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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re GILEAD SCIENCES SECURITIES  
LITIGATION

) Master File No. C-03-4999-SI

) CLASS ACTION

\_\_\_\_\_  
This Document Relates To:

) [PROPOSED] ORDER PRELIMINARILY  
) APPROVING SETTLEMENT AND  
) PROVIDING FOR NOTICE

ALL ACTIONS.  
\_\_\_\_\_

1 WHEREAS, a consolidated action is pending before this Court styled *In re Gilead Sciences*  
2 *Securities Litigation*, Master File No. 03-4999-SI (the "Action"); and

3 WHEREAS, the Settling Parties having made application, pursuant to Federal Rule of Civil  
4 Procedure 23(e), for an order preliminarily approving the Settlement of this Action, in accordance  
5 with a Stipulation of Settlement dated as of June 28, 2010 (together with all exhibits thereto, the  
6 "Stipulation"), which sets forth the terms and conditions for a proposed Settlement of the Action and  
7 for dismissal of the Action with prejudice upon the terms and conditions set forth therein; and the  
8 Court having read and considered the Stipulation and the exhibits annexed thereto;

9 NOW, THEREFORE, IT IS HEREBY ORDERED:

10 1. The Court, for purposes of this Order Preliminarily Approving Settlement and  
11 Providing for Notice ("Preliminary Approval Order"), adopts all defined terms as set forth in the  
12 Stipulation.

13 2. The Court does hereby preliminarily approve the Settlement of the Action as set forth  
14 in the Stipulation, subject to further consideration at the Fairness Hearing described below.

15 3. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and for the  
16 purposes of the Settlement only, this Action is hereby certified as a class action on behalf of all  
17 Persons who purchased Gilead Publicly Traded Securities during the period from and including July  
18 14, 2003 through and including October 28, 2003. Excluded from the Class are the Defendants, the  
19 officers and directors of Gilead during the Class Period, members of their immediate families and  
20 their legal representatives, heirs, successors or assigns and any entity in which any such excluded  
21 Person has or had a controlling interest. Also excluded from the Class are those Persons who timely  
22 and validly request exclusion from the Class.

23 4. The Court finds and concludes, for the purposes of the Settlement only, that the  
24 prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure  
25 have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all  
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1 members thereof is impracticable; (b) there are questions of law and fact common to the Class; (c)  
2 the claims of the named representatives are typical of the claims of the Class they seek to represent;  
3 (d) the Lead Plaintiffs Trent St. Clare and Terry Johnson and Plaintiffs' Co-Lead Counsel will fairly  
4 and adequately represent the interests of the Class; (e) the questions of law and fact common to the  
5 Members of the Class predominate over any questions affecting only individual Members of the  
6 Class; and (f) a class action is superior to other available methods for the fair and efficient  
7 adjudication of the controversy.  
8

9           5. Pursuant to Federal Rule of Civil Procedure 23(e), a hearing (the "Fairness Hearing")  
10 shall be held before this Court on November 5, 2010, at 10:30 a.m., at the United States District  
11 Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, to  
12 determine:

13                   (a) whether the proposed settlement of the Action on the terms and conditions  
14 provided for in the Stipulation is fair, reasonable, and adequate to the Class and should be approved  
15 by the Court;

16                   (b) whether a Judgment as provided in ¶1.15 of the Stipulation should be entered;

17                   (c) whether the proposed Plan of Allocation should be approved; and

18                   (d) the amount of attorneys' fees and expenses, if any, that should be awarded to  
19 Plaintiffs' Counsel.  
20

21           6. Pursuant to Rule 53(c) of the Federal Rules of Civil Procedure, the Court appoints the  
22 firm of A.B. Data, Ltd. ("Claims Administrator") to supervise and administer the notice procedure as  
23 well as the processing of claims as more fully set forth below. Neither the Settling Parties, the  
24 Released Persons nor their counsel shall be liable for any act or omission of the Claims  
25 Administrator.

26                   (a) Not later than July 23, 2010 (the "Notice Date"), the Claims Administrator  
27 shall cause a copy of the Settlement Notice and the Proof of Claim, substantially in the forms  
28

1 annexed as Exhibits A-1 and A-2 hereto, to be mailed by first-class mail to all Class Members who  
2 can be identified with reasonable effort;

3 (b) Not later than July 23, 2010, the Claims Administrator shall post the  
4 Stipulation on its website at [www.GileadSecuritiesSettlement.com](http://www.GileadSecuritiesSettlement.com);

5 (c) Not later than August 2, 2010, the Claims Administrator shall cause the  
6 Summary Notice, annexed as Exhibit A-3 hereto, to be published once in the national edition of  
7 *Investor's Business Daily*; and

8 (d) Not later than October 26, 2010, Plaintiffs' Co-Lead Counsel shall serve on  
9 Defendants' Counsel and file with the Court proof, by affidavit or declaration, of such mailing and  
10 publishing.

