
Appendix F

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 6**

In its final annual financial filing with the Securities and Exchange Commission (SEC), Pharmasset reported that its research and development costs totaled \$176.7 million for the fiscal years ending 2009, 2010 and 2011, the period during which PSI-7977 was being developed. Of that total, Pharmasset attributed \$62.4 million directly to the development of PSI-7977.

- a. Please provide an itemized accounting of Pharmasset's total research and development costs prior to the completion of the merger with Gilead on January 17, 2012.

	2008	2009	2010	2011*
CLINICAL **				
Pre-Clinical Studies	665,453	2,028,632	2,379,467	303,068
Drug Compound/Standard of Care	3,117,719	5,454,685	11,046,959	18,046,848
Clinical Operations	24,150,102	27,469,911	17,129,537	34,998,888
<i>Total</i>	<i>27,933,274</i>	<i>34,953,228</i>	<i>30,555,963</i>	<i>53,348,804</i>
NON-CLINICAL				
Non-Cash comp	2,110,048	2,494,413	3,154,152	4,527,020
Licensing/permits (incl. GRI)	865,956	755,521	266,477	336,808
Labs supplies	864,804	930,491	1,007,367	1,117,723
Recruiting & relocation	71,307	-	-	-
Legal – Patents	1,549,448	1,656,510	1,661,738	2,254,405
Depreciation expense	843,072	851,311	732,751	462,373
Salaries (incl. bonuses, SAB, Social Security taxes, 401k exp., vacation, & SUTA)	6,386,283	8,013,680	7,966,029	10,312,143
BEIP Grant	(126,557)	-	-	-
Consulting (7290)	443,196	116,888	141,278	105,044
Other, net	210,591	916,718	834,123	1,145,781
Contract drug discovery services	1,844,036	1,863,020	1,940,837	2,239,980
<i>Total</i>	<i>15,062,184</i>	<i>17,598,552</i>	<i>17,704,752</i>	<i>22,501,277</i>
TOTAL	42,995,458	52,551,780	48,260,715	75,850,081
TOTAL, 2008 - 2011				\$219,658,034

- * Data unavailable from November 2011 to January 2012 due to merger activity.
 ** Note that detailed R&D categories differ pursuant to accounting and reporting conventions for respective companies

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 6 (cont.)**

- b. Please provide an itemized accounting of Pharmasset's research and development costs directly attributable to the development of PSI-7977 prior to the completion of the merger with Gilead on January 17, 2012.

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011*</u>
Pre-Clinical** Studies	665,453	1,251,034	34,496	-
Drug Compound/ Standard of Care	95,000	1,165,974	6,471,055	14,039,821
Clinical Operations	9,825	4,474,151	9,925,310	24,292,074
<i>Total</i>	<i>770,278</i>	<i>6,891,159</i>	<i>16,430,861</i>	<i>38,331,895</i>
TOTAL, 2008 - 2011				\$62,424,193

- * Data unavailable from November 2011 to January 2012 due to merger activity.
 ** Note that detailed R&D categories differ pursuant to accounting and reporting conventions for respective companies.

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 12**

Please provide an itemized accounting of research and development costs related directly to the development of sofosbuvir that was incurred by Gilead after the completion of the Pharmasset merger on January 17, 2012. This accounting should include separate line items for personnel costs, clinical studies, materials and supplies, licenses and fees, milestone payments under collaboration arrangements, overhead allocations, facilities costs and the value contracts with contract research organizations (CROs) related directly to the development of sofosbuvir.

R&D Expenses for Sofosbuvir-Based Regimens*

	2012	2013	2014 (est.)
Personnel Costs**	45,195,000	51,770,600	74,765,423
Clinical Studies/ CRO Costs	136,942,698	238,986,739	242,830,400
Milestones/ Licenses	-	4,117,281	(2,907,678)
Overhead Allocations/ Facilities Costs/ Materials and Supplies	27,859,182	29,339,061	31,367,638
TOTAL	209,996,871	324,213,681	346,055,782
TOTAL, 2012 - 2014			\$880,266,334

* Sofosbuvir-based regimen is defined as any compound in R&D that uses sofosbuvir or is combined in development with sofosbuvir. Note that these figures do not reflect Gilead's significant R&D investment in HCV prior to the acquisition of Pharmasset, which enabled Gilead's later work with sofosbuvir. Additionally, Gilead's R&D expenses related to sofosbuvir are significant and ongoing; post-approval R&D investments in sofosbuvir are expected to exceed pre-Sovaldi approval costs due to ongoing clinical research and work exploring future combination therapies.

** As outlined in Gilead's securities filings, Gilead does not track expenses related to personnel costs, overhead allocations, facilities costs, and materials and supplies by therapeutic product candidate. To respond to the Committee's request, Gilead estimated expenses by allocating based on a percentage of total employee headcount.

Business Proprietary Information – Confidential Treatment Requested

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 17**

Looking forward, what are Gilead's expected changes in the treatment cost-per-patient and the cost-per-cure of Sovaldi-based treatment over the next five years for each of the FDA approved regimens for the U.S. HCV populations?

In general terms, Gilead anticipates that the cost-per-patient and the cost-per-cure of HCV treatment regimens will go down over time due to both shortened durations of therapy and higher cure rates.

Most immediately, we will see this cost reduction upon the launch of sofosbuvir/ledipasvir (SOF/LDV) later this year. Today, every patient on a Sovaldi-based regimen receives at least 12 weeks of therapy, and some receive 24 weeks of therapy. Upon the launch of SOF/LDV, we estimate that only a minority of patients will require 24 weeks of therapy with Sovaldi, and up to 50% of patients over time may be candidates for an eight-week duration of therapy, since Gilead's current draft product labeling allows an eight-week therapy duration for patients who are treatment-naïve, non-cirrhotic, and have a baseline viral load of less than six million IU/mL.

Because Gilead will price any Sovaldi-based regimen in a manner that reflects that most of its value is the result of the unique properties of sofosbuvir, Gilead anticipates that the average cost-per-patient will come down from where it has been over the last several quarters. The average cost of treating an HCV patient in 2Q14 was approximately \$120,000,* in part because of physician desire to use the regimen of Sovaldi + Olysio (approximately \$150,000). Upon the launch of SOF/LDV, we expect the use of Sovaldi + Olysio to substantially decrease because SOF/LDV will offer a more favorable clinical profile and a shorter duration of therapy that will cost significantly less. Due to the reduced use of Sovaldi + Olysio, the shortened duration of therapy for a substantive subset of patients, and Gilead's pricing philosophy for SOF/LDV as outlined above, Gilead anticipates that the average cost of treating an HCV patient will come down well below \$100,000. For those patients able to take eight weeks of therapy, the cost-per-patient will be the lowest since the introduction of direct-acting antivirals in May 2011 (e.g., a per-patient cost of less than \$65,000). Additionally, Gilead and many other manufacturers have clinical development programs focused on even shorter durations of therapy (perhaps as short as 4-6 weeks), meaning it is likely that the treatment cost-per-patient will continue to decrease over time.

