

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

In re GILEAD SCIENCES SECURITIES LITIGATION )	Master File No. C-03-4999-SI
This Document Relates To: )	<u>CLASS ACTION</u>
ALL ACTIONS. )	<b>NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION</b>

**If you purchased Gilead Sciences, Inc. (“Gilead”) common stock or call options or wrote (sold) put options on Gilead common stock (collectively, “Gilead Publicly Traded Securities”) during the period from and including July 14, 2003 through and including October 28, 2003 (the “Class Period”) and are not otherwise excluded from the Class (see Question 6 below), you could get a payment from a class action settlement.**

A federal court authorized this Settlement Notice.<sup>1</sup> This is not a solicitation from a lawyer.

**Security and Time Period:** Gilead common stock (symbol “GILD”) and call options purchased and put options written (sold to open) on Gilead common stock from and including July 14, 2003 through and including October 28, 2003.

**Statement of Plaintiff Recovery:** \$8,250,000 in cash plus any interest earned. Your recovery will depend on the timing of your purchases and any sales of Gilead Publicly Traded Securities during the Class Period. Based on the information currently available to Lead Plaintiffs and the analysis performed by their damage consultants, it is estimated that if Class Members submit claims for 100% of the shares eligible for distribution under the Plan of Allocation (described below in Question 9), the estimated average distribution per share of common stock will be approximately \$0.05 before deduction of Court-approved fees and expenses, including the cost of notifying Members of the Class and settlement administration. Historically, actual claims rates are less than 100%, which result in higher distributions per share. A Class Member’s actual recovery will be a proportion of the Net Settlement Fund determined by that Claimant’s Recognized Claim as compared to the total Recognized Claims of all Class Members who submit valid Proof of Claim and Release forms (“Proof of Claim”).

**Reasons for Settlement:** Avoids the costs and risks associated with continued litigation, including the danger of no recovery.

**Statement of Potential Outcome of Case:** Continuing with the case could result in loss at summary judgment, trial or on appeal or a plaintiffs’ verdict after trial. The two sides vigorously disagree on both liability and the amount of money that could be won if Lead Plaintiffs prevailed at trial. The parties disagree about (1) the method for determining whether the price of Gilead Publicly Traded Securities was artificially inflated during the relevant period; (2) the amount of any such alleged inflation; (3) that there was any wrongdoing on the part of Defendants; (4) the extent to which various facts alleged by Lead Plaintiffs influenced the trading price of Gilead Publicly Traded Securities during the Class Period, if at all; and (5) whether the facts alleged were material, false, misleading, or otherwise actionable under the federal securities laws.

**Attorneys’ Fees and Expenses:** Court-appointed Lead Plaintiffs’ counsel will ask the Court for attorneys’ fees of 30% of the Settlement Fund and expenses not to exceed \$350,000 to be paid from the Settlement Fund plus interest. Lead Plaintiffs’ counsel have not received any payment for their work investigating the facts, prosecuting this Action, and negotiating this Settlement on behalf of the Lead Plaintiffs and the Class. If the above amounts are requested and approved by the Court, the average cost per share will be \$0.017.

**Deadlines:**

Submit Claim:	<b>December 6, 2010</b>
Request Exclusion:	<b>September 30, 2010</b>
File Objection:	<b>September 30, 2010</b>
<b>Court Hearing on Fairness of Settlement:</b>	<b>November 5, 2010</b>

**More Information:** [GileadSecuritiesSettlement.com](http://GileadSecuritiesSettlement.com) or

<b>Claims Administrator:</b>	<b>Representative of Plaintiffs’ Co-Lead Counsel:</b>	
Gilead Sciences Securities Litigation	Rick Nelson	Lori G. Feldman
Claims Administrator	Shareholder Relations	MILBERG LLP
c/o A.B. Data, Ltd.	ROBBINS GELLER RUDMAN & DOWD LLP	One Penn Plaza
PO Box 170500	655 West Broadway, Suite 1900	New York, NY 10119
Milwaukee, WI 53217-8042	San Diego, CA 92101	212-594-5300
866-217-4457	800-449-4900	

