole and exclusive benefit of the Company and the Warrantholder.

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Warrant or caused this Amended and Restated Warrant to be duly executed as of the day and year first above written.

ENZON, INC.

By: /s/ Kenneth J. Zuerblis

Name: Kenneth J. Zuerblis
Title: Vice President

GFL PERFORMANCE FUND LTD.

By: /s/

Name:
Title:

Address of Warrantholder:

GFL Performance Fund Ltd.
c/o Clearwater Funds
611 Druid Road East
Suite 200
Clearwater, Florida 34616

Administrator
Curacao International Trust Co. N.V.
Kaya Flamboyen 9
P.O. Box 812
Curacao, Netherland Antilles

PURCHASE FORM

The undersigned hereby irrevocably elects to exercise the Warrant represented by this Warrant to the extent of _____ shares of Common Stock, par value \$.01 per share, of Enzon, Inc., and hereby makes payment of \$_____ in payment of the actual exercise price thereof.

[-----]

By: _____
Name:
Title:

Employer Taxpayer
Identification Number:

Address for delivery of Stock
Certificate:

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ASSIGNMENT FORM

FOR VALUED RECEIVED, _____ hereby sells, assigns and transfers unto _____ address _____ the right to purchase Common Stock, par value \$.01 per share, of Enzon, Inc., represented by this Warrant to the extent of _____ shares as to which such right is exercisable and does hereby irrevocably constitute and appoint _____, to transfer the same on the books of the Company with full power of substitution in the premises.

- -----
Signature

Dated: _____, _____

Notice: The signature of this assignment must correspond with the name as it appears upon the face of this Warrant in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

- -----

EXHIBIT 4

WARRANT PURCHASE AND SALE AGREEMENT

THIS WARRANT PURCHASE AND SALE AGREEMENT, dated as of March 10, 1997, by and between GFL ADVANTAGE FUND LIMITED, a British Virgin Islands corporation (the "Seller"), and Clearwater Fund IV LLC, a Delaware limited liability company (the "Buyer").

W I T N E S S E T H:

WHEREAS, the Seller is the beneficial owner and registered holder of warrants (the "Warrants") to purchase 364,963 shares of Common Stock, \$.01 par value (the "Common Stock"), of Enzon, Inc., a Delaware corporation ("Enzon"); and

WHEREAS, subject to the terms and conditions of this Agreement, the Seller desires to sell to the Buyer and the Buyer desires to purchase from the Seller, the Warrants;

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

ARTICLE XIII.

Purchase and Sale of
Warrants; Purchase Price

A. Sale of Warrants. On the terms and subject to the conditions herein set forth, the Buyer shall purchase and pay for, and the Seller shall sell, assign and transfer to the Buyer, Warrants to purchase 364,963 shares of Common Stock. The shares of Common Stock issuable upon exercise of the Warrants are referred to herein as the "Warrant Shares." The Seller and the Buyer agree that, upon transfer of the Warrants to be purchased by the Buyer pursuant hereto, the Seller shall, without further act, sell, assign and transfer to the Buyer all of the Seller's rights relating to such Warrants under the Registration Rights Agreement, dated as of January 31, 1996, by and between Enzon and the Seller (the "Registration Rights Agreement").

B. Purchase Price. The total purchase price to be paid by the Buyer for the Warrants to be purchased by the Buyer (the "Purchase Price") shall be Two Hundred Eighteen Thousand Nine Hundred Seventy Seven and eighty one hundredths Dollars (\$218,977.80).