** Average prices cited are Wholesale Acquisition Cost ("WAC") prices, and do not include discounts, rebates or reductions in price.*

Business Proprietary Information – Confidential Treatment Requested

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 18(a)**

Please provide an itemized accounting of all payments from 2009 to present between Gilead and/or Pharmasset and the following organizations:

- i. AASLD
- ii. IDSA
- iii. IAS-USA

Payments Identified Between Gilead and AASLD, IDSA, and IAS-USA

AASLD (American Association for the Study of Liver Diseases)		
Date	Amount	Description
2009	\$25,000.00	Support for conference
2009	\$225,000.00	Grant supporting Liver Scholar Award
2009	\$650.00	Registration fees for attendance at conference
2009	\$44,800.00	Costs related to exhibit at conference
2009	\$113,406.50	Costs related to exhibit at conference
2009	\$150,000.00	Registration fees for attendance at conference
2009	\$50,000.00	Support for conference
2009	\$31,650.00	Costs related to exhibit at conference
<i>Subtotal</i>	<i>\$640,506.50</i>	
2010	\$100,000.00	Support for conference
2010	\$150,000.00	Registration fees for attendance at conference
2010	\$50,000.00	Registration fees for attendance at conference
2010	\$10,000.00	Grant supporting medical education program
<i>Subtotal</i>	<i>\$310,000.00</i>	
2011	\$49,050.00	Costs related to exhibit at conference
2011	\$60,000.00	Grant supporting fellowship
2011	\$260,000.00	Registration fees for attendance at conference
2011	\$60,000.00	Grant supporting fellowship
2011	\$52,000.00	Registration fees for attendance at conference
2011	\$225,000.00	Grant supporting Liver Scholar Award
<i>Subtotal</i>	<i>\$706,050.00</i>	
2012	\$30,000.00	Costs related to exhibit at conference
2012	\$50,950.00	Costs related to exhibit at conference
2012	\$290,100.00	Registration fees for attendance at conference
2012	\$60,000.00	Grant supporting fellowship
2012	\$3,500.00	Promotional materials for conference
<i>Subtotal</i>	<i>\$434,550.00</i>	
2013	\$15,000.00	Sponsorship of conference

Business Proprietary Information – Confidential Treatment Requested

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AASLD (American Association for the Study of Liver Diseases)		
Date	Amount	Description
2013	\$318,250.00	Registration fees for attendance at conference
2013	\$5,000.00	Promotional materials for conference
2013	\$53,700.00	Costs related to exhibit at conference
2013	\$60,000.00	Sponsorship of conference
2013	\$225,000.00	Grant supporting Liver Scholar Award
Subtotal	\$676,950.00	
2014	\$400,000.00	Grant supporting fellowship and research award
Subtotal	\$400,000.00	
Total	\$3,168,056.50	

IDSA (Infectious Diseases Society of America)		
Date	Amount	Description
2009	\$11,600.00	Costs related to exhibit at conference
2009	\$99,972.00	Support for conference
2009	\$5,000.00	Sponsorship of workshop
2009	\$300.00	Membership fee
2009	\$300.00	Membership fee
2009	\$110,000.00	Grant supporting fellowship
2009	\$10,000.00	Grant supporting publication
Subtotal	\$237,172.00	
2010	\$100,000.00	Grant supporting fellowship
2010	\$10,000.00	Grant supporting publication
2010	\$100,000.00	Support for conference
2010	\$200,000.00	Grant supporting CME program
2010	\$12,000.00	Costs related to exhibit at conference
2010	\$200,000.00	Support for meeting
Subtotal	\$622,000.00	
2011	\$48,000.00	Costs related to exhibit at conference
2011	\$100,000.00	Grant supporting fellowship
2011	\$100,925.00	Support for conference
2011	\$1,000.00	Sponsorship of conference
2011	\$51,200.00	Costs related to exhibit at conference
2011	\$325.00	Membership fee
Subtotal	\$301,450.00	
2012	\$15,000.00	Grant supporting fellowship
2012	\$95,000.00	Grant supporting fellowship
Subtotal	\$110,000.00	
2013	\$12,800.00	Costs related to exhibit at conference
2013	\$51,200.00	Costs related to exhibit at conference
2013	\$17,500.00	Registration fees for attendance at conference
2013	\$3,000.00	Honoraria for speaker
2013	\$95,000.00	Grant supporting fellowship

Business Proprietary Information – Confidential Treatment Requested

IDSIA (Infectious Diseases Society of America)		
Date	Amount	Description
2013	\$7,800.00	Registration fees for attendance at conference
2013	\$62,148.00	Grant supporting CME program
2013	\$100,000.00	Support for conference
Subtotal	\$349,448.00	
2014	\$60,090.00	Support for conference
2014	\$18,200.00	Costs related to exhibit at conference
2014	\$5,000.00	Grant supporting fellowship
2014	\$5,101.00	Grant supporting fellowship
2014	\$100,000.00	Support for conference
Subtotal	\$188,391.00	
Total	\$1,808,461.00	

IAS-USA (International Antiviral Society-USA, formerly known as the International AIDS Society-USA)		
Date	Amount	Description
2009	\$220,000.00	Grant supporting CME program
Subtotal	\$220,000.00	
2010	\$231,084.00	Grant supporting CME program
Subtotal	\$231,084.00	
2011	\$300,411.00	Grant supporting CME program
2011	\$25,200.00	Fees for exhibit booth at conference
2011	\$33,320.00	Costs related to meeting held at conference
Subtotal	\$358,931.00	
2012	\$136,000.00	Registration fees for attendance at conference
2012	\$231,575.00	Registration fees for attendance at conference
2012	\$7,000.00	Registration fees for attendance at conference
2012	\$125,550.00	Sponsorship of conference
2012	\$7,073.38	Costs related to meeting held at conference
2012	\$284.08	Costs related to meeting held at conference
2012	\$300,000.00	Grant supporting CME program
2012	\$100,000.00	Grant supporting CME program
2012	\$157,250.00	Corporate sponsorship fee (three years)
Subtotal	\$1,064,732.46	
2013	\$43,690.00	Costs related to meeting held at conference
2013	\$18,360.00	Fees for exhibit booth at conference
2013	\$2,414.00	Costs related to meeting held at conference
2013	\$2,984.00	Costs related to meeting held at conference
2013	\$104.00	Costs related to meeting held at conference
2013	\$225,000.00	Grant supporting CME program
2013	\$100,000.00	Grant supporting CME program
Subtotal	\$392,552.00	

Business Proprietary Information – Confidential Treatment Requested

IAS-USA (International Antiviral Society-USA, formerly known as the International AIDS Society-USA)		
Date	Amount	Description
2014	\$157,250.00	Sponsorship of conference
2014	\$34,000.00	Costs related to meeting held at conference
2014	\$130,625.00	Registration fees for attendance at conference
2014	\$20,196.00	Fees for exhibit booth at conference
2014	\$55,000.00	Grant supporting medical education program
2014	\$17,000.00	Costs related to meeting held at conference
2014	\$175.00	Registration fees for attendance at conference
2014	\$100,000.00	Support for conference
2014	\$150,000.00	Grant supporting CME program
2014	\$200,000.00	Grant supporting CME program
<i>Subtotal</i>	<i>\$864,246.00</i>	
Total	\$3,131,545.46	

Payments Identified Between Pharmasset and AASLD, IDSA, and IAS-USA

No records found.

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 18(b)**

Please provide an itemized accounting of all payments from 2009 to present between Gilead and/or Pharnasset and the expert panel members that developed the AASLD/IDSA treatment guidelines for HCV.

