SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

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

Sonus Pharmaceuticals, Inc.

(Name of Issuer)

Common Stock, par value $.001 per share

(Title of Class of Securities)

835692104

(CUSIP Number)

Jose M. de Lasa, Abbott Laboratories, AP6D D-364, 100
Abbott Park Road, Abbott Park, Illinois 60064-3500
Tel: (847) 937-8905

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

May 14, 1996

(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 / /.

Check the following box if a fee is being paid with this statement /X/. (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class. (See Rule 13d-7.)

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 ("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).

(Continued on following page(s))

(1) Names of Reporting Persons. S.S. or I.R.S. Identification Nos. of Above Persons

Abbott Laboratories IRS Identification Number: 36-0698440

(2) Check the Appropriate Box if a Member of a Group* (a) / / (b) / /

(3) SEC Use Only

(4) Source of Funds*
WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

(6) Citizenship or Place of Organization
Illinois

Number of Shares Beneficially Owned by Each Reporting Person With		
	(7) Sole Voting Power	500,000
	(8) Shared Voting Power	
	(9) Sole Dispositive Power	500,000
	(10) Shared Dispositive Power	

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
500,000

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares* / /

(13) Percent of Class Represented by Amount in Row (11)
5.58%

(14) Type of Reporting Person*
CO

*SEE INSTRUCTION BEFORE FILLING OUT!

ITEM 1. SECURITY AND ISSUER.

This statement relates to warrants (the "Warrants") for five hundred thousand (500,000) shares of the common stock (the "Common Stock") of Sonus Pharmaceuticals, Inc., a Delaware corporation (the "Issuer") whose principal executive offices are located at 22026 20th Avenue, S.E., Suite 102, Bothell, Washington 98021. The Warrants have an exercise price equal to sixteen dollars ($16.00) per share, subject to adjustments as set forth in the Warrant Certificate, a copy of which is attached hereto and incorporated herein as EXHIBIT 3. All rights to purchase shares of Common Stock under the Warrant Certificate shall cease at 11:59 p.m. on May 14, 2001, subject to earlier termination as provided in the Warrant Certificate. The Warrants are evidenced by the Warrant Certificate.

ITEM 2. IDENTITY AND BACKGROUND.

(a) - (c), and (f) The person filing this statement is Abbott Laboratories ("Abbott"), an Illinois corporation. Abbott's principal business is the discovery, development, manufacture, and sale of a broad and diversified line of health care products and services. Abbott's principal office is located at 100 Abbott Park Road, Abbott Park, Illinois 60064-3500.

The names, citizenship, business addresses, present principal occupation or employment and the name, and the principal business and address of any corporation or other organization in which such employment is conducted of the directors and executive officers of Abbott are as set forth in Annex A hereto and incorporated herein by this reference.

(d) and (e) Neither Abbott, nor to the best of its knowledge, any person listed on Annex A has during the last five years (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a 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.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

The consideration used by Abbott for the acquisition reported in this Schedule 13D came from the general assets of Abbott. Abbott acquired the Warrants for $4,000,000 (i.e., eight dollars per share).

ITEM 4. PURPOSE OF THE TRANSACTION.

Abbott acquired the Warrants contemporaneously and in connection with its entering into an agreement with the Issuer pursuant to which Abbott and the Issuer will collaborate in the research, development, marketing, and sale of EchoGen-Registered Trademark- Emulsion, an ultrasound contrast agent being investigated for broad clinical utility in both cardiology and radiology applications.

Abbott acquired the Warrants as an investment and is bound by the terms and conditions of the Agreement between Abbott Laboratories and Sonus Pharmaceuticals, Inc. dated May 14, 1996 (the "Agreement") (a copy of which is attached hereto as EXHIBIT 1), the Sonus Pharmaceuticals, Inc. Third Amended and Restated Registration Rights Agreement entered into as of May 15, 1996 (the "Registration Agreement") (a copy of which is attached hereto as EXHIBIT 2), and a Warrant Certificate dated May 14, 1996 (the "Warrant Certificate") (a copy of which is attached hereto as EXHIBIT 3). The Agreement, the Registration Agreement, and the Warrant Certificate are incorporated herein by this reference and are described in greater detail in Item 6.

The Agreement provides that Abbott, with the exception of the shares it may acquire upon exercise of the Warrant, shall not, without the prior written consent of the Issuer, acquire or agree to acquire, by purchase or otherwise, any voting securities of the Issuer or any subsidiary of the Issuer. Subject to the terms and conditions of the Agreement, the Registration Agreement, and the Warrant Certificate; to a continuing review of the prospects of the Issuer, market conditions, and economic conditions; and, to other relevant factors, Abbott may purchase shares of Common Stock, or may dispose of the shares it subsequently acquires.

(a) In addition to the Warrant, Section 4.1 of the Agreement provides that Abbott may also receive a warrant to acquire an additional 125,000 shares of the Common Stock (the "Section 4.1 Warrant"). Section 4.1 of the Agreement, states that if the Issuer receives a bona fide offer from a Third Party (as defined in the Agreement) for the right to market and sell Product (as defined in the Agreement) in Canada and/or Latin America prior to December 31, 1996, then within a reasonable time, not to exceed sixty (60) days, the Issuer shall give written notice to Abbott of the details of the offer and Abbott shall have the opportunity to meet, or offer terms more favorable than, such Third Party offer within sixty (60) days of such notice. If either (A) Abbott meets or offers terms more favorable than such Third Party offer and the Issuer fails to enter into an agreement with Abbott with respect to such marketing rights, or (B) whether or not there is a Third Party offer, the parties do not enter into a binding commitment for Abbott to acquire marketing rights in Canada and/or Latin America prior to December 31, 1996, then the payment in Appendix 2.3 to the Agreement due to Issuer upon the First Shipment Date (as defined therein) shall be decreased. The Issuer may, at its option, substitute for the decreased payment Section 4.1 Warrants to purchase 125,000 shares of common stock of the Issuer, subject to adjustment as set forth in a warrant certificate substantially in the form of the Warrant Certificate, for shares of the Issuer's common stock, such Section 4.1 Warrants based on the warrant exercise price equal to the volume weighted average price for the ten (10) trading days prior to the date the Issuer executes a definitive agreement with a Third Party for marketing rights as set forth in Section 4.1 or December 31, 1996, whichever is earlier. The Issuer shall notify Abbott of which option it chooses no later than December 31, 1996. The Section 4.1 Warrant shall be issued as of the date of the determination of the warrant price. Anything in the foregoing to the contrary notwithstanding, in the event that prior to December 31, 1996, the Issuer should receive a bona fide offer from a Third Party for marketing rights in Canada and/or Latin America and Abbott shall have failed to meet or offer more favorable terms as provided above, then the Issuer shall not be subject to a reduced fee upon First Shipment or have an obligation to issue any Section 4.1 Warrants.

(b) - (j) Except to the extent that the license of intellectual property rights by the Issuer to Abbott pursuant to the Agreement (and the related agreements referenced in the Agreement) constitutes "a sale or transfer of a material amount of assets of the issuer or any of its subsidiaries," Abbott does not now have any plans or proposals which would relate to or result in transactions of the kind described in paragraphs (b) through (j) of Item 4 of Schedule 13d of the Securities and Exchange Commission. Abbott does, however, reserve the right to adopt such plans or proposals, subject to compliance with applicable regulatory requirements, if any.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) Abbott is the beneficial owner of Warrants entitling it to purchase 500,000 shares of the Issuer's Common Stock. This represents approximately five and 58/100 percent (5.58%) of the outstanding shares of the Common Stock. The calculation of the foregoing percentage is based on the number of shares of Common Stock shown as being outstanding on the Form 10-Q Quarterly Report filed by the Issuer with the Securities and Exchange Commission for the quarter ended March 31, 1996. In addition, under Section 4.1 of the Agreement, Abbott may receive a Section 4.1 Warrant entitling Abbott to purchase an additional 125,000 shares of the Issuer's Common Stock. The Section 4.1 Warrant is described in greater detail in Item 4(a).

(b) At such time, if ever, as Abbott exercises the Warrant (or the Section 4.1 Warrant) it will have the sole power to vote or direct the vote and the sole power to dispose or direct the disposition of the shares of Common Stock acquired upon that exercise. Section 8.3 of the Agreement provides that, with the exception of the shares acquired upon exercise of the Warrant, Abbott and its "Affiliates" (as defined in the Agreement) shall not, without the prior written consent of the Issuer, acquire or agree to acquire, by purchase or otherwise any voting securities of the Issuer or any subsidiary of the Issuer.

(c) Except as described herein, there have been no transactions by Abbott or the persons whose names are listed on Annex A in securities of the Issuer during the past sixty days.

(d) No one other than Abbott is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the a sale of, the Warrant or the shares of Common Stock that Abbott may acquire upon exercise of the Warrant.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Abbott's rights with respect to the securities of the Issuer are subject to the terms and conditions of the Agreement, the Registration Agreement, and the Warrant Certificate. These terms and conditions are described below.

Section 8.1 of the Agreement provides that Abbott shall purchase and the Issuer shall sell and issue the Warrant.

Section 8.3 of the Agreement provides that with the exception of the shares acquired upon exercise of the Warrant, Abbott, shall not, without the prior written consent of the Issuer acquire or agree to acquire, by purchase or otherwise, any voting securities of the Issuer or any subsidiary of the Issuer.

The Issuer has granted Abbott certain the registration rights under the Registration Agreement and has amended the Registration Agreement to include Abbott within that agreement's definition of the term "Holder."

Section 1 of the Registration Agreement defines the terms "Registrable Securities", "Piggyback Registrable Securities", "register", "registered", "registration", "Registration Statement", "Initiating Holders" and "Piggyback Holders". The terms "Registrable Securities" and "Piggyback Registrable Securities" are defined to include within their definition the Common Stock issued or issuable upon exercise of either the Warrant or the Section 4.1 Warrant. The terms "register", "registered", and "registration" refer to a registration effected by filing with the Securities and Exchange Commission a registration statement (the "Registration Statement") in compliance with the Securities Act of 1933, as amended (the "1933 Act") and the declaration or ordering by the Securities and Exchange Commission of the effectiveness of such Registration Statement. The term "Initiating Holders" means any Holder or Holders of not less than fifty percent (50%) of the Registrable Securities held by all of the Holders then outstanding and not registered at the time of any request for registration pursuant to paragraph 1.2 of the Registration Agreement. The term "Piggyback Holders" means the Holders of Piggyback Registrable Securities.

Paragraph 1.2(a) of the Registration Agreement provides that if the Issuer receives from Initiating Holders a written demand (a "Demand Registration") that the Issuer effect any registration under the 1933 Act of all or part of the Registrable Securities (other than a registration on Form S-3 or any related form of registration statement), the Issuer will:

(i) promptly (but in any event within 10 days) give written notice of the proposed registration to all other Holders; and

(ii) use its best efforts to effect such registration as soon as practicable as may be so demanded and as will permit or facilitate the sale and distribution of all or such portion of such Initiating Holders' Registrable Securities as are specified in such demand, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such demand as are specified in a written demand received by the Issuer within 30 days after such written notice is given, provided that the Issuer shall not be obligated to take any action to effect any such registration, pursuant to paragraph 1.2:

(A) Within 120 days immediately following the effective date of any registration statement pertaining to an underwritten public offering of securities of the Issuer for its own account (other than a registration on Form S-4 relating solely to a Securities and Exchange Commission Rule 145 transaction, or a registration relating solely to employee benefit plans);

(B) After the Issuer has effected an aggregate of two such registrations pursuant to paragraph 1.2 and the sales of the shares of Common Stock under such registrations have closed;

(C) If the Issuer shall furnish to such Holders a certificate signed by the President of the Issuer, stating that in the good faith judgment of the board of directors of the Issuer it would be seriously detrimental to the Issuer and its shareholders for such Registration Statement to be filed at the date filing would be required, in which case the Issuer shall have an additional period of not more than 90 days within which to file such Registration Statement; provided, however, that the Issuer shall not use this right more than once in any twelve month period;

(D) If the Demand Registration covers less than 30 percent of Registrable Securities held by all of the Holders and the proposed aggregate offering price to the public of the Registrable Securities to be included in the registration by all Holders, is less than $5,000,000; or

(E) Prior to October 17, 1996.

Paragraph 1.2(b) of the Registration Agreement provides that if the Initiating Holders intend to distribute the Registrable Securities covered by their demand by means of an underwriting, they shall so advise the Issuer as part of their demand made pursuant to paragraph 1.2; and the Issuer shall include such information in the written notice referred to above. In such event, the right of any Holder to registration pursuant to paragraph 1.2 is conditioned upon that Holder's participation in the underwriting and the inclusion of that Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and that Holder) to the extent provided in the Registration Agreement.

Paragraph 1.2(b) of the Registration Agreement also provides that the Issuer, together with all Holders proposing to distribute their securities through such underwriting, must enter into an underwriting agreement in customary form with the underwriter or underwriters selected by a majority in interest of the Initiating Holders and reasonably satisfactory to the Issuer. Notwithstanding any other provision of paragraph 1.2, if the underwriter advises

the Issuer in writing that marketing factors (including an adverse effect on the per share offering price) require a limitation of the number of shares to be underwritten, then the Issuer must advise all Holders of Registrable Securities that would otherwise be so registered and underwritten, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be allocated pro rata among the Holders thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities held by such Holders at the time of filing the registration statement. For purposes of any underwriter cutback, all Registrable Securities held by any Holder which is a partnership or corporation shall also include any Registrable Securities held by the partners, retired partners, shareholders or affiliated entities of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons, and such Holder and other persons shall be deemed to be a single "selling Holder", and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence. No Registrable Securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration.

If any Holder disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Issuer, the underwriter, and the Initiating Holders. The Registrable Securities so withdrawn shall also be withdrawn from registration.

If the underwriter has not limited the number of Registrable Securities to be underwritten, the Issuer may include securities for its own account (or for the account of other shareholders) in such registration if the underwriter so agrees and if the number of Registrable Securities that would otherwise have been included in such registration and underwriting will not thereby be limited.

Paragraph 1.3(a) of the Registration Agreement provides that if at any time or from time to time the Issuer shall determine to register any of its securities, either for its own account or the account of security holders, other than a registration relating solely to employee benefit plans, a registration on Form S-4 relating solely to an Securities and Exchange Commission Rule 145 transaction, or a registration pursuant to paragraph 1.2 of the Registrant Agreement, the Issuer will:

(i) promptly give to the Piggyback Holders written notice thereof (which shall include a list of the jurisdictions in which the Issuer intends to attempt to qualify such securities under the applicable blue sky or other state securities laws); and

(ii) include in such registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Piggyback Registrable Securities specified in a written request or requests, made within 20 days after receipt of such written notice from the Issuer, by the Piggyback Holders, except as set forth in subparagraph 1.3(b) of the Registration Agreement.

Paragraph 1.3(b) of the Registration Agreement provides that if the registration of which the Issuer gives notice is for a registered public offering involving an underwriting, then the Issuer shall so advise the Piggyback Holders as a part of the written notice given pursuant to subparagraph 1.3(a)(i). In such event, the right of the Piggyback Holders to registration of his or its Piggyback Registrable Securities pursuant to paragraph 1.3 shall be conditioned upon the Piggyback Holder's participation in such underwriting and the inclusion of the Piggyback Holder's Piggyback Registrable Securities in the underwriting to the extent provided in the Registration Agreement. The Piggyback Holders proposing to distribute their securities through such underwriting shall, together with the Issuer and the other parties distributing their securities through such underwriting, enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Issuer. Notwithstanding any other provision of paragraph 1.3, if the underwriter determines that marketing factors require a limitation of the number of shares to be underwritten, the underwriter may limit the number of Piggyback Registrable Securities to be included in the registration and underwriting, or may exclude Piggyback Registrable Securities entirely from such registration and underwriting subject to the terms of this paragraph; provided, however, for any registration, the limitation shall not reduce the number of Piggyback Registrable Securities to be included in the offering below thirty percent (30%) of the total number of shares to be included in the offering unless the holders of at least a majority of Piggyback Registrable Securities then outstanding otherwise consent to or approve the limitation of the number of shares to be underwritten. The Issuer shall so advise all holders of the Issuer's securities that would otherwise be registered and underwritten pursuant hereto, and the number of shares of such securities, including Piggyback Registrable Securities, that may be included in the registration and underwriting shall be allocated in the following manner: shares, other than Piggyback Registrable Securities, requested to be included in such registration by shareholders shall be excluded, and if a limitation on the number of shares is still required, the number of Piggyback Registrable Securities that may be included shall be allocated among the Piggyback Holders thereof in proportion, as nearly as practicable, to the respective amounts of Piggyback Registrable Securities held by the Piggyback Holders at the time of filing the Registration Statement. For purposes of any underwriter cutback, all Piggyback Registrable Securities held by any Piggyback Holder which is a partnership or corporation shall also include any Piggyback Registrable Securities held by the partners, retired partners, shareholders or affiliated entities of such Piggyback Holder or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons, and such Piggyback Holder and other persons shall be deemed to be a single "selling Holder", and any pro rata reduction with respect to such "selling Piggyback Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Piggyback Holder," as defined in this sentence. No securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration. If any Piggyback Holder disapproves of the terms of the underwriting, it may elect to withdraw therefrom by written notice to the Issuer and the underwriter. The Piggyback Registrable Securities so withdrawn shall also be withdrawn from registration.

Paragraph 1.3(c) of the Registration Agreement provides that no Piggyback Holder shall be entitled to exercise any right provided for in Section 1.3 after October 17, 1998.

Paragraph 1.4 of the Registration Agreement provides that all expenses incurred in connection with the first two registrations effected pursuant to paragraph 1.2 and all registrations effected pursuant to paragraphs 1.3 and 1.9, including without limitation all registration, filing, and qualification fees (including blue sky fees and expenses), printing expenses, escrow fees, fees and disbursements of counsel for the Issuer and of one special counsel for the participating Holders and the Common Holders (as defined in the Registration Agreement), and expenses of any special audits incidental to or required by such registration, shall be borne by the Issuer; provided, however, that the Issuer shall not be required to pay stock transfer taxes or underwriters' discounts, or commissions relating to Registrable Securities or Piggyback Registrable Securities. Notwithstanding anything to the contrary above, the Issuer shall not be required to pay for any expenses of any registration proceeding under paragraph 1.2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to have been registered, unless such Holders agree to forfeit their right to a demand registration pursuant to paragraph 1.2 (in which event such right shall be forfeited by all Holders). In the absence of such an agreement to forfeit, the Holders of Registrable Securities to have been registered shall bear all such expenses pro rata on the basis of the Registrable Securities to have been registered. Notwithstanding the preceding sentence, however, if at the time of the withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Issuer from that known to the Holders at the time of their request, of which the Issuer had knowledge at the time of the request, then the Holders shall not be required to pay any of said expenses and shall retain their rights pursuant to paragraph 1.2.

Paragraph 1.5 of the Registration Agreement provides that whenever required under Section 1 of the Registration Agreement to effect the registration of any Registrable Securities or Piggyback Registrable Securities the Issuer shall, as expeditiously as reasonably possible:

(a) Prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities or Piggyback Registrable Securities and use its diligent best efforts to cause such registration statement to become effective, and keep such registration statement effective for up to ninety (90) days or until the Holders and the Common Holders have completed the distribution relating thereto.

(b) Prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the 1933 Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the Holders and the Common Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the 1933 Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities or Piggyback Registrable Securities owned by them.

(d) Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders and the Common Holders, provided that the Issuer shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder and each Common Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each holder of Registrable Securities or Piggyback Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the 1933 Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Furnish, at the request of the Holder or any Common Holder requesting registration of Registrable Securities or Piggyback Registrable Securities pursuant to Section 1, on the date that such Registrable Securities or Piggyback Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to Section 1, if such securities are being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated such date, of the counsel representing the Issuer for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders and/or the Common Holders requesting registration of Registrable Securities or Piggyback Registrable Securities, and (ii) a letter dated such date from the independent accountants of the Issuer, in form and substance as is customarily given by independent accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and, if permissible, to the Holders and/or the Common Holders requesting registration of Registrable Securities or Piggyback Registrable Securities.

