

-----  
| OMB APPROVAL |  
| |  
| OMB Number: 3235-0145 |  
| Expires: February 28, 2009 |  
| Estimated average burden |  
hours per response....14.5

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

SCHEDULE 13D  
UNDER THE SECURITIES EXCHANGE ACT OF 1934  
(AMENDMENT NO. \_\_\_\_\_) \*

HAPC, INC.

-----  
(Name of Issuer)

COMMON STOCK, PAR VALUE \$.0001 PER SHARE

-----  
(Title of Class of Securities)

411357106

-----  
(CUSIP Number)

DAVID GERBER  
GREAT POINT PARTNERS, LLC  
165 MASON STREET, 3RD FLOOR  
GREENWICH, CT 06830.  
(203) 971-3300

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

OCTOBER 15, 2007

-----  
(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 that is the subject of this Schedule 13D, and is filing this schedule because of ss.240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. [ ]

NOTE: Schedule filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ss.240.13d-7 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 the

disclosures provided in a prior cover page.

The information required in 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).

CUSIP No. 411357106

1 Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).

Great Point Partners, LLC

2 Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [ ]

3 SEC Use Only

4 Source of Funds (See Instructions) AF

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

6 Citizenship or Place of Organization Delaware

Number of Shares	7	Sole Voting Power	-0-
	8	Shared Voting Power	3,000,000
Beneficially Owned by	9	Sole Dispositive Power	-0-
	10	Shared Dispositive Power	3,000,000

Each Reporting Person With

11 Aggregate Amount Beneficially Owned by Each Reporting  
Person 3,000,000

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares  
(See Instructions) [ ]

13 Percent of Class Represented by Amount in Row (11) 16.1%

14 Type of Reporting Person (See Instructions)

00

CUSIP No. 411357106

1 Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).

Dr. Jeffrey R. Jay, M.D.

2 Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [ ]

3 SEC Use Only

4 Source of Funds (See Instructions) AF

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

6 Citizenship or Place of Organization United States

Number of Shares	7	Sole Voting Power	-0-
	8	Shared Voting Power	3,000,000
Beneficially Owned by	9	Sole Dispositive Power	-0-
	10	Shared Dispositive Power	3,000,000

Each Reporting Person With

11 Aggregate Amount Beneficially Owned by Each Reporting  
Person 3,000,000

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares  
(See Instructions) [ ]

13 Percent of Class Represented by Amount in Row (11) 16.1%

14 Type of Reporting Person (See Instructions)

IN

CUSIP No. 411357106

1 Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).

Mr. David Kroin

2 Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]

(b) [ ]

3 SEC Use Only

4 Source of Funds (See Instructions) AF

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

6 Citizenship or Place of Organization United States

Number of Shares	7	Sole Voting Power	-0-
	8	Shared Voting Power	3,000,000
Beneficially Owned by	9	Sole Dispositive Power	-0-
	10	Shared Dispositive Power	3,000,000

Each Reporting Person With

11 Aggregate Amount Beneficially Owned by Each Reporting Person 3,000,000

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) [ ]

13 Percent of Class Represented by Amount in Row (11) 16.1%

14 Type of Reporting Person (See Instructions)

IN

CUSIP No. 411357106

1 Names of Reporting Persons.  
 I.R.S. Identification Nos. of above persons (entities only).  
 Biomedical Value Fund, L.P.

2 Check the Appropriate Box if a Member of a Group (See Instructions)  
 (a) [ ]  
 (b) [ ]

3 SEC Use Only

4 Source of Funds (See Instructions) PF

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

6 Citizenship or Place of Organization Delaware

Number of Shares	7	Sole Voting Power	-0-
	8	Shared Voting Power	1,620,000
Beneficially Owned by	9	Sole Dispositive Power	-0-
	10	Shared Dispositive Power	1,620,000

Each Reporting Person With

-----

11      Aggregate Amount Beneficially Owned by Each Reporting  
Person    1,620,000

-----

12      Check if the Aggregate Amount in Row (11) Excludes Certain Shares  
(See Instructions) [ ]

-----

13      Percent of Class Represented by Amount in Row (11)    8.698%

-----

14      Type of Reporting Person (See Instructions)

PN

-----

-----

-----

=====

5

-----

CUSIP No.    411357106

-----

=====

1      Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
Biomedical Offshore Value Fund, Ltd.

-----

2      Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [ ]

-----

3      SEC Use Only

-----

4      Source of Funds (See Instructions)    PF

-----

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

-----

6      Citizenship or Place of Organization    Cayman Islands

-----

Number of Shares	7	Sole Voting Power	-0-
	8	Shared Voting Power	1,380,000
Beneficially Owned by	9	Sole Dispositive Power	-0-
	10	Shared Dispositive Power	1,380,000

Each Reporting Person With

-----

11      Aggregate Amount Beneficially Owned by Each Reporting  
Person    1,380,000

-----

12      Check if the Aggregate Amount in Row (11) Excludes Certain Shares  
(See Instructions) [ ]

-----  
13 Percent of Class Represented by Amount in Row (11) 7.401%  
-----

14 Type of Reporting Person (See Instructions)

OO  
-----  
-----  
-----  
=====

6

ITEM 1. SECURITY AND ISSUER

The title and class of equity securities to which this statement relates is Common Stock, par value \$.0001 per share.

The name and address of the principal executive offices of the issuer is

HAPC, Inc.  
350 Madison Avenue  
New York, New York 10017

ITEM 2. IDENTITY AND BACKGROUND

The identify and background of the persons filing this statement is as follows:

Biomedical Value Fund, L.P. ("BMVF") is a Delaware limited partnership with its principal offices at 165 Mason Street, 3rd Floor, Greenwich, CT 06830.

Biomedical Offshore Value Fund, Ltd. ("BOVF") is an exempted company incorporated under the provisions of the Companies Law of the Cayman Islands with its principal office at P.O. Box 1748 GT, Cayman Corporate Centre, 27 Hospital Road, Georgetown, Grand Cayman, Cayman Islands CJ08.