Payments Identified Between Gilead and AASLD/IDSA Treatment Guidelines Panelists**

Name	Date	Amount	Description
Andrew Aronsohn	05/09/2011	\$113.42	Meals
	11/07/2011	\$119.87	Meals
	<i>Subtotal</i>	\$233.29	
	Total	\$233.29	
Michael Charlton	02/26/2011	\$1,273.31	Meals/ Travel
	05/05/2011	\$297.25	Meals/ Travel
	05/23/2011	\$3,000.00	Honoraria
	06/23/2011	\$14.97	Meals
	06/24/2011	\$904.90	Travel
	<i>Subtotal</i>	\$5,490.43	
	08/26/2013	\$92.36	Meals
	08/26/2013	\$607.68	Travel
	08/26/2013	\$220.00	Travel
	08/26/2013	\$84.00	Travel
	11/01/2013	\$124.50	Meals
	12/05/2013	\$378.28	Travel
	12/05/2013	\$104.08	Travel
	12/06/2013	\$71.78	Meals
	12/06/2013	\$201.48	Travel
	12/17/2013	\$5,000.00	Honoraria
	12/31/2013	\$5,000.00	Honoraria
	<i>Subtotal</i>	\$11,884.16	
	04/30/2014	\$993.96	Travel
	05/01/2014	\$48.72	Meals
	05/01/2014	\$212.68	Travel
05/13/2014	\$4,000.00	Honoraria	
05/20/2014	\$52.21	Meals	
05/20/2014	\$108.45	Travel	
<i>Subtotal</i>	\$5,416.02		
	Total	\$22,790.61	
Raymond Chung	06/18/2009	\$164.31	Meals
	06/18/2009	\$1,500.00	Honoraria
	10/09/2009	\$2,500.00	Honoraria
	<i>Subtotal</i>	\$4,164.31	
	Total	\$4,164.31	

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description	
Gary Davis	02/09/2010	\$27.82	Meals	
	03/22/2010	\$22.78	Meals	
	05/11/2010	\$12.73	Meals	
	06/16/2010	\$16.20	Meals	
	07/21/2010	\$16.85	Meals	
	08/17/2010	\$19.75	Meals	
	09/14/2010	\$20.25	Meals	
	10/20/2010	\$16.99	Meals	
	10/26/2010	\$13.72	Meals	
	12/08/2010	\$16.28	Meals	
	<i>Subtotal</i>	<i>\$183.37</i>		
		01/12/2011	\$6.19	Meals
	02/10/2011	\$11.40	Meals	
	03/10/2011	\$20.99	Meals	
	03/25/2011	\$20.55	Meals	
	04/05/2011	\$15.61	Meals	
	05/11/2011	\$24.30	Meals	
	05/11/2011	\$2.16	Meals	
	06/16/2011	\$15.18	Meals	
	06/30/2011	\$24.35	Meals	
	08/10/2011	\$21.03	Meals	
	09/06/2011	\$23.56	Meals	
	12/06/2011	\$21.85	Meals	
	<i>Subtotal</i>	<i>\$207.17</i>		
	01/19/2012	\$13.96	Meals	
	02/06/2012	\$9.99	Meals	
	05/23/2012	\$10.41	Meals	
	06/15/2012	\$13.96	Meals	
	07/11/2012	\$13.96	Meals	
	08/07/2012	\$2.84	Meals	
	08/14/2012	\$10.61	Meals	
	08/31/2012	\$63.16	Meals	
	09/06/2012	\$4.55	Meals	
	09/12/2012	\$11.61	Meals	
	09/25/2012	\$11.61	Meals	
	10/09/2012	\$12.91	Meals	
	10/24/2012	\$11.91	Meals	
	11/07/2012	\$12.61	Meals	
	11/27/2012	\$11.61	Meals	
	12/10/2012	\$11.61	Meals	
	<i>Subtotal</i>	<i>\$227.31</i>		
	05/09/2013	\$11.00	Meals	
	<i>Subtotal</i>	<i>\$11.00</i>		
	Total	\$628.85		
Jordan Feld	03/16/2009	\$1,965.02	Unknown (likely honoraria)	
	<i>Subtotal</i>	<i>\$1,965.02</i>		

Business Proprietary Information – Confidential Treatment Requested

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Name	Date	Amount	Description
	07/07/2010	\$945.75	Honoraria
	<i>Subtotal</i>	<i>\$945.75</i>	
	04/14/2011	\$1,558.90	Honoraria
	10/22/2011	\$1,464.27	Honoraria
	11/25/2011	\$286.81	Travel
	<i>Subtotal</i>	<i>\$3,309.98</i>	
	01/29/2013	\$1,511.41	Honoraria
	03/20/2013	\$1,460.85	Honoraria
	08/30/2013	\$2,436.96	Honoraria
	<i>Subtotal</i>	<i>\$5,409.22</i>	
	05/01/2014	\$1,314.34	Travel
	05/01/2014	\$83.79	Meals
	05/01/2014	\$4,000.00	Honoraria*
	05/12/2014	\$24.98	Meals
	05/12/2014	\$120.00	Travel
	07/09/2014	\$2,333.90	Honoraria
	<i>Subtotal</i>	<i>\$7,877.01</i>	
	Total	\$19,506.97	
* Paid to Toronto General & Western Hospital Foundation			
Robert Fontana	04/22/2009	\$202.43	Meals
	04/22/2009	\$2,000.00	Honoraria
	05/20/2009	\$95.42	Meals
	05/20/2009	\$2,000.00	Honoraria
	05/20/2009	\$137.50	Travel
	<i>Subtotal</i>	<i>\$4,435.35</i>	
	11/08/2010	\$98.83	Meals
	11/08/2010	\$1,500.00	Honoraria
	11/08/2010	\$55.00	Travel
	11/08/2010	\$98.83	Meals
	11/08/2010	\$1,500.00	Honoraria
	11/08/2010	\$55.00	Travel
	12/21/2010	\$39.80	Meals
	12/21/2010	\$1,500.00	Honoraria
	12/21/2010	\$40.00	Travel
	12/21/2010	\$23.29	Meals
	12/21/2010	\$39.80	Meals
	12/21/2010	\$1,500.00	Honoraria
	12/21/2010	\$40.00	Travel
	<i>Subtotal</i>	<i>\$6,490.55</i>	
	08/16/2013	\$51.24	Meals
	08/16/2013	\$61.00	Meals
	08/16/2013	\$73.20	Meals
	08/16/2013	\$832.68	Travel
	<i>Subtotal</i>	<i>\$1,018.12</i>	

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description
	Total	\$11,944.02	
Ellot Godofsky	02/17/2010	\$15.01	Meals
	04/21/2010	\$14.95	Meals
	05/26/2010	\$15.59	Meals
	08/25/2010	\$16.36	Meals
	<i>Subtotal</i>	<i>\$61.91</i>	
	02/13/2012	\$17.13	Meals
	07/18/2012	\$17.07	Meals
	<i>Subtotal</i>	<i>\$34.20</i>	
	11/01/2013	\$8.85	Meals
	12/04/2013	\$17.59	Meals
	12/18/2013	\$77.98	Meals
	12/20/2013	\$9.37	Meals
	<i>Subtotal</i>	<i>\$113.79</i>	
	05/21/2014	\$11.76	Meals
	<i>Subtotal</i>	<i>\$11.76</i>	
	Total	\$221.66	
Donald Jensen	03/26/2010	\$7.68	Meals
	<i>Subtotal</i>	<i>\$7.68</i>	
	04/21/2012	\$2,500.00	Honoraria
	04/21/2012	\$120.35	Meals
	07/24/2012	\$116.91	Meals
	10/16/2012	\$3,180.00	Honoraria
	10/16/2012	\$109.44	Meals
	10/16/2012	\$25.61	Meals
	10/16/2012	\$220.00	Travel
	10/17/2012	\$125.00	Meals
	<i>Subtotal</i>	<i>\$6,397.31</i>	
	Total	\$6,404.99	
Arthur Kim	01/13/2011	\$9.49	Meals
	01/13/2011	\$911.48	Travel
	01/13/2011	\$6.78	Meals
	01/14/2011	\$50.00	Meals
	01/14/2011	\$60.00	Meals
	01/14/2011	\$70.00	Meals
	01/15/2011	\$60.00	Meals
	01/15/2011	\$70.00	Meals
	01/13/2011	\$130.00	Meals
	<i>Subtotal</i>	<i>\$1,367.75</i>	
	08/01/2013	\$26.29	Meals
	08/01/2013	\$30.79	Meals
	08/01/2013	\$12.06	Meals
	08/01/2013	\$550.00	Consulting fee
	08/01/2013	\$7,700.00	Consulting fee
	07/08/2013	\$752.30	Travel