Paragraph 1.6(a) of the Registration Agreement provides that the Issuer will indemnify and hold harmless each Holder of Registrable Securities and each Piggyback Holder of Piggyback Registrable Securities, each of such Holder's or

such Piggyback Holder's, officers, directors, partners and agents, and each person controlling such Holder or such Piggyback Holders, with respect to any registration, qualification, or compliance effected pursuant to Section 1 of the Registration Agreement, and each underwriter, if any, and each person who controls any underwriter, of the Registrable Securities held by or issuable to such Holder or such Piggyback Holder, against all claims, losses, damages, and liabilities (or actions in respect thereto) to which they may become subject under the 1933 Act, the Securities Exchange Act of 1934, as amended, (the "1934 Act"), or other federal or state law arising out of or based on (i) any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular, or other similar document (including any related Registration Statement, notification, or the like) incident to any such registration, qualification, or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any violation or alleged violation by the Issuer of any federal, state or common law rule or regulation applicable to the Issuer in connection with any such registration, qualification, or compliance, and will reimburse, as incurred, each such Holder, each such Piggyback Holder, each such underwriter, and each such director, officer, partner, agent and controlling person, for any legal and any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action; provided that the Issuer will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense, arises out of or is based on any untrue statement or omission based upon written information furnished to the Issuer by an instrument duly executed by such Holder or such Piggyback Holder or underwriter and stated to be specifically for use therein.

Paragraph 1.6(b) of the Registration Agreement provides that each Holder and each Piggyback Holder will, if Registrable Securities or Piggyback Registrable Securities held by or issuable to such Holder or such Piggyback Holder are included in such registration, qualification, or compliance, severally and not jointly, indemnify the Issuer, each of its directors, and each officer who signs a Registration Statement in connection therewith, and each person controlling the Issuer, each underwriter, if any, and, each person who controls any underwriter, of the Issuer's securities covered by such a Registration Statement, and each other Holder, each other Piggyback Holder, each of such other Holder's or Piggyback Holder's officers, partners, directors and agents and each person controlling such other Holder, or such other Piggyback Holder against all claims, losses, damages, and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such Registration Statement, prospectus, offering circular, or other document, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse, as incurred, the Issuer, each such underwriter, each such other Holder, each such other Piggyback Holder, and each such director, officer, partner, and controlling person, for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) was made in such Registration Statement, prospectus, offering circular, or other document, in reliance upon and in conformity with written information furnished to the Issuer by an instrument duly executed by such Holder or such Piggyback Holder and stated to be specifically for use therein; provided, however, that the liability of each Holder or each Piggyback Holder hereunder shall be limited to the net proceeds received by such Holder or such Piggyback Holder from the sale of securities under such Registration Statement. In no event will any Holder or any Piggyback Holder be required to enter into any agreement or undertaking in connection with any registration under Section 1 providing for any indemnification or contribution obligations on the part of such Holder or such Piggyback Holder greater than such Holder's or such Piggyback Holder's obligations under paragraph 1.6.

Paragraph 1.6(c) of the Registration Agreement provides that each party entitled to indemnification under paragraph 1.6 (the "Indemnified Party") shall give notice to the party required to provide such indemnification (the "Indemnifying Party") of any claim as to which indemnification may be sought promptly after such Indemnified Party has actual knowledge thereof, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be subject to approval by the Indemnified Party (whose approval shall not be unreasonably withheld) and the Indemnified Party may participate in such defense with its separate counsel at the Indemnifying Party's expense if representation of such Indemnified Party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding; and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under Section 1, except to the extent that such failure to give notice shall materially adversely affect the Indemnifying Party in the defense of any such claim or any such litigation. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff therein, to such Indemnified Party, of a release from all liability in respect to such claim or litigation.

Paragraph 1.7 of the Registration Agreement provides that if the Holder or any Piggyback Holder of Registrable Securities or Piggyback Registrable Securities include Registrable Securities or Piggyback Registrable Securities in any registration, such Holder or Piggyback Holder, shall furnish to the Issuer such information regarding such Holder or Piggyback Holder respectively, and the distribution proposed by such Holder or such Piggyback Holder, respectively, as the Issuer may reasonably request in writing and as shall be required in connection with any registration, qualification, or compliance referred to in Section 1.

Paragraph 1.8 of the Registration Agreement provides that the rights of the Holders and the Piggyback Holders contained in paragraphs 1.2, 1.3 and 1.9 of the Registration Agreement, to cause the Issuer to register the Registrable Securities or Piggyback Registrable Securities, may be assigned or otherwise conveyed to a transferee or assignee of Registrable Securities or Piggyback Registrable Securities, who shall be considered a "Holder" or a "Piggyback Holder", as applicable, for purposes of Section 1; provided that such transferee or assignee, (a) receives such securities as a partner in connection with partnership distributions of a Series A Purchaser (as defined in the Registration Agreement) or a Piggyback Holder, or (b) acquires at least 200,000 shares (as presently constituted), or 100% of the Registrable Securities or Piggyback Registrable Securities held by the transferring Holder or Piggyback Holder, whichever is less; and, provided further, that the Issuer is given written notice by such Holder or Piggyback Holder at the time of or within a reasonable time after said transfer stating the name and address of said transferee or assignee and identifying the securities with respect to which such registration rights are being assigned.

Paragraph 1.9 of the Registration Agreement provides that the Issuer shall use its best efforts to qualify for registration on Form S-3 and to that end the Issuer shall register (whether or not required by law to do so) its Common Stock under the 1934 Act within twelve (12) months following the effective date of the first registration of any securities of the Issuer on Form S-1. After the Issuer has qualified for the use of Form S-3, the Holders of Registrable Securities shall have the right to request up to four (4) registrations on Form S-3 under paragraph 1.9. The Issuer shall give notice to all Holders of Registrable Securities of the receipt of a request for registration pursuant to paragraph 1.9 and shall provide a reasonable opportunity for other Holders to participate in the registration. Subject to the foregoing, the Issuer will use its best efforts to effect promptly the registration of all shares of Registrable Securities on Form S-3, as the case may be, to the extent requested by the Holder or Holders thereof for purposes of disposition; provided, however, that the Issuer shall not be obligated to effect any such registration (i) if the Holders, together with the holders of any other securities of the Issuer entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than $1,000,000, or (ii) more than once during any twelve (12) month period; or (iii) in the event that the conditions set forth in subparagraph 1.2(a)(ii)(C) obtain (but subject to the limitations set forth therein).

Paragraph 1.10 of the Registration Agreement provides that no Holder, nor any Piggyback Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of Section 1.

Paragraph 1.11 of the Registration Agreement provides that from and after the date of the Registration Agreement, the Issuer shall not, without the prior written consent of the holders of more than a majority of the Piggyback Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Issuer which would allow such holder or prospective holder to (a) require the Issuer to effect a registration or (b) include any securities in any registration filed under paragraph 1.2 or 1.3 of the Registration Agreement, unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not diminish the amount of Registrable Securities or Piggyback Registrable Securities which are included in such registration and includes the equivalent of Section 1.13 as a term.

Paragraph 1.12 of the Registration Agreement provides that with a view to making available to the Holders and the Piggyback Holders the benefits of certain rules and regulations of the Securities and Exchange Commission which may permit the sale of the Registrable Securities and the Piggyback Registrable Securities to the public without registration, the Issuer agrees to use its best efforts to:

(a) Make and keep public information available, as those terms are understood and defined in Securities and Exchange Commission Rule 144 or any similar or analogous rule promulgated under the 1933 Act, at all times commencing ninety (90) days after the effective date of the first registration filed by the Issuer for an offering of its securities to the general public;

(b) File with the Securities and Exchange Commission, in a timely manner, all reports and other documents required of the Issuer under the 1933 Act and 1934 Act;

(c) So long as any Holder or any Piggyback Holder owns any Registrable Securities or Piggyback Registrable Securities, furnish to such Holder or such Piggyback Holder forthwith upon request: a written statement by the Issuer as to its compliance with the reporting requirements of said Rule 144 of the 1933 Act, and of the 1934 Act (at any time after it has become subject to such reporting requirements); a copy of the most recent annual or quarterly report of the Issuer; and such other reports and documents as any Holder or any Piggyback Holder may reasonably request in availing itself of any rule or regulation of the Securities and Exchange Commission allowing it to sell any such securities without registration.

Paragraph 1.13 of the Registration Agreement provides that each Holder and each Piggyback Holder agrees that during the 120-day period following the effective date of a registration statement of the Issuer filed under the 1933 Act, he or it shall not, to the extent requested by the Issuer and any underwriter, sell or otherwise transfer or dispose of (other than to donees who agree to be similarly bound) any Common Stock of the Issuer held by him or it at any time during such period except Common Stock included in such registration; provided, however, that:

(a) such agreement shall be applicable only to the first such registration statement of the Issuer which covers Common Stock (or other securities) to be sold on his or its behalf to the public in an underwritten offering; and

(b) all officers and directors of the Issuer and all other persons with registration rights (whether or not pursuant to this Agreement) enter into similar agreements.

In order to enforce the foregoing covenant, the Issuer may impose stop-transfer instructions with respect to the Registrable Securities and/or Piggyback Registrable Securities of each Holder and each Piggyback Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

Paragraph 1.14 of the Registration Agreement provides that any provision of Section 1 may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Issuer and the holders of not less than a majority of the Piggyback Registrable Securities then outstanding. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each Holder, each Piggyback Holder, each future holder of Registrable Securities or Piggyback Registrable Securities, and the Issuer.

The Warrant Certificate provides that Abbott is the owner of 500,000 Warrants, each of which entitles the Abbott or registered assigns (the "Holder") to purchase one fully paid and nonassessable share of Common Stock of the Issuer (such number being subject to adjustment as provided in Paragraph 5 of the Warrant Certificate) on the terms and conditions set forth in the Warrant Certificate.

The purchase price of the shares of Common Stock covered by the Warrants is $16.00 per share, subject to adjustment as provided in Paragraph 5 of the Warrant Certificate. The purchase price of the shares of Common Stock as to which the Warrants are exercised must be paid in full at the time of exercise and may be paid by cash, check or bank draft.

The term of the Warrants commenced on the May 14, 1996 and all rights to purchase shares of Common Stock under the Warrant Certificate shall cease at 11:59 P.M. on May 14, 2001, subject to earlier termination as provided in the Warrant Certificate. The Warrants may be exercised at any time from May 14, 1996 until their expiration. The Warrant Certificate also provides that the Holder of the Warrants shall not have any of the rights of a stockholder with respect to the shares covered by the Warrants as to any shares of Common Stock that are not actually issued and delivered to it.

The Warrants are not transferable or assignable except to an Affiliate of the Holder without the prior written consent of the Issuer, which consent shall not be unreasonably withheld. The Holder may transfer or assign the shares of Common Stock issuable upon exercise of the Warrants; provided, however, that (i) a registration statement with respect thereto has become effective under the 1933 Act; or (ii) in the opinion of counsel to the Holder such registration is not necessary; or (iii) such transfer complies with the provisions of Rule 144 under the 1933 Act. For purposes of the Warrant Certificate, "Affiliate" means any wholly-owned subsidiary or parent of, or any corporation, entity or other person which is, within the meaning of the 1933 Act, controlling, controlled by or under common control with, the Holder or the Issuer, as the case may be.

Section 5 of the Warrant Certificate describes the circumstances under which there will be adjustments for stock splits, consolidations, etcetera. It provides that the purchase price and number and class of shares subject to the Warrant Certificate shall all be proportionately adjusted in the event of any change or increase or decrease in the number of issued shares of Common Stock in the Issuer, without receipt of consideration by the Issuer, which result from a split-up or consolidation of shares, payment of a share dividend, a recapitalization, combination of shares or other like capital adjustment, so that, upon exercise of the Warrant Certificate, the Holder shall receive the number and class of shares it would have received had it been the holder of the number of shares of Common Stock in the Issuer, for which the Warrant Certificate is being exercised, on the date of such change or increase or decrease in the number of issued shares of Common Stock in the Issuer. If the Issuer reorganizes, consolidates or merges with or into any other corporation where the Issuer is not the surviving entity, then each share of Common Stock shall be convertible into the consideration to which the shares of Common Stock subject to the Warrant Certificate would have been entitled to receive upon the effectiveness of such reorganization, merger or consolidation. Adjustments under Section 5 shall be made by the Board of Directors of the Issuer in its reasonable, good faith judgment, whose determination with respect thereto shall be final and conclusive. No fractional shares shall be issued under the Warrant Certificate or upon any such adjustment.

Section 6 of the Warrant Certificate describes the method by which the Warrant may be exercised. Paragraph 6(a) provides that, subject to the terms and conditions of the Warrant Certificate, the Warrants may be exercised by surrender of the Warrant Certificate together with delivery to the Issuer at its principal office of a signed Subscription Agreement (the "Subscription Agreement") specifying the number of shares to be purchased. The Subscription Agreement shall be accompanied by payment in cash, check or bank draft, payable to the Issuer, equal to, in the aggregate, the full purchase price of the shares. The Issuer shall deliver a certificate or certificates representing the shares subject to such exercise as soon as practicable after the Subscription Agreement and consideration for the shares has been received by the Issuer, and the Holder shall be deemed a record holder of Common Stock upon such receipt by the Issuer.

Paragraph 6(b) provides that the Holder shall have the right, upon its written request delivered or transmitted to the Issuer together with the Warrant Certificate, to exchange the Warrant Certificate, in whole or in part at any time or from time to time on or prior to May 14, 2001, for the number of shares of Common Stock having an aggregate Fair Market Value (determined as set forth in Paragraph 6(c) below) on the date of such exchange equal to the difference between (1) the aggregate Fair Market Value on the date of the exchange of a number of shares designated by the Holder and (2) the aggregate exercise price the Holder would have paid to the Issuer to purchase the designated number of shares upon exercise of the Warrant Certificate. Upon any such exchange, the number of shares purchasable upon exercise of the Warrant Certificate shall be reduced by the designated number of shares, and, if a balance of purchasable shares remains after that exchange, the Issuer shall execute and deliver to the Holder a new Warrant Certificate evidencing the right of the Holder to purchase such balance of shares. No payment of any cash or other consideration shall be required. The exchange shall be effective upon the date of receipt by the Issuer of the original Warrant Certificate surrendered for cancellation and a written request from the Holder that the exchange pursuant to this Section be made, or at such later date as may be specified in such request.

Paragraph 6(c) provides that the fair market value of the Common Stock ("Fair Market Value") shall be determined as follows:

(i) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such an exchange, or is listed on the Nasdaq National Market or Small Cap Market, the current Fair Market Value shall be the volume-weighted average price of the Common Stock on such exchange or Nasdaq for the ten (10) business days prior to the date of exchange of the Warrant; or

(ii) If the Common Stock is not so listed or admitted to unlisted trading privileges or quoted on Nasdaq, the current Fair Market Value shall be the volume-weighted average of the mean of the last bid and asked prices reported for the ten (10) business days prior to the date of the exchange of the Warrant (1) by Nasdaq, or (2) if reports are unavailable under clause (i) above, by the National Quotation Bureau Incorporated; or

(iii) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current Fair Market Value shall be determined in good faith as promptly as reasonably practicable by the Board of Directors.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

Annex A - Information Concerning Executive Officers and Directors of Abbott Laboratories.

Exhibit 1 - Agreement between Abbott Laboratories and Sonus Pharmaceuticals, Inc. dated May 14, 1996. (Confidential Treatment requested for portions of this Agreement.)

Exhibit 2 - Amended Registration Rights Agreement.

Exhibit 3 - Warrant Certificate.

****

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

Abbott Laboratories

DATED: May 23, 1996 By: Duane L. Burnham

Duane L. Burnham, Chairman of the Board
and Chief Executive Officer

Annex A

Information Concerning Executive Officers and Directors of Abbott Laboratories

The current corporate officers and directors of Abbott Laboratories are listed below. The address of Abbott Laboratories is: Abbott Laboratories, 100 Abbott Park Road, Abbott Park, Illinois 60064-3500. Abbott Laboratories does not consider all of its corporate officers to be executive officers as defined by the Securities Exchange Act of 1934 or Releases thereunder. Unless otherwise indicated, all positions set forth below opposite an individual's name refer to positions within Abbott Laboratories, and the business address listed for each individual not principally employed by Abbott Laboratories is also the address of the corporation or other organization which principally employs that individual.

NAME	POSITION/PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND BUSINESS ADDRESS	CITIZENSHIP
Corporate Officers		
Duane L. Burnham (1)	Chairman of the Board and Chief Executive Officer	U. S. A.
Thomas R. Hodgson (1)	President and Chief Operating Officer	U. S. A.
Joy A. Amundson (1)	Senior Vice President, Chemical & Agricultural Products	U. S. A.
Paul N. Clark (1)	Senior Vice President, Pharmaceutical Operations	U. S. A.
Gary P. Coughlan (1)	Senior Vice President, Finance & Chief Financial Officer	U. S. A.
Jose M. de Lasa (1)	Senior Vice President, Secretary and General Counsel	U. S. A.
John G. Kringel (1)	Senior Vice President, Hospital Products	U. S. A.
Thomas M. McNally (1)	Senior Vice President, Ross Products	U. S. A.
David V. Milligan, Ph.D. (1)	Senior Vice President, Chief Scientific Officer	U. S. A.
Robert L. Parkinson, Jr. (1)	Senior Vice President, International Operations	U. S. A.
Ellen M. Walvoord (1)	Senior Vice President, Human Resources	U. S. A.
Miles D. White (1)	Senior Vice President, Diagnostic Operations	U. S. A.

Annex A

NAME	POSITION/PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND BUSINESS ADDRESS	CITIZENSHIP
Catherine V. Babington (1)	Vice President, Investor Relations and Public Affairs	U. S. A.
Mark E. Barmak	Vice President, Litigation and Government Affairs	U. S. A.
Christopher B. Begley	Vice President, Hospital Products Business Sector	U. S. A.
Thomas D. Brown	Vice President, Diagnostic Commercial Operations	U. S. A.
Gary R. Byers (1)	Vice President, Internal Audit	U. S. A.
Kenneth W. Farmer (1)	Vice President, Management Information Services & Administration	U. S. A.
Thomas C. Freyman (1)	Vice President and Treasurer	U. S. A.
David B. Goffredo	Vice President, Pharmaceutical Products Marketing & Sales	U. S. A.
Rick A. Gonzalez (1)	Vice President, HealthSystems	U. S. A.
Jay B. Johnston	Vice President, Diagnostic Assays and Operations	U. S. A.
James J. Koziarz, Ph.D.	Vice President, Diagnostic Products Research & Development	U. S. A.
John F. Lussen (1)	Vice President, Taxes	U. S. A.
Richard H. Morehead (1)	Vice President, Corporate Planning and Development	U. S. A.
Theodore A. Olson (1)	Vice President and Controller	U. S. A.
Andre G. Pernet	Vice President, Pharmaceutical Products Research & Development	U. S. A.
Carl A. Spalding	Vice President, Ross Pediatric Products	U. S. A.
William H. Stadtlander	Vice President, Ross Medical Nutritional Products	U. S. A.

Annex A

NAME	POSITION/PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND BUSINESS ADDRESS	CITIZENSHIP
Josef Wendler	Vice President, European Operations	Germany
Don G. Wright (1)	Vice President, Corporate Quality Assurance & Regulatory Affairs	U. S. A.
Lance B. Wyatt (1)	Vice President, Corporate Engineering	U. S. A.

Directors

K. Frank Austen, M.D.	Professor of Medicine, Harvard Medical School The Seeley G. Mudd Building, Room 604 250 Longwood Avenue Boston, Massachusetts 02115	U. S. A.
Duane L. Burnham	Officer of Abbott	U. S. A.
H. Laurance Fuller	Chairman, President, and Chief Executive Officer Amoco Corporation 200 East Randolph Drive Mail Code 3000 Chicago, Illinois 60601 (integrated petroleum and chemicals company)	U. S. A.
Thomas R. Hodgson	Officer of Abbott	U. S. A.
Allen F. Jacobson	Retired Chairman and Chief Executive Officer, Minnesota Mining & Manufacturing Company 3050 Minnesota World Trade Center 30 E. 7th Street St. Paul, Minnesota 55101-4901 (manufacturer of industrial imaging and health care products)	U. S. A.