Great Point Partners LLC ("Great Point") is a Delaware limited liability company, with its principal offices at 165 Mason Street, 3rd Floor, Greenwich, CT 06830.

Dr. Jeffrey R. Jay ("Dr. Jay") is an individual with a business address at 165 Mason Street, 3rd Floor, Greenwich, CT 06830. Dr. Jay is a citizen of the United States and senior managing member of Great Point.

Mr. David Kroin ("Mr. Kroin") is an individual with a business address at 165 Mason Street, 3rd Floor, Greenwich, CT 06830. Mr. Kroin is a citizen of the United States and special managing member of Great Point.

None of the Reporting Persons was during the last five years, convicted of a criminal proceeding (excluding traffic violations or similar misdemeanors).

None of the Reporting Persons was during the last five years, 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

BMVF used its own funds to purchase 1,620,000 shares of Common Stock of the issuer.

BOVF used its own funds to purchase 1,380,000 shares of Common Stock of the issuer.

See Item 5 below for information with respect to Great Point, Dr. Jay and Mr. Kroin.

### ITEM 4. PURPOSE OF TRANSACTION

The purpose of the acquisition of the securities of the issuer was for investment. See Item 6 below for additional information.

### ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

BMVF owns in the aggregate 1,620,000 shares of Common Stock of the issuer. Such shares in the aggregate constitute 8.698% of the shares of Common Stock outstanding, computed in accordance with Rule 13d-3. BMVF shares voting and dispositive power over the shares of Common Stock that it beneficially owns.

BOVF owns in the aggregate 1,380,000 shares of Common Stock of the issuer. Such shares in the aggregate constitute 7.401% of the shares of Common Stock outstanding, computed in accordance with Rule 13d-3. BOVF shares voting and dispositive power over the shares of Common Stock that it beneficially owns.

Great Point is the investment manager of each of BMVF and BOVF and by virtue of such status may be deemed to be the beneficial owner of the shares of Common Stock held by BMVF and BOVF. Each of Dr. Jay, as senior managing member of Great Point, and Mr. Kroin, and special managing member of Great Point, has shared voting and investment power with respect to the shares of Common Stock held by BMVF and BOVF and may be deemed to be the beneficial owner of such shares. Great Point, Dr. Jay and Mr. Kroin disclaim beneficial ownership of the shares of Common Stock held by BMVF and BOVF, except to the extent of any pecuniary interest, and this statement shall not be deemed to be an admission that they are the beneficial owners of such securities.

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

On October 15, 2007, BMVF was assigned options to purchase 810,000 shares of Common Stock by Great Point. Great Point acquired such options pursuant to an Option Agreement, dated as of October 12, 2007 (the "Founders Option Agreement"), by and among Great Point, Sean McDevitt, Pat Lavecchia, John Voris, Wayne Yetter and Jean Pierre Millon. Such options are exercisable by BMVF upon the satisfaction of certain conditions, including (1) the approval, by the requisite vote of the holders of the issuer's Common Stock, of the acquisition by the issuer of InfuSystems, Inc. and (2) the consummation of such acquisition. On October 15, 2007, BMVF also was assigned options to acquire warrants to purchase 899,999.64 shares of Common Stock of the issuer pursuant by Great Point. Great Point acquired such options to acquire such warrants pursuant to an Option Agreement, dated as of 12, 2007 (the "FTN Option Agreement"), by and between Great Point

and FTN Midwest Securities Corp. Such options to acquire such warrants are exercisable by BMVF upon the satisfaction of certain conditions, including (1)

the approval, by the requisite vote of the holders of the issuer's Common Stock, of the acquisition by the issuer of InfuSystems, Inc., (2) the consummation of such acquisition and (3) the trading price for per of Common Stock of the issuer equaling or exceeding \$8.00 for any 20 out of 30 consecutive trading days.

On October 15, 2007 BOVF was assigned options to purchase 690,000 shares of Common Stock of the issuer by Great Point. Great Point acquired such options pursuant to the Founders Option Agreement. Such options are exercisable by BOVF upon the satisfaction of certain conditions, including (1) the approval, by the requisite vote of the holders of the issuer's Common Stock, of the acquisition by the issuer of InfuSystems, Inc. and (2) the consummation of such acquisition. On October 15, 2007, BOVF also was assigned options to acquire warrants to purchase 766,666.36 shares of Common Stock of the issuer by Great Point. Great Point acquired such options to acquire warrants pursuant to the FTN Option Agreement. Such options to acquire such warrants are exercisable by BMVF upon the satisfaction of certain conditions, including (1) the approval, by the requisite vote of the holders of the Issuer's Common Stock, of the acquisition by the issuer of InfuSystems, Inc., (2) the consummation of such acquisition and (3) the trading price for per of Common Stock of the issuer equaling or exceeding \$8.00 for any 20 out of 30 consecutive trading days.

The options described above which Great Point acquired pursuant to the Founders Option Agreement and the FTN Option Agreement were acquired, pursuant to such agreements, in consideration of Great Point's agreement to purchase 3,000,000 shares of the issuer's Common Stock at a purchase price of no more than \$5.97 per share.

Pursuant to a Board Representation Agreement, dated as of October 12, 2007 (the "Board Representation Agreement"), by and between the issuer and Great Point, the issuer has agreed to take any necessary action to increase the size of its Board of Directors by one and to use its best efforts to cause the vacancy thereby created to be filled with a director designated by a representative chosen by Great Point. Under the Board Representation Agreement, for so long as Great Point beneficially owns an aggregate of at least 10% of the issued and outstanding Common Stock or other voting securities of the issuer, the issuer is required to (1) use its best efforts to cause its nominating committee to recommend for election each year one director as designated by a representative chosen by Great Point and (2) cause such person to be elected to the Board of Directors of each subsidiary of the issuer. Great Point's representative has no obligation to designate any such person. If at any time there is no designee chosen by Great Point's representative serving on the Board of Directors of the issuer, Great Point's representative has the right to participate as an observer in meetings of the Board of Directors or any committee thereof.

#### ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

The following documents are filed as exhibits and are incorporated herein.

#### EXHIBIT DESCRIPTION

- 10.1 Option Agreement, dated as of October 12, 2007, by and among Great Point Partners, LLC, Sean McDevitt, Pat Lavecchia, John Voris, Wayne Yetter and Jean Pierre Millon.
- 10.2 Option Agreement, dated as of October 12, 2007, by and between Great Point Partners, LLC and FTN Midwest Securities Corp.
- 10.3 Option Assignment, dated as of October 15, 2007, by and among Great Point Partners, LLC, Biomedical Value Fund, L.P. and Biomedical Offshore Value Fund, Ltd.



- 10.4 Board Representation Agreement, dated as of October 12, 2007, by and between HAPC, Inc. and the other persons named on the signature pages thereto.
- 10.5 Form of Warrant Agreement between Mellon Investor Services LLC and Healthcare Acquisition Partners Corp., incorporated herein by reference to Exhibit 4.4 to Amendment No. 1 to HAPC, Inc.'s Registration Statement on Form S-1 (File No. 333-129035) filed on December 8, 2005.
- 10.6 Form of Purchase Option granted to FTN Midwest Securities Corp., incorporated herein by reference to Exhibit 4.5 to Amendment No. 3 to HAPC, Inc.'s Registration Statement on Form S-1 (File No. 333-129035) filed on March 3, 2006.

SIGNATURE

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

Date: October 25, 2007

Biomedical Value Fund, L.P.

By: Great Point GP, LLC, its  
general partner

By: /s/ DR. JEFFREY R. JAY

-----  
Name: Dr. Jeffrey R. Jay  
Title: Senior Managing Member

Biomedical Offshore Value Fund, Ltd.

By: Great Point GP, LLC, its invest  
manager

By: /s/ DR. JEFFREY R. JAY

-----  
Name: Dr. Jeffrey R. Jay  
Title: Senior Managing Member

Great Point Partners, LLC

By: /s/ DR. JEFFREY R. JAY

-----  
Name: Dr. Jeffrey R. Jay  
Title: Senior Managing Member

/s/ DR. JEFFREY R. JAY

-----  
Dr. Jeffrey R. Jay, individually

/s/ MR. DAVID KROIN

-----  
Mr. David Kroin, individually

EXHIBIT A

AGREEMENT REGARDING THE JOINT FILING OF SCHEDULE 13D

The undersigned hereby agree as follows:

- (i) Each of them is individually eligible to use the Schedule 13D to which this Exhibit is attached, and such Schedule 13D is filed on behalf of each of them; and
- (ii) Each of them is responsible for the timely filing of such Schedule 13D and any amendments thereto, and for the completeness and accuracy of the information concerning such person contained therein; but none of them is responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

Date: October 25, 2007

Biomedical Value Fund, L.P.

By: Great Point GP, LLC, its  
general partner

By: /S/ DR. JEFFREY R. JAY

-----  
Name: Dr. Jeffrey R. Jay  
Title: Senior Managing Member

Biomedical Offshore Value Fund, Ltd.

By: Great Point GP, LLC, its investment  
manager

By: /S/ DR. JEFFREY R. JAY

-----  
Name: Dr. Jeffrey R. Jay  
Title: Senior Managing Member

Great Point Partners, LLC

By: /S/ DR. JEFFREY R. JAY

-----  
Name: Dr. Jeffrey R. Jay  
Title: Senior Managing Member

/S/ DR. JEFFREY R. JAY

-----  
Dr. Jeffrey R. Jay, individually

/S/ MR. DAVID KROIN

-----  
Mr. David Kroin, individually

October 12, 2007

Great Point Partners LLC  
165 Mason Street, 3rd Floor  
Greenwich, CT 06830

Dear Sirs:

By this letter agreement (this "Agreement"), for good and valuable consideration, subject to the terms and conditions set forth herein, each of the undersigned severally and not jointly grants you (which term as used herein shall mean the addressee and any affiliated funds) an option to acquire up to the number of shares of Common Stock, par value \$.0001 per share (the "Common Stock") of HAPC, Inc. (the "Company") set forth below the undersigned's name below, for an aggregate purchase price of \$1.00 (the "Options").

#### CONDITIONS PRECEDENT TO EXERCISE OF OPTIONS

You shall be entitled to exercise the Options upon the satisfaction of each of the following conditions:

- (i) On October 12, 2007, you shall have placed a buy order (the "Buy Order") with FTN Midwest Securities Corp. ("FTN") or Broadband Capital Management LLC to purchase up to 3,000,000 shares of the Company's Common Stock at a price of no more than \$5.97 per share and keep such order open for four trading days.
- (ii) The Company's acquisition of InfuSystem, Inc. shall be approved by the requisite vote of the holders of Common Stock and such acquisition shall be consummated.
- (iii) The representations and warranties set forth below under "Optionee's Representations and Warranties" shall be true and correct in all material respects.

#### EXERCISE OF OPTION

The Options may be exercised in whole, but not in part, for a number of shares of Common Stock equal to (A) the sum of (i) the number of shares of Common Stock purchased pursuant to the Buy Order (whether or not you receive the proxy materials with respect to such shares in sufficient time to enable you to vote such shares at the Company's special annual meeting that convened on September 26, 2007 and currently adjourned until October 19, 2007 (as it may be further adjourned, the "Annual Meeting")) (the "Purchased Shares"), less (ii) the number of such Purchased Shares, if any, with respect to which you vote against the Company's acquisition of InfuSystem, Inc. at the Annual Meeting, times (B) 0.5. on any day after the conditions precedent set forth above have been satisfied. In order to exercise the Options, you shall deliver written notice to the undersigned c/o FTN Midwest Securities Corp., 350 Madison Avenue, New York, NY 10017, Attn: Scott Chesky, setting forth the number of Options to be exercised and the proposed closing date (the "Closing Date") which shall be at least three business days subsequent to the date of such notice. On such Closing Date, the undersigned shall deliver to you certificates representing the shares of Common Stock subject to the Options, together with appropriate stock transfer forms and you shall deliver full payment for such shares by such payment means as may be agreed. The undersigned shall be responsible for all transfer taxes payable in connection with the exercise of the Options.