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description
	<i>Subtotal</i>	<i>\$9,071.44</i>	
	06/23/2014	\$22.84	Meals
	<i>Subtotal</i>	<i>\$22.84</i>	
	Total	\$10,462.03	
Kristen Marks	12/16/2013	\$14.44	Meals
	<i>Subtotal</i>	<i>\$14.44</i>	
	Total	\$14.44	
Paul Martin	02/18/2009	\$2,500.00	Honoraria
	02/18/2009	\$2,500.00	Honoraria
	05/26/2009	\$2,500.00	Honoraria
	06/29/2009	\$237.30	Travel
	<i>Subtotal</i>	<i>\$7,737.30</i>	
	10/21/2010	\$2,500.00	Honoraria
	11/02/2010	\$40.00	Travel
	11/11/2010	\$13.69	Meals
	<i>Subtotal</i>	<i>\$2,553.69</i>	
	04/02/2011	\$2,500.00	Honoraria
	04/02/2011	\$84.51	Meals
	04/07/2011	\$11.28	Meals
	04/07/2011	\$12.22	Meals
	09/22/2011	\$4,000.00	Honoraria
	09/22/2011	\$45.18	Meals
	09/23/2011	\$43.77	Meals
	09/23/2011	\$23.40	Meals
	09/23/2011	\$1,219.79	Travel
	12/07/2011	\$89.37	Meals
	12/07/2011	\$5.91	Meals
	<i>Subtotal</i>	<i>\$8,035.43</i>	
	05/12/2012	\$1,500.00	Honoraria
	05/12/2012	\$768.96	Travel
	05/12/2012	\$79.05	Meals
	05/12/2012	\$97.42	Meals
	07/11/2012	\$122.82	Meals
	07/11/2012	\$15.56	Meals
	07/12/2012	\$22.44	Meals
	11/28/2012	\$6.61	Meals
	11/29/2012	\$19.01	Meals
	12/01/2012	\$2,500.00	Honoraria
	12/01/2012	\$111.65	Meals
	12/01/2012	\$43.50	Meals
	12/01/2012	\$49.81	Meals
	12/01/2012	\$67.35	Meals
	12/01/2012	\$846.54	Travel
	<i>Subtotal</i>	<i>\$6,250.72</i>	
	04/27/2013	\$152.81	Meals

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description
	11/19/2013	\$1,221.44	Travel
	11/19/2013	\$80.86	Meals
	11/19/2013	\$47.40	Travel
	<i>Subtotal</i>	<i>\$1,482.51</i>	
	Total	\$26,059.65	
Henry Masur	11/05/2012	\$108.00	Travel
	11/05/2012	\$108.00	Travel
	11/06/2012	\$112.00	Travel
	<i>Subtotal</i>	<i>\$328.00</i>	
	Total	\$328.00	
Timothy Morgan	11/05/2009	\$2,000.00	Consulting fee
	<i>Subtotal</i>	<i>\$2,000.00</i>	
	09/15/2012	\$19.88	Meals
	<i>Subtotal</i>	<i>\$19.88</i>	
	05/10/2013	\$42.70	Meals
	05/10/2013	\$115.90	Meals
	05/10/2013	\$61.00	Meals
	05/10/2013	\$241.60	Travel
	12/18/2013	\$26.78	Meals
	<i>Subtotal</i>	<i>\$487.98</i>	
	Total	\$2,507.86	
Susanna Naggie	09/30/2010	\$50.00	Travel
	<i>Subtotal</i>	<i>\$50.00</i>	
	11/07/2011	\$123.95	Meals
	<i>Subtotal</i>	<i>\$123.95</i>	
	06/27/2012	\$1,103.75	Travel
	06/27/2012	\$35.00	Meals
	06/27/2012	\$50.00	Meals
	06/27/2012	\$50.00	Meals
	06/27/2012	\$10.69	Meals
	06/27/2012	\$15.00	Meals
	<i>Subtotal</i>	<i>\$1,264.44</i>	
	07/27/2013	\$3,000.00	Honoraria
	07/27/2013	\$1,606.40	Travel
	07/27/2013	\$131.85	Meals
	10/03/2013	\$34.82	Meals
	<i>Subtotal</i>	<i>\$4,773.07</i>	
	Total	\$6,211.46	
Nancy Reau	05/26/2009	\$2,500.00	Honoraria
	08/06/2009	\$72.32	Unknown (likely travel)
	<i>Subtotal</i>	<i>\$2,572.32</i>	
	03/23/2010	\$2,500.00	Honoraria

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description
	08/07/2010	\$2,000.00	Honoraria
	08/07/2010	\$481.44	Meals
	08/07/2010	\$962.05	Travel
	<i>Subtotal</i>	<i>\$5,943.49</i>	
	01/13/2011	\$1,179.44	Travel
	01/13/2011	\$130.00	Meals
	01/14/2011	\$60.00	Meals
	01/14/2011	\$70.00	Meals
	01/18/2011	\$250.00	Honoraria
	04/02/2011	\$2,500.00	Honoraria
	04/02/2011	\$84.51	Meals
	11/03/2011	\$50.00	Meals
	11/03/2011	\$522.47	Travel
	11/07/2011	\$119.87	Meals
	12/01/2011	\$1,500.00	Honoraria
	<i>Subtotal</i>	<i>\$6,466.29</i>	
	06/20/2012	\$131.33	Meals
	07/24/2012	\$116.91	Meals
	<i>Subtotal</i>	<i>\$248.24</i>	
	05/11/2013	\$1,500.00	Honoraria
	05/11/2013	\$77.83	Meals
	05/11/2013	\$52.46	Meals
	05/11/2013	\$28.17	Meals
	05/11/2013	\$57.22	Meals
	05/11/2013	\$16.91	Travel
	07/13/2013	\$2,500.00	Honoraria
	07/13/2013	\$105.73	Meals
	07/13/2013	\$50.27	Meals
	07/13/2013	\$65.23	Meals
	07/13/2013	\$1,672.35	Travel
	11/19/2013	\$3,500.00	Honoraria
	11/19/2013	\$1,274.38	Travel
	11/19/2013	\$60.86	Meals
	11/19/2013	\$50.37	Meals
	<i>Subtotal</i>	<i>\$11,011.78</i>	
	04/17/2014	\$3,500.00	Honoraria
	04/17/2014	\$13.17	Meals
	04/17/2014	\$1,050.68	Travel
	<i>Subtotal</i>	<i>\$4,563.85</i>	
	Total	\$30,805.97	
Michael Saag	04/08/2010	\$2,500.00	Honoraria
	<i>Subtotal</i>	<i>\$2,500.00</i>	
	03/20/2011	\$956.58	Travel
	03/20/2011	\$229.29	Meals
	03/20/2011	\$817.18	Travel
	03/20/2011	\$83.63	Meals