Annex A

Information Concerning Executive Officers and Directors of Abbott Laboratories

NAME	POSITION/PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND BUSINESS ADDRESS	CITIZENSHIP
David A. Jones	Chairman and Chief Executive Officer Humana Inc. 500 W. Main St. Humana Building Louisville, Kentucky 40201 (health plan business)	U. S. A.
The Rt. Hon. the Lord Owen CH	British Member of Parliament 20 Queen Anne's Gate Westminster, London SW1H 9AA, England	United Kingdom
Boone Powell, Jr.	President and Chief Executive Officer Baylor Health Care System and Baylor University Medical Center, Vice President, Baylor University 3500 Gaston Avenue Dallas, Texas 75246	U. S. A.
Addison Barry Rand	Executive Vice President Xerox Corporation 800 Long Ridge Road Stamford, Connecticut 06904-1600 (document processing, insurance and financial services company)	U. S. A.
Dr. W. Ann Reynolds	Chancellor The City University of New York 535 E. 80th Street New York, New York 10021	U. S. A.
William D. Smithburg	Chairman, President and Chief Executive Officer The Quaker Oats Company 321 N. Clark Street Chicago, Illinois 60610 (worldwide food manufacturer and marketer of beverages and grain-based products)	U. S. A.

Annex A

Information Concerning Executive Officers and Directors of Abbott Laboratories

NAME	POSITION/PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND BUSINESS ADDRESS	CITIZENSHIP
John R. Walter	Chairman and Chief Executive Officer R. R. Donnelley & Sons Company R. R. Donnelley Building 77 West Wacker Drive Chicago, Illinois 60601 (printing company)	U. S. A.
William L. Weiss	Chairman Emeritus, Ameritech Corporation One First National Plaza Suite 2530C Chicago, Illinois 60603-2006 (telecommunications company)	U. S. A.

(1) Pursuant to Item 401(b) of Regulation S-K Abbott has identified these persons as "executive officers" within the meaning of Item 401(b).

AGREEMENT

BETWEEN

ABBOTT LABORATORIES

AND

SONUS PHARMACEUTICALS, INC.

[Confidential Treatment Requested]

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AND
SONUS PHARMACEUTICALS, INC.

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[THE APPENDICES LISTED ABOVE, OTHER THAN APPENDIX 2.3, ARE NOT INCLUDED HEREWITH BUT WILL BE FURNISHED SUPPLEMENTALLY TO THE COMMISSION UPON REQUEST, SUBJECT TO ABBOTT LABORATORIES' RIGHT TO REQUEST CONFIDENTIAL TREATMENT FOR THESE APPENDICES PURSUANT TO THE RULES OF THE COMMISSION]

AGREEMENT

THIS AGREEMENT dated May 14, 1996 ("Effective Date"), by and between Abbott Laboratories, an Illinois corporation with principal offices at 100 Abbott Park Road, Abbott Park, Illinois 60064-3500 ("ABBOTT") and SONUS Pharmaceuticals, Inc., a Delaware corporation with principal offices at 22026 20th Avenue, S.E., Suite 102, Bothell, Washington 98021 ("SONUS").

RECITALS

WHEREAS, SONUS has developed and holds patents and patent applications on an ultrasound contrast agent, trademarked "EchoGen;" and

WHEREAS, SONUS and ABBOTT have previously entered into a Development and Supply Agreement, dated May 6, 1993 ("Supply Agreement"), whereby ABBOTT assisted in the manufacturing scale-up of and agreed to manufacture the ultrasound contrast agent for SONUS; and

WHEREAS, SONUS is currently conducting clinical studies for use in obtaining Federal Food and Drug Administration approval of the ultrasound contrast agent; and

WHEREAS, SONUS desires to grant, and ABBOTT desires to obtain, certain exclusive marketing rights, subject to limited SONUS co-promotion rights, to the ultrasound contrast agent in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants set forth below, ABBOTT and SONUS mutually agree as follows:

1. DEFINITIONS

In addition to the terms defined in the provisions of the Agreement, the following terms shall have the meaning ascribed below:

1.1 "Affiliate" means any entity which controls, is controlled by or is under common control with another entity. An entity is deemed to be in control of another entity (controlled entity) if the former owns directly or indirectly at least the lesser of (a) fifty percent (50%), or (b) the maximum percentage allowed by law in the country of the controlled entity, of the outstanding voting equity of the controlled entity.

1.2 "Agreement" means this Agreement, as may be amended, including all Appendices and Exhibits attached hereto.

1.3 "Average Unit Selling Price" means Net Sales for a period divided by the number of Units of Product shipped by ABBOTT and its Affiliates in the Territory for the same period, less returned goods, inventory outdates, recalls and/or withdrawals of Product.

1.4 "Confidential Information" means information disclosed in writing by one party to the other pursuant to this Agreement and identified as "CONFIDENTIAL" as well as information disclosed orally to the extent such oral disclosure is reduced to writing and is identified as "CONFIDENTIAL" and which is provided to the other party within thirty (30) days after oral disclosure. "Confidential Information" does not include any of such information which:

(A) is known to the receiving party before receipt thereof under this Agreement, or is independently developed by the receiving party without recourse to

the other party's Confidential Information, as evidenced by the receiving party's written records;

(B) is disclosed to the receiving party without restriction after full execution of this Agreement by a Third Party having a legal right to make such disclosure; or

(C) is or becomes part of the public domain through no breach of this Agreement.

1.5 "FDA" means the United States Food and Drug Administration or any successor entity thereto.

1.6 "Field" means diagnostic ultrasound pharmaceuticals for all current and future markets for the indications set forth in Appendix 1.6, as such indications are approved by the FDA.

1.7 "Finished Goods Inventory" means the Product inventory status whereby the Product has completed production and testing procedures and is ready for sale to Third Party customers.

1.8 "Finished Product" means Units of the Product tested and ready for sale, either supplied to ABBOTT by SONUS, or manufactured by ABBOTT for SONUS.

1.9 "First Shipment Date" means the date of the first shipment of Product by ABBOTT to a Third Party, as evidenced by an ABBOTT sales invoice generated and sent to a Third Party, but in no event more than ninety (90) days after FDA approval of the Product.

1.10 "GMP" means current good manufacturing practices as established by the FDA and as practiced by the industry in which the parties operate.

1.11 "Improvements" means any and all developments, inventions or discoveries in the Field relating to the Licensed Patents or Know-How and developed, or acquired with the right to sublicense, by SONUS during the term of this Agreement and shall include, but not be limited to, developments intended to enhance the safety and efficacy of the Product.

1.12 "Know-How" means that proprietary technology of SONUS relating to the Product including, but not limited to, manufacture or product techniques, formulations or production technology, methods of synthesis or other processes.

1.13 "Licensed Patents" means:

(A) the patents and patent applications set forth in Appendix 1.13 and any patents or patent applications covering the Product now owned or hereafter acquired by SONUS or under which SONUS has the right to grant sublicenses during the term of this Agreement in the Territory including any covering Improvements;

(B) all patents arising from such applications identified in (A) and any divisions, continuations, and continuations-in-part identified in (A);

(C) any extension, renewal, re-examination or reissue of a patent identified in (A) or (B).

1.14 "NDA" means an application filed with the FDA for approval by the FDA of the sale of the Product in the United States of America, whether such application is characterized as a New Drug Application or otherwise.

1.15 "Net Sales" means the gross sales of the Product in all of its final packaged forms shipped by ABBOTT and its Affiliates in the Territory, less:

(A) allowances and adjustments separately and actually credited or

payable, including credit for damaged, outdated and returned products;

(B) trade discounts earned or granted;

(C) cash discounts actually allowed;

(D) transportation charges (including insurance costs), handling charges, sales taxes, excise taxes and duties, and other similar charges invoiced to customers;

(E) wholesaler chargebacks; and

(F) rebates and management fees earned or granted.

Net Sales shall be calculated in accordance with ABBOTT's standard internal policies and procedures. Any discount, allowance, rebate, management fee or wholesaler chargeback for the Product which is given to a customer due to the purchase of a product other than the Product or due to the purchase of any service, shall not be taken into consideration for the calculation of Net Sales.

1.16 "Product" means a colloidal dispersion ultrasound contrast agent suitable for intravenous administration containing the active ingredient dodecafluoropentane which is covered by one or more claims of the Licensed Patents regardless of form, dose or package. Without limiting the generality of the foregoing, "Product" shall include: (i) a complete product with kit, including one or more vials of EchoGen-Registered Trademark- together with a kit including a syringe, tubing and other accessories as may be included in the final package; (ii) one or more vials of EchoGen-Registered Trademark- without any kit; and (iii) a kit only, consisting of a syringe, tubing and other accessories as are included in the final package, but not including any EchoGen-Registered Trademark-.

1.17 "Supply Agreement" means the Contrast Agent Development and Supply

Agreement between ABBOTT and SONUS dated May 6, 1993, as amended and as may be amended by the parties.

1.18 "Territory" means the continental United States, Alaska, Hawaii and Puerto Rico, but does not include its other territories, commonwealths or possessions.

1.19 "Third Party" means any individual, corporation, partnership, trust or other business organization or entity, and any other recognized organization other than the parties hereto and their Affiliates.

1.20 "Unit" means a single vial of the Product or a combination of a single vial with a kit which is in final salable form.

2. RESEARCH AND DEVELOPMENT

2.1 RESPONSIBILITIES. SONUS shall use reasonable commercial best efforts to carry out and perform the research and development to obtain prompt FDA approval of the Product for use in the Field. SONUS shall be solely responsible for all research and development, for clinical research, and for the securing of regulatory approval of the Product in the Territory. SONUS shall use its reasonable commercial best efforts to achieve each milestone of the Plan (as defined below) and complete each phase of the research and development in order to obtain FDA approval of the Product for marketing in the Territory.

2.2 RESEARCH AND DEVELOPMENT PLAN. SONUS shall be responsible for preparing a research and development plan to include all the necessary research, development, clinical research and regulatory filings to support an NDA and obtain FDA approval of the Product in the Territory. The research and development plan and milestone timetable shall be attached to this Agreement as Appendix 2.2 ("Plan").

Such Plan shall be updated quarterly by SONUS and SONUS shall submit to ABBOTT a quarterly status report summarizing the completion or phase of completion of each key milestone in the Plan. During the period of time covered by the Plan, ABBOTT and SONUS shall meet at least quarterly at times and places mutually agreed upon to discuss the status of the Plan.

2.3 RESEARCH AND DEVELOPMENT PAYMENTS. ABBOTT shall provide to SONUS (A) thirty million dollars ($30,000,000) to support completion of the Plan, including any related general needs by SONUS, and (B) one million dollars ($1,000,000) as payment for the grant of the licenses under the Licensed Patents and Know-How in Article 5 and the trademark license in Section 3.9. These payments shall be nonrefundable, shall be paid by ABBOTT to SONUS in the amounts and at the times set forth on the schedule in Appendix 2.3. The quarterly milestone payments set forth in Appendix 2.3 shall be paid to SONUS within fifteen (15) days of receipt of the appropriate quarterly report described above in Section 2.2.

2.4 ADDITIONAL CLINICAL RESEARCH. ABBOTT shall have no obligation to provide financial support for research and development, including clinical research, to be conducted by SONUS except for the amounts payable by ABBOTT as set forth in Section 2.3 and Article 7. SONUS shall promptly notify ABBOTT in writing if SONUS desires that ABBOTT fund expenditures for clinical research in addition to that set forth in the Plan to support research and development for ultrasound diagnostic applications for the following indications for the Product:: [CONFIDENTIAL PORTION]. Such notice from SONUS shall include a budget for clinical research and a preliminary

clinical plan. ABBOTT shall communicate its decision whether or not to financially participate in such clinical research within ninety (90) days of receipt of the budget and clinical plan from SONUS. ABBOTT shall be under no obligation to financially support such additional clinical research. If ABBOTT desires to participate in such additional clinical research, ABBOTT shall reimburse SONUS for its documented incremental costs and expenses incurred associated with the additional clinical research which are costs and expenses in excess of SONUS' budget for clinical research as described in Sections 2.2 and 3.6 and which are mutually agreed by the parties. In addition, the definition of the "Field" set forth in Section 1.6 shall be expanded to include the indication(s) funded by ABBOTT. SONUS shall reimburse ABBOTT fifty percent (50%) of such costs and expenses funded by ABBOTT by either, at the option of SONUS (i) reimbursing ABBOTT such costs and expenses with interest at the prime rate of interest within five (5) years of the date such costs and expenses are paid by ABBOTT, or (ii) reducing the percentage amounts payable by ABBOTT to SONUS as provided in Article 7 at such dates and in such amounts as is mutually agreed by the parties. If ABBOTT determines not to provide additional financial support for such additional clinical research and SONUS proceeds with the additional research and development, then the parties shall negotiate in good faith to modify the percentage allocations of Revenue Payments allocable to such additional indications under Section 7.1 below to reflect the amount of the expenditures to be made by SONUS for such additional clinical research related to such additional indications, together with such other factors as are appropriate. If the parties agree to a reasonable modification of the percentage allocation of Revenue Payments as set forth above, the definition of

"Field" set forth in Section 1.6 shall be expanded to include such additional indications. The provisions of this Section 2.4 shall apply only with respect to the new indications for the Product specified above and shall not apply to any new product which is subject to Section 10 below.

2.5 FDA APPROVAL. If SONUS does not receive FDA approval to market the Product within four (4) years of the date of the NDA filing, then ABBOTT may, but does not have any obligation to, pursue such FDA approval of the Product. If ABBOTT determines to pursue FDA approval, then SONUS shall promptly, upon written request from ABBOTT, deliver to ABBOTT all NDA documentation, clinical study data and supplies. ABBOTT may conduct any necessary research or clinical studies to obtain such FDA approval of the Product. All reasonable costs incurred by ABBOTT in pursuing such FDA approval shall be deducted from any payments due SONUS under this Agreement.

3. ALLOCATION OF PRODUCT RIGHTS AND RESPONSIBILITIES

3.1 PREMISE . Under this Article 3, ABBOTT and SONUS agree to a division of responsibilities regarding the Product and, under Article 7, accordingly agree to a division of revenue generated by sales of the Product. If there is a material change in the division of such responsibilities, whether by the agreement of the parties or by operation of this Agreement, then the parties shall negotiate in good faith toward a corresponding change in the division of revenue under Article 7.

3.2 MARKETING AND SALES.

(A) ABBOTT shall have the exclusive right and the associated responsibilities for the marketing and sales of the Product in the Territory, which shall

include responsibility for distribution, order entry, invoicing and collection regarding sales of the Product. ABBOTT shall use its reasonable commercial best efforts to optimize sales, profitability, and market share in the Territory. The efforts of ABBOTT shall be evidenced by carrying out those specific tasks as mutually agreed to by the parties. ABBOTT shall prepare pre- and post-launch marketing plans which shall be reviewed and approved by SONUS prior to implementation, such approval not to be unreasonably withheld.

(B) SONUS shall have the right to co-promote (as defined herein) the Product at its own expense in the Territory only under the following circumstances:

(i) at any time after the first anniversary of the First Shipment Date, if ABBOTT's Net Sales to Third Parties are below fifty percent (50%) of the mutually agreed Net Sales forecast attached as Appendix 3.2B for any two consecutive quarters. SONUS shall notify ABBOTT in writing within thirty (30) days of receipt of the applicable second quarterly Net Sales report, as set forth in Section 7.1, of its intention to co-promote the Product. SONUS' right to co-promote would be effective thirty (30) days after the date of ABBOTT's receipt of notice from SONUS. If SONUS does not so inform ABBOTT, then SONUS shall have waived its right to co-promote the Product with regard to that specific failure of ABBOTT to meet its Net Sales forecast for such two (2) consecutive quarters. The Net Sales forecast shall be adjusted as mutually agreed by the parties to reflect the actual time that FDA approval is obtained and the actual indications approved.

(ii) at any time after the third anniversary of the First Shipment Date, SONUS may, at its expense, co-promote and sell the Product in the Territory in

order to increase sales, profitability and market share above the existing Net Sales forecast, for new indications, market segment customers, or customer locations in a manner designed as complementary to ABBOTT's sales and marketing efforts. All SONUS deployment and promotional plans and budgets must be reviewed and approved by ABBOTT prior to implementation, such approval not to be unreasonably withheld. SONUS shall notify ABBOTT in writing ninety (90) days prior to commencing such co-promotion of the Product.

(iii) at any time for new indications or new market segments for which ABBOTT has declined to support research, development or clinical research after timely notice by SONUS as set forth in Section 2.4.

(C) SONUS' rights to co-promote the Product as set forth in subsections 3.2(B) (i), (ii), and (iii) do not include the right of SONUS to sublicense, transfer, or grant, directly or indirectly, such rights to a Third Party except as set forth in Article 19. For purposes of this Agreement, "co-promotion" means the detailing of the Product to a Third Party customer including providing promotional materials and technical assistance but does not include accepting sales orders. SONUS shall inform all such customers to place all sales resulting from SONUS' co-promotion of the Product directly with ABBOTT and provide the necessary sales processing information to the customer.

3.3 RAW MATERIALS, QUALITY CONTROL. SONUS shall be responsible for procurement of all raw materials necessary for the manufacture of the Product as well as quality control of the raw materials. SONUS shall handle raw materials in accordance with the applicable provisions of the Supply Agreement.

3.4 PRODUCT MANUFACTURE.

(A) ABBOTT and SONUS have previously entered into the Supply Agreement under which ABBOTT has agreed to manufacture the Product for SONUS. SONUS may purchase Product under the Supply Agreement to fulfill ABBOTT's purchase orders under Section 3.5. All manufacturing of the Product by ABBOTT for sale in the Territory by ABBOTT shall be in accordance with the terms of the Supply Agreement and the specifications for the Product in effect under the Supply Agreement ("Specifications") attached hereto as Appendix 3.4. The parties agree to negotiate in good faith an amendment to the Supply Agreement to include within the terms of the Supply Agreement the purchase and sale of the kits consisting of syringes, tubing and other accessories as are included in the final package of the complete Product, including the pricing and other terms and conditions of sale which are consistent with the Supply Agreement and the general custom and practice within the industry regarding such materials.

(B) The Supply Agreement shall govern ABBOTT's manufacture of all Product provided to SONUS for sale by SONUS outside the Territory and SONUS' right to manufacture or have manufactured the Product by a Third Party. SONUS shall give ABBOTT reasonable prior notice in writing if SONUS decides to manufacture or have manufactured by a Third Party the Product for purchase by ABBOTT under this Agreement. Upon such notice, ABBOTT and SONUS shall enter into good faith negotiations to reach agreement on the terms and conditions for a Third Party manufacturer for the Product to be purchased by ABBOTT.

(C) All Product manufactured by SONUS or by a Third Party shall conform with

the Specifications. Any Third Party manufacturer appointed by SONUS to manufacture the Product must be approved by the FDA and have a reasonable history and record of conforming with current GMP.

(D) If any of the provisions of the Supply Agreement and this Agreement are inconsistent, then the provisions of this Agreement shall control for purposes of the manufacture and supply of Product subject to this Agreement.

3.5 PRODUCT FORECASTS, ORDERS AND REJECTED PRODUCT. (A) Not later than one hundred twenty (120) days prior to the First Shipment Date, and thereafter, at least thirty (30) days prior to the first day of each calendar quarter, ABBOTT shall furnish to SONUS a rolling forecast of the quantities of the Product ABBOTT intends to order for sale in the Territory during the twelve (12) month period commencing with that calendar quarter. The first three (3) months of such forecast shall constitute a firm order and a binding commitment of ABBOTT to purchase such quantities as evidenced by purchase orders received from ABBOTT in accordance with Section 3.5(B). The balance of each such forecast shall merely represent reasonable estimates, not purchase commitments for the Product.

(B) ABBOTT shall place each purchase order with SONUS for Product to be delivered hereunder thirty (30) days prior to the delivery date specified in each respective purchase order. SONUS may reject any purchase order which exceeds one hundred fifty percent (150%) of the most current forecast underlying such purchase order. No rejection shall be effective unless in writing and delivered to ABBOTT within ten (10) days of SONUS' receipt of ABBOTT's purchase order. ABBOTT shall be obligated to purchase all Product ordered and delivered by the

specified delivery date provided that, if Product is manufactured by a Third Party manufacturer and not by ABBOTT, such Product meets the Specifications.