In the event the number of shares of Common Stock subject to the Options is less than 1,500,000, the shares subject to the Options of each of the undersigned shall be reduced pro rata. In no event, however, shall you be entitled to receive more than 1,500,000 shares of Common Stock upon your exercise of the Options.

The obligations of the undersigned to you under this Agreement are several and not joint. In the event one or more of the undersigned fails to deliver to you certificates representing the appropriate number of shares of Common Stock subject to the Options, together with appropriate stock transfer forms, upon the Closing Date, none of the other undersigned parties hereto shall be in any way be responsible for or liable to you for such default hereunder.

#### REGISTRATION RIGHTS

By this Agreement, each of the undersigned hereby assigns to you, effective as of the Closing Date, all of undersigned's rights pursuant to the Registration Rights Agreement, dated as of April 11, 2006 with the Company, with respect to the shares of Common Stock to be purchased by you pursuant to the Options.

Each of the undersigned undertakes to cause the Registration Rights Agreement to be amended no later than October 17, 2007 to provide that:

(i) you shall be a named party thereto and both the Common Stock acquired by you pursuant to the Options, the warrants (the "Warrants") and the Common Stock to be acquired by you upon the exercise of the warrants transferred to you by FTN pursuant to your agreement with FTN dated the date hereof (the "Warrant Shares") shall be Registrable Securities thereunder;

2

(ii) you shall be entitled to one demand right, which may be exercised at any time immediately after the exercise of the Options with respect to the registration of the shares of Common Stock subject to the Options, and to one demand right with respect to the registration of the Warrants and the Warrant Shares;

(iii) notwithstanding the fact that you own less than 50% of the Registrable Securities, the Company shall be required to honor your demand rights with respect to Registrable Securities;

(iv) the Company will use its commercially reasonable efforts to have each registration statement filed pursuant to your demand declared effective within 90 days of the demand, if not reviewed by the U.S. Securities and Exchange Commission (the "SEC") or within 180 days of the demand (in the event of a full review by the SEC);

(v) you shall have priority over the undersigned with respect to any underwriter cutbacks;

(vi) the Company will keep each registration statement filed pursuant to your demand effective for 3 years; and

(vii) provide for any other amendments thereto necessary to effect the intent of the foregoing.

#### REPRESENTATIONS AND WARRANTIES

Each of the undersigned, severally and not jointly, represents and warrants to you as of the date of this Agreement and the Closing Date the following:

- (i) On the date hereof (except in the case of Messrs. McDevitt and Lavecchia) each of the undersigned is, and on the Closing Date each of the undersigned will be, the record and beneficial owner of and has or will have good and valid title to the shares of Common Stock subject to the Option, free and clear of any and liens, claims or encumbrances; or the like; except with respect to the rights granted under this Agreement, the undersigned is not a party to, and the shares of Common Stock subject to the Option are not subject to, any option, warrant, contract, call, pledge, put, right of first refusal, tag-along, drag-along or other agreement or commitment providing for or relating to the disposition or acquisition of the Common Stock subject to the Option;
  - (ii) Each of the undersigned has the right, power and authority to enter into this Agreement, and on the Closing Date each will have the right, power and authority and to sell, assign and transfer the shares of Common Stock subject to the Option;
- 3
- (iii) the entry into this Agreement and the sale of the Common Stock subject to the Option do not (A) conflict with, violate, result in any breach of, or constitute a default under any contract or agreement to which the undersigned is a party or to which the shares of Common Stock subject to the Option are subject to, or (B) violate any law, order, decree, judgment, injunction or other action; and
  - (iv) the shares of Common Stock subject to the Option are not subject to any voting agreements, voting trusts or similar arrangements.

Additionally, each of the undersigned hereby acknowledges to you that he is sophisticated and knowledgeable with respect to the transactions contemplated by this Agreement and has such information as he deems appropriate under the circumstances to make an informed decision regarding the transactions contemplated by this Agreement. Each of the undersigned hereby agrees that he has made his own independent analysis and decision to enter into the transactions contemplated by this Agreement, based on such information as each of the undersigned has deemed appropriate under the circumstances, and without reliance on you (except for reliance on any express representation made by you in this Agreement).

#### LOCK-UP AGREEMENT

Concurrently with the execution and delivery hereof, Sean McDevitt has delivered to you a lock-up agreement duly executed by him. Such lock-up agreement, however, shall not become effective until the Closing Date. Mr. McDevitt further represents and warrants to you that he has all requisite right, authority and power to execute such lock-up agreement and that upon its effectiveness such agreement will be a valid and binding agreement enforceable against him in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights in general and by general principles of equity.

#### BOARD REPRESENTATION AGREEMENT

Concurrently with the execution and delivery hereof, the undersigned has delivered to you an agreement of the Company providing you the right to designate one nominee for the Board of Directors of the Company, and to have observation rights prior to such designation. Such agreement, however, shall not become effective until the Closing Date.

#### OPTIONEE'S REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to each of the undersigned as follows:

(i) You are an "accredited investor" within the meaning of Rule 501 under the Securities Act of 1933, as amended (the "Securities Act").

(ii) You understand and acknowledge that the Options and the Common Stock underlying the Options have not been registered under the Securities Act or the securities laws of any state of the United States and are being offered only in a transaction not involving any public

4

offering pursuant to exemptions from registration for transactions not involving any public offering in the United States within the meaning of the Securities Act and in compliance with applicable local laws and regulations, and are therefore "restricted securities" within the meaning of Rule 144 under the Securities Act.