C. Closing Payment. The Buyer shall pay the Purchase Price by delivering good funds in United States Dollars to the escrow agent (the "Escrow Agent") identified in the Joint Escrow

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Instructions attached hereto as Annex I (the "Joint Escrow Instructions"):

Citibank, N.A.
153 East 53rd Street
New York, New York
ABA No. 021000089

For credit to the account of Brian W. Pusch
Attorney Escrow Account
Account No. 3717 9446

Such delivery of funds shall be made against delivery by the Seller to the Buyer of the Warrants at the Closing (as defined herein). Promptly following payment by the Buyer to the Escrow Agent of an amount equal to the Purchase Price, but in no event later than the Closing Date, the Seller shall deliver to the Escrow Agent the Warrants, duly endorsed in blank or with a power affixed thereto, in proper form for transfer, accompanied by all requisite securities transfer stamps. By signing this Agreement, the Buyer and the Seller each agrees to all of the terms and conditions of, and becomes a party to, the Joint Escrow Instructions, all of the provisions of which are incorporated herein by this reference as if set forth in full.

ARTICLE XIV.

Representations and Warranties of Seller

The Seller represents and warrants to the Buyer as follows:

A. Title to Warrants. The Seller has good and marketable title to the Warrants, free and clear of any and all liens, pledges, charges, encumbrances, and claims and rights of others of any nature whatsoever, and, if the Buyer is without notice of any adverse claim with respect to the Warrants, upon consummation of the transactions contemplated hereby, the Buyer will acquire good and marketable title to the Warrants, free and clear of any and all liens, pledges, charges, encumbrances, and claims and rights of others of any nature whatsoever other than the restrictions referred to in Section 3.4 of this Agreement.

B. Organization and Corporate Authority. The Seller is a corporation duly organized, validly existing and in good standing under the laws of the British Virgin Islands and has the corporate power to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby on the part of the Seller.

C. Authorization and Binding Effect. The execution, delivery and performance of this Agreement by the Seller, and the consummation of the transactions contemplated hereby on the part

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of the Seller, will have been duly authorized by all necessary corporate action on the part of the Seller on or before the Closing Date. Subject to the immediately preceding sentence, this Agreement has been duly executed and delivered by the Seller and constitutes the legal, valid and binding obligation of the Seller, enforceable in accordance with its terms, except as may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws relating to or affecting generally the enforcement of creditors' rights and except as the availability of particular remedies of specific performance may be limited under generally applicable rules of law, whether enforcement is sought at law or in equity.

D. Agreement Not in Violation of Law or Other Agreements. Subject to the first sentence of Section 2.3 hereof, the execution, delivery and performance of this Agreement by the Seller, and the consummation of the transactions contemplated hereby on the part of the Seller, (a) do not violate any material order, decree, judgment or award to which the Seller or any of its properties is subject; and (b) do not and will not result in a breach of, or constitute a default under, or constitute an event which with notice or lapse of time or both would become a default under, the Articles of Association or Memorandum of Association of the Seller or any indenture, loan agreement, credit facility, material lease, or other material agreement or material instrument to which the Seller is a party or by which the Seller or any of its properties is bound. Subject to the first sentence of Section 2.3 hereof, no authorization, approval or consent of, or notice to or filing with, any party is or will be required for the execution, delivery or performance of this Agreement by the Seller or the consummation by the Seller of the transactions on its part contemplated hereby.

ARTICLE XV.

Representations and Warranties of Buyer

The Buyer represents and warrants to the Seller as follows:

A. Organization and Corporate Authority. The Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the corporate power to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby on the part of the Buyer.

B. Authorization and Binding Effect. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby on the part of the Buyer, have been duly authorized by all necessary corporate action on the part of the Buyer. This Agreement has been duly executed and delivered by the Buyer, and this Agreement constitutes the legal, valid and binding obligation of the Buyer, enforceable in

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accordance with its terms, except as may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws relating to or affecting generally the enforcement of creditors' rights and except as the availability of particular remedies of specific performance may be limited under generally applicable rules of law, whether enforcement is sought at law or in equity.

C. No Violation of Law or Other Agreements. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby on the part of the Buyer (a) do not violate any material provision of applicable law or regulation or any material order, decree, judgment or award to which the Buyer or any of its properties is subject; and (b) do not and will not result in a breach of, or constitute a default under, or constitute an event which, with notice or lapse of time or both, would become a default under, the [Certificate of Incorporation or By-Laws] of the Buyer or any indenture, loan agreement, credit facility, material lease or other material agreement or material instrument to which the Buyer is a party or by which the Buyer or any of its properties is bound. No authorization, approval or consent of, or notice to or filing with, any party is or will be required for the execution, delivery or performance of this Agreement by the Buyer or the consummation of the transactions contemplated hereby or thereby by the Buyer.

D. Purchase for Investment. The Warrants to be acquired by the Buyer as provided in this Agreement are being acquired by the Buyer for its own account for investment and not with a view to their public distribution; the Buyer is an accredited investor (as that term is defined in Rule 501(a)(3) of Regulation D under the Securities Act of 1933, as amended (the "1933 Act")); the Buyer will not distribute any of the Warrants in violation of applicable state securities or "blue sky" laws or the 1933 Act or the applicable rules and regulations of the SEC thereunder; the Buyer understands that the Warrants are being offered and sold to it in reliance on specific exemptions from the registration requirements of the United States federal and State securities laws; the Buyer has been furnished with all materials relating to the business, finances and operations of Enzon which have been requested by the Buyer; the Buyer understands that no United States federal or state agency or any other government or governmental agencies has passed on or made any recommendation or endorsement of the Warrants; and the Buyer has had an opportunity to obtain and to review Enzon's Prospectus, dated May 7, 1996, and the documents and reports incorporated therein by reference.

ARTICLE XVI.

Closing

The closing hereunder (the "Closing") shall take place at 10:00 a.m., New York City time, at the offices of the Escrow

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Agent on the date which is one business day after the date the Buyer shall have deposited an amount equal to the Purchase Price with the Escrow Agent. The date of the Closing is referred to in this Agreement as the "Closing Date".

ARTICLE XVII.

Certain Covenants

A. Best Efforts. The Buyer and the Seller shall use their best efforts to cause the respective conditions to their obligations to close the transaction contemplated hereby to be satisfied on or before the Closing Date. The Seller and the Buyer agree to furnish a copy of this Agreement to Enzon promptly after the Closing.

B. Covenants with Enzon. The Buyer agrees with Enzon that, upon transfer to the Buyer of the Warrants to be purchased by the Buyer pursuant hereto, the Buyer shall be bound by all of the provisions of the Registration Rights Agreement. For purposes of Section 9 of the Registration Rights Agreement, the name and address of the Buyer are as set forth in Section 8.7 hereof and the Warrants which the Buyer is acquiring are as set forth herein.

ARTICLE XVIII.

Conditions Precedent to Obligations of Seller

The obligations of the Seller to sell the Warrants to the Buyer under this Agreement are subject to the satisfaction of the following conditions at or before the Closing:

A. Payments. The Escrow Agent shall have received the Purchase Price payable by the Buyer.

B. Buyer's Performance. All of the covenants and agreements to be complied with and performed by the Buyer on or before the Closing Date shall have been complied with and performed in all material respects.

C. Correctness of Buyer's Representations. All representations and warranties of the Buyer contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of the Closing Date.

D. Certain Consents. Enzon shall have consented to the transfer of the Warrants and assignment of rights under the Registration Rights Agreement.

ARTICLE XIX.

Conditions Precedent to Obligations of Buyer

The obligations of the Buyer to purchase the Warrants under this Agreement are subject to the satisfaction of the following conditions at or before the Closing:

A. Seller's Performance. All of the covenants and agreements to be complied with and performed by the Seller on or before the Closing Date shall have been complied with and performed in all material respects.

B. Correctness of Seller's Representations. All representations and warranties of the Seller contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of the Closing Date.

C. Certain Consents. Enzon shall have consented to the transfer of the Warrants and assignment of rights under the Registration Rights Agreement.