- Your legal rights are affected whether you act or do not act. Read this Settlement Notice carefully.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM</b>	The only way to receive a payment.
<b>EXCLUDE YOURSELF</b>	Receive no payment. This is the only option that allows you to participate in another lawsuit against the Defendants for the legal claims in this case.
<b>OBJECT</b>	You may write to the Court if you do not like this Settlement, the request for attorneys’ fees and expenses, or the Plan of Allocation.
<b>GO TO A HEARING</b>	You may ask to speak in Court about the fairness of the Settlement.
<b>DO NOTHING</b>	Receive no payment. Give up your rights.

- These rights and options—and the deadlines to exercise them—are explained in this Settlement Notice.
- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

<sup>1</sup> All capitalized terms not otherwise defined in this document shall have the meaning provided in the Stipulation of Settlement dated June 28, 2010 (“Stipulation”).

## BASIC INFORMATION

### 1. Why did I get this notice package?

You or someone in your family may have purchased Gilead Publicly Traded Securities from and including July 14, 2003 through and including October 28, 2003.

The Court directed that you be sent this Settlement Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves it and after any objections or appeals (if any) are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Northern District of California, and the case is known as *In re Gilead Sciences Securities Litigation*, Master File No. C-03-4999-SI (the “Action”). The persons who lead the Action, Trent St. Clare and Terry Johnson, are called Lead Plaintiffs, and Gilead and the individuals they sued are called Defendants.

### 2. What is this lawsuit about?

This Action alleges that Gilead and its President and Chief Executive Officer, Chief Financial Officer, and four of Gilead’s Vice Presidents violated the federal securities laws by making false and misleading statements during the Class Period regarding sales of Viread, one of Gilead’s HIV/AIDS drugs. Gilead is a biopharmaceutical company that discovers, develops, markets, and sells pharmaceutical products that are treatments for life threatening illnesses. As a result, Gilead is subject to the Federal Food, Drug, and Cosmetic Act and its implementing regulations which set forth the manner in which pharmaceutical companies are permitted to market and promote their products. Use of nonapproved materials is considered “off-label” marketing and is illegal. Lead Plaintiffs allege that during the Class Period, Defendants failed to disclose that they were allegedly engaged in illegal off-label marketing of Viread, that statements made by Defendants during the Class Period regarding Viread sales caused the price of Gilead securities to be artificially inflated, and that Class Members suffered damages when Defendants disclosed Gilead’s true financial condition on October 28, 2003 and the price of Gilead’s securities declined as a result.

Defendants have denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiffs, as well as all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. In particular, Defendants deny that they engaged in off-label marketing of any kind and assert that they at all times complied with all laws and regulations governing the sale and marketing of Viread. Defendants also expressly have denied and continue to deny that they made any false or misleading statements during the Class Period regarding Viread or otherwise, that Lead Plaintiffs or the Class have suffered damages of any kind, and that the price of Gilead common stock was artificially inflated during the Class Period as the result of any alleged misrepresentations, omissions, nondisclosures, or other conduct by Defendants.

### 3. Why is this a class action?

In a class action, one or more people called class representatives (in this case, the Court-appointed Lead Plaintiffs, Trent St. Clare and Terry Johnson) sue on behalf of people who have similar claims. Here, all of these people and/or entities are called a Class or Class Members. One judge, in this case United States District Judge Susan Illston, resolves the issues for all Class Members, except for those who exclude themselves from the Class.

### 4. Why is there a settlement?

The Court did not decide in favor of Lead Plaintiffs or Defendants. Instead, the lawyers for both sides of the lawsuit have negotiated a Settlement, with the assistance of a highly respected mediator, retired federal judge Layn R. Phillips, that they believe is in the best interests of their respective clients. The Settlement allows both sides to avoid the risks and cost of lengthy and uncertain litigation and the uncertainty of a trial and appeals and permits Class Members to be compensated without further delay. The Lead Plaintiffs and their attorneys think the Settlement is best for all Class Members.