(iii) The Options and the Common Stock underlying the Options are being purchased for your own investment and you have not offered or sold any portion of the Options being acquired, nor do you have any present intention of selling, distributing or otherwise disposing of the Options or Common Stock underlying the Options, either currently or after the passage of a fixed or determinable period of time or upon the occurrence or nonoccurrence of any predetermined event or circumstance in violation of the Securities Act.

(iv) In the normal course of your business, you invest in or purchase securities similar to the Options and the Common Stock underlying the Options and have such knowledge and experience in financial and business matters that you are capable of evaluating the merits and risks of investing in the Options.

(v) You are aware that you may be required to bear the economic risk of an investment in the Common Stock underlying the Options for an indefinite period of time and you are able to bear such risk for an indefinite period.

(vi) You understand and agree that the certificates evidencing the Common Stock underlying the Options will, unless otherwise agreed by the Company, bear a legend substantially to the following effect:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS EVIDENCED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE AND OTHER SECURITIES LAWS."

#### VOTING INTENT

You hereby represent and warrant to each of the undersigned that it is your present intention, as of the date hereof, to vote, or cause to be voted, all Purchased Shares in favor of the Company's acquisition of InfuSystem, Inc.

at the Annual Meeting. However, the undersigned acknowledge that you reserve the right to vote, or cause to be voted, all Purchased Shares against the Company's acquisition of InfuSystem, Inc. at the Annual Meeting.

5

#### FURTHER ASSURANCES

Each of the parties hereto shall execute such documents and other instruments and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and their intent and to consummate the transactions contemplated by this Agreement.

#### MISCELLANEOUS

You and the undersigned hereby agree that:

(i) You agree and acknowledge that the terms of this Option Agreement and of the transactions contemplated hereby will be disclosed by the Company in a supplement to its Proxy Statement in respect of its Annual Meeting. The undersigned will cause the Company to provide you a reasonable opportunity to review such disclosure in advance of its filing with the SEC and distribution to the Company's stockholders.

(ii) Sean McDevitt shall be responsible for the reasonable out-of-pocket fees and expenses incurred by you in connection with the transactions contemplated hereby in an amount not to exceed \$200,000. You shall provide documentary support for all reimbursable expenses.

(iii) Neither this Agreement, the Options, nor any of the rights, interests or obligations under this Agreement may be assigned or delegated by any party hereto, in whole or in part, by operation of law or otherwise; provided, however, that you may assign or delegate, in whole or in part, this Agreement to any one or more of your affiliated funds.

(iv) This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby, shall be governed by, and construed in accordance with, the internal laws of the State of New York, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of New York.

(v) This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument.

6

Please acknowledge your agreement to the terms set forth herein by executing this Agreement where indicated.

Very truly yours,

/s/ SEAN MCDEVITT

-----  
SEAN MCDEVITT

765,956 shares of Common Stock

/s/ PAT LAVECCHIA

-----  
PAT LAVECCHIA  
159,575 shares of Common Stock

/s/ JOHN VORIS

-----  
JOHN VORIS  
255,319 shares of Common Stock

/s/ WAYNE YETTER

-----  
WAYNE YETTER  
159,575 shares of Common Stock

/s/ JEAN PIERRE MILLON

-----  
JEAN PIERRE MILLON  
159,575 shares of Common Stock

ACCEPTED AND AGREED:

GREAT POINT PARTNERS LLC

By: /s/ KEVIN XIE

-----  
Name: Kevin Xie  
Title: Principal



October 12, 2007

## FTN MIDWEST SECURITIES CORP.

Great Point Partners LLC  
165 Mason Street, 3rd Floor  
Greenwich, CT 06830

Dear Sirs:

By this letter agreement (this "Agreement"), for good and valuable consideration, subject to the terms and conditions set forth herein, the undersigned grants you (which term as used herein shall mean the addressee and any affiliated funds) an option to acquire 1,666,666 warrants, as adjusted to account for stock splits, reclassifications and similar events, (the "Warrants") to acquire shares of common stock, par value \$0.0001 per share (the "Common Stock") of HAPC, Inc. (the "Company") for an aggregate purchase price of \$1.00 (the "Option"). The undersigned has the right to acquire the Warrants pursuant to the exercise of its Unit Purchase Option dated April 11, 2006, as amended (the "Unit Purchase Option"), for 833,333 units comprised of one share of Common Stock and two Warrants each, issued to the undersigned in connection with the Company's initial public offering and the undersigned covenants with you to exercise such Unit Purchase Option promptly upon receipt of notice from you of the exercise of the Option.

## CONDITIONS PRECEDENT TO EXERCISE OF OPTION

You shall be entitled to exercise the Option upon the satisfaction of all of the following conditions:

- (i) On October 12, 2007, you shall have placed a buy order (the "Buy Order") with us or Broadband Capital Management LLC to purchase up to 3,000,000 shares of the Company's Common Stock at a price of no more than \$5.97 per share and keep such order open for four trading days.
- (ii) The Company's acquisition of InfuSystem, Inc. shall be approved by the requisite vote of the holders of Common Stock and such acquisition shall be consummated.
- (iii) The trading price for a share of Common Stock equals or exceeds \$8.00 for any 20 out of 30 consecutive trading days.
- (iv) The representations and warranties set forth below under "Optionee's Representations and Warranties" shall be true and correct in all material respects.

## EXERCISE OF OPTION

The Option may be exercised for the Option Amount (as defined below) in whole, but not in part, for a number of Warrants equal to (A) the sum of (i) the number of shares of Common Stock purchased pursuant to the Buy Order (whether or not you receive the proxy materials with respect to such shares in sufficient time to enable you to vote such shares at the Company's special annual meeting that convened on September 26, 2007 and currently adjourned until October 19, 2007 (as it may be further adjourned, the "Annual Meeting")) (the "Purchased Shares"), less (ii) the number of such Purchased Shares, if any, with respect to

which you vote against the Company's acquisition of InfuSystem, Inc. at the time of the Annual Meeting, times (B) the quotient of 1,666,666 divided by 3,000,000, but in no event more than 1,666,666 Warrants (in each case, as adjusted to account for stock splits, reclassifications and similar events), on any day after the conditions precedent set forth above have been satisfied.