11 7. Nominees who purchased Gilead Publicly Traded Securities for the benefit of another  
12 Person during the Class Period shall be requested, within ten (10) days after their receipt thereof, to  
13 either: (a) send the Settlement Notice and Proof of Claim to all such beneficial owners of Gilead  
14 Publicly Traded Securities; or (b) send a list of the names and addresses of such beneficial owners to  
15 the Claims Administrator, in which event the Claims Administrator shall promptly mail the  
16 Settlement Notice and Proof of Claim to such beneficial owners. The Claims Administrator shall, if  
17 requested, reimburse banks, brokerage houses, or other nominees for their reasonable out-of-pocket  
18 expenses incurred in providing the Settlement Notice to beneficial owners who are Class Members,  
19 which expenses would not have been incurred except for the sending of such notice, subject to  
20 further order of this Court with respect to any dispute concerning such compensation.

21 8. The form and method of notice specified herein is the best notice practicable, shall  
22 constitute due and sufficient notice to all Persons and entities entitled to receive such notice, and  
23 shall fully satisfy the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure,  
24 15 U.S.C. §78u-4(a)(7), and all other applicable laws and rules.  
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1           9.       All Members of the Class shall be bound by all determinations and judgments in the  
2 Action concerning the Settlement, whether favorable or unfavorable to the Class.

3           10.       Class Members who wish to participate in the Settlement shall complete and submit  
4 the Proof of Claim form in accordance with the instructions contained therein. Unless the Court  
5 orders otherwise, all Proof of Claim forms must be submitted no later than December 6, 2010. Any  
6 Class Member who does not timely submit a Proof of Claim within the time provided shall be barred  
7 from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered  
8 by the Court, but shall nevertheless be bound by the Judgment and any other orders entered by the  
9 Court. Notwithstanding the foregoing, Plaintiffs' Co-Lead Counsel shall have the discretion to  
10 accept late-submitted claims for processing by the Claims Administrator so long as distribution of  
11 the Net Settlement Fund is not materially delayed.  
12

13           11.       Any Member of the Class may enter an appearance in the Action, at his, her, or its  
14 own expense, individually or through counsel of their own choice. If they do not enter an  
15 appearance, they will be represented by Plaintiffs' Co-Lead Counsel, who are hereby authorized to  
16 act on behalf of the Class with respect to all acts required by, or which may be given pursuant to, the  
17 Stipulation, or such other acts that are reasonably necessary to consummate the proposed Settlement  
18 set forth in the Stipulation.  
19

20           12.       Any Person who is a Member of the Class may, upon written request, be excluded or  
21 "opt out" from the Class. All Class Members shall be bound by all determinations, orders, and  
22 judgments in this Action, whether favorable or unfavorable, unless such Persons request exclusion  
23 from the Class in a timely and proper manner, as hereinafter provided. A Class Member wishing to  
24 make a request for exclusion ("Request for Exclusion") shall mail the Request in written form by  
25 first-class mail postmarked no later than September 30, 2010 to the address designated in the  
26 Settlement Notice. Such Request for Exclusion shall clearly indicate the name, address, and  
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1 telephone number of the Person seeking exclusion, state that the sender requests to be excluded from  
2 the Class in the Gilead Securities Litigation, and must be signed by such Person. Such Persons  
3 requesting exclusion are also directed to state the date(s), price(s), and number(s) of shares and/or  
4 options for all of their purchases and sales of Gilead Publicly Traded Securities made during the  
5 Class Period from and including July 14, 2003 through October 28, 2003. A Request for Exclusion  
6 shall not be effective unless it provides the required information and is made within the time stated  
7 above, or is otherwise accepted by the Court. All Persons who submit valid and timely Requests for  
8 Exclusion in the manner set forth in this paragraph shall have no rights under the Stipulation, shall  
9 not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or  
10 any orders or judgment entered herein.  
11

12           13.     The Claims Administrator shall cause to be provided to Plaintiffs' Co-Lead Counsel  
13 and Defendants' Counsel copies of all Requests for Exclusion, and any written revocation of  
14 Requests for Exclusion, as expeditiously as possible and in any event within three (3) business days  
15 of the Claims Administrator's receipt thereof.  
16

17           14.     Any Member of the Class may appear and show cause, if he, she, or it has any reason  
18 why the proposed Settlement of the Action should not be approved as fair, reasonable, and adequate,  
19 or why the Judgment should not be entered thereon, the Plan of Allocation should not be approved,  
20 or attorneys' fees and expenses should not be awarded to Plaintiffs' Counsel; provided, however,  
21 that no Class Member or any other Person shall be heard or entitled to contest the approval of the  
22 terms and conditions of the proposed Settlement, or, if approved, the Judgment to be entered thereon  
23 approving the same, or the order approving the Plan of Allocation, or any attorneys' fees and  
24 expenses to be awarded to Plaintiffs' Counsel, unless written objections and copies of any papers  
25 and briefs in support thereof are filed with the Clerk of the United States District Court for the  
26 Northern District of California, and served upon Jeffrey D. Light, Robbins Geller Rudman & Dowd  
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28