(C) If the Product is manufactured solely by SONUS or a Third Party and if SONUS is unable to meet its supply obligations under any purchase order, then SONUS shall give prompt written notice to ABBOTT. In such event, if SONUS fails, or notifies ABBOTT that it will fail, to supply any amount of Product for a ninety (90) day period, then ABBOTT may (i) set up a manufacturing source, at the reasonable expense of SONUS, and manufacture or have the Product manufactured by a Third Party at the reasonable expense of SONUS for the time period of such failure or one hundred eighty (180) days, whichever is longer, or (ii) terminate this Agreement in accordance with Section 12.2(D). The rights of ABBOTT to terminate the Agreement pursuant to this Section 3.5(C) will not apply if ABBOTT is in default of the Supply Agreement, unless ABBOTT's default or inability to supply is directly or indirectly due to SONUS, including, but not limited to, SONUS' failure to supply raw materials to ABBOTT as required under the Supply Agreement and this Agreement.

(D) If the Product is manufactured solely by ABBOTT and if ABBOTT is unable to meet its supply obligations under any purchase order, then ABBOTT shall give prompt written notice to SONUS. In such event, if ABBOTT fails, or notifies SONUS that it will fail, to supply any amount of Product for a ninety (90) day period, then SONUS may (i) set up a manufacturing source, at the reasonable expense of ABBOTT, and manufacture or have the Product manufactured, by a Third Party at the reasonable expense of ABBOTT for the time period of such failure or one hundred eighty (180) days, whichever is longer, or (ii) terminate this Agreement in accordance

with Section 12.2(D). Notwithstanding the foregoing, SONUS shall not have the right to terminate this Agreement if the cause of ABBOTT's inability to supply is directly or indirectly due to SONUS, including, but not limited to, SONUS' failure to supply raw materials to ABBOTT as required under the Supply Agreement and this Agreement.

(E) If SONUS and ABBOTT are both manufacturing or otherwise supplying Finished Product to ABBOTT for sale in the Territory and either ABBOTT or SONUS ("Non-Performing Party") notifies the other party ("Other Party") that the Non-Performing Party is unable to supply Product to the Other Party or either fails to supply Product pursuant to this Section 3.5, and is unable to correct such failure within ninety (90) days of written notice thereof from the Other Party, then the right of Non-Performing Party to manufacture or otherwise supply Product to the Other Party under the Supply Agreement shall cease until such time as the Non-Performing Party notifies the other that it is again able to supply Product.

(F) For Product provided by SONUS to ABBOTT which SONUS has sourced from a party other than ABBOTT, ABBOTT shall notify SONUS in writing of any claim relating to damaged, defective or nonconforming Product or any shortage in quantity of any shipment of Product within thirty (30) days of receipt of such Product by ABBOTT. In the event of such rejection or shortage, SONUS shall replace the rejected Product or make up the shortage within thirty (30) days of receiving such notice, at no additional cost to ABBOTT, and shall make arrangements with ABBOTT for the return of any rejected Product at the expense of SONUS. For Products provided by SONUS to ABBOTT which SONUS has sourced from ABBOTT, ABBOTT shall accept such Products as conforming upon delivery to ABBOTT.

(G) In the event that SONUS is unable to provide raw material under the Supply Agreement for a period of ninety (90) days or longer, then ABBOTT shall have the right to purchase the raw materials from a Third Party at SONUS' expense or manufacture the raw materials or have a Third Party manufacture the raw materials at SONUS' expense.

3.6 CLINICAL RESEARCH, REGULATORY AFFAIRS, TECHNICAL MARKETING/MEDICAL SUPPORT.

(A) SONUS shall be responsible for all ongoing product development, clinical research and regulatory filings and affairs beyond the responsibilities set forth in Section 2.3 in support of expanded label indications in the Field. SONUS shall also be responsible for all FDA communications, including review of promotional materials, and all FDA requirements regarding the Product (except those communications and requirements specifically associated with GMP applicable to the manufacture of the Product by ABBOTT as addressed in the Supply Agreement). ABBOTT will forward all adverse drug events to SONUS for handling by SONUS, including any required reporting to the FDA. Each party shall promptly notify the other party of all communications from and to the FDA regarding the Product.

(B) SONUS shall be responsible for all medical and technical support in the Field in the Territory, including those specific tasks mutually agreed to by the parties. This support shall be designed to fit with the Product positioning and ABBOTT's promotional plan.

3.7 PRODUCT RECALLS. In the event (A) any government authority issues a request, directive or order that the Product be recalled, or (B) a court of competent jurisdiction orders such a recall, or (C) ABBOTT and SONUS, after consultation with

each other, determine that the Product should be recalled, the parties shall take all appropriate corrective actions, and shall cooperate in the investigations surrounding the recall. ABBOTT shall handle notification of customers and return of Product from customers. SONUS shall handle all FDA communications and requests regarding any recalls. If such recall results from any cause or event arising from a sole responsibility of SONUS as set forth in this Agreement or in the Supply Agreement or is solely attributable to SONUS, SONUS shall be responsible for all expenses of the recall and ABBOTT may deduct any such expenses borne by ABBOTT from any payment due to SONUS under this Agreement. If such recall results from a sole responsibility of ABBOTT as set forth in this Agreement or in the Supply Agreement or is solely attributable to ABBOTT, ABBOTT shall be responsible for the expenses of recall and shall reimburse SONUS for expenses incurred by SONUS for such recall. In the event that the recall results from any cause(s) or event(s) arising from a joint responsibility of the parties or partially from a responsibility of SONUS and partially from a responsibility of ABBOTT, SONUS and ABBOTT shall be jointly responsible for expenses of the recall in proportion to each such party's proximate fault with respect to the recall. For the purpose of this Agreement, the expenses of recall shall include, without limitation, the expenses of notification and destruction or return of the recalled Product, cost for the Product recalled, legal expenses, inventory write-offs and penalties resulting from third party contracts.

3.8 PATENTS

(A) SONUS shall be responsible for and shall diligently carry out and shall bear all costs (including attorney fees) for the preparation, filing, prosecution,

maintenance, and extensions, if any, of all patents or patent applications under the Licensed Patents. In addition, SONUS shall promptly advise ABBOTT of all material correspondence, filings and notices of action between SONUS and the United States Patent and Trademark Office ("PTO") concerning the Licensed Patents. If SONUS elects not to prepare and file a patent application covering an Improvement referenced under Section 3.8(B) or discontinues the prosecution of any patent application or maintenance of any patent under the Licensed Patents, then SONUS shall promptly notify ABBOTT and supply ABBOTT with copies of all written communications with the PTO. In the event that ABBOTT reasonably determines that the failure of SONUS to pursue the filing and prosecution of the patent application would adversely affect the rights of ABBOTT under this Agreement, ABBOTT may, but does not have the obligation to, file or continue prosecution of such application or maintain such patent at its own expense. If ABBOTT so elects, then SONUS shall be responsible for the reasonable costs incurred by ABBOTT in connection with such filing or prosecution and shall promptly reimburse ABBOTT for such costs upon notice by ABBOTT.

(B) SONUS shall promptly notify ABBOTT of any Improvements and of any efforts by SONUS to patent Improvements in the Territory including, but not limited to designation of the countries in which any patent application in respect thereof is to be filed. Any patent application in respect of such Improvement and any patent issued therefrom shall become part of the Licensed Patents and Appendix 1.13 shall be modified to reflect the addition to Licensed Patents. If any Improvement is not patented, it shall become part of the Know-How.

(C) If either ABBOTT or SONUS has knowledge of any infringement or

likely infringement of a Licensed Patent or unauthorized use of Know-How in the Territory, then the party having such knowledge shall promptly inform the other party in writing, and the parties shall promptly consult with one another regarding the action to be taken. Unless the parties otherwise mutually agree, SONUS shall prosecute such suit, and each party shall cooperate with the other party in the prosecution thereof and SONUS shall have the right to determine the strategy of the prosecution of such suit. Notwithstanding the foregoing, if ABBOTT is participating in the prosecution, ABBOTT shall be entitled to have input in the strategy of prosecution. SONUS shall have the right to determine the counsel to be retained by the parties in connection with such action or claim, which counsel shall be reasonably satisfactory to ABBOTT. SONUS may seek the assistance and participation of ABBOTT in the action or claim. If SONUS requests ABBOTT's participation, (i) ABBOTT shall participate in the prosecution if the action or claim involves an infringement by a Third Party's product, or potential product, which substantially falls within the definition of Product in Section 1.16, and (ii) ABBOTT may participate if ABBOTT determines that it would be in ABBOTT's interests to participate if the action or claim does not directly involve an infringement by a Third Party's product, or potential product, which substantially falls within the definition of Product in Section 1.16. Notwithstanding the foregoing, in the event that the action or claim involves an infringement by a Third Party's product, or potential product, which substantially falls within the definition of Product in Section 1.16, ABBOTT shall have the right to participate, on an equal basis with SONUS, in the prosecution of such action or claim. If SONUS prosecutes such claim without the participation of ABBOTT, the costs and expenses incurred in connection with such

action or claim shall be borne by SONUS. However, if Abbott participates in the action or claim, the costs and expenses incurred in connection with such action or claim shall be shared equally by SONUS and ABBOTT. If ABBOTT does not participate in the prosecution of the action or claim, or unless otherwise provided in this Section 3.8(C), any offer of settlement and any settlement shall be in SONUS' discretion, provided that any offer of settlement or settlement does not conflict with licenses granted under Article 5. If ABBOTT participates in the prosecution of the action or claim and/or if the action or claim involves an infringement by a Third Party's product, or potential product, which substantially falls within the definition of Product in Section 1.16, any offer of settlement and any settlement shall be subject to the prior approval of both ABBOTT and SONUS. Each party agrees not to unreasonably withhold its approval of any such settlement. If ABBOTT does not participate in the prosecution of the action or claim, any recovery of damages or other payments received in connection with such action or claim shall be realized by SONUS. However, any recovery of damages or other payments received in connection with such action for which ABBOTT participates in the prosecution shall be allocated between and disbursed to ABBOTT and SONUS as follows: (i) first, to reimburse ABBOTT and SONUS for their respective costs and expenses incurred in connection with such action, and (ii) the balance of recovery or other payments to be divided equally between ABBOTT and SONUS. In the event that the recovery of damages is not sufficient to cover costs and expenses incurred by the parties in connection with such action, each party shall be reimbursed on a pro rata basis according to each party's percentage of the total costs and expenses incurred by the parties together. ABBOTT may, but does not have the obligation to, participate in

the prosecution of any infringement action outside the Territory. However, if ABBOTT does participate in any action and prosecution outside the Territory, ABBOTT shall be entitled to share in the proceeds or recovery of damages or other payments received in connection with such action outside the Territory. Such amounts shall be allocated between and disbursed to ABBOTT and SONUS as follows: (i) first, to reimburse ABBOTT for ABBOTT's costs and expenses incurred in connection with such action, (ii) second, to reimburse SONUS for SONUS' costs and expenses incurred in connection with such action, and (iii) the balance of recovery or other payments to be divided equally between ABBOTT and SONUS.

(D) If a claim or suit is brought against ABBOTT alleging: (i) infringement of any patent or unauthorized use of any Know-How owned by a Third Party by reason of ABBOTT's exercise of its licenses hereunder; or (ii) an interest in any patent under the Licensed Patents, ABBOTT shall promptly give written notice to SONUS. SONUS, within a reasonable time after such notice, but not longer than sixty (60) days, shall advise ABBOTT of SONUS' decision on the intended disposition of such claim or suit. If SONUS elects not to dispose of the claim or defend the suit, ABBOTT may do so. The parties will furnish each other with reasonable assistance regarding such claim or suit as may be requested by the other party. Any offer of settlement or settlement of the claim or suit by one party shall have the prior written approval of the other party, such approval not to be unreasonably withheld. ABBOTT shall have the right to settle such claim or suit by payment in any form. If any amounts are paid or payable to a Third Party by ABBOTT or any damages and/or costs are awarded against ABBOTT in such suit, then at the time of payment, such amounts,

damages and costs may be offset against any Revenue Payment due in such year or, if necessary, in succeeding years to SONUS.

3.9 TRADEMARKS

(A) GRANT OF LICENSE. SONUS hereby grants to ABBOTT a non-exclusive license (the "Trademark License") in the Territory to use the SONUS trademark(s) set forth in Appendix 3.9 on all labels, advertisements, promotional materials and literature for the Product.

(B) RESERVATION OF RIGHTS. SONUS expressly reserves the right to use and license Third Parties to use the SONUS trademark(s) in a manner not inconsistent with this Agreement.

(C) ACKNOWLEDGEMENT. ABBOTT acknowledges that the SONUS trademark(s) are owned exclusively by SONUS and that ABBOTT has no right, title or interest in and to the SONUS trademark(s), except the rights conferred by this Agreement and that all goodwill associated with the SONUS trademark(s) inures to the benefit of SONUS.

(D) REGISTRATION. SONUS agrees to maintain the SONUS trademark(s) in the United States at its own expense including the preparation and recordation of registered user agreements and/or licenses necessary or reasonably deemed necessary by ABBOTT in order to comply with local laws.

(E) USE OF TRADEMARK(S). The Products shall bear the trademark EchoGen-Registered Trademark- or such other trademarks as mutually agreed to by the parties. ABBOTT shall at all times properly use the SONUS trademark(s) to indicate brand names by using the SONUS trademark(s) in conjunction with the common name for the Product,

e.g. "ECHOGEN-Registered Trademark- emulsion." However, in written copy or package inserts ABBOTT may display, where appropriate, the symbol and common name at the first or most prominent reference to the trademark. The trademark registration symbol "-Registered Trademark-" or "-TM-" shall be used to indicate registration status. Wherever the SONUS trademark(s) are used, attribution shall be given to SONUS Pharmaceuticals, Inc. as the owner of the SONUS trademark(s) at least once per publication as used in the public domain.

(F) INFRINGEMENTS. ABBOTT shall promptly call to the attention of SONUS the use by any Third Party of the SONUS trademark(s) or any trademark similar to the mark covered by this Agreement, of which it may become aware and which it may consider to be an infringement or passing off of the SONUS trademark(s) or unfair competition. SONUS shall have the right to decide whether or not to bring proceedings against Third Parties. Such proceedings shall be at the expense of SONUS. ABBOTT shall cooperate fully with SONUS to whatever extent is deemed reasonably necessary by SONUS to prosecute such action. In the event that SONUS recovers damages from prosecution of such action, SONUS shall retain amounts received for such damages except that ABBOTT shall be entitled to reimbursement of its costs, expenses, and attorneys' fees attributable to such action. SONUS shall not settle or compromise any suit for infringement without the express approval of ABBOTT, such approval not to be unreasonably withheld. In the event SONUS decides not to prosecute, and ABBOTT reasonably determines that the failure to prosecute would adversely affect the rights of ABBOTT under this Agreement, ABBOTT shall have the right, but not the obligation, to prosecute such action at its own expense. SONUS shall cooperate fully with ABBOTT to whatever extent is deemed reasonably

necessary by ABBOTT to prosecute such action. In the event that ABBOTT recovers damages from prosecution of such action, ABBOTT shall retain amounts received for such damages except that SONUS shall be entitled to reimbursement of its costs, expenses, and attorneys' fees attributable to such action. ABBOTT shall not settle or compromise any suit for infringement without the express approval of SONUS.

(G) TERM. The initial term of this Trademark License shall be the Term specified in Article 12 of this Agreement. Upon expiration of such Term, ABBOTT shall have a right to renew the Trademark License at a mutually agreeable reasonable royalty rate.

(H) TERMINATION. Upon termination of this Agreement, ABBOTT shall discontinue all use of the SONUS trademark(s) and shall not thereafter adopt a mark which is confusingly similar.

(I) COPIES. Within ten (10) days after the Effective Date, SONUS shall provide ABBOTT photocopies of its applicable trademarks applications/registrations in the Territory.

4. CANADA AND LATIN AMERICA AND OTHER TERRITORIES.

4.1 CANADA AND LATIN AMERICA. If SONUS receives a bona fide offer from a Third Party for the right to market and sell the Product in Canada and/or Latin America prior to December 31, 1996, then within a reasonable time, not to exceed sixty (60) days, SONUS shall give written notice to ABBOTT of the details of the offer and ABBOTT shall have the opportunity to meet, or offer terms more favorable than, such Third Party offer within sixty (60) days of such notice. If either (A) ABBOTT meets or offers terms more favorable than such Third Party offer and SONUS fails to enter into an

agreement with ABBOTT with respect to such marketing rights, or (B) whether or not there is a Third Party offer, the parties do not enter into a binding commitment for ABBOTT to acquire marketing rights in Canada and/or Latin America prior to December 31, 1996, then the payment in Appendix 2.3 due to SONUS upon First Shipment Date shall be decreased by [CONFIDENTIAL PORTION]. SONUS may, at its option, substitute for the decreased payment warrants to purchase 125,000 shares of common stock of SONUS, subject to adjustment as set forth in the Warrant evidenced by a warrant certificate substantially in the form of Exhibit A ("Warrant") for shares of SONUS common stock, such Warrant based on the warrant exercise price equal to the volume weighted average price for the ten (10) trading days prior to the date SONUS executes a definitive agreement with a Third Party for marketing rights as set forth in this provision or December 31, 1996, whichever is earlier. SONUS shall notify ABBOTT of which option it chooses no later than December 31, 1996. The warrant shall be issued as of the date of the determination of the warrant price as set forth above. Anything in the foregoing to the contrary notwithstanding, in the event that prior to December 31, 1996, SONUS should receive a bona fide offer from a Third Party for marketing rights in Canada and/or Latin America and ABBOTT shall have failed to meet or offer more favorable terms as provided above, then SONUS shall not be subject to a reduced fee upon First Shipment or have an obligation to issue any warrants as provided herein. For purposes of this Agreement, Latin America shall include South America, Central America, Mexico, and the Caribbean (including possessions or territories of the United States, France, the United Kingdom and the Netherlands).

4.2 OTHER TERRITORIES. If SONUS receives a bona fide offer from a Third Party for the right to market and sell the Product in areas or countries other than the Territory, Canada, Latin America or areas or countries which are covered by the Agreement dated March 31, 1995 between SONUS and Daiichi Pharmaceuticals, Ltd. or the Agreement dated October 27, 1994 between SONUS and Guerbet S.A. (collectively, the "Prior Agreements"), then within a reasonable time, not to exceed sixty (60) days, SONUS shall give written notice to ABBOTT of the details of the offer and ABBOTT shall have the opportunity to meet, or offer terms more favorable than, such Third Party offer within sixty (60) days of such notice. If ABBOTT meets or offers terms more favorable to SONUS, ABBOTT and SONUS shall negotiate and enter into an agreement on such terms together with such other terms as are substantially the same terms of this Agreement for such areas or countries. Furthermore, in the event that any areas or countries covered under a Prior Agreement are no longer covered under a Prior Agreement, SONUS shall within sixty (60) days notify ABBOTT and facilitate discussions with ABBOTT regarding ABBOTT acquiring marketing rights for the Products in such areas or countries.

4.3 CO-PROMOTION. ABBOTT and SONUS agree to consider and discuss, and if requested by ABBOTT, SONUS shall introduce the concept with the parties contracting with SONUS under the Prior Agreements to consider and discuss, opportunities for ABBOTT to co-promote the Product in areas or countries covered by the Prior Agreements.

5. LICENSES

(A) SONUS hereby grants to ABBOTT a royalty-free exclusive license,

exclusive even as to SONUS, with the right to sublicense, under the Licensed Patents and Know-How to use, offer to sell and sell the Product in the Field in the Territory subject to SONUS' co-promotion rights pursuant to Section 3.2(B). The right to sublicense to a Third Party shall be subject to the approval of SONUS, such approval not to be unreasonably withheld.

(B) SONUS hereby grants to ABBOTT a royalty-free nonexclusive license, with the right to sublicense, under the Licensed Patents and Know-How to make, have made, and import the Product for the Field in the Territory, subject to the limitations set forth in Section 3.5(B). The right to sublicense to a Third Party shall be subject to the approval of SONUS, such approval not to be unreasonably withheld.

(C) ABBOTT's licenses hereunder shall become paid-up upon ABBOTT tendering to SONUS all payments due pursuant to Appendix 2.3.

6. LAUNCH BUDGETS; REIMBURSEMENT PAYMENTS

6.1 LAUNCH BUDGETS. ABBOTT and SONUS shall each prepare separate pro forma launch budgets to cover their respective expenses associated with and incurred after the launch of the Product which shall be mutually approved by the parties. Within thirty (30) days of FDA Advisory Panel approval, ABBOTT and SONUS will meet to review and, if appropriate and mutually agreeable, update such launch budgets for the period for which Launch Budget Reimbursement Payments may be required as set forth in Section 6.2. The parties will thereafter meet quarterly during this period to review and, if appropriate and mutually agreeable, update such budgets. Each party's launch budget shall include the expense line items and allocation of the expense items between ABBOTT and SONUS.

6.2 LAUNCH BUDGET REIMBURSEMENT PAYMENTS. Each quarter following the First Shipment Date and until either the second anniversary of the First Shipment Date or the achievement of Net Sales of Product in the Territory of at least twenty-five million dollars ($25,000,000) in each of two consecutive quarters, whichever comes first, one party shall pay to the other party an amount equal to fifty percent (50%) of the excess of budget launch expenses of one party over the budget launch expenses of the other party for the same period (e.g. if ABBOTT has budget launch expenses of [Confidential Portion] and SONUS has budget launch expenses of [Confidential Portion] in the first twelve (12) months of Product sales, the amount to be paid by SONUS is [Confidential Portion]. The payment will be made within sixty (60) days of the end of each calendar quarter for the period the launch expenses are incurred. In the case of payment to be made by SONUS, the amounts payable shall be offset against payments to be made by ABBOTT to SONUS as set forth in Article 7. In the case of payments to be made by ABBOTT, the payments will be made by wire transfer. Each party shall supply to the other party all wire transfer account information.

6.3 LOSS CARRY FORWARD. If a Launch Budget Reimbursement Payment as calculated in Section 6.2 is to be made by SONUS to ABBOTT and such Launch Budget Reimbursement Payment has not been fully paid by SONUS to ABBOTT by the expiration of twenty-four (24) months following the First Shipment Date, or the achievement of Net Sales of Product in the Territory of at least twenty-five million dollars ($25,000,000) in each of two (2) consecutive quarters, whichever should first occur, then the unpaid amount shall be carried forward and offset against Revenue Payments for subsequent quarters until such time as the entire Launch Budget

Reimbursement Payment has been paid or credited to ABBOTT.

7. REVENUE PAYMENTS

7.1 CALCULATION OF REVENUE PAYMENTS. Following the First Shipment Date, ABBOTT shall pay SONUS an amount as calculated in the following formula ("Revenue Payment").

Revenue Payment	=	47%	x	Units of Finished Product accepted by ABBOTT into Finished Goods Inventory LESS: returned goods, Inventory outdates, recalls and/or withdrawals	x	Average Unit Selling Price from prior Quarter

For the first quarter following the First Shipment date, the estimated Average Unit Selling Price shall be communicated to SONUS on or before ninety (90) days prior to the First Shipment Date. The Revenue Payment for any quarter shall be paid within thirty (30) days after the end of each such calendar quarter or ninety (90) days after the Finished Product is placed in Finished Goods Inventory, whichever is earlier. The payment will be made by wire transfer. SONUS shall supply to ABBOTT all wire transfer account information. At the time of the wire transfer, ABBOTT shall send to SONUS by electronic-mail, facsimile or overnight courier, a report to SONUS setting forth the calculation used to determine the Revenue Payment, including launch budget reimbursement payments.

7.2 SONUS CO-PROMOTION. If SONUS is co-promoting the Product in the Territory pursuant to Section 3.2(B), all sales of Product by SONUS shall be credited to ABBOTT and included in gross sales for purposes of the Revenue Payment

calculation. In the event that SONUS is co-promoting the Product under 3.2(B)(iii), the Revenue Payments due by ABBOTT to SONUS under Article 7 shall be adjusted to reflect SONUS' additional contribution at such time and in such amount as the parties mutually agree.

7.3 RECORDS AND AUDIT. ABBOTT and SONUS shall keep and maintain records of sales made and expenses incurred pursuant to this Agreement. On a monthly basis, ABBOTT shall provide SONUS with records of sales of Units by list numbers consistent with ABBOTT's other products of a similar nature in the normal course of business. On a quarterly basis, ABBOTT shall provide SONUS with reports reconciling sales of Products with discounts and other deductions to support Net Sales figures. Such records shall be kept for a period of four (4) years after the sales period to which such records relate. During this period, such records shall be open to inspection upon reasonable written notice by one party to the other. Such inspection shall be performed by a nationally recognized independent certified public accountant selected by the requesting party and approved by the other party, which approval shall not be unreasonably withheld. All expenses of such inspection shall be borne by the requesting party. However, (i) if an inspection initiated by SONUS reveals that payments to SONUS have been understated by five percent (5%) or more, and if such understatement is greater than $25,000, ABBOTT shall pay the cost of inspection, the

understated amount and interest at the prime rate of interest on the understated amount, and (ii) if an inspection initiated by ABBOTT reveals that figures reported by SONUS to ABBOTT have been understated by five percent (5%) or more and if such understatement is greater than $25,000, SONUS shall pay the cost of inspection, the understated amount and interest at the prime rate of interest on the understated amount. Any independent certified public accountant engaged by either party shall sign a confidentiality agreement prior to any audit and shall then have the right to examine the records kept pursuant to this Agreement and report findings (but not the underlying data) of the examination to the requesting party as is necessary to evidence that records were or were not maintained and used in accordance with this Agreement. A copy of any report provided to the requesting party by the independent certified public accountant shall be given concurrently to the other party.

8. WARRANT

8.1 PURCHASE. ABBOTT shall concurrently herewith purchase, and SONUS agrees to sell and issue, at ABBOTT's request, warrants evidenced by a warrant certificate substantially in the form of Exhibit A ("Warrant"), for five hundred thousand (500,000) shares of SONUS' common stock at an exercise price equal to sixteen dollars ($16.00) per share subject to adjustments as set forth in the Warrant. The Warrant shall be priced at eight dollars ($8.00) per share, which price per share will be paid concurrently with the issuance of the Warrant. The Warrant shall be exercisable at any time after receipt by ABBOTT for a period of five (5) years from the date of ABBOTT's receipt of the Warrant.

8.2 REGISTRATION RIGHTS. SONUS shall, prior to or on the Effective Date, cause to be amended the Sonus Pharmaceuticals, Inc. Amended and Restated Registration Rights Agreement dated November 23, 1994, as amended ("Registration Rights Agreement"), to include ABBOTT as a "Holder" thereunder and include the shares of common stock issuable upon exercise of the Warrant as "Registrable Securities", as

the terms "Holder" and "Registrable Securities" are defined in the Registration Rights Agreement. In the event that SONUS is unable to cause such amendment prior to the Effective Date, SONUS shall cause such amendment within thirty (30) days of the Effective Date.

8.3 PROHIBITION. With the exception of the purchase under Section 8.1, ABBOTT, and its Affiliates for the term of this Agreement, shall not, without the prior written consent of SONUS, acquire or agree to acquire, by purchase or otherwise, any voting securities of SONUS or any subsidiary of SONUS.

9. BUYOUT OPTION

It is the intent of the parties to provide for a buyout of this Agreement by one party from the other subject to the mutual agreement of the parties. On the sixth (6th), ninth (9th), and twelfth (12th) anniversary of the Effective Date, either party may give written notice to the other party of its interest in buying out the other party's rights and obligations under this Agreement. If both parties agree, a process will be established whereby either party may buy out the rights and obligations of the other party in the Territory at a price equal to or greater than the net present value of the projected net profit before tax, discounted at fifteen percent (15%) for the remaining term of the Agreement ("Option Price"). If both parties desire to exercise the buyout and ABBOTT and SONUS do agree on the Option Price, then the representatives of ABBOTT and SONUS shall meet and simultaneously exchange closed bids, which bids shall be opened in the presence of both representatives. If both parties agree, the higher bid shall prevail. If the parties mutually agree that the buyout is to take place, the parties shall enter into an agreement that sets forth the timetable and process for the orderly

transfer of such rights. If both parties do not agree on the calculation of the buyout price or do not agree on the transfer of rights and terms of the buyout, then the buyout shall not take place and notwithstanding anything else in this Article, the buyout option will not be effective again during the remaining term of this Agreement.

10. RIGHT OF FIRST REFUSAL FOR ADDITIONAL PRODUCTS

In the event SONUS desires to grant any license to market or distribute to a Third Party, any ultrasound diagnostic imaging products for the Field and in the Territory which are not covered by the license set forth in Section 5 or the terms of Section 2.4 and which are the proprietary technology of SONUS including, but not limited to those technologies commonly referred to as PhaseShift-TM- and High-Q Factor-TM-, then ABBOTT shall have a right of first refusal with respect to the license or sale of such product in the Field and in the Territory. If SONUS desires to solicit offers from Third Parties to market and sell such product for the Field in the Territory, then SONUS shall promptly give written notice to ABBOTT. Within thirty (30) days of such notice, ABBOTT shall indicate whether or not it is interested in such product. If ABBOTT is interested, SONUS and ABBOTT shall negotiate in good faith for a maximum of sixty (60) days to mutually determine the material terms of a definitive agreement regarding such product. If ABBOTT and SONUS do not reach such agreement, but during the negotiation period, ABBOTT offered in writing economic terms which were rejected by SONUS, and during the term of this Agreement SONUS subsequently solicits and receives a bona fide Third Party offer on the same or less favorable economic terms considered as a whole than those offered by ABBOTT, then SONUS shall promptly notify ABBOTT in writing. ABBOTT then may offer to meet such

terms within forty-five (45) days from such notice. The parties will then negotiate in good faith towards a definitive agreement for the product. If ABBOTT does not offer to meet such terms within such forty-five (45) day period, then ABBOTT shall have no further rights under this Section 9 with respect to such product. Nothing herein shall restrict SONUS from itself marketing, selling or distributing any such product.

11. REPRESENTATIONS AND WARRANTIES

11.1 SONUS hereby represents and warrants that:

(A) SONUS has the full right, power and corporate authority to enter into this Agreement, and to make the promises and grant the licenses set forth in this Agreement and that there are no outstanding agreements, assignments or encumbrances in existence inconsistent with the provisions of this Agreement.

(B) To the best knowledge of SONUS, the Licensed Patents have not or will not be obtained through any activity, omission or representation that would limit or destroy the validity of the Licensed Patents and SONUS has no knowledge or information that would materially adversely impact on or affect the validity and/or enforceability of the Licensed Patents.

(C) There are no actions threatened or pending before any court or governmental agency or other tribunal other than the PTO relating to the Licensed Patents or Know-How.

(D) SONUS has not authorized and will not during the term of this Agreement authorize Third Parties to practice the Licensed Patents or the Know-How in the Field in the Territory or otherwise grant rights or licenses to market and sell the Product in the Field in the Territory, other than as may be granted in any patent

infringement settlement as permitted pursuant to the terms of Section 3.8(C).

(E) No Third Party has acquired, owns or possesses any right, title or interest in or to the Licensed Patents or Know-How in the Field in the Territory.

11.2 ABBOTT hereby represents and warrants that:

(A) ABBOTT has the full right, power and corporate authority to enter into this Agreement and to make the promises set forth in this Agreement and that there are no outstanding agreements, assignments or encumbrances in existence inconsistent with the provisions of this Agreement.

(B) ABBOTT is an "accredited investor" within the meaning of Rule 501 under the Securities Act of 1933, as amended (the "Act") and hereby certifies that all shares of common stock in SONUS purchased or to be purchased by it pursuant to the exercise of the Warrants set forth in Articles 4 and 8 are being, or are to be, acquired by it for investment, and not with a view to the distribution thereof. Further, ABBOTT understands that the common stock to be purchased pursuant to the exercise of such Warrants will be "restricted securities" and may not be sold, transferred or otherwise disposed of without registration under the Act, or an exemption therefrom, and that in the absence of an effective registration statement, or an available exemption from registration under the Act, the common stock must be held indefinitely.

12. TERM AND TERMINATION

12.1 TERM. The term of this Agreement shall commence on the Effective Date, and unless sooner terminated pursuant to Section 12.2 or Article 9, and shall continue in effect until the last to expire of the patents under the Licensed Patents or end of the life of the branded Product, whichever is longer. The "life of the branded Product"

shall be defined as the time period ending three (3) months after FDA approval of the first generic form of the Product to be marketed by a Third Party in the Territory. Upon expiration of the term of this Agreement pursuant to this Section 12.1 ABBOTT shall have a fully paid up, irrevocable and non-exclusive license under the Know-How.

12.2 EARLY TERMINATION. This Agreement may be terminated in accordance with the following provisions:

(A) SURRENDER. In whole or in part by ABBOTT's surrender and termination of the licenses and rights granted hereunder at any time upon one (1) year prior written notice to SONUS.

(B) INSOLVENCY. By notice by either party to the other party upon (i) the insolvency of the other party, or the appointment of a receiver by the other party for all or any substantial part of its properties, provided that such receiver is not discharged within sixty (60) days of his appointment; (ii) the adjudication of the other party as a bankrupt; (iii) the admission by the other party in writing of its inability to generally pay its debts as they become due; (iv) the execution by the other party of an assignment for the benefit of its creditors; or (v) the filing by the other party of a petition to be adjudged a bankrupt, or a petition or answer admitting the material allegations of a petition filed against the other party in any bankruptcy proceeding, or the act of the other party in instituting or voluntarily being or becoming a party to any other judicial proceeding intended to effect a discharge of the debts of the other party, in whole or in substantial part.

(C) PRODUCT FAILURE. If the Product is found to be not safe or efficacious by ABBOTT, then ABBOTT may terminate this Agreement upon thirty (30) days written

notice to SONUS, subject to applicable indemnification as set forth in Section 13.1.

(D) SUPPLY FAILURE. In the event of failure to supply Product, the provisions of Section 3.5 shall apply. Any termination under Section 3.5 shall be subject to the provisions of Section 12.3(E).

(E) DEFAULT. Except as provided in Section 12.2 and Section 17.1, the rights set forth in this Article 12 to terminate this Agreement and to terminate the licenses granted hereunder are the only such rights of the parties to take such actions under this Agreement. If either party believes that the other party has committed a breach of any material provision of this Agreement, the following shall apply:

(i) If the other party has failed to remedy such breach within ninety (90) days after the receipt of notice in writing of such breach from the nonbreaching party, then the nonbreaching party may submit the issue of whether the other party has committed a breach of any material provision hereunder for resolution in accordance with the procedure set forth in Article 21 (Alternative Dispute Resolution); and

(ii) If the neutral person (as set forth in Article 21) in accordance with the procedures set forth in Article 21 renders a ruling that the breaching party has materially breached the Agreement; and

(iii) If the breaching party has materially failed to comply with the terms of such ruling within the time period specified therein for compliance or, if no time period is stated, then the nonbreaching party has served notice upon the breaching party to undertake the actions specified to comply with the terms of the ruling and the breaching party has materially failed, within thirty (30) days of such

notice with regard to payment obligations and within ninety (90) days of such notice with regard to other obligations, to undertake such action; then the nonbreaching party shall have the right to terminate this Agreement by delivering written notice to the breaching party within thirty (30) days after expiration of the applicable period under Section 12.2(E)(iii).

(iv) In the event that ABBOTT is the non-breaching party, in lieu of terminating the Agreement, ABBOTT may proceed under Section 12.4.

12.3 CONSEQUENCES OF EXPIRATION OR EARLY TERMINATION; SURVIVAL

(A) Upon expiration or early termination, including that set forth in Section 12.2(A), SONUS shall retain ownership of all regulatory filings or approvals, clinical data and all other data developed by SONUS in the Territory; ABBOTT shall retain ownership of all data developed solely by ABBOTT in the Territory. In the event of surrender or early termination, ABBOTT shall make no further use of the Licensed Patents or Know-How within the Territory. Upon expiration or termination, any sublicenses granted under such licenses shall be terminated. Expiration or early termination of the Agreement shall not effect the Supply Agreement, which shall remain effective as to its terms.

(B) If this Agreement is terminated in part or in whole by ABBOTT under Section 12.2, then SONUS, at ABBOTT's option, shall repurchase all remaining Product which is reasonably resalable from ABBOTT at ABBOTT's cost, unless otherwise mutually agreed by the parties, within thirty (30) days of termination.

(C) If the Agreement is terminated under Section 12.2(B), then the parties shall have the rights as set forth in those bankruptcy statutes, as may be

amended at the time of such termination, governing intellectual property rights of licensors and licensees, as appropriate, in a bankruptcy proceeding.

(D) If this Agreement is terminated by either party for any reason, then ABBOTT's exclusive license hereunder shall terminate, SONUS shall repurchase the remaining Product which is reasonably resalable from ABBOTT at ABBOTT's cost, unless otherwise mutually agreed by the parties within thirty (30) days of termination and neither party will have any further liability to the other except as set forth in Section 12.3(E). If this Agreement is terminated by either party under Section 12.2(D) or 12.2(E) due to breach of the provisions of this Agreement, then the non-breaching party may seek damages for breach from the breaching party. If the breach is a breach of a representation or warranty set forth in Article 11, then the non-breaching party shall also have the remedy set forth in Article 13. Neither party shall have any further liability to the other except as set forth in Section 12.3(E) and this Section.

(E) Expiration or early termination of this Agreement shall not relieve either party of its obligations incurred prior to expiration or early termination. The obligations under Article 22 (Publicity); Article 21 (Alternative Dispute Resolution); Article 19 (Assignment); Article 15 (Confidential Information); Article 14 (Limitation of Liability); Article 13 (Indemnification); and Article 11 (Representations and Warranties) shall survive expiration or early termination of this Agreement or of any extensions thereof.

12.4 ABBOTT RIGHT TO CONTINUE. Notwithstanding the foregoing, in the event of default by SONUS under Section 12.2(E), then ABBOTT may, at ABBOTT's option (i) seek damages for breach by SONUS and continue to operate under the Agreement

and keep the Agreement in effect, in which case ABBOTT shall have the right, but not the obligation, to assume any and all responsibilities of SONUS as set forth under Article 3 and be entitled to adjustment in the division of revenue reflecting ABBOTT's assumption of such responsibilities as reasonably determined by ABBOTT, or (ii) seek damages for breach by SONUS and terminate the Agreement.

13. INDEMNIFICATION

13.1 BY SONUS. SONUS shall indemnify, defend and hold ABBOTT, its directors, employees, agents and representatives harmless from and against all claims, causes of action, settlement costs, (including reasonable attorney fees and expenses), losses or liabilities of any kind (A) which are asserted by a Third Party and which (i) arise out of or are attributable to any negligent act or omission or willful misconduct on the part of SONUS, its directors, employees, agents or representatives, or (ii) involve the use of the Product as a pharmaceutical product or the safety or efficacy of the Product, including any theory of strict liability in tort or any other theory of product liability, and which are not otherwise attributable to any negligent act or omission or willful misconduct on the part of ABBOTT, its directors, employees, agents or representatives; or (iii) arise from claims that the product or its manufacture, use or sale infringes a patent, trademark or other proprietary right of a Third Party provided that the infringement does not relate solely to the manufacturing procedure of ABBOTT; or (B) arise from a breach of a representation or warranty in Section 11.1; (C) arise out the negligent act or omission or willful misconduct by SONUS in the manufacture of the Product by SONUS; or (D) arising, from the supply by SONUS and use by ABBOTT of bulk raw materials which fail to comply with Bulk Raw Materials

Specifications, as defined in the Supply Agreement, where ABBOTT manufactures the Product.

13.2 BY ABBOTT. ABBOTT shall indemnify, defend and hold SONUS, its directors, employees, agents and representatives harmless from and against all claims, causes of action, settlement costs (including reasonable attorney fees and expenses), losses or liabilities of any kind (A) which are asserted by a Third Party and which arise out of or are attributable to any negligent act or omission or willful misconduct on the part of ABBOTT, its employees, agents, or representatives, or (B) which arise from a breach of a representation or warranty in Section 11.2.

13.3 CONDITION OF INDEMNIFICATION. If either party expects to seek indemnification under this Article, it shall promptly give notice to the indemnifying party of the basis for such claim of indemnification. If indemnification is sought as a result of any Third Party claim or suit, such notice to the indemnifying party shall be within fifteen (15) days after receipt by the other party of such claim or suit (if to ABBOTT, notice to Abbott Laboratories, Risk Management, D-317, 100 Abbott Park Road, Abbott Park, IL 60064-3500; if to SONUS, notice as set forth in Article 18); provided, however, that the failure to give notice within such time period shall not relieve the indemnifying party of its obligation to indemnify unless it shall be materially prejudiced by the failure. Each party shall cooperate fully with the other party in the defense of all such claims or suits. No offer of settlement, settlement or compromise shall be binding on a party hereto without its prior written consent (which consent will not be unreasonably withheld) unless such settlement fully releases the other party without any liability, loss, cost or obligation to such party.

14. LIMITATION OF LIABILITY

Except for Third Party liability arising under Article 13, in no event shall either party be liable for loss of profits or other economic loss, or for indirect, incidental, penal or consequential damages, or other similar damages arising out of this Agreement.

15. CONFIDENTIAL INFORMATION

15.1 DUE CARE. It is recognized by the parties that during the term of this Agreement, the parties will exchange Confidential Information pertaining to their performance hereunder. Each party will exercise due care to prevent the disclosure of Confidential Information of the other party.

15.2 PERMITTED DISCLOSURES

(A) Notwithstanding the above, nothing contained in this Agreement shall preclude SONUS or ABBOTT from utilizing or disclosing to others its Confidential Information or utilizing Confidential Information received from the other party as may be required (i) for regulatory purposes, including obtaining FDA approvals; (ii) for audit, tax or customs purposes; or (iii) by law (including disclosure obligations under applicable securities laws), court or other government order, provided that the party subject to such order notifies the other party and uses reasonable efforts to obtain a protective order covering such Confidential Information.

(B) In addition to the foregoing, ABBOTT and SONUS may disclose the Confidential Information of the other party, only to such employees or Third Parties who have a reasonable need for the Confidential Information in the performance of their services in connection with the matters set forth in this Agreement or otherwise within the scope of the licenses set forth in Article 5 and Section 3.9; who are informed

of the confidential nature of the Confidential Information; and who are bound not to disclose such Confidential Information.

15.3 OTHER AGREEMENTS. The parties have entered into a Confidential Disclosure Agreement dated October 7, 1992 ("CDA"). The CDA shall remain in full force and effect as to its confidentiality requirements for the terms specified therein. However, on and after the Effective Date of this Agreement, all subject matter conveyed or covered under this Agreement shall be governed in all respects by the confidentiality provisions contained in this Article 15. The obligations of the parties set forth in this Article 15 shall apply during the term hereof and for a period of five (5) years after the date of early termination or expiration of this Agreement or any extension thereof.

16. NON-COMPETE

For a period of five (5) years after the Effective Date each party and its Affiliates shall undertake not to market or sell a competing product in the Territory to an end user. However, nothing contained in this Article 16 shall be construed as preventing (i) either party from conducting research and development, manufacturing, formulation development, and/or distribution activities relating to a competing product during such period or thereafter, or (ii) the grant of any rights in any patent infringement settlement as permitted pursuant to the terms of Section 3.8(C).

For purposes of this Article 16, a competing product shall mean a product in the Field whose mode of action and/or mechanism is materially similar to the Product.

17. FORCE MAJEURE

17.1 EVENTS OF FORCE MAJEURE. Delay or failure on the part of either party in

performing its obligations under this Agreement shall not subject such party to any liability to the other if such delay or failure is caused by or results from acts such as but not limited to acts of God, fire, explosion, flood, drought, war, riot, sabotage, embargo, strikes or other labor trouble, or compliance with any law, order or regulation of any government entity acting with color of right.

17.2 CONSEQUENCES OF FORCE MAJEURE. Upon occurrence of an event of force majeure, the party affected shall promptly notify the other in writing, setting forth the details of the occurrence, and making every attempt to resume the performance of its obligations as soon as practicable after the force majeure event ceases. If such event prevents performance by one party for more than six (6) months, then the other party may terminate this Agreement subject to Section 12.3.

18. NOTICES

Any notices permitted or required by this Agreement shall be sent by (A) facsimile, (B) registered mail or (C) a recognized private mail carrier service, and such notice shall be effective on the date received as indicated by the facsimile imprint date in the case of (A) and the carrier receipt in the case of (B) and (C). If sent and addressed as follows or to such other address as may be designated by a party in writing:

If to SONUS: SONUS PHARMACEUTICALS, INC.
22026 20th Avenue, S.E.
Suite 102
Bothell, Washington 98021
Telefax: (206) 489-0626
Attention: Steven Quay, M.D., Ph.D

With a copy to: Stradling, Yocca, Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660-6441
Telefax: (714) 725-4100
Attention: K. C. Schaaf

If to ABBOTT: ABBOTT LABORATORIES
Hospital Products Division
200 Abbott Park Road
Abbott Park, IL 60064-3537
Telefax: (847) 937-0805
Attention: President, Hospital Products Division

With copy to: Division Vice President
Domestic Legal Operations
D-322, AP6D
Abbott Laboratories
100 Abbott Park Road
Abbott Park, IL 60064-3500
Telefax: (847) 938-1206

19. ASSIGNMENT

19.1 LIMITATION ON ASSIGNMENT. This Agreement may not be assigned or transferred by either party, whether by operation of law or otherwise, except that either party may assign this Agreement to any of its Affiliates, or to any successor by merger or sale of substantially all of its business unit to which this Agreement relates without the consent of the other party. Any attempted delegation or assignment not in accordance with this Article 19 shall be of no force or effect.

19.2 ASSUMPTION BY ABBOTT. In the event that SONUS sells, transfers or otherwise assigns this Agreement to a third party ("Assignee") as permitted in this Article 19, and ABBOTT, in ABBOTT's reasonable discretion, determines that the Assignee is not at least as capable as SONUS of performing its (SONUS') responsibilities under this Agreement, ABBOTT may, upon thirty (30) days prior written

notice to Assignee, assume any or all of Assignee's responsibilities under this Agreement, including, but not limited to, responsibilities set forth in Section 3 and other responsibilities agreed to by the parties in accordance with Section 6.1, and adjust, in ABBOTT's reasonable discretion, the Revenue Payment set forth in Article 7 proportionately in accordance with the reduction in the responsibilities of Assignee.

20. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns.

21. ALTERNATIVE DISPUTE RESOLUTION

The parties agree that any dispute that arises in connection with this Agreement shall first be presented to the respective presidents of the ABBOTT Hospital Products Division, and of SONUS, or their designees, for resolution. If no resolution is reached, then such dispute shall be resolved by binding Alternative Dispute Resolution ("ADR") in the manner described in the Appendix 21. Anything herein to the contrary notwithstanding the neutral shall not have the ability to change or alter any decision of ABBOTT to exercise its rights under Section 12.4.

22. PUBLICITY

The parties agree that upon the execution of this Agreement, a press release approved by both parties will be issued. Except for such press release and periodic disclosures by SONUS required by law or regulation or in the ordinary course of its SEC filings, neither party shall (A) originate any publicity, news release or other public announcement, written or oral, whether to the public press, stockholders or otherwise, relating to this Agreement, any amendment hereto or performance hereunder, or (B)

use the name of the other in any publicity, news release or other public announcement, except (i) with the prior written consent of the other party, or (ii) as required by law, in which case the originating party will give to the other party at least ten (10) days prior notice of such proposed disclosure to complete a review in order to offer comments and modifications. Consistent with applicable law, the other party will have the right to request reasonable changes to the disclosure to protect its interests. In all other cases, the originating party shall give the consenting party at least twenty-one (21) days to complete a review in order to offer comments, modifications or to give such consent. The party required to give consent shall endeavor to respond in less than twenty-one (21) days if practicable.

23. RELATIONSHIP OF PARTIES

The relationship of the parties under this Agreement is that of independent contractors. Nothing contained in this Agreement is intended or is to be construed so as to constitute the parties as partners, joint venturers, or either party as an agent or employee of the other. Neither party has any express or implied right under this Agreement to assume or create any obligation on behalf of or in the name of the other, or to bind the other party to any contract, agreement or undertaking with any Third Party, and no conduct of the parties shall be deemed to infer such right.

24. APPENDICES AND EXHIBITS

All Appendices and Exhibits referenced herein are hereby made a part of this Agreement.

25. HEADINGS

The headings used in this Agreement are for convenience only and are not a part of this Agreement.

26. WAIVER

No waiver by either party of any default, right or remedy shall be effective unless in writing, nor shall any such waiver operate as a waiver of any other or of the same default, right or remedy respectively, on a future occasion.

27. SEVERABILITY

If any term or provision of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other term or provision hereof, and this Agreement shall be interpreted and construed as if such term or provision, to the extent the same shall have been held to be invalid, illegal or unenforceable, had never been contained herein.

28. ENTIRE AGREEMENT; AMENDMENT

Except as specifically contemplated in this Agreement and except for the CDA and the Supply Agreement, this Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements, written and oral, between the parties. No modification of any of the terms of this Agreement shall be deemed to be valid unless it is in writing and signed by both parties. No course of dealing or usage of trade shall be used to modify the terms and conditions herein.

29. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of Washington, excluding its conflict of laws principles.

30. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the day and year first above written.

ABBOTT LABORATORIES	SONUS PHARMACEUTICALS, INC.
By: /s/ John G. Kringel	By: /s/ Steven C. Quay, M.D., Ph.D
John G. Kringel President Hospital Products Division	Steven C. Quay, M.D., Ph.D President and Chief Executive Officer

APPENDIX 2.3

RESEARCH AND DEVELOPMENT
PAYMENT SCHEDULE

Execution of definitive agreement (Includes $1,000,000 payment for grant of licenses)		$4 Million
Quarterly Milestone Payments*		
Payment 1		$1 Million
Payment 2		$1 Million
Payment 3		$1 Million
Payment 4		$1 Million
Payment 5		$1 Million
Payment 6		$1 Million
Payment 7		$1 Million
Filing NDA**	within 15 days	$2 Million
	within 105 days	$1 Million
	within 195 days	$1 Million
NDA acceptance by FDA**		
	within 15 days	$1 Million
	within 105 days	$1 Million
	within 195 days	$1 Million
	within 285 days	$1 Million
Advisory Panel Approval**		
	within 15 days	$2 Million
	within 105 days	$2 Million
	within 195 days	$2 Million
NDA approval		$2 Million
First Shipment of Product		$4 Million

* Payments made on January 1, April 1, July 1, and October 1. Payments will begin on the first quarter after the Effective Date.

** For indications substantially as listed in Appendix 1.6.

EXHIBIT A

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933; THEY HAVE BEEN ACQUIRED BY THE HOLDER FOR INVESTMENT AND MAY NOT BE PLEDGED, HYPOTHECATED, SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT AS MAY BE AUTHORIZED UNDER THE SECURITIES ACT OF 1933 AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.

Warrant Certificate No. _____
______________, 1996
___________ Warrants SONUS PHARMACEUTICALS, INC.

WARRANT CERTIFICATE

THIS WARRANT CERTIFICATE (the "Warrant Certificate"), certifies that _________________ or registered assigns (the "Holder"), is the owner of _______ warrants ("Warrants"), each of which entitles the Holder hereof to purchase, as and when described herein one fully paid and non-assessable share of common stock, as such shares may be adjusted pursuant to Paragraph 5, ("Common Stock") of SONUS PHARMACEUTICALS, INC., a Delaware corporation (the "Company"), at a purchase price of $________ per share during the term of this Warrant Certificate.

1. WARRANT. Each Warrant entitles the Holder to purchase one fully paid and nonassessable share of Common Stock of the Company (such number being subject to adjustment as provided in Paragraph 5 hereof) on the terms and conditions herein set forth.

2. PURCHASE PRICE. The purchase price of the shares of Common Stock covered by the Warrants shall be $_______ per share, subject to adjustment as provided in Paragraph 5 hereof. The purchase price of the shares of Common Stock as to which the Warrants shall be exercised shall be paid in full at the time of exercise and such consideration may consist of cash, check or bank draft.

3. TERM OF WARRANT. The term of Warrants shall commence on the date hereof and all rights to purchase shares of Common Stock hereunder shall cease at 11:59 P.M. on ______________________, _________, subject to earlier termination as provided herein. Warrants granted hereunder may be exercised at any time from the date hereof until expiration hereof. The Holder of the Warrants shall not have any of the rights of a stockholder with respect to the shares covered by the Warrants as to any shares of Common Stock not actually issued and delivered to it.

4. TRANSFERABILITY. The Warrants shall not be transferable or assignable except to an Affiliate of the Holder without the prior written consent of the Company, which consent shall not be unreasonably withheld. The Holder may transfer or assign the shares of Common Stock issuable upon exercise of the Warrants; provided, however, that (i) a registration statement with respect thereto has become effective under the Securities Act; or (ii) in the opinion of counsel to the Holder such registration is not necessary; or (iii) such transfer complies with the provisions of Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). The legend imprinted on the certificates pursuant to Section 10 shall be removed, and the Company shall issue a new certificate without such legend to the Holder of such security if such security is registered under the Securities

Act or, in the opinion of counsel to the Holder such legend is no longer required under the Securities Act or the conditions for a permissible sale or transfer under Rule 144(k) have been complied with. For purposes of this Warrant Certificate, "Affiliate" shall mean any wholly-owned subsidiary or parent of, or any corporation, entity or other person which is, within the meaning of the 1933 Act, controlling, controlled by or under common control with, the Holder or the Company, as the case may be.

5. ADJUSTMENTS FOR STOCK SPLITS, CONSOLIDATIONS, ETC. The purchase price and number and class of shares subject to this Warrant Certificate shall all be proportionately adjusted in the event of any change or increase or decrease in the number of issued shares of Common Stock in the Company, without receipt of consideration by the Company, which result from a split-up or consolidation of shares, payment of a share dividend, a recapitalization, combination of shares or other like capital adjustment, so that, upon exercise of this Warrant Certificate, the Holder shall receive the number and class of shares it would have received had it been the holder of the number of shares of Common Stock in the Company, for which this Warrant Certificate is being exercised, on the date of such change or increase or decrease in the number of issued shares of Common Stock in the Company. If the Company shall reorganize, consolidate or merge with or into any other corporation where the Company is not the surviving entity, then each share of Common Stock shall be convertible into the consideration to which the shares of Common Stock subject to this Warrant Certificate would have been entitled to receive upon the effectiveness of such reorganization, merger or consolidation. "Affiliate" shall have the meaning set forth in Paragraph 4. Adjustments under this paragraph shall be made by the Board of Directors in its reasonable, good faith judgment, whose determination with respect thereto shall be final and conclusive. No fractional shares shall be issued under this Warrant Certificate or upon any such adjustment.

6. METHOD OF EXERCISING WARRANTS.

(a) Subject to the terms and conditions of this Warrant Certificate, the Warrants may be exercised by surrender of the Warrant Certificate together with delivery to the Company at its principal office of a signed Subscription Agreement in the form attached hereto as Annex 1 (the "Subscription Agreement") specifying the number of shares to be purchased. Such Subscription Agreement shall be accompanied by payment in cash, check or bank draft, payable to the Company, equal to, in the aggregate, the full purchase price of such shares. The Company shall deliver a certificate or certificates representing the shares subject to such exercise as soon as practicable after the Subscription Agreement and consideration for the shares shall have been received by the Company, and the Holder shall be deemed a record holder of Common Stock upon such receipt by the Company. All shares that shall be purchased upon the exercise of the Warrants as provided herein shall be fully paid and nonassessable.

(b) In addition, the Holder shall have the right, upon its written request delivered or transmitted to the Company together with this Warrant Certificate, to exchange this Warrant Certificate, in whole or in part at any time or from time to time on or prior to _______________, _______, for the number of shares of Common Stock having an aggregate Fair Market Value (determined as set forth in Paragraph 6(c) below) on the date of such exchange equal to the difference between (1) the aggregate Fair Market Value on the date of such exchange of a number of shares designated by the Holder and (2) the aggregate exercise price the Holder would have paid to the Company to purchase such designated number of shares upon exercise of this Warrant Certificate. Upon any such exchange, the number of shares purchasable upon exercise of this Warrant Certificate shall be

reduced by such designated number of shares, and, if a balance of purchasable shares remains after such exchange, the Company shall execute and deliver to the Holder a new Warrant Certificate evidencing the right of the Holder to purchase such balance of shares. No payment of any cash or other consideration shall be required. Such exchange shall be effective upon the date of receipt by the Company of the original Warrant Certificate surrendered for cancellation and a written request from the Holder that the exchange pursuant to this Section be made, or at such later date as may be specified in such request.

(c) Fair market value of the Common Stock ("Fair Market Value") shall be determined as follows:

(i) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such an exchange; or is listed on the Nasdaq National Market or Small Cap Market, the current Fair Market Value shall be the volume-weighted average price of the Common Stock on such exchange or Nasdaq for the ten (10) business days prior to the date of exchange of this Warrant; or

(ii) If the Common Stock is not so listed or admitted to unlisted trading privileges or quoted on Nasdaq, the current Fair Market Value shall be the volume-weighted average of the mean of the last bid and asked prices reported for the ten (10) business days prior to the date of the exchange of this Warrant (1) by Nasdaq, or (2) if reports are unavailable under clause (i) above, by the National Quotation Bureau Incorporated; or

(iii) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current Fair Market Value shall be determined in good faith as promptly as reasonably practicable by the Board of Directors.

7. REGISTRATION RIGHTS. The Holder hereunder has been made a party to the SONUS Pharmaceuticals, Inc. Amended and Restated Registration Rights Agreement dated November 23, 1994, as amended ("Registration Rights Agreement"). The shares of Common Stock issuable upon exercise of this Warrant Certificate are included as "Registrable Securities" under the Registration Rights Agreement (as that term is defined in the Registration Rights Agreement) with all registration rights pertaining to such Registrable Securities.

8. GENERAL. The Company shall at all times during the term of the Warrants reserve and keep available such number of shares of Common Stock as will be sufficient to satisfy the requirements of this Warrant Certificate, shall pay all original issue and transfer taxes with respect to the issue and transfer of shares pursuant hereto and all other fees and expenses necessarily incurred by the Company in connection therewith, and will from time to time use its best efforts to comply with all laws and regulations, which, in the opinion of counsel for the Company, shall be applicable thereto.

9. LEGENDS. It is understood that the certificates evidencing the Common Stock purchased upon exercise of this Warrant Certificate may bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933; THEY HAVE BEEN ACQUIRED BY THE HOLDER FOR INVESTMENT AND MAY NOT BE

PLEDGED, HYPOTHECATED, SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT AS MAY BE AUTHORIZED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER."

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be duly executed by its officers thereunto duly authorized, all as of the day and year first above written.

SONUS PHARMACEUTICALS, INC.

By:

Its:

ANNEX I TO WARRANT CERTIFICATE

SUBSCRIPTION AGREEMENT

The undersigned holder of the Warrant Certificate to which this Subscription Agreement is attached as Annex I hereby subscribes for ____________ shares of Common Stock which the undersigned is entitled to purchase pursuant to the terms of such Warrant Certificate. Payment of the purchase price for the Warrants is being made concurrently herewith.

I hereby certify that all of the shares of Common Stock, $0.001 par value, of SONUS PHARMACEUTICALS, INC., purchased by the undersigned pursuant to the exercise on this date of the Warrants granted to the undersigned by the Warrant Certificate are being acquired by the undersigned for investment and not with a view to the distribution thereof.

Date:

____
Signature

Type or Print Name

Street Address

____
City State Zip Code

Exhibit 99.2

SONUS PHARMACEUTICALS, INC.

