COVINGTON & BURLING LLP

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July 11, 2008

Via Facsimile and First Class Mail

Office of the Attorney General Consumer Protection and Antitrust Bureau 33 Capitol Street Concord, NH 03301

Fax: 603-223-6202

Re: <u>Legal Notice of Information Security Breach Pursuant to N.H. Rev. Stat. Ann.</u>

§ 359-C:20(i)(b)

To Whom It May Concern:

In accordance with New Hampshire state law, I write on behalf of Gilead Sciences, Inc. ("Gilead") to inform you of a potential information security breach concerning the personal data of some of Gilead's current and former employees, as well as certain dependents of these employees.

Gilead is a biopharmaceutical company based in Foster City, California, that discovers, develops, manufactures and commercializes therapies for viral diseases, infectious diseases, respiratory diseases and cardiovascular conditions. Through August 2007, Gilead received benefit plan administration services from Colt Express Outsourcing Services, Inc. ("Colt Express"). On May 26, 2008, Colt Express experienced a break-in of its locked offices in Walnut Creek, California. During the theft, computers containing personal information of current and former Gilead employees were stolen. Gilead's investigation to date has revealed that the stolen computers contained data belonging to four New Hampshire-based current or former employees and approximately 14 of their dependents.

Although Gilead is aware of no evidence indicating that the personal information of its employees and dependents on the stolen computers has been misused, as a precaution, Gilead is notifying each affected individual of the possible security breach by written letter. Gilead also has engaged Kroll Inc. ("Kroll") to provide the affected individuals with services through its ID TheftSmartTM program. The program includes, at no cost to eligible individuals, access to continuous credit monitoring for one year and consultation services with licensed fraud investigators. Kroll also provides a toll-free member service center number that individuals may contact should they have any questions about the program.

COVINGTON & BURLING LLP

July 11, 2008 Page 2

Mailing of the notices to affected individuals will begin on July 14. For your convenience, copies of the notices that will be sent to individuals are enclosed. The notices include (1) a description of the incident in general terms; (2) the type of personal information subject to unauthorized access and acquisition; (3) the acts of Gilead to protect the information from further unauthorized access; (4) a phone number that individuals may call for further information and assistance; and (5) advice that directs individuals to remain vigilant by reviewing account statements and monitoring free credit reports.

If you have any questions or need further information regarding this incident, please do not hesitate to contact me at (202) 662-5291.

Sincerely yours,

David N. Fagan

Enclosures



Secure Processing Center | 600 Satellite Blvd | Suwanee, GA 30024

Urgent Message from Gilead Sciences, Inc.
Please Open Immediately.
<FirstName> <MiddleInitial> <LastName> <Suffix> <Address> (Line 1)
<Address> (Line 2)
<City> <State> <Zip>
<POSTNET BARCODE>

Important Notice Regarding Your Personal Information

Dear <FirstName> <MiddleInitial> <LastName> <Suffix>,

I am writing regretfully to advise you of an incident that may affect your personal information.

On June 9, 2008, Gilead Sciences, Inc. ("Gilead") learned that computers containing Gilead-related data were stolen on May 26, 2008, from the locked offices of a service provider. Through forensic work, it has been determined that the stolen computers included personal information of current and former Gilead employees, such as name, address, date of birth, Social Security number, base salary, and hire date. I am writing to you because Gilead has determined that your personal information was among the stolen data.

At present, we have no reason to believe that any personal information at issue has been inappropriately accessed by an unauthorized party, or that any identity theft, fraud or misuse of your personal information has occurred. Local authorities were promptly notified of the incident and are continuing their investigation, and Gilead has been in touch with the service provider regarding the ongoing investigation. We are aware of no evidence to date indicating that the computers were stolen with the intent of accessing the personal information contained thereon. Nevertheless, Gilead is advising you of this incident so that you may take steps to guard against any potential fraud resulting from this incident.