1 LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, Lori G. Feldman, Milberg LLP, One  
2 Penn Plaza, New York, NY 10119, and John C. Dwyer, Cooley LLP, Five Palo Alto Square, 3000 El  
3 Camino Real, Fourth Floor, Palo Alto, CA 94306-2155, on or before September 30, 2010. Any  
4 Member of the Class who does not make his, her or its objection in the manner provided herein shall  
5 be deemed to have waived such objection and shall forever be foreclosed from making any objection  
6 to the fairness, reasonableness or adequacy of the proposed Settlement as incorporated in the  
7 Stipulation, to the Plan of Allocation, and to the award of attorneys' fees and expenses to Plaintiffs'  
8 Counsel, unless otherwise ordered by the Court.  
9

10 15. All funds held by the Escrow Agent(s) shall be deemed and considered to be in  
11 *custodia legis*, and shall remain subject to the jurisdiction of the Court, until such time as such funds  
12 shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.  
13

14 16. All papers in support of the Settlement, Plan of Allocation, and any application by  
15 Plaintiffs' Co-Lead Counsel for attorneys' fees and expenses shall be filed and served no later than  
16 September 16, 2010, and any reply papers shall be filed and served no later than October 29, 2010.  
17

18 17. Neither Defendants nor any of the Released Persons shall have any responsibility or  
19 liability for the Plan of Allocation or any application for attorneys' fees or expenses submitted by  
20 Plaintiffs' Counsel or award thereon, and such matters will be considered by the Court separately  
21 from the fairness, reasonableness, and adequacy of the Settlement.  
22

23 18. At or after the Fairness Hearing, the Court shall determine whether the Judgment  
24 should be entered and whether the Plan of Allocation proposed by Plaintiffs' Co-Lead Counsel and  
25 any application for attorneys' fees and expenses should be approved.  
26

27 19. All reasonable expenses incurred in identifying and notifying Class Members as well  
28 as administering the Settlement Fund shall be paid solely from the Settlement Fund as set forth in the  
Stipulation. In the event the Court does not approve the Settlement, or it is terminated or otherwise

1 fails to become effective, neither Lead Plaintiffs nor any of their counsel shall have any obligation to  
2 repay any amounts actually and properly incurred or disbursed pursuant to ¶2.6 or ¶2.7 of the  
3 Stipulation.

4           20. Defendants have denied any liability, fault, or wrongdoing of any kind in connection  
5 with the allegations in the Action, and as such, neither the Stipulation, nor any of its terms or  
6 provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an  
7 admission or concession by any Defendant of the truth of any of the allegations in the Action, or of  
8 any liability, fault, or wrongdoing of any kind.

9  
10           21. If the Settlement, including any modification made with the agreement of the Settling  
11 Parties, is terminated for any reason whatsoever, the Settlement (including any modification thereof)  
12 as provided in the Stipulation, class certification, and any actions taken or to be taken in connection  
13 therewith (including this Preliminary Approval Order and any judgment entered herein), shall be  
14 terminated and shall become null and void and of no further force and effect except that any  
15 obligations or provisions relating to payment of costs and expenses incurred in connection with  
16 notice and claims administration and any other obligation or provision that is expressly designated in  
17 the Stipulation to survive termination of the Settlement shall survive such termination.

18  
19           22. All proceedings in the Action, other than such proceedings as may be necessary to  
20 carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further  
21 order of this Court. Pending final approval of the Settlement, Lead Plaintiffs and all Members of the  
22 Class are barred and enjoined from commencing, instituting or continuing to prosecute or asserting  
23 in any forum, either directly or indirectly, on their own behalf or on behalf of any class or other  
24 Person, any of the Released Claims against any of the Released Persons.

25  
26           23. The Court reserves the right to adjourn the date of the Fairness Hearing without  
27 further notice to the Members of the Class, and retains jurisdiction to consider all further  
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1 applications arising out of or connected with the proposed Settlement. The Court may approve the  
2 Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate,  
3 without further notice to the Class.

4 24. The Court further retains jurisdiction over this Action to consider all further matters  
5 arising out of or connected with the Settlement reflected in the Stipulation, including enforcement of  
6 the releases provided for in the Stipulation.  
7

8 25. The Court may extend any of the deadlines set forth in this Preliminary Approval  
9 Order without further notice to Class Members.

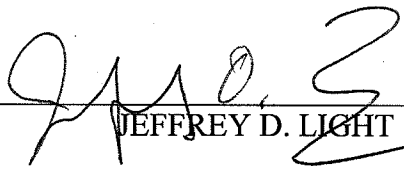
10 IT IS SO ORDERED.

11  
12 DATED: 7/7/10

  
\_\_\_\_\_  
THE HONORABLE SUSAN ILLSTON  
UNITED STATES DISTRICT JUDGE

13  
14 Submitted by:

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16 & DOWD LLP  
17 JEFFREY D. LIGHT

18   
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Additional Counsel for Plaintiffs

CERTIFICATE OF SERVICE

I hereby certify that on July 7, 2010, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the attached Electronic Mail Notice List, and I hereby certify that I have mailed the foregoing document or paper via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

I further certify that I caused this document to be forwarded to the following Designated Internet Site at: <http://securities.stanford.edu>.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on July 7, 2010.

s/Jeffrey D. Light

JEFFREY D. LIGHT

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