THIRD AMENDED AND RESTATED

REGISTRATION RIGHTS AGREEMENT

This Third Amended and Restated Registration Rights Agreement is entered into as of May 15, 1996, by and among SONUS Pharmaceuticals, Inc., a Delaware corporation (the "Company"), Steven C. Quay, M.D., Ph.D. (the "Founder"), Daiichi Pharmaceutical Co., Ltd. ("Daiichi"), Mallinckrodt Medical, Inc., a Delaware corporation ("Mallinckrodt"), Abbott Laboratories, an Illinois corporation ("Abbott"), Guerbet, S.A. ("Guerbet"), certain holders of shares of Common Stock of the Company set forth on Exhibit 1 hereto (such persons, together with Guerbet, are herein collectively referred to as the "Common Holders"), and those Purchasers (the "Series A Purchasers") of the Company's Series A Preferred Stock pursuant to that certain Series A Preferred Stock Purchase Agreement dated as of November 1, 1991 (the "Series A Purchase Agreement"). The Founder, Daiichi, Mallinckrodt, Abbott and such Series A Purchasers shall be referred to collectively hereinafter as the "Holders" and each individually as a "Holder."

R E C I T A L S :

A. The Company, the Founder and the Series A Purchasers entered into that certain Registration Rights Agreement dated as of November 1, 1991 (the "Registration Rights Agreement").

B. The Registration Rights Agreement was amended and restated pursuant to that certain Amended and Restated Registration Rights Agreement dated as of November 5, 1993 among the Series A Purchasers, the Founder and Daiichi (the "First Restated Registration Rights Agreement").

C. The First Restated Registration Rights Agreement was amended by an Amendment No. 1 dated February 11, 1994 (the "Amendment") to include the shares of Common Stock held by the Common Holders as "Registrable Securities" for certain purposes of the First Restated Registration Rights Agreement.

D. The First Registration Rights Agreement was amended and restated pursuant to an Amended and Restated Registration Rights Agreement dated November 23, 1994 to include certain additional securities as "Registrable Securities" thereunder (the "Second Restated Registration Rights Agreement").

E. The Second Registration Rights Agreement was amended by Amendment No. 1 thereto dated February 11, 1994, an Amendment dated January 3, 1995, Amendment No. 2 dated March 20, 1995 and Amendment No. 3 dated October 17, 1995.

F. The Parties desire to amend and restate the Second Restated Registration Rights Agreement to (i) include Abbott as a "Holder" thereunder and up to 625,000 shares of Common Stock issuable upon exercise of Warrants issued or which may be issued to Abbott (the "Abbott Warrants") as "Registrable Securities" hereunder; (ii) include shares of Common Stock issuable upon exercise of Warrants to purchase an aggregate of 69,471 shares of Common Stock issued to the Series A Purchasers as of July 31, 1995 in connection with the extension of the repayment of certain

bridge financing loans issued in 1993 and 1994 as Registrable Securities hereunder; and (iii) reflect the current facts and circumstances following the completion of the Company's initial public offering completed on October 17, 1995.

NOW THEREFORE, in consideration of the mutual agreements, covenants and conditions and releases contained herein, the Company, the Common Holders and each of the Holders hereby agree as follows:

SECTION 1.

REGISTRATION RIGHTS

The Company hereby grants to each of the Holders and the Common Holders the registration rights set forth in this Section 1, with respect to the Registrable Securities and/or Piggyback Registrable Securities (as hereinafter defined) owned by the Holders or the Common Holders, as applicable. The Company, the Holders and the Common Holders agree that the registration rights provided herein set forth the sole and entire agreement on the subject matter between the Company, the Holders and the Common Holders.

1.1 DEFINITIONS. As used in this Section 1:

(a) The terms "register", "registered", and "registration" refer to a registration effected by filing with the Securities and Exchange Commission (the "SEC") a registration statement (the "Registration Statement") in compliance with the Securities Act of 1933, as amended (the "1933 Act") and the declaration or ordering by the SEC of the effectiveness of such Registration Statement.

(b) The term "Registrable Securities" means (i) 1,410,295 shares of Common Stock held by the Founder, (ii) 2,375,854 shares of Common Stock held by Series A Purchasers in the respective amounts on the date hereof as set forth in Exhibit 2 attached hereto; (iii) 462,857 shares of Common Stock held by Daiichi issued upon conversion of the Debenture, (iv) 35,145 shares of Common Stock held by Mallinckrodt issued upon conversion of shares of Series C Preferred Stock; (v) Common Stock issued or issuable upon exercise of the Abbott Warrants initially exercisable into an aggregate of up to 625,000 shares of Common Stock; (vi) Common Stock issued or issuable upon exercise of those certain Warrants exercisable into an aggregate of 316,295 shares of Common Stock held by the Founder and certain of the Holders in the respective amounts set forth in Exhibit 3 attached hereto; and (vii) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange or in replacement of, such Registrable Securities (as defined in clauses (i), (ii), (iii), (iv), (v) and (vi). In the event of any recapitalization by the Company, whether by stock split, reverse stock split, stock dividend or the like, the number of shares of Registrable Securities used throughout this Agreement for various purposes shall be proportionately increased or decreased.

(c) The term "Piggyback Registrable Securities" means (i) Registrable Securities; (ii) 595,308 shares of Common Stock held by the Common Holders as set forth on Exhibit 1; and (iii) the 549,410 shares of Common Stock held by Guerbet. In the event of any recapitalization by the Company, whether by stock split, reverse stock split, stock dividend or the like, the number of

shares of Piggyback Registrable Securities used throughout this Agreement for various purposes shall be proportionately increased or decreased.

(d) The term "Initiating Holders" means any Holder or Holders of not less than fifty percent (50%) of the Registrable Securities held by all of the Holders then outstanding and not registered at the time of any request for registration pursuant to paragraph 1.2 of this Agreement.

(e) The term "Piggyback Holders" means the holders of Piggyback Registrable Securities.

1.2 DEMAND REGISTRATION.

(a) DEMAND FOR REGISTRATION. If the Company shall receive from Initiating Holders a written demand (a "Demand Registration") that the Company effect any registration under the 1933 Act of all or part of the Registrable Securities (other than a registration on Form S-3 or any related form of registration statement, such a request being provided for under paragraph 1.9 hereof) the Company will:

(i) promptly (but in any event within 10 days) give written notice of the proposed registration to all other Holders; and

(ii) use its best efforts to effect such registration as soon as practicable as may be so demanded and as will permit or facilitate the sale and distribution of all or such portion of such Initiating Holders' Registrable Securities as are specified in such demand, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such demand as are specified in a written demand received by the Company within 30 days after such written notice is given, provided that the Company shall not be obligated to take any action to effect any such registration, pursuant to this paragraph 1.2:

(A) Within 120 days immediately following the effective date of any registration statement pertaining to an underwritten public offering of securities of the Company for its own account (other than a registration on Form S-4 relating solely to an SEC Rule 145 transaction, or a registration relating solely to employee benefit plans);

(B) After the Company has effected an aggregate of two such registrations pursuant to this paragraph 1.2 and the sales of the shares of Common Stock under such registrations have closed;

(C) If the Company shall furnish to such Holders a certificate signed by the President of the Company, stating that in the good faith judgment of the board of directors of the Company it would be seriously detrimental to the Company and its shareholders for such Registration Statement to be filed at the date filing would be required, in which case the Company shall have an additional period of not more than 90 days within which to file such Registration Statement; provided, however, that the Company shall not use this right more than once in any twelve month period;

(D) If the Demand Registration covers less than 30 percent of Registrable Securities held by all of the Holders and the proposed aggregate offering price

to the public of the Registrable Securities to be included in the registration by all Holders, is less than $5,000,000; or

(E) Prior to October 17, 1996.

(b) UNDERWRITING. If the Initiating Holders intend to distribute the Registrable Securities covered by their demand by means of an underwriting, they shall so advise the Company as part of their demand made pursuant to this paragraph 1.2; and the Company shall include such information in the written notice referred to in subparagraph 1.2(a)(i). In such event, the right of any Holder to registration pursuant to this paragraph 1.2 shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein.

The Company shall, together with all Holders proposing to distribute their securities through such underwriting, enter into an underwriting agreement in customary form with the underwriter or underwriters selected by a majority in interest of the Initiating Holders and reasonably satisfactory to the Company. Notwithstanding any other provision of this paragraph 1.2, if the underwriter shall advise the Company in writing that marketing factors (including, without limitation, an adverse effect on the per share offering price) require a limitation of the number of shares to be underwritten, then the Company shall so advise all Holders of Registrable Securities that would otherwise be registered and underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be allocated pro rata among such Holders thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities held by such Holders at the time of filing the registration statement. For purposes of any underwriter cutback, all Registrable Securities held by any Holder which is a partnership or corporation shall also include any Registrable Securities held by the partners, retired partners, shareholders or affiliated entities of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons, and such Holder and other persons shall be deemed to be a single "selling Holder", and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence. No Registrable Securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration.

If any Holder disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Company, the underwriter, and the Initiating Holders. The Registrable Securities so withdrawn shall also be withdrawn from registration.

If the underwriter has not limited the number of Registrable Securities to be underwritten, the Company may include securities for its own account (or for the account of other shareholders) in such registration if the underwriter so agrees and if the number of Registrable Securities that would otherwise have been included in such registration and underwriting will not thereby be limited.

1.3 COMPANY REGISTRATION.

(a) If at any time or from time to time the Company shall determine to register any of its securities, either for its own account or the account of security holders, other than a registration relating solely to employee benefit plans, a registration on Form S-4 relating solely to an SEC Rule 145 transaction, or a registration pursuant to paragraph 1.2 hereof, the Company will:

(i) promptly give to the Piggyback Holders written notice thereof (which shall include a list of the jurisdictions in which the Company intends to attempt to qualify such securities under the applicable blue sky or other state securities laws); and

(ii) include in such registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Piggyback Registrable Securities specified in a written request or requests, made within 20 days after receipt of such written notice from the Company, by the Piggyback Holders, except as set forth in subparagraph 1.3(b) below.

(b) UNDERWRITING. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise the Piggyback Holders as a part of the written notice given pursuant to subparagraph 1.3(a)(i). In such event, the right of the Piggyback Holders to registration of his or its Piggyback Registrable Securities pursuant to this paragraph 1.3 shall be conditioned upon the Piggyback Holder's participation in such underwriting and the inclusion of the Piggyback Holder's Piggyback Registrable Securities in the underwriting to the extent provided herein. The Piggyback Holders proposing to distribute their securities through such underwriting shall, together with the Company and the other parties distributing their securities through such underwriting, enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company. Notwithstanding any other provision of this paragraph 1.3, if the underwriter determines that marketing factors require a limitation of the number of shares to be underwritten, the underwriter may limit the number of Piggyback Registrable Securities to be included in the registration and underwriting, or may exclude Piggyback Registrable Securities entirely from such registration and underwriting subject to the terms of this paragraph; provided, however, for any registration, the limitation shall not reduce the number of Piggyback Registrable Securities to be included in the offering below thirty percent (30%) of the total number of shares to be included in the offering unless the holders of at least a majority of Piggyback Registrable Securities then outstanding otherwise consent to or approve the limitation of the number of shares to be underwritten. The Company shall so advise all holders of the Company's securities that would otherwise be registered and underwritten pursuant hereto, and the number of shares of such securities, including Piggyback Registrable Securities, that may be included in the registration and underwriting shall be allocated in the following manner: shares, other than Piggyback Registrable Securities, requested to be included in such registration by shareholders shall be excluded, and if a limitation on the number of shares is still required, the number of Piggyback Registrable Securities that may be included shall be allocated among the Piggyback Holders thereof in proportion, as nearly as practicable, to the respective amounts of Piggyback Registrable Securities held by the Piggyback Holders at the time of filing the Registration Statement. For purposes of any underwriter cutback, all Piggyback Registrable Securities held by any Piggyback Holder which is a partnership or corporation shall also include any Piggyback Registrable Securities held by the partners, retired partners, shareholders or affiliated entities of such Piggyback Holder or the estates and family

members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons, and such Piggyback Holder and other persons shall be deemed to be a single "selling Holder", and any pro rata reduction with respect to such "selling Piggyback Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Piggyback Holder," as defined in this sentence. No securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration. If any Piggyback Holder disapproves of the terms of the underwriting, it may elect to withdraw therefrom by written notice to the Company and the underwriter. The Piggyback Registrable Securities so withdrawn shall also be withdrawn from registration.

(c) TERMINATION OF REGISTRATION RIGHTS. No Piggyback Holder shall be entitled to exercise any right provided for in this Section 1.3 after October 17, 1998.

1.4 EXPENSES OF REGISTRATION. All expenses incurred in connection with the first two registrations effected pursuant to paragraph 1.2 and all registrations effected pursuant to paragraphs 1.3 and 1.9, including without limitation all registration, filing, and qualification fees (including blue sky fees and expenses), printing expenses, escrow fees, fees and disbursements of counsel for the Company and of one special counsel for the participating Holders and the Common Holders, and expenses of any special audits incidental to or required by such registration, shall be borne by the Company; provided, however, that the Company shall not be required to pay stock transfer taxes or underwriters' discounts, or commissions relating to Registrable Securities or Piggyback Registrable Securities. Notwithstanding anything to the contrary above, the Company shall not be required to pay for any expenses of any registration proceeding under paragraph 1.2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to have been registered, unless such Holders agree to forfeit their right to a demand registration pursuant to paragraph 1.2 (in which event such right shall be forfeited by all Holders). In the absence of such an agreement to forfeit, the Holders of Registrable Securities to have been registered shall bear all such expenses pro rata on the basis of the Registrable Securities to have been registered. Notwithstanding the preceding sentence, however, if at the time of the withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request, of which the Company had knowledge at the time of the request, then the Holders shall not be required to pay any of said expenses and shall retain their rights pursuant to paragraph 1.2.

1.5 OBLIGATIONS OF THE COMPANY. Whenever required under this Section 1 to effect the registration of any Registrable Securities or Piggyback Registrable Securities the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the SEC a registration statement with respect to such Registrable Securities or Piggyback Registrable Securities and use its diligent best efforts to cause such registration statement to become effective, and keep such registration statement effective for up to ninety (90) days or until the Holders and the Common Holders have completed the distribution relating thereto.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the 1933 Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the Holders and the Common Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the 1933 Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities or Piggyback Registrable Securities owned by them.

(d) Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders and the Common Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder and each Common Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each holder of Registrable Securities or Piggyback Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the 1933 Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Furnish, at the request of the Holder or any Common Holder requesting registration of Registrable Securities or Piggyback Registrable Securities pursuant to this Section 1, on the date that such Registrable Securities or Piggyback Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 1, if such securities are being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders and/or the Common Holders requesting registration of Registrable Securities or Piggyback Registrable Securities, and (ii) a letter dated such date from the independent accountants of the Company, in form and substance as is customarily given by independent accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and, if permissible, to the Holders and/or the Common Holders requesting registration of Registrable Securities or Piggyback Registrable Securities.

1.6 INDEMNIFICATION.

(a) The Company will, and does hereby undertake to, indemnify and hold harmless each Holder of Registrable Securities and each Piggyback Holder of Piggyback Registrable Securities, each of such Holder's or such Piggyback Holder's, officers, directors, partners and agents, and each person controlling such Holder or such Piggyback Holders, with respect to any registration, qualification, or compliance effected pursuant to this Section 1, and each underwriter, if any, and each person who controls any underwriter, of the Registrable Securities held by or issuable to such Holder or such Piggyback Holder, against all claims, losses, damages, and liabilities (or actions in respect thereto) to which they may become subject under the 1933 Act, the Securities

Exchange Act of 1934, as amended, (the "1934 Act"), or other federal or state law arising out of or based on (i) any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular, or other similar document (including any related Registration Statement, notification, or the like) incident to any such registration, qualification, or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any violation or alleged violation by the Company of any federal, state or common law rule or regulation applicable to the Company in connection with any such registration, qualification, or compliance, and will reimburse, as incurred, each such Holder, each such Piggyback Holder, each such underwriter, and each such director, officer, partner, agent and controlling person, for any legal and any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action; provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense, arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by an instrument duly executed by such Holder or such Piggyback Holder or underwriter and stated to be specifically for use therein.

(b) Each Holder and each Piggyback Holder will, if Registrable Securities or Piggyback Registrable Securities held by or issuable to such Holder or such Piggyback Holder are included in such registration, qualification, or compliance, severally and not jointly, indemnify the Company, each of its directors, and each officer who signs a Registration Statement in connection therewith, and each person controlling the Company, each underwriter, if any, and, each person who controls any underwriter, of the Company's securities covered by such a Registration Statement, and each other Holder, each other Piggyback Holder, each of such other Holder's or Piggyback Holder's officers, partners, directors and agents and each person controlling such other Holder, or such other Piggyback Holder against all claims, losses, damages, and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such Registration Statement, prospectus, offering circular, or other document, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse, as incurred, the Company, each such underwriter, each such other Holder, each such other Piggyback Holder, and each such director, officer, partner, and controlling person, for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) was made in such Registration Statement, prospectus, offering circular, or other document, in reliance upon and in conformity with written information furnished to the Company by an instrument duly executed by such Holder or such Piggyback Holder and stated to be specifically for use therein; provided, however, that the liability of each Holder or each Piggyback Holder hereunder shall be limited to the net proceeds received by such Holder or such Piggyback Holder from the sale of securities under such Registration Statement. In no event will any Holder or any Piggyback Holder be required to enter into any agreement or undertaking in connection with any registration under this Section 1 providing for any indemnification or contribution obligations on the part of such Holder or such Piggyback Holder greater than such Holder's or such Piggyback Holder's obligations under this paragraph 1.6.

(c) Each party entitled to indemnification under this paragraph 1.6 (the "Indemnified Party") shall give notice to the party required to provide such indemnification (the "Indemnifying Party") of any claim as to which indemnification may be sought promptly after such

Indemnified Party has actual knowledge thereof, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be subject to approval by the Indemnified Party (whose approval shall not be unreasonably withheld) and the Indemnified Party may participate in such defense with its separate counsel at the Indemnifying Party's expense if representation of such Indemnified Party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding; and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 1, except to the extent that such failure to give notice shall materially adversely affect the Indemnifying Party in the defense of any such claim or any such litigation. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff therein, to such Indemnified Party, of a release from all liability in respect to such claim or litigation.

1.7 INFORMATION BY THE HOLDERS OR THE PIGGYBACK HOLDERS. If the Holder or any Piggyback Holder of Registrable Securities or Piggyback Registrable Securities include Registrable Securities or Piggyback Registrable Securities in any registration, such Holder or Piggyback Holder, shall furnish to the Company such information regarding such Holder or Piggyback Holder respectively, and the distribution proposed by such Holder or such Piggyback Holder, respectively, as the Company may reasonably request in writing and as shall be required in connection with any registration, qualification, or compliance referred to in this Section 1.

1.8 TRANSFER OF REGISTRATION RIGHTS. The rights of the Holders and the Piggyback Holders contained in paragraphs 1.2, 1.3 and 1.9 hereof, to cause the Company to register the Registrable Securities or Piggyback Registrable Securities, may be assigned or otherwise conveyed to a transferee or assignee of Registrable Securities or Piggyback Registrable Securities, who shall be considered a "Holder" or a "Piggyback Holder", as applicable, for purposes of this Section 1; provided that such transferee or assignee, (a) receives such securities as a partner in connection with partnership distributions of a Series A Purchaser or a Piggyback Holder, or (b) acquires at least 200,000 shares (as presently constituted), or 100% of the Registrable Securities or Piggyback Registrable Securities held by the transferring Holder or Piggyback Holder, whichever is less; and, provided further, that the Company is given written notice by such Holder or Piggyback Holder at the time of or within a reasonable time after said transfer stating the name and address of said transferee or assignee and identifying the securities with respect to which such registration rights are being assigned.