## WHO GETS MONEY FROM THE SETTLEMENT

To see if you will get money from this Settlement, you first have to determine if you are a Class Member.

### 5. How do I know if I am part of the Settlement?

The Class includes **all Persons who purchased Gilead Publicly Traded Securities from and including July 14, 2003 through and including October 28, 2003.**

### 6. Are there exceptions to being included in the Class?

Yes. Defendants, the officers and directors of Gilead during the Class Period, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which any such excluded Person has or had a controlling interest, are excluded from the Class. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class pursuant to this Settlement Notice.

### 7. I’m still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can call 866-217-4457 or visit [GileadSecuritiesSettlement.com](http://GileadSecuritiesSettlement.com) for more information, or you can call Rick Nelson at 800-449-4900 or Lori G. Feldman at 212-594-5300 for more information or you can fill out and return the Proof of Claim described in Question 10 to see if you qualify.

## THE SETTLEMENT BENEFITS—WHAT YOU GET

### 8. What does the Settlement provide?

Gilead has agreed to pay or cause to be paid \$8,250,000 in cash (the “Settlement Fund”). The Settlement Fund, plus interest earned from the date it is established, less costs, fees, and expenses (the “Net Settlement Fund”), will be divided among all eligible Class Members who send in valid Proofs of Claim (“Authorized Claimants”). Costs, fees, and expenses include Court-approved attorneys’ fees and expenses; the costs of notifying Class Members, including the costs of printing and mailing this Settlement Notice and the cost of publishing newspaper notice; and the costs of claims administration.

## 9. How much will my payment be?

Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members send in and how many shares of stock you purchased during the relevant period and when you bought and sold them.

You can calculate your Recognized Claim in accordance with the formula shown below in the Plan of Allocation. It is unlikely that you will get a payment for all of your Recognized Claim. After all Class Members have sent in their Proofs of Claim, the payment you get will be a part of the Net Settlement Fund equal to your Recognized Claim divided by the total of everyone's Recognized Claims. See the Plan of Allocation below for more information on your Recognized Claim. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

### Section 10(b) Claims for Common Stock

**Note: Per-share amounts are not adjusted for the subsequent 9/30/04 and 6/22/07 stock splits.**

Class Period: From and including July 14, 2003 through and including October 28, 2003

The allocation below is based on the October 29, 2003 price decline of \$7.46 per share as well as the statutory PSLRA 90-day look-back average value for sales from October 29, 2003 through January 28, 2004 and a holding value of \$58.01 per share for shares held after the close of trading on January 26, 2004.

### PLAN OF ALLOCATION OF SETTLEMENT PROCEEDS AMONG CLASS MEMBERS

The \$8,250,000 cash settlement amount and the interest earned thereon shall be the Settlement Fund. The Settlement Fund, less all taxes, costs, fees, and expenses (the Net Settlement Fund) shall be distributed to Members of the Class who submit acceptable Proof of Claim forms (Authorized Claimants).

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim."

The following Plan of Allocation reflects Lead Plaintiffs' allegations that the price of Gilead common stock was artificially inflated during the Class Period (from and including July 14, 2003 through and including October 28, 2003) and that the \$7.46-per-share decrease in the price of Gilead common stock upon revelations made after the close of trading on October 28, 2003 reflected the elimination of the artificial inflation that the Defendants' alleged misrepresentations may have caused.

Pursuant to the PSLRA, the Plan of Allocation also reflects the fact that in the 90 days following the alleged corrective disclosure, the price of Gilead common stock partially rebounded and that Class Members who sold during the 90-day period following the October 29, 2003 disclosure or who held at the end of the 90-day period (on January 26, 2004) may have recovered part of the loss allegedly occurring immediately upon the alleged corrective disclosure.