Business Proprietary Information – Confidential Treatment Requested

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Name	Date	Amount	Description
	12/13/2011	\$3,625.00	Honoraria
	12/04/2011	\$459.96	Travel
	<i>Subtotal</i>	<i>\$5,971.64</i>	
	08/24/2012	\$10,410.30	Honoraria
	08/24/2012	\$8,999.73	Travel
	08/24/2012	\$1,245.07	Travel
	08/24/2012	\$435.32	Meals
	12/11/2012	\$3,625.00	Honoraria
	11/16/2012	\$592.50	Travel
	11/16/2012	\$43.00	Meals
	11/16/2012	\$77.71	Meals
	11/16/2012	\$6,527.00	Travel
	11/16/2012	\$436.04	Travel
	<i>Subtotal</i>	<i>\$32,391.67</i>	
	01/17/2013	\$183.76	Travel
	01/18/2013	\$708.20	Travel
	01/18/2013	\$35.00	Meals
	01/18/2013	\$35.00	Meals
	01/18/2013	\$75.00	Meals
	01/18/2013	\$35.00	Meals
	01/18/2013	\$35.00	Meals
	01/18/2013	\$75.00	Meals
	01/18/2013	\$708.20	Travel
	<i>Subtotal</i>	<i>\$1,890.16</i>	
	Total	\$42,753.47	
Robert Schooley	01/21/2009	\$2,000.00	Consulting fee*
	02/17/2009	\$2,000.00	Consulting fee*
	04/01/2009	\$2,000.00	Consulting fee*
	04/21/2009	\$2,000.00	Consulting fee*
	05/22/2009	\$2,000.00	Consulting fee*
	06/22/2009	\$2,000.00	Consulting fee*
	07/30/2009	\$2,000.00	Consulting fee*
	08/05/2009	\$133.00	Travel
	08/18/2009	\$2,000.00	Consulting fee*
	09/18/2009	\$2,000.00	Consulting fee*
	10/20/2009	\$2,000.00	Consulting fee*
	11/16/2009	\$2,000.00	Consulting fee*
	12/14/2009	\$2,000.00	Consulting fee*
	<i>Subtotal</i>	<i>\$24,133.00</i>	
	01/01/2010	\$2,000.00	Consulting fee*
	02/01/2010	\$2,000.00	Consulting fee*
	03/01/2010	\$2,000.00	Consulting fee*
	03/04/2010	\$88.08	Meals
	03/08/2010	\$82.75	Meals
	03/08/2010	\$93.33	Travel
	03/09/2010	\$47.00	Travel
	03/09/2010	\$20.00	Travel
	03/09/2010	\$129.70	Travel

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description
	03/09/2010	\$91.33	Travel
	03/09/2010	\$101.62	Travel
	04/01/2010	\$2,000.00	Consulting fee*
	05/01/2010	\$2,000.00	Consulting fee*
	06/01/2010	\$2,000.00	Consulting fee*
	07/01/2010	\$2,000.00	Consulting fee*
	07/21/2010	\$17.95	Meals
	07/21/2010	\$21.95	Meals
	07/21/2010	\$47.60	Meals
	07/21/2010	\$40.49	Travel
	07/21/2010	\$273.84	Travel
	07/22/2010	\$21.75	Meals
	07/22/2010	\$16.95	Meals
	07/22/2010	\$37.79	Travel
	07/23/2010	\$465.52	Travel
	08/01/2010	\$2,000.00	Consulting fee*
	09/01/2010	\$2,000.00	Consulting fee*
	10/15/2010	\$2,000.00	Consulting fee*
	11/15/2010	\$2,000.00	Consulting fee*
	12/15/2010	\$2,000.00	Consulting fee*
	<i>Subtotal</i>	<i>\$25,597.65</i>	
	01/20/2011	\$2,000.00	Consulting fee*
	02/17/2011	\$2,000.00	Consulting fee*
	03/24/2011	\$2,000.00	Consulting fee*
	04/15/2011	\$2,000.00	Consulting fee*
	05/15/2011	\$2,000.00	Consulting fee*
	06/15/2011	\$2,000.00	Consulting fee*
	07/20/2011	\$17.95	Meals
	07/20/2011	\$21.95	Meals
	07/20/2011	\$51.20	Meals
	07/20/2011	\$38.24	Travel
	07/20/2011	\$126.34	Travel
	07/21/2011	\$16.95	Meals
	07/21/2011	\$21.75	Meals
	07/21/2011	\$36.24	Travel
	07/22/2011	\$53.00	Meals
	07/22/2011	\$119.00	Travel
	07/22/2011	\$327.80	Travel
	08/01/2011	\$2,000.00	Consulting fee*
	09/01/2011	\$2,000.00	Consulting fee*
	10/01/2011	\$2,000.00	Consulting fee*
	11/01/2011	\$2,000.00	Consulting fee*
	11/07/2011	\$123.95	Meals
	12/01/2011	\$2,000.00	Consulting fee*
	<i>Subtotal</i>	<i>\$22,956.37</i>	
	01/15/2012	\$2,000.00	Consulting fee*
	01/26/2012	\$151.20	Meals
	02/01/2012	\$2,000.00	Consulting fee*
	03/01/2012	\$2,000.00	Consulting fee*
	04/01/2012	\$2,000.00	Consulting fee*

Business Proprietary Information – Confidential Treatment Requested

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Name	Date	Amount	Description
	04/01/2012	\$2,000.00	Consulting fee*
	04/01/2012	\$2,000.00	Consulting fee*
	07/01/2012	\$2,000.00	Consulting fee*
	07/17/2012	\$98.49	Meals
	07/30/2012	\$98.49	Meals
	07/31/2012	\$17.95	Meals
	07/31/2012	\$18.95	Meals
	07/31/2012	\$62.50	Meals
	07/31/2012	\$16.45	Travel
	07/31/2012	\$196.02	Travel
	07/31/2012	\$384.25	Travel
	08/01/2012	\$13.95	Meals
	08/01/2012	\$2,000.00	Consulting fee*
	08/01/2012	\$16.45	Travel
	08/01/2012	\$15.00	Travel
	08/07/2012	\$145.00	Travel
	09/01/2012	\$2,000.00	Consulting fee*
	10/01/2012	\$2,000.00	Consulting fee*
	10/11/2012	\$167.62	Travel
	11/01/2012	\$2,000.00	Consulting fee*
	12/01/2012	\$2,000.00	Consulting fee*
	<i>Subtotal</i>	<i>\$25,402.32</i>	
	07/30/2013	\$83.40	Travel
	07/31/2013	\$17.95	Meals
	07/31/2013	\$14.40	Travel
	08/01/2013	\$31.95	Meals
	08/01/2013	\$62.00	Meals
	08/01/2013	\$14.40	Travel
	08/01/2013	\$761.16	Travel
	08/05/2013	\$24,000.00	Consulting fee*
	12/11/2013	\$38.73	Meals
	12/11/2013	\$572.58	Travel
	12/11/2013	\$35.67	Travel
	12/11/2013	\$15.75	Travel
	12/11/2013	\$129.25	Travel
	12/12/2013	\$41.42	Meals
	12/12/2013	\$49.94	Meals
	12/12/2013	\$129.25	Travel
	12/13/2013	\$38.64	Meals
	12/13/2013	\$129.25	Travel
	<i>Subtotal</i>	<i>\$26,165.74</i>	
	Total	\$124,255.08	
	* Paid to University of California, San Diego		
Kenneth Sherman	05/03/2010	\$109.41	Meals
	<i>Subtotal</i>	<i>\$109.41</i>	
	01/13/2011	\$1,309.68	Travel
	01/14/2011	\$36.48	Meals
	01/14/2011	\$60.00	Meals

Business Proprietary Information – Confidential Treatment Requested

Name	Date	Amount	Description
	01/15/2011	\$60.00	Meals
	01/14/2011	\$70.00	Meals
	01/15/2011	\$70.00	Meals
	01/13/2011	\$130.00	Meals
	02/28/2011	\$112.63	Meals
	<i>Subtotal</i>	<i>\$1,848.79</i>	
	<i>Total</i>	<i>\$1,958.20</i>	
Mark Suikowski	03/17/2009	\$2,500.00	Honoraria
	04/30/2009	\$595.16	Travel
	05/26/2009	\$2,500.00	Honoraria
	10/09/2009	\$2,500.00	Honoraria
	11/12/2009	\$429.01	Meals/ Travel
	<i>Subtotal</i>	<i>\$8,524.17</i>	
	03/23/2010	\$2,500.00	Honoraria
	04/16/2010	\$110.85	Meals
	05/25/2010	\$3,000.00	Honoraria
	06/28/2010	\$28.00	Travel
	<i>Subtotal</i>	<i>\$5,638.85</i>	
	02/05/2011	\$3,000.00	Honoraria
	02/05/2011	\$658.66	Travel
	02/19/2011	\$30.00	Travel
	05/03/2011	\$50.00	Meals
	05/03/2011	\$288.50	Travel
	05/05/2011	\$35.00	Meals
	05/06/2011	\$20.00	Meals
	06/24/2011	\$116.79	Meals
	09/19/2011	\$4,000.00	Honoraria
	12/08/2011	\$121.75	Travel
	<i>Subtotal</i>	<i>\$8,320.70</i>	
	02/02/2012	\$42.14	Travel
	03/07/2012	\$27.07	Meals
	04/21/2012	\$120.35	Meals
	04/21/2012	\$2,500.00	Honoraria
	05/24/2012	\$9,750.00	Consulting fee
	05/24/2012	\$430.76	Travel
	06/28/2012	\$2,000.00	Consulting fee
	06/29/2012	\$135.28	Meals
	06/29/2012	\$4,000.00	Honoraria
	06/29/2012	\$125.75	Travel
	07/31/2012	\$54.00	Travel
	09/28/2012	\$75.95	Meals
	09/28/2012	\$4,000.00	Honoraria
	09/28/2012	\$647.16	Travel
	09/28/2012	\$772.86	Travel
	09/28/2012	\$266.56	Travel
	09/29/2012	\$20.29	Meals
	09/29/2012	\$27.23	Meals

Business Proprietary Information – Confidential Treatment Requested

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Name	Date	Amount	Description
	09/29/2012	\$73.11	Meals
	09/29/2012	\$36.45	Meals
	09/29/2012	\$24.52	Meals
	10/16/2012	\$109.44	Meals
	10/16/2012	\$25.61	Meals
	10/16/2012	\$3,180.00	Honoraria
	10/16/2012	\$220.00	Travel
	11/09/2012	\$48.16	Meals
	Subtotal	\$26,712.69	
	07/27/2013	\$131.85	Meals
	07/27/2013	\$3,000.00	Honoraria
	07/27/2013	\$61.50	Travel
	08/01/2013	\$11.21	Meals
	08/01/2013	\$9,000.00	Consulting fee
	08/01/2013	\$311.19	Travel
	08/26/2013	\$92.36	Meals
	08/26/2013	\$340.80	Travel
	09/06/2013	\$77.34	Meals
	09/06/2013	\$40.00	Meals
	09/06/2013	\$36.96	Meals
	09/06/2013	\$85.60	Meals
	09/06/2013	\$40.13	Meals
	09/06/2013	\$649.96	Travel
	09/06/2013	\$643.01	Travel
	09/06/2013	\$235.44	Travel
	10/03/2013	\$4,000.00	Honoraria
	11/01/2013	\$124.50	Meals
	12/06/2013	\$2,000.00	Consulting fee
	12/09/2013	\$107.37	Meals
	12/31/2013	\$5,000.00	Honoraria
	Subtotal	\$25,989.22	
	01/17/2014	\$116.92	Meals
	01/17/2014	\$227.68	Travel
	01/18/2014	\$3,500.00	Honoraria
	01/18/2014	\$867.00	Travel
	01/18/2014	\$215.68	Travel
	01/18/2014	\$303.97	Travel
	02/18/2014	\$3,500.00	Honoraria
	04/12/2014	\$2,000.00	Honoraria
	Subtotal	\$10,731.25	
	Total	\$87,916.88	
David Thomas	12/03/2012	\$36.80	Meals
	12/03/2012	\$206.21	Travel
	12/03/2012	\$406.31	Travel
	Subtotal	\$649.32	
	01/15/2013	\$68.53	Meals
	01/15/2013	\$288.50	Travel
	01/17/2013	\$3,750.00	Honoraria

Business Proprietary Information – Confidential Treatment Requested

1970

Name	Date	Amount	Description
	<i>Subtotal</i>	\$4,107.03	
	Total	\$4,756.35	
Hugo Vargas	08/16/2013	\$51.24	Meals
	08/16/2013	\$61.00	Meals
	08/16/2013	\$73.20	Meals
	08/16/2013	\$986.30	Travel
	<i>Subtotal</i>	\$1,171.74	
	Total	\$1,171.74	
John Ward	01/14/2010	\$121.32	Meals
	01/14/2010	\$52.58	Meals
	01/15/2010	\$28.39	Meals
	01/25/2010	\$1,522.59	Travel
	<i>Subtotal</i>	\$1,724.88	
	Total	\$1,724.88	
David Wyles	05/03/2011	\$20.00	Meals
	05/05/2011	\$1,316.69	Travel
	05/05/2011	\$50.00	Meals
	05/06/2011	\$35.00	Meals
	05/06/2011	\$26.44	Meals
	<i>Subtotal</i>	\$1,448.13	
	11/10/2012	\$69.29	Meals
	11/11/2012	\$34.36	Meals
	<i>Subtotal</i>	\$103.65	
	11/19/2013	\$7,975.00	Consulting fee
	11/19/2013	\$28.00	Travel
	<i>Subtotal</i>	\$8,003.00	
	05/08/2014	\$123.66	Meals
	<i>Subtotal</i>	\$123.66	
	Total	\$9,678.44	

** No records of payments between Gilead and Marc Ghany, Shyam Kottilil, Kiren Mitruka, and Daniel Raymond.

Payments Identified Between Pharmasset and AASLD/ISDA Treatment Guidelines Panelists**

Name	Date	Amount	Description
Donald Jensen	07/21/2011	\$2,000.00	Unknown
	<i>Subtotal</i>	\$2,000.00	
	Total	\$2,000.00	

** No additional records found.

Business Proprietary Information – Confidential Treatment Requested

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 18(d)**

Describe any communications between employees of Gilead and the organizations and individuals identified in (a) and (b) regarding the AASLD/IDSA treatment guidelines for HCV. Please provide all supporting documents related to those communications.

There were two conversations, both with Bill Guyer, Vice President of Medical Affairs and HIV Global Medical Director at Gilead. The two conversations occurred before the approval of Sovaldi (likely in October and November 2013) and were with panelists Donald Jensen and Mark Sulkowski, respectively. Dr. Jensen called Dr. Guyer directly, while Dr. Sulkowski and Dr. Guyer were speaking generally after encountering one another at the annual AASLD conference. Both discussions related to the combination of sofosbuvir + simeprevir (SOF/SMV). Dr. Jensen called to ask whether Gilead believed it would get FDA approval for the regimen, while Dr. Sulkowski and Dr. Guyer discussed in passing the relative merits of various HCV treatment regimens. In both cases, Dr. Guyer noted that SOF/SMV was supported only by Phase II data and that Gilead did not recommend the combination, and stated that he would not include the combination in any guidelines. Dr. Jensen was noncommittal in response, while Dr. Sulkowski disagreed on the merits of the clinical data and expressed support for the SOF/SMV regimen.

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 20**

Gilead has included Sovaldi in its patient assistance program, which includes coupons for reducing the cost of patient copays. Gilead estimated that 30,000 patients were treated with Sovaldi during the first quarter of 2014.

Gilead operates a robust set of patient support programs for patients with HCV. These programs include:

- MySupportPath – Gilead's patient support programs are accessible via MySupportPath, which is available through a website (www.mysupportpath.com) and a call center staffed with associates trained to help patients, caregivers, and health care professionals who need assistance (1-855-7-MYPATH – 9-8 PM EST). Services accessible via MySupportPath are free, and include:
 - *General guidance.* Patients who call SupportPath can receive 24/7 information about HCV from trained nurses. Patients can also enroll in email updates from MySupportPath providing disease-related information.
 - *Insurance counseling.* Patients who have been prescribed or are considering Sovaldi can also receive guidance on possible public and private insurance options.
 - *Coverage and access support.* Patients who have been prescribed or are considering Sovaldi who have questions regarding their health care insurance and coverage can receive assistance, including research into their health insurance benefits and information regarding payer-specific prior authorization requirements.
 - *Financial support information.* Finally, patients facing financial barriers to access can learn about and enroll in various financial support programs (described below).
- Gilead financial support programs – To reduce financial barriers to access Sovaldi, Gilead invests significant resources in financial support programs:
 - *Copay coupons.* Patients with commercial insurance – regardless of income – are eligible for copay coupons to subsidize their out-of-pocket cost-sharing obligations for Sovaldi, including deductibles, co-insurance, and copayments. Each copay coupon is valid for up to \$16,800 and can be used at any point in a patient's treatment.
 - *Patient assistance program (PAP).* Uninsured patients and underinsured patients meeting pre-defined income limits may be eligible for free product through Gilead's PAP.
- Foundation support – Gilead also makes arms-length donations to two independent non-profit patient assistance foundations ("the Foundations"), which assist patients across many different disease states, including HCV. The Foundations' HCV funds provide cost-sharing support to government-insured and commercially insured patients who have been prescribed HCV therapy by their physician and who meet certain income requirements. Foundation assistance is open to HCV-infected individuals regardless whether they have been prescribed Sovaldi or another HCV treatment. The Foundations do not disclose to Gilead how many of the individuals they assist are prescribed Sovaldi, and Gilead has no information about other Foundation donors and their funding levels.

a. *How many patients have been treated in the United States with Sovaldi to date?*

As of the first week of July, 2014, an estimated 66,212 patients had been treated in the United States with Sovaldi.

b. *How many patients in the United States have been assisted by Gilead's patient assistance program to date?*

As outlined above, Gilead's patient support program includes multiple components. As of the first week of July, 2014, the estimated number of patients* assisted by Gilead's program include

- *MySupportPath call center* – 117,462 inbound and outbound calls to assist 15,673 unique patients
- *Copay coupon financial support* – used by 18,618 unique patients
- *PAP (free product for uninsured and underinsured patients)* – 3,568 unique patients served, which represents 5.4% of all patients who have been treated with Sovaldi
- *Foundation support* – The Foundations do not disclose to Gilead how many of the individuals they assist are prescribed Sovaldi

* *Note that the unique patients listed above are not cumulative because a single unique patient may access multiple offerings through the MySupportPath program.*

c. *What percentage of patients does Gilead expect to be covered under this program?*

As of the first week of July, 2014, approximately 50% of commercially insured patients received financial support through Gilead's copay coupon program and an estimated 5.4% of patients treated with Sovaldi received free product through Gilead's PAP.

d. *What is the average outlay-per-patient in the patient assistance program?*

As of the first week of July, 2014:

- Patients using Gilead's copay coupons offset an average of \$919 per prescription (i.e., per each bottle dispensed*), and as a result, 99% of these patients paid less than \$25 per prescription.
- Gilead provided over \$225 million (based on the Wholesale Acquisition Cost (WAC)) in free product through its PAP.

* *Bottles hold 28 pills, or the equivalent of four weeks of therapy.*

e. *What percentage of the patient's cost for Sovaldi will the payment assistance program cover for each of the FDA-approved treatment regimens?*

The copay coupon benefit equals up to 20% of the WAC value of Sovaldi for a 12-week regimen, and can be used at any point during a patient's treatment (including all on the first fill). The current wholesale acquisition cost for a 12-week regimen is \$84,000, so eligible patients can currently receive up to \$16,800 of financial assistance from Gilead through the copay coupon benefit. As of the first week in July, 2014, 99% of commercially insured patients who used copay coupons paid less than \$25 per prescription (i.e., per each bottle dispensed).

Additionally, as noted above, as of early July, 2014, 3,568 uninsured or underinsured patients (or approximately 5.4% of patients treated with Sovaldi) had received free product through the Gilead PAP; as of early August 2014, this number increased to 4,430.

f. What patients are eligible for this assistance? What patients are ineligible for this assistance?

Eligibility requirements differ across Gilead's patient support programs:

- *Copay assistance.* Open to all U.S. patients with commercial insurance who have been prescribed Sovaldi, regardless of income. Patients are limited to one copay coupon per six-month period. Reenrollment is required after six months.
- *PAP.* Open to U.S. uninsured and underinsured patients who meet pre-defined U.S. residency and income limits. The current income threshold for the PAP is less than \$100,000 for patients with a household size of 1-3 and under 500% of the federal poverty line (FPL) for patients with larger households.

g. There are a number of HCV-infected populations, such as those exposed through intravenous drug use, contaminated blood and those born to someone infected with the virus. Describe the patient populations expected to be covered by the Sovaldi patient assistance program.

All patients who have been prescribed Sovaldi can use Gilead's patient support programs. In addition, general information regarding HCV is available through MySupportPath, even for patients not prescribed Sovaldi. Gilead does not collect data about how patients contracted the disease.

h. How are the costs of the assistance accounted for within Gilead's financials, e.g. are they deducted as part of the company's Selling, General, and Administrative (SG&A) expenses?

Costs related to operating MySupportPath, Gilead's PAP, and the copay coupon program, as well as the manufacturing cost of the free product provided through the PAP, are accounted for as operating expenses (S&M Opex). The value of the copay coupon assistance is accounted for in a contra revenue account that offsets Gilead's product revenue.

**Response to Chairman Wyden/Senator Grassley request dated July 11, 2014:
Request No. 21**

Sovaldi is and will be sold in multiple countries, many of which are expected to receive significant discounts compared to the price in the U.S.

- a. *Please provide a list of all countries where Sovaldi is or will be sold, and the corresponding price or planned price for each country. Describe how the company reached the price for each country.*
- b. *How are the revenue, costs and any discounts associated with international sales, such as Egypt, accounted for within Gilead's financials, e.g. are they deducted as part of the company's Selling, General, and Administrative (SG&A) expenses?*

21(a)

Gilead is working in partnership with governments, health care systems and providers, and public health entities to help ensure broad access to Sovaldi worldwide. Our goal is to make Sovaldi accessible in as many places as possible, as quickly as possible.

In developed countries, Gilead considers several value and market-based factors in pricing its medicines. Gilead compares the drug's effectiveness, safety, and tolerability to the current standard of care. Gilead also considers the drug's cost effectiveness, including any potential savings or "offsets" to a country's overall health care system in terms of reducing the cost of disease and/or in comparison to other treatment options. Gilead negotiates with individual countries and payers pursuant to the governing laws, regulations, and customs, with prices being determined on a country-by-country basis.

In less developed countries, ranging from the least developed countries to lower- and upper-middle income countries, Gilead applies a tiered pricing structure based on a country's health care and other resources and the severity of the HCV prevalence within the country. Gilead has employed this approach to its HIV program, and the number of people in developing countries receiving Gilead antiretroviral therapy has increased from fewer than 30,000 in 2006 to six million in 2014. As with its HIV program, Gilead is in the process of entering into licensing agreements with a number of generic manufacturers to broaden the reach, access, and affordability of sofosbuvir in even the poorest of countries. This is a humanitarian program offering drugs at little to no profit.

Gilead is prioritizing treatment expansion first in those developing countries with the highest burden of HCV. For Sovaldi, Gilead has set three basic pricing bands that serve as the basis for negotiations with national governments. Countries are categorized within the bands according to gross national income (GNI) per capita (a reflection of the average income of a country's citizens) and HCV prevalence. Final prices are determined on a country-by-country basis. Attached is a slide deck, already produced to the Committee, that provides an overview of our access pricing approach.

Your letter referenced Gilead's agreement with the Egyptian government. Consistent with our philosophy described above, Gilead began working to register and provide access to Sovaldi in resource-poor countries immediately following the U.S. approval of Sovaldi in December 2013. In July 2014, Gilead signed its first HCV treatment expansion agreement with the Egyptian government. HCV prevalence is higher in Egypt than in any other country in the world – around 12 million Egyptians are infected (15% of the population) – following the use of poorly sterilized needles in campaigns dating back to the 1970s to eliminate the parasitic disease.

schistosomiasis. Due to the heavy disease burden, low gross national income, and the government's strong commitment to address the epidemic, the country is in Gilead's lowest pricing tier for HCV at 2,200 Egyptian pounds per bottle.

To better shape Egyptian HCV treatment strategies, Gilead is conducting a Phase III clinical trial in the country evaluating the safety and efficacy of Sovaldi and ribavirin in adults with genotype 4 HCV, the most prevalent strain of the virus in the country. Sovaldi was approved by regulators in Egypt in July 2014. Gilead expects distribution to begin in September 2014. Sovaldi will be available to treat qualified patients endorsed by the Ministry of Health through government programs (through 26 national treatment centers). Gilead will also support medical education, prevention, screening, and patient awareness initiatives.

21(b)

Gilead accounts for revenue and expenses in accordance with U.S. Generally Accepted Accounting Principles. Gilead recognizes revenues from product sales when there is persuasive evidence that an arrangement exists, delivery to the customer has occurred, the price is fixed or determinable, and collectability is reasonably assured. Gilead records estimated reductions to revenues for government rebates, distributor incentives such as cash discounts for prompt payment, distributor fees, and expected returns of expired products. These estimates are deducted from gross product sales at the time such revenues are recognized.

Any costs associated with the production, directly or indirectly, of inventory is recognized as cost of sales in the financial statements.

Selling, general and administrative expenses relate to the sales and marketing, finance, human resources, legal and administrative activities. Expenses are primarily comprised of facilities and overhead costs, outside marketing advertising and legal expenses, and other administrative costs.

**Response to Chairman Wyden and Senator Grassley request dated July 11, 2014:
Request No. 21(a)**

Please provide a list of all countries where Sovaldi is or will be sold, and the corresponding price or planned price for each country.

Country	List Price*	Comments
Albania	TBD	
Argentina	TBD	
Armenia	TBD	
Australia	TBD	
Austria	€ 48,810.00 (\$63,198.70 USD)	Interim Price
Azerbaijan	TBD	
Bahrain	TBD	
Belgium	TBD	
Bolivia	TBD	
Bosnia and Herzegovina	TBD	
Brazil	TBD	
Bulgaria	TBD	
Cameroon	TBD	
Canada	CAD \$55,000.00 (\$50,525.00 USD)	
Chile	TBD	
China IND	TBD	
China NDA	TBD	
Colombia	TBD	
Croatia	TBD	
Cuba	TBD	
Cyprus	TBD	

Country	List Price*	Comments
Czech Republic	TBD	
Denmark	DKK 324,510.00 (\$56,449.40 USD)	
Dominican Republic	TBD	
Ecuador	TBD	
Egypt	EGP 6,600.00 (\$908.04 USD)	
El Salvador	TBD	
Estonia	TBD	
Finland	€ 42,000.00 (\$54,381.20 USD)	
France	€ 56,000.00 (\$72,508.20 USD)	Interim Price
GCC	TBD	
Georgia	TBD	
Germany	€ 48,810.00 (\$63,198.70 USD)	Interim Price
Greece	TBD	
Guatemala	TBD	
Haiti	TBD	
Hong Kong	TBD	
Hungary	TBD	
Iceland	TBD	
India	TBD	
Indonesia	TBD	
Iran, Islamic Republic of	TBD	
Iraq	TBD	
Ireland	TBD	
Israel	TBD	
Italy	TBD	
Jordan	TBD	
Kazakhstan	TBD	

Country	List Price*	Comments
Kenya	TBD	
Korea, Republic of	TBD	
Kosovo	TBD	
Kuwait	TBD	
Latvia	TBD	
Lebanon	TBD	
Lithuania	TBD	
Luxembourg	€ 48,000.00 (\$62,149.90 USD)	Interim Price
Macao	TBD	
Macedonia, The Former Yugoslav Republic of	TBD	
Malta	TBD	
Mexico	TBD	
Moldova, Republic of	TBD	
Mongolia	TBD	
Netherlands	TBD	
New Zealand	TBD	
Nigeria	TBD	
Norway	NOK 333,480.00 (\$53,043.90 USD)	
Oman	TBD	
Pakistan	TBD	
Paraguay	TBD	
Peru	TBD	
Philippines	TBD	
Poland	TBD	
Portugal	TBD	
Qatar	TBD	

Country	List Price*	Comments
Romania	TBD	
Saudi Arabia	TBD	
Serbia	TBD	
Singapore	TBD	
Slovakia	TBD	
Slovenia	TBD	
South Africa	TBD	
Spain	TBD	
Sweden	SEK 365,400.00 (\$51,453.60 USD)	
Switzerland	CHF 55,500.00 (\$59,594.80 USD)	
Syrian Arab Republic	TBD	
Taiwan	TBD	
Taiwan, Republic of China	TBD	
Tanzania, United Republic of	TBD	
Thailand	TBD	
Tunisia	TBD	
Turkey	TBD	
Uganda	TBD	
United Kingdom	£34,982.94 (\$57,100.20 USD)	
Ukraine	TBD	
United Arab Emirates	TBD	
Uzbekistan	TBD	
Venezuela	TBD	
Vietnam	TBD	
Yemen	TBD	

* Please note that all pricing is in reference to a 12-week regimen. Exchange rate information as of 9/8/14.

Business Proprietary Information – Confidential Treatment Requested