In order to exercise the Option, you shall deliver written notice to the undersigned c/o FTN Midwest Securities Corp., 350 Madison Avenue, New York, NY 10017, Attn: Scott Chesky, setting forth your intention to exercise the Option and the proposed closing date (the "Closing Date") which shall be at least seven business days subsequent to the date of such notice. On such Closing Date, the undersigned shall deliver to you certificates representing the Warrants subject to the Option, together with appropriate transfer forms and you shall deliver full payment for such Warrants by such payment means as may be agreed. The undersigned shall be responsible for all transfer taxes payable in connection with the exercise of the Options.

FTN may satisfy its obligations hereunder by delivering the Warrants to you at any time in advance of your exercise of the Option.

#### REGISTRATION RIGHTS

The undersigned hereby assigns to you, effective as of the Closing Date, all of undersigned's registration rights pursuant to the Unit Purchase Option with respect to the Warrants and the shares of Common Stock underlying such Warrants purchased by you pursuant to the Option.

#### REPRESENTATIONS AND WARRANTIES

The undersigned represents and warrants to you as of the date of this Agreement and the Closing Date the following:

- (i) on the Closing Date, the undersigned will be the record and beneficial owner of and have good and valid title to the Warrants subject to the Option, free and clear of any and liens, claims or encumbrances; or the like; except with respect to the rights granted under this Agreement, the undersigned is not a party to, and the Warrants and shares of Common Stock underlying the Warrants are not subject

2

to, any option, warrant, contract, call, pledge, put, right of first refusal, tag-along, drag-along or other agreement or commitment providing for or relating to the disposition or acquisition of the Warrants or the Common Stock underlying the Warrants;

- (ii) the undersigned is the record and beneficial owner of and has good and valid title to the Unit Purchase Option, and has the right, power and authority to enter into this Agreement and on the Closing Date, the undersigned will have the right, power and authority to sell, assign and transfer the Warrants subject to the Option;

- (iii) the entry into the Agreement and the sale of the Warrants do not (A) conflict with, violate, result in any breach of, or constitute a default under any contract or agreement to which the undersigned is a party or to which the Warrants subject to the Option are subject to, or (B) violate any law, order, decree, judgment, injunction or other action;

- (iv) the Warrants and the Shares of Common Stock underlying the Warrants are not subject to any voting agreements, voting trusts or similar arrangements; and
- (v) the Unit Purchase Option has been amended to provide that Section 3.2 and 2.4.4 thereof shall not apply to the transfer of Warrants to you pursuant to your exercise of the Option.

Additionally, the undersigned hereby acknowledges to you that it is sophisticated and knowledgeable with respect to the transactions contemplated by this Agreement and has such information as it deems appropriate under the circumstances to make an informed decision regarding the transactions contemplated by this Agreement. The undersigned hereby agrees that it has made its own independent analysis and decision to enter into the transactions contemplated by this Agreement, based on such information as the undersigned has deemed appropriate under the circumstances, and without reliance on you (except for reliance on any express representation made by you in this Agreement).

#### OPTIONEE'S REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to the undersigned as follows:

(i) You are an "accredited investor" within the meaning of Rule 501 under the Securities Act of 1933, as amended (the "Securities Act").

(ii) You understand and acknowledge that the Option, the Warrants and the Common Stock underlying the Warrants have not been registered under the Securities Act or the securities laws of any state of the United States and are being offered only in a transaction not involving any public offering pursuant to exemptions from registration for transactions not involving any public offering in the United States within the meaning of the Securities Act and in compliance with applicable local laws and regulations, and are therefore "restricted securities" within the meaning of Rule 144 under the Securities Act.

3

(iii) The Option, the Warrants and the Common Stock underlying the Warrants are being purchased for your own investment and you have not offered or sold any portion of the Option being acquired, nor do you have any present intention of selling, distributing or otherwise disposing of the Option, the Warrants or Common Stock underlying the Warrants, either currently or after the passage of a fixed or determinable period of time or upon the occurrence or nonoccurrence of any predetermined event or circumstance in violation of the Securities Act.

(iv) In the normal course of your business, you invest in or purchase securities similar to the Option, the Warrants and the Common Stock underlying the Warrants and have such knowledge and experience in financial and business matters that you are capable of evaluating the merits and risks of investing in the Option.

(v) You are aware that you may be required to bear the economic risk of an investment in the Common Stock underlying the Warrants for an indefinite period of time and you are able to bear such risk for an indefinite period.

(vi) You understand and agree that the certificates evidencing the Warrants and the Common Stock underlying the Warrants will, unless otherwise agreed by the Company, bear a legend substantially to the following effect:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD,

PLEGGED OR OTHERWISE TRANSFERRED EXCEPT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS EVIDENCED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE AND OTHER SECURITIES LAWS."

FURTHER ASSURANCES

Each of the parties hereto shall execute such documents and other instruments and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and their intent and to consummate the transactions contemplated by this Agreement.

MISCELLANEOUS

You and the undersigned hereby agree that:

(i) You agree and acknowledge that the terms of this Option Agreement and of the transactions contemplated hereby will be disclosed by the Company in a supplement to its Proxy Statement in respect of its Annual Meeting. The undersigned will cause the Company to provide

4

you a reasonable opportunity to review such disclosure in advance of its filing with the SEC and distribution to the Company's stockholders.

(ii) Neither this Agreement, the Option, nor any of the rights, interests or obligations under this Agreement may be assigned or delegated by any party hereto, in whole or in part, by operation of law or otherwise; provided, however, that you may assign or delegate, in whole or in part, this Agreement to any one or more of your affiliated funds.

(iii) This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby, shall be governed by, and construed in accordance with, the internal laws of the State of New York, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of New York.

(iv) This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument.

5

Please acknowledge your agreement to the terms set forth herein by executing this Agreement where indicated.

Very truly yours,

FTN MIDWEST SECURITIES CORP.