### COMMON STOCK PURCHASES

For shares of Gilead common stock **purchased during the Class Period (from and including July 14, 2003 through and including October 28, 2003)**, a Claimant's Recognized Claim shall be calculated as follows:

- (a) **If sold on or before October 28, 2003**, the Recognized Claim is zero (\$0.00).
- (b) **If sold at a gain prior to January 26, 2004**, the Recognized Claim is zero (\$0.00).
- (c) **If sold at a loss during the period from October 29, 2003 through and including January 26, 2004**, the Recognized Claim shall be **the least of (i)** \$7.46 per share (the October 29, 2003 price decline) **or (ii)** the difference between the purchase price paid and the sales price received **or (iii)** the difference between the purchase price paid and the average closing price per share up to the date of sale as set forth in the table below.
- (d) If retained as of the close of trading on January 26, 2004, the Recognized Claim shall be **the lesser of (i)** \$7.46 per share **or (ii)** the difference between the purchase price paid and \$58.01 per share (the statutory PSLRA 90-day look-back average amount).

Date	Closing Price	Average Closing Price
29-Oct-03	\$52.00	\$52.00
30-Oct-03	\$54.36	\$53.18
31-Oct-03	\$54.56	\$53.64
3-Nov-03	\$54.96	\$53.97
4-Nov-03	\$53.68	\$53.91
5-Nov-03	\$52.60	\$53.69
6-Nov-03	\$53.92	\$53.73
7-Nov-03	\$53.40	\$53.69
10-Nov-03	\$52.08	\$53.51
11-Nov-03	\$52.16	\$53.37
12-Nov-03	\$54.20	\$53.45
13-Nov-03	\$55.04	\$53.58
14-Nov-03	\$54.28	\$53.63
17-Nov-03	\$54.72	\$53.71
18-Nov-03	\$53.96	\$53.73

Date	Closing Price	Average Closing Price
19-Nov-03	\$54.72	\$53.79
20-Nov-03	\$55.64	\$53.90
21-Nov-03	\$56.80	\$54.06
24-Nov-03	\$59.36	\$54.34
25-Nov-03	\$58.28	\$54.54
26-Nov-03	\$58.76	\$54.74
28-Nov-03	\$58.68	\$54.92
1-Dec-03	\$60.16	\$55.14
2-Dec-03	\$59.84	\$55.34
3-Dec-03	\$58.64	\$55.47
4-Dec-03	\$58.68	\$55.60
5-Dec-03	\$57.60	\$55.67
8-Dec-03	\$57.28	\$55.73
9-Dec-03	\$56.72	\$55.76
10-Dec-03	\$56.00	\$55.77

Date	Closing Price	Average Closing Price
11-Dec-03	\$56.04	\$55.78
12-Dec-03	\$56.04	\$55.79
15-Dec-03	\$56.08	\$55.80
16-Dec-03	\$56.36	\$55.81
17-Dec-03	\$57.08	\$55.85
18-Dec-03	\$58.76	\$55.93
19-Dec-03	\$59.40	\$56.02
22-Dec-03	\$59.64	\$56.12
23-Dec-03	\$59.48	\$56.20
24-Dec-03	\$59.16	\$56.28
26-Dec-03	\$58.96	\$56.34
29-Dec-03	\$58.60	\$56.40
30-Dec-03	\$58.16	\$56.44
31-Dec-03	\$58.28	\$56.48
2-Jan-04	\$58.04	\$56.51

Date	Closing Price	Average Closing Price
5-Jan-04	\$58.16	\$56.55
6-Jan-04	\$57.96	\$56.58
7-Jan-04	\$62.36	\$56.70
8-Jan-04	\$61.36	\$56.80
9-Jan-04	\$62.40	\$56.91

Date	Closing Price	Average Closing Price
12-Jan-04	\$62.84	\$57.02
13-Jan-04	\$61.44	\$57.11
14-Jan-04	\$61.04	\$57.18
15-Jan-04	\$61.96	\$57.27
16-Jan-04	\$63.40	\$57.38

