

GILEAD SCIENCES INC
Form 8-K
January 28, 2015

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

January 22, 2015

Gilead Sciences, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-19731

94-3047598

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

333 Lakeside Drive, Foster City, California

94404

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

650-574-3000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Top of the Form**SECTION 5 CORPORATE GOVERNANCE AND MANAGEMENT****Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

(e) Compensation Arrangements of Certain Officers

2014 Bonuses and 2015 Base Salaries

On January 22, 2015, the Compensation Committee (the Committee) of the Board of Directors (the Board) of the Gilead Sciences, Inc. (the Company) set the base salaries for the 2015 fiscal year for the Company's named executive officers from the proxy statement filed in connection with the 2014 annual meeting of stockholders (the Executive Officers). The Committee also determined their bonus awards for the completed 2014 fiscal year based on their individual performance and the Company's attained level of certain financial and non-financial objectives established for that year. The independent members of the Board ratified the 2014 bonus and 2015 base salary of John C. Martin, Ph.D., the Company's Chairman and Chief Executive Officer. The approved 2014 bonuses and 2015 base salaries for the Executive Officers are as follows:

| Name and Title | 2014 Bonus | 2015 Base Salary |
|---|-------------------|-------------------------|
| John C. Martin Chairman and Chief Executive Officer | \$3,717,365 | \$1,737,000 |
| John F. Milligan President and Chief Operating Officer | \$1,579,500 | \$1,200,000 |
| Norbert W. Bischofberger Executive Vice President, Research and Development and Chief Scientific Officer | \$1,111,500 | \$1,000,000 |
| Robin L. Washington Executive Vice President and Chief Financial Officer | \$ 965,250 | \$ 865,000 |
| Kevin Young * Senior Advisor | \$ 192,544 | \$ 420,000 |

* Mr. Young served as the Company's Executive Vice President, Commercial Operations until February 4, 2014, when he transitioned to Senior Advisor of the Company.

2015 Equity Awards

On January 22, 2015, the Committee granted equity awards with an effective date of February 1, 2015 to the Executive Officers with grant-date fair values as follows:

| Name | Stock Option Grant Date Fair Value* | Performance Share Grant Date Fair Value* |
|--------------------------|--|---|
| John C. Martin | \$5,750,000 | \$5,750,000 |
| John F. Milligan | \$2,380,000 | \$2,380,000 |
| Norbert W. Bischofberger | \$2,100,000 | \$2,100,000 |
| Robin L. Washington | \$1,600,000 | \$1,600,000 |

* The number of shares actually granted may differ slightly due to rounding.

The number of shares actually granted will be based on the fair value on the February 1, 2015 effective date. The independent members of the Board ratified the equity grants to Dr. Martin. The options will be granted under the Company's 2004 Equity Incentive Plan, as amended (the Plan), and will have an exercise price equal to the closing price of the Company's common stock on January 30, 2015 since the February 1, 2015 effective date is a Sunday. The options will have a maximum term of ten years measured from such effective date. The performance share awards will be issued under the Plan and will have both a total shareholder return (TSR) tranche equal to 50% of the grant-date fair value of the award and a revenue tranche equal to the remaining 50% of such grant-date fair value and divided into three separate annual revenue subtranches. The TSR and revenue tranches of each award will be structured in substantially the same manner as the 2014 performance shares awards described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 29, 2014.

Kevin Young was granted time-based restricted stock unit awards with a grant date fair value of \$180,000*. The number of shares actually granted will be based on the fair value on the February 10, 2015 effective date. Mr. Young was also granted stock options with a grant date fair value of \$180,000*. The options will be granted under the Plan and will have an exercise price equal to the closing price of the Company's common stock on February 10, 2015. The options will have a maximum term of ten years measured from such effective date.

* The number of shares actually granted may differ slightly due to rounding.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

January 28, 2015

Gilead Sciences, Inc.

By: */s/ Brett A. Pletcher*

Name: Brett A. Pletcher

Title: Senior Vice President and General Counsel