As a safeguard, Gilead has engaged Kroll Inc. ("Kroll") to provide you with access to its ID TheftSmart™ program. Among other things, this program provides you with access to a specialized member service center (the phone number is at the end of this letter) where representatives will be available to answer questions that you may have regarding the ID TheftSmart service; access, at no cost to you, to continuous credit monitoring through Experian for one year; and the availability of licensed fraud investigators to counsel and provide restorative assistance in the event that you believe any identity fraud has occurred. The exclusions of identity fraud not covered by an investigator are a family member participation in the stolen identity, personal participation in dishonest/fraudulent acts, and the recovery of financial losses. To activate credit monitoring, simply fill out and return the enclosed *Consumer Credit Report and Credit Monitoring Authorization Form* to Kroll or call the member service center.

Regardless of whether you take advantage of Kroll's ID TheftSmart service, Gilead strongly recommends that you remain vigilant and regularly review and monitor all of your account statements to guard against any unauthorized transactions or activity. If you detect any suspicious activity on an account, you should promptly notify the financial institution or company with which the account is maintained. You also should promptly report fraudulent activity to proper law enforcement authorities, including the Federal Trade Commission ("FTC"). You can learn more about how to safeguard yourself from becoming a victim of identity fraud at the FTC's website: www.ftc.gov/bcp/edu/microsites/idtheft/index.html.

You are also entitled under U.S. law to one free credit report annually from each of the three national credit repositories (Equifax, Experian and TransUnion.) To order your free credit report, visit www.annualcreditreport.com or call toll-free (877) 322-8228. Or, you may obtain a free credit report by calling any of the three national credit repositories at the following toll free numbers: Equifax® at (800) 685-1111; Experian® at (888) 397-3742; and TransUnion® at (800) 916-8800.

In addition to obtaining a free credit report, you may contact any of the three national credit repositories to place a "fraud alert" on your consumer credit file. This will alert creditors to take additional steps to verify the identity of anyone who applies for credit in your name. There is no charge for placing a fraud alert on your consumer credit file. The contact information of the three national credit repositories for purposes of placing a fraud alert on your account is:

Equifax Office of Fraud Assistance P.O. Box 105069 Atlanta, GA 30348 (888) 766-0008 TTY: (866) 478-0030 http://www.equifax.com

Experian Credit Fraud Center P.O. Box 9532 Allen, TX 75013 (888) 397-3742 TTY: (800) 735-2989 http://www.experian.com **TransUnion** Fraud Victim Assistance Department P.O. Box 6790 Fullerton, CA 92834 (800) 680-7289 TTY: (877) 533-7803 http://www.transunion.com

Protecting the privacy and security of your information is extremely important to us. In this regard, Gilead wishes to reiterate that it does not have any evidence indicating that your personal information has been misused. In addition, the company is no longer utilizing the service provider at issue.

If you have any questions about the services provided by Kroll or suspect that you may have an identity theft issue, please call ID TheftSmart member services at (800) between 9:00 a.m. and 6:00 p.m. (Eastern Time), Monday through Friday.

If you have questions regarding the incident or the content of this letter, you may call Gilead's HRanswr line at (866)

On behalf of Gilead, I apologize for any inconvenience or concern that this matter may cause for you.

Thank you very much.

Very truly yours,

Kristen Metza Senior Vice President, Human Resources Gilead Sciences, Inc.

<FirstName> <MiddleInitial> <LastName> <Suffix> Membership Number: < Membership Number>

Member Services: 1-800-

9:00 a.m. to 6:00 p m. (Eastern Time), Monday through Friday If you have questions or feel you may have an identity theft issue, please call IO TheftSmart member services

<FirstName> <MiddleInitial> <LastName> <Suffix> Membership Number: <Membership Number>

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Secure Processing Center | 600 Satellite Blvd | Suwanee, GA 30024

Urgent Message from Gilead Sciences, Inc. Please Open Immediately.

Family Member or Guardian of <FirstName> <MiddleInitial> <LastName> <Suffix> <Address> (Line 1) <Address> (Line 2) <City> <State> <Zip> <POSTNET BARCODE>

Important Notice Regarding Your Personal Information

To the Family Member or Guardian of <FirstName> <MiddleInitial> <LastName> <Suffix>.

I am writing regretfully to advise you of an incident that may affect the personal information of your dependent, <FirstName> <MiddleInitial> <LastName> <Suffix>.

On June 9, 2008, Gilead Sciences, Inc. ("Gilead") learned that computers containing Gilead-related data were stolen on May 26, 2008, from the locked offices of a service provider. Through subsequent forensic work, it was determined that the stolen computers included personal information of current and former Gilead employees and their dependents, such as name, address, date of birth, and Social Security number. I am writing to you because Gilead has determined that your dependent's personal information was included among the stolen data.

At present, we have no reason to believe that any personal information at issue has been inappropriately accessed by an unauthorized party, or that any identity theft, fraud or misuse of your dependent's personal information has occurred. Local authorities were promptly notified of the incident and are continuing their investigation, and Gilead has been in touch with the service provider regarding the ongoing investigation. We are aware of no evidence to date indicating that the computers were stolen with the intent of accessing the personal information contained thereon. Nevertheless, Gilead is advising you of this incident so that you may take steps to guard against any potential fraud resulting from this incident.

As a safeguard, Gilead has engaged Kroll Inc. ("Kroll") to provide your dependent with access to services through their ID TheftSmart™ program. This program provides access to a specialized member service center (the phone number is at the end of this letter) where representatives will be available to answer questions regarding the ID TheftSmart service. In addition, if you have concerns that identity fraud may have occurred, licensed fraud investigators will be available to counsel and provide restorative assistance including conducting searches on behalf of your dependent. The exclusions of identity fraud not covered by an investigator are a family member participation in the stolen identity, personal participation in dishonest/fraudulent acts, and the recovery of financial losses.

Regardless of whether you take advantage of Kroll's ID TheftSmart service, Gilead strongly recommends that you remain vigilant and regularly review and monitor all of your dependent's account statements to guard against any unauthorized transactions or activity. If you detect any suspicious activity on an account, you should promptly notify the financial institution or company with which the account is maintained. You also should promptly report fraudulent activity to proper law enforcement authorities, including the Federal Trade Commission ("FTC"). You can learn more about how to safeguard your dependent from becoming a victim of identity fraud at the FTC's website: www.ftc.gov/bcp/edu/microsites/idtheft/index.html.

U.S. law entitles eligible individuals to one free credit report annually from each of the three major credit repositories. If you have questions about whether your dependent may be eligible for the free credit report, visit www.annualcreditreport.com or call toll-free (877) 322-8228. Or, you may obtain a free credit report by calling any of the three national credit repositories at the following toll free numbers: Equifax® at (800) 685-1111; Experian at (888) 397-3742; and TransUnion at (800) 916-8800.

In addition to obtaining a free credit report, eligible individuals may place "fraud alerts" on their consumer credit files. A "fraud alert" advises creditors to take additional steps to verify the identity of anyone who applies for credit in your dependent's name. There is no charge to place a fraud alert on a consumer credit file. If you have questions about whether a "fraud alert" would be possible or appropriate for your dependent, you may contact the three national credit reporting repositories as follows:

Equifax Office of Fraud Assistance P.O. Box 105069 Atlanta, GA 30348

(888) 766-0008 TTY: (866) 478-0030 http://www.equifax.com Experian Credit Fraud Center P.O. Box 9532 Allen, TX 75013 (888) 397-3742 TTY: (800) 735-2989

http://www.experian.com

Fraud Victim Assistance Department

P.O. 8ox 6790 Fullerton, CA 92834 (800) 680-7289 TTY: (877) 533-7803

http://www.transunion.com

Protecting the privacy and security of your dependent's information is extremely important to us. In this regard, Gilead wishes to reiterate that it does not have any evidence indicating that any personal information has been misused. In addition, the company is no longer utilizing the service provider at issue.

If you have any questions about the services provided by Kroll or suspect that your dependent may have an identity theft issue, please call ID TheftSmart member services at (800) between 9:00 a.m. and 6:00 p.m. (Eastern Time), Monday through Friday.

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On behalf of Gilead, I apologize for any inconvenience or concern that this matter may cause for you.

Thank you very much.

Very truly yours,

Kristen Metza

Senior Vice President, Human Resources

Gilead Sciences, Inc.



<FirstName> <MiddleInitial> <LastName> <Suffix> Membership Number: <Membership Number>

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9:00 a.m. to 6:00 p.m. (Eastern Time), Monday through Friday if you have questions or feel you may have an identity theft issue, please call ID TheftSmart member services

heftSmart

<FirstName> <MiddleInitial> <LastName> <Suffix> Membership Number: <Membership Number>

Member Services: 1-800



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