Date	Closing Price	Average Closing Price
20-Jan-04	\$63.56	\$57.49
21-Jan-04	\$65.36	\$57.63
22-Jan-04	\$65.20	\$57.76
23-Jan-04	\$65.76	\$57.90
26-Jan-04	\$64.52	\$58.01

#### CALL OPTION PURCHASES

For call options on Gilead common stock **purchased (to open) during the Class Period (from and including July 14, 2003 through and including October 28, 2003)**, a Claimant's Recognized Claim shall be calculated as follows:

- The Recognized Claim is zero (\$0.00) for any call options on Gilead common stock purchased during the Class Period that were **not owned as of the close of trading on October 28, 2003**.
- If exercised by the Claimant during the Class Period**, the Recognized Claim, if any, shall be calculated as a purchase of common stock on the exercise date for the exercise price plus the cost of the call option.
- If open and unexercised and still owned by the Claimant at the close of trading on October 28, 2003**, the Recognized Claim for call options on Gilead common stock purchased (to open) during the Class Period shall be **the lesser of (i)** the difference, if a loss, between (x) the amount paid for the call options during the Class Period and (y) the sum for which said call options were subsequently sold at a loss (or \$0.00) if the call option expired while still owned by the Claimant **or (ii)** \$7.46 per share covered by such call option contracts.

NOTE: No Recognized Claim will be allowed with respect to call options on Gilead common stock **written** (sold to open) and repurchased during the Class Period.

#### PUT OPTION SALES

For put options on Gilead common stock **written (sold to open) during the Class Period (from and including July 14, 2003 through and including October 28, 2003)**, a Claimant's Recognized Claim shall be calculated as follows:

- If repurchased on or before the close of trading on October 28, 2003, or otherwise NOT the open, unexercised liability of the Claimant at the close of trading on October 28, 2003**, the Recognized Claim is zero (\$0.00).
- If repurchased for less than the premium received on the sale**, the Recognized Claim is zero (\$0.00).
- If exercised, at any time during or after the Class Period**, the Recognized Claim is calculated as if it were a purchase of Gilead common stock as shown above and as if the writing (sale) of the put option were instead a purchase of Gilead common stock on the date of the writing (sale) of the put option, and the common stock purchase price paid shall be the strike price less the proceeds received on the sale of the put option.
- If open and unexercised at the close of trading on October 28, 2003 and thereafter repurchased at a loss**, the Recognized Claim is **the lesser of (i)** the difference between the price paid upon settlement of the put option contract, less the initial proceeds received upon the sale of the put option contract **or (ii)** \$7.46 per share covered by the put options.
- If expired and unexercised on or after the close of trading on October 28, 2003**, the Recognized Claim is zero (\$0.00).

NOTE: No Recognized Claim, zero (\$0.00), will be allowed with respect to put options on Gilead common stock purchased to open during the Class Period.

NOTE: The combined recovery for the put/call options shall not exceed 3% of the Net Settlement Fund.

To the extent a Claimant had a gain from his, her, or its overall transactions in Gilead Publicly Traded Securities during the Class Period, the value of the Recognized Claim will be zero. To the extent that a Claimant suffered an overall loss on his, her, or its overall transactions in Gilead Publicly Traded Securities during the Class Period, but that loss was less than the Recognized Claim calculated pursuant to the above provisions, then the Recognized Claim shall be limited to the amount of the actual loss.

For purposes of determining whether a Claimant had a gain from his, her, or its overall transactions in Gilead Publicly Traded Securities during the Class Period or suffered a loss, the Claims Administrator shall (i) total the amount paid for all Gilead Publicly Traded Securities purchased during the Class Period by the Claimant (the "Total Purchase Amount"); (ii) match any sales of Gilead Publicly Traded Securities during the Class Period first against the Claimant's opening position in the Gilead Publicly Traded Securities (the proceeds of those sales will not be considered for purposes of calculating gains or losses); (iii) total the amount received for sales of the remaining Gilead Publicly Traded Securities sold during the Class Period (the "Sales Proceeds"); and (iv) ascribe a holding value for the Gilead Publicly Traded Securities<sup>2</sup> as outlined in the Recognized Claim formula ("Holding Value"). The difference between (i) the Total Purchase Amount and the (ii) sum of the Sales Proceeds and Holding Value will be deemed a Claimant's gain or loss on his, her, or its overall transactions in Gilead Publicly Traded Securities during the Class Period.