By: /s/ Martin Shea

-----  
Name: Martin Shea  
Title: Executive Vice President

ACCEPTED AND AGREED:

GREAT POINT PARTNERS LLC

By: /s/ KEVIN XIE

-----

Name: Kevin Xie

Title: Principal

## OPTION ASSIGNMENT

This OPTION ASSIGNMENT, dated as of October 15, 2007, by Great Point Partners, LLC ("Assignor") in favor of Biomedical Value Fund, L.P. ("BMVF") and Biomedical Offshore Value Fund, Ltd. ("BOVF", and together with BMVF, the "Assignees").

WHEREAS, pursuant to that certain Option Agreement, dated as of October 12, 2007, by and among Assignor, Sean McDevitt, Pat Lavecchia, John Voris, Wayne Yetter and John Pierre Milton (the "Founders Option Agreement"), Assignor acquired options (the "Founders Options") to purchase 1,500,000 shares of Common Stock, par value \$.0001 per share ("Common Stock"), of HAPC, Inc. ("HAPC");

WHEREAS, pursuant to that certain Option Agreement, dated as of October 12, 2007 (the "FTN Option Agreement"), by and between Assignor and FTN Midwest Securities Corp., Assignor acquired options (the "FTN Options", and together with the Founders Options, the "Options") to purchase warrants to purchase 1,666,666 shares of Common Stock of HAPC;

WHEREAS, BMVF and BOVF are affiliates of Assignor;

WHEREAS, Assignor desires to assign to BOVF (a) its rights and obligations pursuant to the Founders Option Agreement with respect to 810,000 Founders Options and (b) its rights and obligations pursuant to the FTN Option Agreement with respect to 899,999.64 FTN Options (together, the "BOVF Options");

WHEREAS, Assignor desires to assign BMVF (a) its rights and obligations pursuant to the Founders Option Agreement with respect to 690,000 Founders Options and (b) its rights and obligations pursuant to the FTN Option Agreement with respect to 766,666.36 FTN Options (together, the "BMVF Options");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. ASSIGNMENT.
  - a. Effective as of the date hereof, Assignor hereby transfers, conveys and assigns to BOVF, its successors and assigns, to have and to hold, forever, all right, title and interest in and to the BOVF Options, free and clear of all liens, encumbrances, pledges, mortgages, charges, security interests or other restrictions of any nature whatsoever ("Encumbrances");
  - b. Effective as of the date hereof, Assignor hereby transfers, conveys and assigns to BMVF, its successors and assigns, to have and to hold, forever, all right, title and interest in and to the BMVF Options, free and clear of all Encumbrances;
2. FURTHER ASSURANCES. The Assignor shall at any time and from time to time, upon the reasonable request of either Assignee, do, execute, acknowledge and deliver, and cause to be done, executed, acknowledged or delivered, all such further acts, deeds, transfers, conveyances, assignments, powers of attorney or assurances as may be required for the better transferring, assigning, conveying, granting, assuring and confirming to such Assignee, or for aiding and assisting in the exercise of the Options assigned to it hereunder, (and, in the case of

the FTN Options, the exercise of the underlying warrants) or the sale, assignment, transfer, conveyance of or creation of an Encumbrance upon the Options assigned to it hereunder or the securities underlying such Options, or to vest in such Assignee good, valid and marketable title to such Options, free and clear of any Encumbrances.

3. ATTORNEY IN FACT. The Assignor hereby irrevocably constitutes and appoints each Assignee and its successors and assigns, the true and lawful attorney of the Assignor with full power of substitution, in the name of the Assignor, on behalf of and for the benefit of such Assignee, to exercise the Options assigned to it hereunder, to institute and prosecute, in the name of the Assignor or otherwise, all proceedings which such Assignee may deem proper in order to collect, assert or enforce any claim, right or title of any kind in or to the Options assigned to it hereunder, to defend and compromise any and all actions, suits or proceedings in respect of such Options, and to do all such acts and things in relation thereto as such Assignee may deem advisable. The Assignor acknowledges and agrees that the foregoing powers are coupled with an interest and shall be irrevocable by the Assignor directly or indirectly by the dissolution of the Assignor or otherwise, or in any manner or for any reason. The Assignor further agrees that each Assignee shall retain for its own account any monies, securities or other items of value received by it (including, without limitation, upon exercise of the options or, in the case of the FTN Options, upon exercise of the underlying warrants) pursuant to the foregoing powers, and the Assignor shall as soon as reasonably practicable, but in any event no later than five (5) days after receipt of such monies, securities or other items of value, transfer to such Assignee, if and when received, any such monies, securities or other items of value (all of which, if any, when so received, being deemed to have been received and held in trust solely for the benefit of such Assignee).
4. GOVERNING LAW. This Assignment shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any choice or conflict of law provisions.

2

IN WITNESS WHEREOF, the undersigned has executed this Assignment as of the date above first written.

GREAT POINT PARTNERS, LLC

By: /s/ David Gerber

-----

Name: David Gerber

Title: Chief Financial Officer

ACCEPTED AND AGREED:

BIOMEDICAL VALUE FUND, L.P.

By: /s/ David Gerber

-----

Name: David Gerber

Title: Chief Financial Officer

BIOMEDICAL OFFSHORE VALUE FUND, LTD.

By: /s/ David Gerber

-----

Name: David Gerber

Title: Chief Financial Officer

[SIGNATURE PAGE TO OPTION ASSIGNMENT]



BOARD REPRESENTATION AGREEMENT, dated as of October 12, 2007, by and between HAPC, Inc., a Delaware corporation (the "Company") and the other persons named on the signature pages hereto (the "GP Entities").