1.9 FORM S-3. The Company shall use its best efforts to qualify for registration on Form S-3 and to that end the Company shall register (whether or not required by law to do so) its Common Stock under the 1934 Act within twelve (12) months following the effective date of the first registration of any securities of the Company on Form S-1. After the Company has qualified for the use of Form S-3, the Holders of Registrable Securities shall have the right to request up to four (4) registrations on Form S-3 under this paragraph 1.9. The Company shall give notice to all Holders of Registrable Securities of the receipt of a request for registration pursuant to this paragraph 1.9 and shall provide a reasonable opportunity for other Holders to participate in the registration. Subject to the foregoing, the Company will use its best efforts to effect promptly the registration of all shares of Registrable Securities on Form S-3, as the case may be, to the extent requested by the Holder or

Holders thereof for purposes of disposition; provided, however, that the Company shall not be obligated to effect any such registration (i) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than $1,000,000, or (ii) more than once during any twelve (12) month period; or (iii) in the event that the conditions set forth in subparagraph 1.2(a)(ii)(C) obtain (but subject to the limitations set forth therein).

1.10 DELAY OF REGISTRATION. No Holder, nor any Piggyback Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.

1.11 LIMITATIONS ON SUBSEQUENT REGISTRATION RIGHTS. From and after the date of this Agreement, the Company shall not, without the prior written consent of the holders of more than a majority of the Piggyback Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company which would allow such holder or prospective holder to (a) require the Company to effect a registration or (b) include any securities in any registration filed under paragraph 1.2 or 1.3 hereof, unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not diminish the amount of Registrable Securities or Piggyback Registrable Securities which are included in such registration and includes the equivalent of Section 1.13 as a term.

1.12 RULE 144 REPORTING. With a view to making available to the Holders and the Piggyback Holders the benefits of certain rules and regulations of the SEC which may permit the sale of the Registrable Securities and the Piggyback Registrable Securities to the public without registration, the Company agrees to use its best efforts to:

(a) Make and keep public information available, as those terms are understood and defined in SEC Rule 144 or any similar or analogous rule promulgated under the 1933 Act, at all times commencing ninety (90) days after the effective date of the first registration filed by the Company for an offering of its securities to the general public;

(b) File with the SEC, in a timely manner, all reports and other documents required of the Company under the 1933 Act and 1934 Act;

(c) So long as any Holder or any Piggyback Holder owns any Registrable Securities or Piggyback Registrable Securities, furnish to such Holder or such Piggyback Holder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of said Rule 144 of the 1933 Act, and of the 1934 Act (at any time after it has become subject to such reporting requirements); a copy of the most recent annual or quarterly report of the Company; and such other reports and documents as any Holder or any Piggyback Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing it to sell any such securities without registration.

1.13 "MARKET STAND-OFF" AGREEMENT. Each Holder and each Piggyback Holder hereby agrees that during the 120-day period following the effective date of a registration statement of the

Company filed under the 1933 Act, he or it shall not, to the extent requested by the Company and any underwriter, sell or otherwise transfer or dispose of (other than to donees who agree to be similarly bound) any Common Stock of the Company held by him or it at any time during such period except Common Stock included in such registration; provided, however, that:

(a) such agreement shall be applicable only to the first such registration statement of the Company which covers Common Stock (or other securities) to be sold on his or its behalf to the public in an underwritten offering; and

(b) all officers and directors of the Company and all other persons with registration rights (whether or not pursuant to this Agreement) enter into similar agreements.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities and/or Piggyback Registrable Securities of each Holder and each Piggyback Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

1.14 AMENDMENT OF REGISTRATION RIGHTS. Any provision of this Section 1 may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the holders of not less than a majority of the Piggyback Registrable Securities then outstanding. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each Holder, each Piggyback Holder, each future holder of Registrable Securities or Piggyback Registrable Securities, and the Company.

SECTION 2.

COMPANY COVENANTS

The Company hereby covenants and agrees as follows:

2.1 BASIC FINANCIAL INFORMATION.

(a) So long as any Holder or any subsidiary, affiliate or partner of such Holder shall own at least 200,000 Registrable Securities, to furnish the following reports:

(i) As soon as practicable after the end of each fiscal year, and in any event within 120 days thereafter, audited consolidated balance sheets of the Company and its subsidiaries, if any, as at the end of such fiscal year, and audited consolidated statements of income and cash flows of the Company and its subsidiaries, if any, for such fiscal year, prepared in accordance with generally accepted accounting principles and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and accompanied by a report and opinion thereon, by independent public accountants of national reputation selected by the Company's board of directors and by a copy of such accountants' management letter prepared in connection therewith.

(ii) As soon as practicable after the end of each of the first three (3) quarters of the fiscal year, but in any event within forty-five (45) days after the end of each such

quarter, the Company's unaudited consolidated balance sheet as of the end of such quarter, and its unaudited consolidated statements of income and cash flows for such quarter, all in reasonable detail and prepared in accordance with generally accepted accounting principles and certified by the principal financial or accounting officer of the Company.

(b) The rights granted pursuant to this paragraph 2.1 may not be assigned or otherwise conveyed by any Holder or by any subsequent transferee of any such rights without the written consent of the Company, which consent shall not be unreasonably withheld; provided that the Company may refuse such written consent if the proposed transferee is a competitor of the Company; and provided further, that no such written consent shall be required if the transfer is in connection with the transfer of Common Stock to any partner or retired partner of any Holder that is a general or limited partnership or to any such partner's estate.

SECTION 3.

MISCELLANEOUS

3.1 GOVERNING LAW. This Agreement shall be governed by and construed under the laws of the State of Washington as applied to agreements among Washington residents made and to be performed entirely with the State of Washington.

3.2 ENTIRE AGREEMENT; AMENDMENT. This Agreement shall supersede and replace the Second Restated Registration Rights Agreement, as amended, which shall be terminated concurrently upon the effectiveness of this Agreement. This Agreement constitutes the full and entire understanding and agreement between the parties with respect to the subject matter hereof. Except as otherwise provided in paragraph 1.14 above, this Agreement may be amended, waived, discharged or terminated only by written consent of the Company and the holders of not less than a majority of the Piggyback Registrable Securities.

3.3 NOTICES. Any notice, request or other communication required or permitted hereunder shall be given in writing and shall be deemed to have been duly given if personally delivered or if telegraphed, or mailed by registered or certified mail, postage prepaid, if to the Company, SONUS Pharmaceuticals, Inc., 22026 20th Avenue, S.E., Suite 102, Bothell, Washington 98021, and if to the other parties, at the respective addresses of the parties as set forth on the Exhibits attached hereto and shall be deemed to have been received when delivered. Any party hereto may by notice so given change its address for future notices hereunder.

3.4 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

3.5 SEVERABILITY. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision.

4.6 CAPTIONS. The captions and headings to Sections of this Agreement have been inserted for identification and reference purposes only and shall not be used to construe the meaning or the interpretation of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties as of the date first above written.

SONUS PHARMACEUTICALS, INC.

By ______________________________________
Steven C. Quay, M.D., Ph.D, President

HOLDERS:

____
STEVEN C. QUAY, M.D., PH.D.

DAIICHI PHARMACEUTICAL CO., LTD.

By ______________________________________

ABBOTT LABORATORIES

By ______________________________________

MALLINCKRODT MEDICAL, INC.

By ______________________________________

CROSSPOINT VENTURE PARTNERS, III

By ____
Donald B. Milder, General Partner

ENTERPRISE PARTNERS II, L.P.

By ____
Andrew E. Senyei, M.D., General Partner

ENTERPRISE PARTNERS II ASSOCIATES, L.P.

By ____
Andrew E. Senyei, M.D., General Partner

APERTURE ASSOCIATES, L.P.

By: Horsley Keogh Associates, Inc.,
Its General Partner

By ____
N. Dan Reeve, Managing Director

UTAH VENTURES

By: Utah Ventures Partners,
Its General Partner

By ____
James C. Dreyfous, General Partner

COMMON HOLDERS:

GUERBET, S.A.

By ____

ABS EMPLOYEES VENTURE FUND
LIMITED PARTNERSHIP

By: Alex. Brown Investments Incorporated,
General Partner

By ____
Mayo A. Shattuck, III, President

STRADLING, YOCCA, CARLSON & RAUTH
INVESTMENT PARTNERSHIP OF 1982

By ____
C. Craig Carlson, Partner

STRADLING, YOCCA, CARLSON & RAUTH
PROFIT SHARING PLAN

By: California Central Trust Bank,
Trustee

By ____

EXHIBIT 1

COMMON HOLDERS

Name and Address of Shareholder	No. of Shares of Common Stock
Guerbet, S.A. Boite Postale 50400 95943 Roissy CDG Cedex - France WITH A COPY TO: Olivier Lendowner - Manager, Legal Affairs	549,410
ABS Employees Venture Fund Limited Partnership 135 East Baltimore Street Baltimore, Maryland 21202	35,720
Stradling, Yocca, Carlson & Rauth Investment Partnership of 1982 660 Newport Center Drive, Suite 1600 Newport Beach, California 92660	2,595
Stradling, Yocca, Carlson & Rauth Profit Sharing Plan c/o California Central Trust Bank, Trustee 3080 South Bristol Street, 2nd Floor Costa Mesa, California 92626	7,583
TOTAL:	595,308 ========

EXHIBIT 2

HOLDERS

Name and Address	No. of Shares of Common Stock
Abbott Laboratories Department 0322, AP6D 100 Abbott Park Road Abbott Park, Illinois 60064-3500 WITH A COPY TO: Lynne T. Boehringer, Esq.	625,000 (Abbott currently holds a warrant exercisable into 500,000 shares of Common Stock. Pursuant to the terms of that certain Agreement dated May 14, 1996 between the Company and Abbott, Abbott may be issued an additional warrant to purchase 125,000 shares of Common Stock)
Aperture Associates, L.P. 505 Montgomery Street San Francisco, California 94111 WITH A COPY TO: Alfred J. Giuffrida, Partner Nixon, Hargrave, Devans & Doyle Clinton Square - P.O. Box 1051 Rochester, New York 14603	395,976
Crosspoint Venture Partners III 18552 MacArthur Boulevard, Suite 400 Irvine, California 92715	841,448
Daiichi Pharmaceutical Co., Ltd. 14-10, Nihonbashi 3-Chome Chuo-Ku, Tokyo 103 Japan	462,857
Enterprise Partners II, L.P. 5000 Birch Street, Suite 6200 Newport Beach, California 92660	771,328
Enterprise Partners II Associates, L.P. 5000 Birch Street, Suite 6200 Newport Beach, California 92660	70,120
Mallinckrodt Medical, Inc. 675 McDonnell Boulevard - P.O.Box 5840 St. Louis, Missouri 63134	35,145
Steven C. Quay, M.D., Ph.D. c/o SONUS Pharmaceuticals, Inc. 22026 20th Avenue, S.E., Suite 102 Bothell, Washington 98021	1,410,295
Utah Ventures 419 Wakara Way, Suite 206 Salt Lake City, Utah 84108 WITH A COPY TO: Allan M. Wolfe, M.D. VOXEL 26081 Merit Circle, Suite 117 Laguna Hills, California 92653	296,982
TOTAL:	2,375,854 =========

EXHIBIT 3

WARRANT HOLDERS

Holder	Warrant No.	No. of Warrants to Purchase Common Stock
Crosspoint Venture Partners III		111,266
Enterprise Partners II, L.P.		101,996
Enterprise Partners II Associates, L.P.		9,268
Aperture Associates, L.P.		52,358
Utah Ventures		26,114
Steven C. Quay, M.D., Ph.D.		15,293
TOTAL:		316,295

EXHIBIT 99.3

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933; THEY HAVE BEEN ACQUIRED BY THE HOLDER FOR INVESTMENT AND MAY NOT BE PLEDGED, HYPOTHECATED, SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT AS MAY BE AUTHORIZED UNDER THE SECURITIES ACT OF 1933 AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.

Warrant Certificate No. 1
May 14, 1996 500,000 Warrants

SONUS PHARMACEUTICALS, INC.

WARRANT CERTIFICATE

THIS WARRANT CERTIFICATE (the "Warrant Certificate"), certifies that ABBOTT LABORATORIES or registered assigns (the "Holder"), is the owner of 500,000 warrants ("Warrants"), each of which entitles the Holder hereof to purchase, as and when described herein one fully paid and non-assessable share of common stock, as such shares may be adjusted pursuant to Paragraph 5, ("Common Stock") of SONUS PHARMACEUTICALS, INC., a Delaware corporation (the "Company"), at a purchase price of $16.00 per share during the term of this Warrant Certificate.

1. WARRANT. Each Warrant entitles the Holder to purchase one fully paid and nonassessable share of Common Stock of the Company (such number being subject to adjustment as provided in Paragraph 5 hereof) on the terms and conditions herein set forth.

2. PURCHASE PRICE. The purchase price of the shares of Common Stock covered by the Warrants shall be $16.00 per share, subject to adjustment as provided in Paragraph 5 hereof. The purchase price of the shares of Common Stock as to which the Warrants shall be exercised shall be paid in full at the time of exercise and such consideration may consist of cash, check or bank draft.

3. TERM OF WARRANT. The term of the Warrants shall commence on the date hereof and all rights to purchase shares of Common Stock hereunder shall cease at 11:59 P.M. on May 14, 2001, subject to earlier termination as provided herein. Warrants granted hereunder may be exercised at any time from the date hereof until expiration hereof. The Holder of the Warrants shall not have any of the rights of a stockholder with respect to the shares covered by the Warrants as to any shares of Common Stock not actually issued and delivered to it.

4. TRANSFERABILITY. The Warrants shall not be transferable or assignable except to an Affiliate of the Holder without the prior written consent of the Company, which consent shall not be unreasonably withheld. The Holder may transfer or assign the shares of Common Stock issuable upon exercise of the Warrants; provided, however, that (i) a registration statement with respect thereto has become effective under the Securities Act; or (ii) in the opinion of counsel to the Holder such registration is not necessary; or (iii) such transfer complies with the provisions of Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). The legend imprinted on the certificates pursuant to Section 10 shall be removed, and the Company shall issue a new certificate without such legend to the Holder of such security if such security is registered under the Securities Act or, in the opinion of counsel to the Holder such legend is no longer required under the Securities Act or the conditions for a permissible sale or transfer under Rule 144(k) have been complied with. For purposes of this Warrant Certificate, "Affiliate" shall mean any wholly-owned subsidiary or parent of, or any corporation, entity or other person which is, within the meaning of the 1933 Act, controlling, controlled by or under common control with, the Holder or the Company, as the case may be.

5. ADJUSTMENTS FOR STOCK SPLITS, CONSOLIDATIONS, ETC. The purchase price and number and class of shares subject to this Warrant Certificate shall all be proportionately adjusted in the event of any change or increase or decrease in the number of issued shares of Common Stock in the Company, without receipt of consideration by the Company, which result from a split-up or consolidation of shares, payment of a share dividend, a recapitalization, combination of shares or other like capital adjustment, so that, upon exercise of this Warrant Certificate, the Holder shall receive the number and class of shares it would have received had it been the holder of the number of shares of Common Stock in the Company, for which this Warrant Certificate is being exercised, on the date of such change or increase or decrease in the number of issued shares of Common Stock in the Company. If the Company shall reorganize, consolidate or merge with or into any other corporation where the Company is not the surviving entity, then each share of Common Stock shall be convertible into the consideration to which the shares of Common Stock subject to this Warrant Certificate would have been entitled to receive upon the effectiveness of such reorganization, merger or consolidation. "Affiliate" shall have the meaning set forth in Paragraph 4. Adjustments under this paragraph shall be made by the Board of Directors in its reasonable, good faith judgment, whose determination with respect thereto shall be final and conclusive. No fractional shares shall be issued under this Warrant Certificate or upon any such adjustment.

6. METHOD OF EXERCISING WARRANTS.

(a) Subject to the terms and conditions of this Warrant Certificate, the Warrants may be exercised by surrender of the Warrant Certificate together with delivery to the Company at its principal office of a signed Subscription Agreement in the form attached hereto as Annex 1 (the "Subscription Agreement") specifying the number of shares to be purchased. Such Subscription Agreement shall be accompanied by payment in cash, check or bank draft, payable to the Company, equal to, in the aggregate, the full purchase price of such shares. The Company shall deliver a certificate or certificates representing the shares subject to such exercise as soon as practicable after the Subscription Agreement and consideration for the shares shall have been received by the Company, and the Holder shall be deemed a record holder of Common Stock upon such receipt by the Company. All shares that shall be purchased upon the exercise of the Warrants as provided herein shall be fully paid and nonassessable.

(b) In addition, the Holder shall have the right, upon its written request delivered or transmitted to the Company together with this Warrant Certificate, to exchange this Warrant Certificate, in whole or in part at any time or from time to time on or prior to May 14, 2001, for the number of shares of Common Stock having an aggregate Fair Market Value (determined as set forth in Paragraph 6(c) below) on the date of such exchange equal to the difference between (1) the aggregate Fair Market Value on the date of such exchange of a number of shares designated by the Holder and (2) the aggregate exercise price the Holder would have paid to the Company to purchase such designated number of shares upon exercise of this Warrant Certificate. Upon any such exchange, the number of shares purchasable upon exercise of this Warrant Certificate shall be reduced by such designated number of shares, and, if a balance of purchasable shares remains after such exchange, the Company shall execute and deliver to the Holder a new Warrant Certificate evidencing the right of the Holder to purchase such balance of shares. No payment of any cash or other consideration shall be required. Such exchange shall be effective upon the date of receipt by the Company of the original Warrant Certificate surrendered for cancellation and a written request from the Holder that the exchange pursuant to this Section be made, or at such later date as may be specified in such request.

(c) Fair market value of the Common Stock ("Fair Market Value") shall be determined as follows:

(i) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such an exchange, or is listed on the Nasdaq National Market or Small Cap Market, the current Fair Market Value shall be the volume-weighted average price of the Common Stock on such exchange or Nasdaq for the ten (10) business days prior to the date of exchange of this Warrant; or

(ii) If the Common Stock is not so listed or admitted to unlisted trading privileges or quoted on Nasdaq, the current Fair Market Value shall be the volume-weighted average of the mean of the last bid and asked prices reported for the ten (10) business days prior to the date of the exchange of this Warrant (1) by Nasdaq, or (2) if reports are unavailable under clause (i) above, by the National Quotation Bureau Incorporated; or

(iii) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current Fair Market Value shall be determined in good faith as promptly as reasonably practicable by the Board of Directors.

7. REGISTRATION RIGHTS. The Holder hereunder has been made a party to the SONUS Pharmaceuticals, Inc. Amended and Restated Registration Rights Agreement dated November 23, 1994, as amended ("Registration Rights Agreement"). The shares of Common Stock issuable upon exercise of this Warrant Certificate are included as "Registrable Securities" under the Registration Rights Agreement (as that term is defined in the Registration Rights Agreement) with all registration rights pertaining to such Registrable Securities.

8. GENERAL. The Company shall at all times during the term of the Warrants reserve and keep available such number of shares of Common Stock as will be sufficient to satisfy the requirements of this Warrant Certificate, shall pay all original issue and transfer taxes with respect to the issue and transfer of shares pursuant hereto and all other fees and expenses necessarily incurred by the Company in connection therewith, and will from time to time use its best efforts to comply with all laws and regulations, which, in the opinion of counsel for the Company, shall be applicable thereto.

9. LEGENDS. It is understood that the certificates evidencing the Common Stock purchased upon exercise of this Warrant Certificate may bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933; THEY HAVE BEEN ACQUIRED BY THE HOLDER FOR INVESTMENT AND MAY NOT BE PLEDGED, HYPOTHECATED, SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT AS MAY BE AUTHORIZED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER."

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be duly executed by its officers thereunto duly authorized, all as of the day and year first above written.

SONUS PHARMACEUTICALS, INC.

By: ________________________________

Its: ________________________________

ANNEX I TO WARRANT CERTIFICATE

SUBSCRIPTION AGREEMENT

The undersigned holder of the Warrant Certificate to which this Subscription Agreement is attached as Annex I hereby subscribes for ________ shares of Common Stock which the undersigned is entitled to purchase pursuant to the terms of such Warrant Certificate. Payment of the purchase price for the Warrants is being made concurrently herewith.

I hereby certify that all of the shares of Common Stock, $0.001 par value, of SONUS PHARMACEUTICALS, INC., purchased by the undersigned pursuant to the exercise on this date of the Warrants granted to the undersigned by the Warrant Certificate are being acquired by the undersigned for investment and not with a view to the distribution thereof.

Date: __________________________

____
Signature

____
Type or Print Name

____
Street Address

____
City State Zip Code