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants. The minimum distribution amount to an Authorized Claimant with a valid Recognized Claim shall be \$10.00.

<sup>2</sup> For options, the Holding Value is the amount, if any, by which the strike price was "in-the-money" as of the close of trading on October 28, 2003.

Class Members who do not submit acceptable Proofs of Claim will not share in the Settlement proceeds. Class Members who do not either submit a request for exclusion or submit an acceptable Proof of Claim will nevertheless be bound by the Settlement and any judgment of the Court dismissing this Action.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If there is any balance remaining in the Settlement Fund after six (6) months from the date of the initial distribution of the Settlement Fund to Authorized Claimants (whether by reason of tax refunds, uncashed checks, or otherwise), then such balance shall, if feasible, be redistributed to Class Members who have cashed their initial distributions and who would receive at least \$10.00 from such redistribution, after payment of any unpaid costs or fees incurred in administering the Net Settlement Fund for such redistribution. Six months after such redistribution, any remaining balance shall be contributed to one or more not-for-profit 501(c)(3) organizations to be designated by Plaintiffs' Co-Lead Counsel.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Plaintiffs, Plaintiffs' Counsel, any claims administrator, or other Person designated by Lead Plaintiffs' counsel or Defendants and/or the Released Persons and/or their counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim will be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court) but otherwise will be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

## **HOW YOU GET A PAYMENT—SUBMITTING A PROOF OF CLAIM**

### **10. How will I get a payment?**

To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed with this Settlement Notice. Please read the instructions carefully. You must fill out the form, include all the information and documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than December 6, 2010.

### **11. When will I get my payment?**

The Court will hold a Fairness Hearing on November 5, 2010, at 10:30 a.m., to decide whether to approve the Settlement. If Judge Illston approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. If there are no appeals and depending on the number of claims submitted, the Claims Administrator could distribute the Net Settlement Fund as early as nine months to a year after the Fairness Hearing (see Question 20 below). Please be patient.

### **12. What am I giving up to get a payment or stay in the Class?**

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants about the same issues in this case or about issues that could have been asserted in this case. It also means that all of the Court's orders will apply to you and legally bind you and you will release your Released Claims in this case against the Released Persons.

"Released Claims" shall collectively mean any and all claims, debts, demands, controversies, obligations, losses, rights or causes of action or liabilities of any kind or nature whatsoever (including, but not limited to, any claims for damages (whether compensatory, special, incidental, consequential, punitive, exemplary or otherwise), injunctive relief, declaratory relief, rescission or rescissionary damages, interest, attorneys' fees, expert or consulting fees, costs, expenses, or any other form of legal or equitable relief whatsoever), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or un-liquidated, at law or in equity, matured or un-matured, whether class or individual in nature, including both known claims and Unknown Claims, that (i) have been asserted in this Action by the Class Members or any of them against any of the Released Persons (as defined below), or (ii) could have been asserted in any forum by the Class Members or any of them against any of the Released Persons which arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the pleadings and papers on file in this Action, including, without limitation, the Fifth Consolidated Amended Class Action Complaint for Violation of Federal Securities Laws, and that relate to the purchase of Gilead Publicly Traded Securities during the Class Period.

"Released Persons" means collectively any and all of the Defendants, their past or present subsidiaries, parents, successors and predecessors, officers, directors, shareholders, partners, agents, employees, attorneys, insurers, insureds and any person, firm, trust, corporation, officer, director or other individual or entity in which any of the Defendants has a controlling interest or which is related to or affiliated with any of the Defendants, and the legal representatives, heirs, successors-in-interest or assigns of the Defendants.

## **EXCLUDING YOURSELF FROM THE CLASS**

If you do not want a payment from this Settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the same issues in this case, then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class.