WHEREAS, as a result of certain transactions between the GP Entities and various third parties, the GP Entities may become the beneficial owners of 4,500,000 shares of the Common Stock, par value \$0.0001 per share of the Company ("Common Stock") and warrants to acquire an additional 1,666,666 shares of Common Stock; and

WHEREAS, due to the potential significant investment of the GP Entities in the Company, the Company is willing to enter into this Agreement with the GP Entities, which shall become effective in accordance with Section 3.7 of the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, the Company and the GP Entities agree as follows:

## ARTICLE 1

### DEFINITIONS

For purposes of this Agreement, the following terms have the following meanings:

(a) "Beneficial ownership" and "beneficially own" shall have the meanings set forth in Rule 13d-3 under the Exchange Act.

(b) "GP Representative" means any natural person who has been chosen in writing, with notice thereof to the Company, by the GP Entities holding beneficial ownership of Voting Securities representing in the aggregate a majority of the Total Voting Power held by the GP Entities.

(c) "Total Voting Power" means, at any time, the aggregate number of votes which may be cast by holders of outstanding Voting Securities.

(d) "Voting Securities" means the Common Stock and any other securities (including voting preferred stock) issued by the Company which are entitled to vote generally for the election of directors of the Company, whether currently outstanding or hereafter issued (other than securities having such powers only upon the occurrence of a contingency).

## ARTICLE 2

### BOARD REPRESENTATION

2.1 INITIAL BOARD REPRESENTATION. Upon the execution and delivery of this Agreement, the Company will (a) take such action as may be necessary to increase the size of the Board of Directors of the Company (the "Board of Directors") by one, and (b) use its best efforts to cause the vacancy thereby created to be filled with a director designated by the GP Representative (the "GP Director").

2.2 CONTINUING BOARD REPRESENTATION. Until such time as the GP Entities no longer beneficially own Voting Securities representing in the aggregate at least 10% of the Total Voting Power, the Company covenants and agrees to use its best efforts to cause the Nominating Committee (or if the Nominating Committee

makes no such recommendation, the Board of Directors) to recommend for election each year, one GP Director as designated by the GP Representative; PROVIDED, that if despite such best efforts, such GP Director is not elected by the stockholders of the Company, the Company shall have no further obligations under this Section 2.2 for the applicable year.

2.3 COMMITTEE REPRESENTATION; SUBSIDIARY BOARD REPRESENTATION. (a) Until such time as the GP Entities no longer beneficially own Voting Securities representing in the aggregate at least 10% of the Total Voting Power, the Company shall use its best efforts to cause the Board of Directors to designate the GP Director to serve on committees of the Board of Directors to the same extent, and on the same basis, as the other members of the Board of Directors.

(b) Until such time as the GP Entities no longer beneficially own Voting Securities representing in the aggregate at least 10% of the Total Voting Power, the Company shall, at the election of the GP Director, cause the GP Director to be a member of the Board of each subsidiary of the Company.

2.4 VACANCIES. In the event that a GP Director for any reason ceases to serve as a member of the Board of Directors during his or her term of office and at such time the GP Representative would have the right to a designation hereunder if an election for the resulting vacancy were to be held, the GP Representative shall designate an individual to fill such vacancy and the Company shall use its best efforts to cause such vacancy to be filled by such designee.

2.5 RESIGNATION. In the event that the percentage of Total Voting Power represented by the Voting Securities beneficially owned in the aggregate by the GP Entities at any time decreases below 10%, the GP Entities shall cause the GP Director to resign from the Board of Directors and the boards of any subsidiary.

2.6 FIDUCIARY DUTIES. The obligations of the Company set forth in this Agreement are subject to the fiduciary duties of the Board of Directors and the Nominating Committee, if any, to the Company's stockholders. Nothing contained herein shall require any director of the Company to breach any such fiduciary duty.

2.7 NO DUTY TO DESIGNATE; OBSERVER RIGHTS. Nothing contained in this Agreement shall be construed as requiring the GP Entities to designate any GP Directors or, once designated and elected, to require any GP Director to continue to serve in office if such GP Director elects to resign. Until such time as the GP Entities no longer beneficially own Voting Securities representing in the aggregate at least 10% of the Total Voting Power, in the event of any vacancy created by the resignation or removal of a GP Director or the failure of the GP Representative to designate a GP Director, the GP Representative, or the designee thereof, shall have the right to receive at the same notice as received by the members of the Board of Directors, and to participate in as an observer, each meeting of the Board of Directors or of any committee thereof.

## ARTICLE 3

### MISCELLANEOUS

3.1 NOTICES. All notices, requests and other communications with respect to this Agreement must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile transmission or mailed (by registered or certified mail, return receipt requested) or by reputable overnight courier, fee prepaid to the parties at the following addresses or facsimile numbers:

if to the Company:

HAPC, INC.  
350 Madison Avenue, 20th Floor  
New York, New York 10017  
Facsimile: (212) 418-5081  
Attn: CEO

if to the GP entities, the address set forth on the signature page hereto.

3.2 AMENDMENTS. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing signed on behalf of each party

3.3 WAIVER. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. Any agreement on the part of any party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such party.

3.4 ASSIGNMENT. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any party without the prior written consent of the other parties, and any such assignment without such prior written consent shall be null and void.

3.5 ENTIRE AGREEMENT. This Agreement embodies the entire agreement and understanding among the parties hereto relating to the subject matter hereof and supersedes any prior agreements or understandings relating to such subject matter.

3.6 GOVERNING LAW. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby, shall be governed by, and construed in accordance with, the internal laws of the State of New York, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of New York.

3

3.7 EFFECTIVE DATE. This Agreement shall only become effective upon the "Closing Date" of that certain Letter Agreement, dated as of October 12, 2007, between you and certain other stockholders of the Company attached hereto as Exhibit A.

4

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

HAPC, INC.

By: /s/ Pat Lavecchia

-----  
Name: Pat Lavecchia

Title: Secretary

GP Entities:

GREAT POINT PARTNERS, LLC

By: /s/ Kevin Xie

-----  
Name: Kevin Xie

Title: Principal

Address: Great Point Partners, LLC  
165 Mason Street, 3rd Floor  
Greenwich, CT 06830

Fax: 203-971-3320

5

Exhibit A

See Exhibit 10.1 to the Company's Schedule 13D, filed on October 25, 2007.