D. Delivery of Certain Documents by Seller. (i) The Seller shall have delivered to the Escrow Agent the Warrants, duly endorsed in blank or with stock powers affixed thereto, in proper form for transfer, accompanied by all requisite securities transfer stamps; and

(ii) Enzon shall have received an opinion of the Law Offices of Brian W. Pusch meeting the requirements of Section 2(f) of the Securities Purchase Agreement, dated as of January 31, 1996, by and between Enzon and the Seller, reasonably satisfactory in form, scope and substance to Enzon, in the form attached hereto as Annex II.

ARTICLE XX.

General

A. Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof. There are no agreements which are not set forth herein. This Agreement may not be amended or revised except by a writing signed by the party to be charged with enforcement.

B. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns and, in the case of Section 5.2, Enzon; provided, however, this Agreement and all rights hereunder may not be assigned by any party hereto without the prior written consent of the other parties hereto.

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C. Separate Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall constitute an original and all of which when taken together shall constitute but one instrument.

D. Transaction Costs. Each party to this Agreement shall be responsible for its own costs attendant to the transactions contemplated by this Agreement, whether or not the Closing occurs.

E. Cumulative Remedies. The remedies of the parties hereunder shall be cumulative, and the exercise by the Buyer of any of its remedies at law or in equity to recover any damages shall not affect any other remedy available to the Buyer and the exercise by the Seller of any of its remedies at law or in equity to recover any damages shall not affect any other remedy available to the Seller.

F. Survival of Representations and Warranties. The respective representations and warranties of the Seller and the Buyer set forth in this Agreement shall survive the Closing notwithstanding any investigation made by or on behalf of any such party.

G. Notices. Except as otherwise expressly provided herein, all notices hereunder, to be effective, shall be in writing and shall be mailed by certified mail, postage and fees prepaid, or delivered personally or by telephone line facsimile transmission to the party to be notified as follows:

(i) If to the Seller:

c/o CITCO
Kaya Flamboyan 9
Curacao, Netherlands Antilles

Facsimile No. 011-599-932-2008

with a copy to:

Genesee International, Inc.

10500 N.E. 8th Street
Suite 1920
Bellevue, Washington 98004

Facsimile No. 206-462-4645

(ii) If to the Buyer:

611 Druid Road East
Suite 200

Clearwater, Florida 34616

Facsimile No. 813-443-0143

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and shall be effective, in the case of mailing, four days after deposit with the United States Postal Service and, in all other cases, on receipt.

A party may change the address to which such communications are to be directed to it by giving written notice to the other parties hereto of such change in the manner above provided.

H. Severability. The provisions of this Agreement are severable, and the invalidity of any provision shall not affect the validity of any other provision.

I. No Waiver. The failure of a party at any time or times to require performance of any provision hereof shall not in any manner affect its right at a later time to enforce the same. No waiver by a party of any condition, or of the breach of any term, covenant, representation, warranty or agreement contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of the breach of any other term, covenant, representation, warranty or agreement contained in this Agreement.

J. Brokers, Finders, Etc. Each of the Buyer and the Seller represents and warrants to the other that it has not retained or dealt with any person as broker, finder or otherwise (each, a "Claimant" and collectively, the "Claimants") as would entitle any such person to any fee or other compensation in connection with the transactions contemplated by this Agreement and each of the Buyer and the Seller agrees to indemnify and hold harmless the other against any claim, cost or liability from any Claimant claiming by or through the party giving such indemnity.

K. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

L. Headings. The Article and Section headings and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

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IN WITNESS WHEREOF, the Buyer and the Seller have caused this Agreement to be duly executed by their respective officers as of the date first above written.

GFL ADVANTAGE FUND LIMITED

By /s/ A.P. de Groot

Name: A.P. de Groot
Title: President

CLEARWATER FUND IV LLC

By /s/ Hans F. Heye

Name: Hans F. Heye
Title: Managing Member