### **13. How do I get out of the Class?**

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from *In re Gilead Sciences Securities Litigation*, Master File No. C-03-4999-SI. You must include your name, address, telephone number, and your signature. Your letter should also state the date(s), price(s), and number(s) of all of your purchases and sales of Gilead common stock and put and call options during the Class Period (July 14, 2003 through October 28, 2003, inclusive). You must mail your exclusion request postmarked no later than September 30, 2010 to:

GILEAD SCIENCES SECURITIES LITIGATION  
CLAIMS ADMINISTRATOR  
EXCLUSIONS  
C/O A.B. DATA, LTD.  
PO BOX 170500  
MILWAUKEE, WI 53217-8042

You cannot exclude yourself on the phone or by email. If you ask to be excluded, you are not eligible to get any Settlement payment and you cannot object to the Settlement. You will not be legally bound by anything that happens in the Action.

QUESTIONS? CALL 866-217-4457 OR VISIT [GILEADSECURITIESSETTLEMENT.COM](http://GILEADSECURITIESSETTLEMENT.COM)

**14. If I do not exclude myself, can I sue the Defendants for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue the Defendants for the claims that this Settlement resolves. Remember, the exclusion deadline is September 30, 2010.

**15. If I exclude myself, can I get money from this Settlement?**

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money. Once you exclude yourself, you will receive no cash payment even if you also submit a Proof of Claim.

**THE LAWYERS REPRESENTING YOU**

**16. Do I have a lawyer in this case?**

The Court appointed the law firms of Robbins Geller Rudman & Dowd LLP and Milberg LLP to represent you and other Class Members. These lawyers are called Plaintiffs’ Co-Lead Counsel. The Court also appointed Kaplan Fox & Kilsheimer LLP as Liaison Counsel. Plaintiffs’ Co-Lead Counsel will apply to the Court for payment of attorneys’ fees and expenses from the Settlement Fund on behalf of Plaintiffs’ Counsel; you will not otherwise be charged for Plaintiffs’ Counsel’s services. If you want to be represented by your own lawyer, you may hire one at your own expense.

**17. How will the lawyers be paid?**

At the Fairness Hearing, Lead Plaintiffs’ counsel will request the Court to award attorneys’ fees of 30% of the Settlement Fund and for expenses up to \$350,000, which were incurred in connection with the Action. If awarded, the total cost of these awards would be \$.017 per share. This compensation will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. To date, Lead Plaintiffs’ counsel have not received any payment for their services in conducting this litigation on behalf of the Lead Plaintiffs and the Class, nor have counsel been paid for their expenses. The fee requested will compensate Lead Plaintiffs’ counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than this amount.

**OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the Settlement or some part of it.

**18. How do I tell the Court that I do not like the Settlement?**

If you are a Class Member (and you have not excluded yourself), you can object to all or any part of the Settlement, the request for attorneys’ fees and expenses, or the Plan of Allocation. You can give reasons why you think the Court should not approve the Settlement, the request for attorneys’ fees and expenses, or the Plan of Allocation. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed Settlement in *In re Gilead Sciences Securities Litigation*, Master File No. C-03-4999-SI. Your letter must include your name, address, telephone number, your signature, the number of shares of Gilead common stock and/or call options purchased and/or put options you wrote (sold) from and including July 14, 2003 through and including October 28, 2003, and the reasons you object to the Settlement, the requested attorneys’ fees and expenses, or the Plan of Allocation. Any such objection must be mailed or delivered such that it is received by each of the following no later than September 30, 2010:

**Court:**

Clerk of the Court  
United States District Court  
Northern District of California  
450 Golden Gate Avenue, 16th Floor  
San Francisco, CA 94102

**Plaintiffs’ Co-Lead Counsel:**

ROBBINS GELLER RUDMAN & DOWD LLP  
Jeffrey D. Light  
655 West Broadway, Suite 1900  
San Diego, CA 92101

MILBERG LLP  
Lori G. Feldman  
One Penn Plaza  
New York, NY 10119

**Defendants’ Counsel:**

COOLEY LLP  
John C. Dwyer  
Five Palo Alto Square, 4th Floor  
3000 El Camino Real  
Palo Alto, CA 94306

**19. What is the difference between objecting and excluding myself from the Settlement?**

Objecting is telling the Court that you do not like something about the proposed Settlement. You can object **only** if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer applies to you.

## THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend, but you do not have to.

### **20. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a hearing at 10:30 a.m. on November 5, 2010 at the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will take into consideration any written objections filed in accordance with the instructions in this Settlement Notice. The Court also may listen to people who have properly indicated, within the deadline and in the manner identified in Question 22, an intention to speak at the hearing, but decisions regarding the conduct of the hearing will be made by the Court. The Court will also decide whether to approve the Plan of Allocation and the payment of fees and expenses to Plaintiffs' Counsel. We do not know how long the hearing will take or whether the Court will make its decision on the day of the hearing or sometime later.

You should be aware that the Court may change the date and time of the Fairness Hearing. Thus, if you want to come to the hearing, you should check with Plaintiffs' Co-Lead Counsel before coming to be sure that the date and/or time has not changed.

### **21. Do I have to come to the Fairness Hearing?**

No. Plaintiffs' Co-Lead Counsel will answer questions Judge Illston may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but you are not required to do so.

### **22. May I speak at the Fairness Hearing?**

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter saying that it is your intention to appear in *In re Gilead Sciences Securities Litigation*, Master File No. C-03-4999-SI. Your letter must include your name, address, telephone number, your signature, and the number of shares of Gilead common stock and/or call options purchased and/or put options you wrote (sold) from and including July 14, 2003 through and including October 28, 2003. Your notice of intention to appear must be received no later than September 30, 2010 by the Clerk of the Court, Plaintiffs' Co-Lead Counsel, and Defendants' counsel, at the addresses listed in Question 18. You cannot speak at the hearing if you exclude yourself from the Class.

## IF YOU DO NOTHING

### **23. What happens if I do nothing at all?**

If you do nothing, you will get no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants about the same issues in this case and you will be bound by all of the orders and judgments entered in this Action.

## GETTING MORE INFORMATION

### **24. Are there more details about the Settlement?**

This Settlement Notice summarizes the proposed Settlement. More details are in the Stipulation of Settlement dated June 28, 2010, which has been filed with the Court. You can get a copy of the Stipulation from the Clerk's office at the United States District Court, Northern District of California, 450 Golden Gate Avenue, 16th Floor, San Francisco, CA 94102, during regular business hours or at [GileadSecuritiesSettlement.com](http://GileadSecuritiesSettlement.com).

### **25. How do I get more information?**

You can call 800-449-4900 or write to a representative of Plaintiffs' Co-Lead Counsel, Rick Nelson, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101 or Lori G. Feldman, Milberg LLP, One Penn Plaza, New York, NY 10119, 212-594-5300, or visit the Claims Administrator's website at [GileadSecuritiesSettlement.com](http://GileadSecuritiesSettlement.com). **Please do not call the Court or the Clerk of the Court for additional information about the Settlement.**

### **26. Special notice to nominees**

If you purchased or held any Gilead common stock and/or call options or wrote (sold) put options from and including July 14, 2003 through and including October 28, 2003, as a nominee for a beneficial owner, then within ten (10) days after you receive this Settlement Notice, you must either (1) send a copy of this Settlement Notice by First-Class Mail to all such Persons or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

GILEAD SCIENCES SECURITIES LITIGATION  
CLAIMS ADMINISTRATOR  
ATTENTION: FULFILLMENT DEPARTMENT  
C/O A.B. DATA, LTD.  
3410 WEST HOPKINS STREET  
PO BOX 170500  
MILWAUKEE, WI 53217-8042

If you choose to mail the Settlement Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Settlement Notice and which would not have been incurred but for the obligation to forward the Settlement Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: JULY 7, 2010

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA