

DONATION AGREEMENT

This Donation Agreement (the “**Agreement**”) is made as of July 14, 2011 (the “**Effective Date**”) by and between the Institute of Organic Chemistry and Biochemistry (“**IOCB**”), at the Academy of Sciences of the Czech Republic located at Flemingovo nám. 2, Praha 6 (Czech Republic) and Gilead Sciences, Inc. (“**Gilead**”) with headquarters at 333 Lakeside Drive, Foster City, CA 94404 (USA).

RECITALS

WHEREAS, IOCB is a leading research institution in the field of medicinal chemistry, including in particular, the design and synthesis of compounds active against different viruses;

WHEREAS, Gilead has licensed from IOCB and clinically developed certain of the compounds designed and synthesized at IOCB, and such compounds now represent an important part of Gilead’s product portfolio;

WHEREAS, Gilead previously made a donation to IOCB for the establishment of the Gilead Sciences Research Centre (the “**GSRC**”) to honor the productive collaboration between Gilead and IOCB over the years, and Gilead desires to further support the GSRC through another donation to the IOCB; and

WHEREAS, IOCB desires to accept such donation and to use such donation in accordance to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the receipt of which is hereby acknowledged, the parties hereto mutually agree as follows:

AGREEMENT

1. DONATIONS.

1.1 Gilead Donations. During the Term, Gilead will donate [REDACTED] (the “**Donations**”) to IOCB pursuant to Sections 1.2 and 1.3 below.

1.2 Payment Schedule. Gilead will make the Donations on a calendar year by calendar year basis, and will make the first Donation in the amount of [REDACTED] within ten (10) days after the Effective Date, which represents the pro-rated share of the annual donation for the remainder of the calendar year 2011. For each subsequent calendar year, Gilead will make the Donation in the amount of [REDACTED] on or before January 15th of such calendar year, provided that, for the last calendar year during the Term, the final Donation amount will be pro-rated to [REDACTED]. As contemplated by the initial Term of this Agreement, Gilead will make such final, pro-rated Donation on or before January 15, 2016.

1.3 Method of Payment. For each Donation, Gilead will transfer the appropriate amount to the bank account designated by IOCB and set forth on Annex A of this Agreement.

2. ESTABLISHMENT OF THE GSRC.

2.1 Establishment of the GSRC. IOCB will use the Donations to support the Gilead Sciences Research Centre (the “**GSRC**”) consisting of research groups led by the distinguished scientist employees at IOCB, as set forth in more detail in this Article 2. The operation of the GSRC will be governed by a Steering Committee and monitored by an Advisory Board, the formation and responsibility of which are described in more detail in Article 3. A schematic illustration of the structure of the GSRC is attached to this Agreement as Annex B.

2.2 Selection of GSRC Members; Initial Members. The Steering Committee will select four to eight (4 to 8) of IOCB’s distinguished scientist employees to participate as GSRC members (the “**Members**”) and the Steering Committee will allocate part of the Donations to support the research efforts of the research groups led by such Members pursuant to Section 4.2(a)(i) (each such research group, a “**Member Research Group**”). The term of membership for each Member will be between one (1) and three (3) years, as determined by the Steering Committee at the time of such Member’s selection. A list of initial Members of GSRC and research scientists conducting research within the Member Research Groups is attached to this Agreement as Annex C.

2.3 Activities of Members. Members will direct their respective Member Research Groups to conduct research at GSRC in a professional manner, consistent with the highest standards of scientific research, and in compliance with all applicable laws and regulations. Each Member will cause each scientist conducting research in his/her Member Research Group to keep complete and accurate written records of all research activities conducted in such Member Research Group, together with all results and findings arising therefrom. Each Member will provide an annual report to the Steering Committee pursuant to Section 3.3(a).

3. GOVERNANCE OF GSRC.

3.1 Steering Committee. IOCB will establish a steering committee (the “**Steering Committee**”) for the governance of the operations of GSRC, selection of the Members of GSRC and allocation of the funds to GSRC’s operations. The Steering Committee will conduct its activities in accordance with this Agreement including the by-laws set forth in Annex D.

(a) **Responsibilities.** The responsibilities of the Steering Committee will include:

(i) Allocating the funds that IOCB receives through the Donations for uses in accordance with the principles set forth in Article 4 and monitoring and modifying the uses of the Donations to improve economic efficiency of such uses;

(ii) Selecting distinguished researcher employees of IOCB as Members of GSRC and approving the individual participants in Member Research Groups for participation in the GSRC (each individual participant, a “**GSRC Participant**”);

(iii) Supervising the research conducted by the research groups led by the GSRC Members and providing guidance on GSRC research activities on an ongoing basis;

(iv) Monitoring inventions made by GSRC Members and directing timely disclosure of such inventions to IOCB;

(v) Reviewing the Member Annual Reports from all Members and preparing and providing to the Advisory Board the GSRC Annual Report pursuant to Section 3.3(b);

(vi) Establishing and allocating funding for the GSRC post-doctoral fellowship and the GSRC pre-doctoral stipend as contemplated in Section 4.2(c), establishing guidelines, support levels and terms for such fellowship and stipend, and selecting recipients for such fellowship and stipend; and

(vii) Performing such other activities, including without limitation administrative activities, as appropriate for the governance of the GSRC on an ongoing basis.

(b) Representatives. The Steering Committee will consist of eight (8) representatives, with one of such representatives being the then-current Director of IOCB and the other representatives consisting of research group leaders at IOCB. The initial representatives of the Steering Committee are set forth in Annex E. The initial chairperson of the Steering Committee will be Dr. Zdeněk Havlas. IOCB will determine, at its sole discretion, the tenure of the Steering Committee representatives and the procedures for the subsequent appointment or election of Steering Committee representatives.

(c) Meetings. The Steering Committee will hold its meetings pursuant to its by-laws set forth in Annex D.

(d) Decision Making; Authorities.

(i) The Steering Committee will make its decisions based on voting, with each representative having one (1) vote. The vote will be held openly, with each representative's vote on any matter being made public to the other representatives of the Steering Committee. At any meeting, the quorum will be satisfied if the majority of the representatives of the Steering Committee are present. In turn, the decision on any matter will be deemed final if approved by the majority vote of the quorum, or by the unanimous written consent of all the Steering Committee representatives absent such meeting satisfying the quorum requirement.

(ii) Notwithstanding the foregoing, decisions on finances, acceptance or selection of new Members, the nomination and selection of recipients for the Gilead Sciences Fellowship in Medicinal Chemistry or the Gilead Sciences Stipend, and the changes of research programme, will require the majority vote of all Steering Committee representatives, regardless of the number of representatives present at such meeting.

(iii) If the Steering Committee cannot come to the resolution of any matter because of a deadlock or lack of quorum, the matter will be referred to the Advisory Board for resolution. The Steering Committee will have no authority to amend this Agreement,

provided that the Steering Committee may amend its by-laws set forth in Annex D so long as such amendment does not result in adverse consequences to Gilead.

(e) **Gilead Alliance Manager.** Gilead will appoint an employee of Gilead to serve as the alliance manager (the “**Gilead Alliance Manager**”) for the management of the relationship among IOCB, GSRC and Gilead. The Gilead Alliance Manager will act as the primary contact person at Gilead for formal and informal interactions with the Steering Committee and GSRC Members. The primary contact person at GSRC will be the then current chairperson of the Steering Committee.

3.2 Advisory Board. Gilead and IOCB will jointly establish an advisory board (the “**Advisory Board**”) to monitor the activities of GSRC, and to serve as a forum for matters unresolved by the Steering Committee.

(a) **Membership.** The Advisory Board will consist of three (3) representatives appointed by Gilead and three (3) representatives appointed by IOCB, with one (1) such representative appointed by IOCB being the then-current chairperson of the Steering Committee. The initial representatives of the Advisory Board are set forth in Annex F. Either party may replace its representatives on the Advisory Board by providing written notice to the other party.

(b) **Responsibilities.** The responsibilities of the Advisory Board will include:

(i) Reviewing the GSRC Annual Report submitted by the Steering Committee for an overview of the research activities, results, and financial undertakings of GSRC, its Members and the Steering Committee;

(ii) Resolving any and all matters referred to it by the Steering Committee pursuant to Section 3.1(d);

(iii) Monitoring, consulting and advising the Steering Committee and the Members of the GSRC as requested by the Steering Committee; and

(iv) Performing other tasks as necessary for the monitoring of the progress of GSRC from time to time.

(c) **Advisory Board Meetings.**

(i) The Advisory Board will hold annual in-person meetings at alternating locations between Prague, the Czech Republic and Foster City, California. During the annual Advisory Board meeting, the representatives of the Advisory Board will evaluate the progress and future direction of GSRC and the performance of its Members and the Steering Committee, and will provide guidance and advice as needed for the future direction of the GSRC. The Advisory Board will determine the specific date for each annual meeting, provided, however, that the first Advisory Board meeting will be held in Prague in the 4th quarter of 2011, and thereafter each meeting will be held during the 4th quarter of each calendar year, such dates to be agreed by a majority of the Advisory Board.

(ii) In addition, either IOCB or Gilead may request a special meeting of the Advisory Board as matters arise from time to time that may require the attention of the Advisory Board by providing each representative of the Advisory Board with five (5)-day advance written notice. Such ad hoc Advisory Board meetings may be conducted in person, by teleconference or video conference as agreed upon by the parties.

(d) **Decision Making.** The Advisory Board will primarily serve an advisory role for the Steering Committee. However, to the extent any decision needs to be made by the Advisory Board, such decision will be made by the unanimous vote of the Advisory Board, with each party having one (1) vote.

3.3 Annual Reports.

(a) **Member Annual Report.** Each Member will provide an annual report to the Steering Committee summarizing such research activities conducted in such Member Research Group during each calendar year and results and findings arising therefrom, together with plans and budgets of anticipated research activities in such Member Research Group during the following calendar year (such report, the “**Member Annual Report**”).

(b) **GSRC Annual Report.** After receiving the Member Annual Reports from the GSRC Members, the Steering Committee will prepare a summary report for the Advisory Board, describing all research activities conducted by the Members during such calendar year and the results and findings arising therefrom, together with a consolidated research plan and budget for the operation of GSRC for the next calendar year (the “**GSRC Annual Report**”).

(c) **Timing of Reports.** The Advisory Board will determine the dates by which each Member will submit his/her Member Annual Report to the Steering Committee, and the date by which the Steering Committee will submit the GSRC Annual Report to the Advisory Board. Absent such determination by the Advisory Board, the Member Annual Reports will be due to the Steering Committee twenty-one (21) days before each annual Advisory Board meeting, and the GSRC Annual Report will be due to the Advisory Board ten (10) days before each annual Advisory Board meeting.

4. USE OF FUNDS.

4.1 **General.** The Steering Committee will allocate the funds received through the Donations at its discretion but consistent with this Article 4, for the support of research efforts by the research groups of its Members, the purchase of common equipment and the establishment of post-doctoral fellowships and pre-doctoral stipends, as provided in more detail below.

4.2 Allocation of Funds Received through the Donation.

(a) **Member Research Group Funding.** The Steering Committee will review the Member Annual Reports and allocate part of the Donations to support the research efforts in each Member Research Group, including without limitation funding their research expenses (such as expenses incurred in connection with the purchase of research reagents and lab equipment for use by such Member Research Group, and the engagement of third party

laboratory services) and providing salaries and/or fringe benefits for the Member and each GSRC Participant in such Member Research Group (collectively, the “**Member Research Group Funding**”).

(i) **Member Research Group Funding for Member Research Groups.** The Steering Committee will allocate funding from the Donations to Member Research Groups at its discretion, taking into consideration the specific costs and purposes of individual Member Research Groups. A Member Research Group may spend the entire amount the Member Research Group Funding allocated to it for a particular calendar year during such year, or, at the discretion of the Member, elect to carry over up to fifteen percent (15%) of such amount for use during the next calendar year. In addition, Members of GSRC may mutually agree to share certain expenses, or to exchange or provide services between Member Research Groups, and the Members may use reasonable portions of its Member Research Group Funding to support such activities.

(b) **Common Equipment Funding.** The Steering Committee may, with the approval of the Advisory Board, allocate an amount of up to [REDACTED] per year from the Donations to purchase equipment for the common use among the Member Research Groups.

(c) **Post-doctoral Fellowship and Pre-Doctoral Stipend.** The Steering Committee may, at its discretion, allocate funds from the Donations to establish one or more “Gilead Sciences Fellowships in Medicinal Chemistry” for postdoctoral fellows who conduct research in the Member Research Groups, and/or one or more “Gilead Sciences Stipends” for talented graduate students pursuing a Ph.D. degree in the Member Research Groups. The Steering Committee will nominate and select the recipients for such fellowship and/or stipend at its discretion.

4.3 Accounting; Records; Audit. IOCB will, and the Steering Committee will ensure, that the funds from the Donations will be subject to separate and independent accounting from other funds under management by IOCB or the Steering Committee, and the IOCB will keep complete and accurate written records on the receipt, allocation, use and other disposition of the Donations. During the Term and a period of three (3) years thereafter, Gilead will have the right, upon providing three (3)-month advance written notice to IOCB, to conduct an audit on such records, either by itself or through a third party auditor appointed by Gilead.

4.4 Compliance with Laws and Regulations. GSRC and the Steering Committee will use the Donations in compliance with all applicable laws, by-laws and other regulations in the Czech Republic and any other applicable jurisdiction.

5. CONFIDENTIALITY.

5.1 Nondisclosure of Confidential Information. For all purposes hereunder, “Confidential Information” will mean all information disclosed by one party to the other party pursuant to this Agreement. During the Term of this Agreement and for a period of five (5) years thereafter, a party receiving such item of Confidential Information of the other party will (i) maintain in confidence such item of Confidential Information and not to disclose such item of

Confidential Information to any third party without prior written consent of the disclosing party, and (ii) not use the other party's Confidential Information for any purpose except those permitted by this Agreement.

5.2 Exceptions. The obligations in Section 5.1 will not apply with respect to any portion of the Confidential Information that the receiving party can show by competent written proof:

(i) Is publicly disclosed by the disclosing party, either before or after it is disclosed to the receiving party hereunder;

(ii) Was known to the receiving party or its affiliates without obligation to keep it confidential, prior to disclosure by the disclosing party;

(iii) Is subsequently disclosed to the receiving party or any of its affiliates by a third party lawfully in possession thereof and without obligation to keep it confidential;

(iv) Is published by a third party or otherwise becomes publicly available or enters the public domain through no fault of the receiving party, either before or after it is disclosed to the receiving party; or

(v) Has been independently developed by employees or contractors of the receiving party or any of its affiliates without the aid, application or use of Confidential Information of the disclosing party.

5.3 Authorized Disclosure. Each party may disclose the Confidential Information belonging to the other party to the extent such disclosure is required by law, regulation or valid court order, provided that such party will give prompt notice to the other party of such requirement, disclose the other party's Confidential Information only to the extent required by such law, regulation or court order, and use reasonable efforts to seek a protective order or confidential treatment in connection with such disclosure.

5.4 Press Releases. Gilead and IOCB have agreed upon a joint press release announcing the execution of this Agreement, attached to this Agreement as Annex G.

6. INTELLECTUAL PROPERTY. IOCB will be the sole owner of any and all inventions (whether or not patentable), together with all intellectual property rights thereto, that are conceived or reduced to practice by the Members of GSRC and/or the Member Research Groups in the course of the performance of the work supported by the Donations. IOCB will execute the appropriate invention assignment agreement with each Member and GSRC Participant obligating the assignment of all inventions made by such individual to IOCB, to the extent permitted under applicable laws.

7. TAX. IOCB will make timely payments to satisfy any and all tax obligations it may have as a result of its receipt and use of the Donations, in accordance with all applicable laws and regulations. Any tax obligations of IOCB will not increase the size of the Donations to be provided under this Agreement.

8. REPRESENTATIONS AND WARRANTIES. Each party represents and warrants to the other party that: (i) it has the authority and right to enter into and perform this Agreement; (ii) this Agreement is a legal and valid obligation binding upon it; and (iii) its execution, delivery and performance of this Agreement will not conflict in any material fashion with the terms of any other agreement or instrument to which it is or becomes a party or by which it is or becomes bound, nor violate any law or regulation of any court, governmental body or administrative or other agency having authority over it. IOCB represents and warrants that the provisions of this Agreement are enforceable under the laws of Czech Republic and are not in conflict with its obligations to the government of Czech Republic.

9. TERM AND TERMINATION.

9.1 Term. This Agreement will become effective upon the Effective Date and will expire upon the fifth (5th) anniversary of the Effective Date, unless extended by the parties pursuant to Section 9.2 or terminated earlier pursuant to Section 9.3 (such period during which the Agreement is effective, the “Term”).

9.2 Extension. The Term may be extended for additional one (1) year periods by Gilead upon written notice to IOCB before January 15th of the year during which this Agreement would have otherwise expired. If Gilead elects to extend the Term, Gilead will (i) make a Donation in the amount of [REDACTED] for such calendar year that would have otherwise been the last calendar year during the Term and for which Gilead would have otherwise made a Donation in the amount of [REDACTED] and (ii) Gilead will, for the next calendar year, make a final Donation in the pro-rated amount of [REDACTED], unless the Term is further extended.

9.3 Termination. Either party may terminate this Agreement with six (6) months advance written notice if any change occurs in the structure or operation of GSRC that would materially and adversely affect the purpose or productivity of GSRC, provided that, if Gilead elects to so terminate this Agreement and a scheduled Donation becomes due during such six (6) month notice period, then Gilead will make a pro-rated final Donation on such scheduled Donation date in an amount that is pro-rated for the period prior to the effective date of such termination. By way of example, if Gilead terminates this Agreement on October 1st, 2013, then Gilead will make a final Donation on or before January 15th, 2014, in the amount of [REDACTED] in support of GSRC for the three (3) months in 2014 before the termination becomes effective.

9.4 Survival. The following provisions of this Agreement will survive the expiration or termination of this Agreement: Sections 4.3 and 9.4, and Articles 5, 6, 7 and 10.

10. MISCELLANEOUS.

10.1 Complete Agreement; Modification. This Agreement constitutes the entire agreement, both written and oral, between the parties with respect to the subject matter hereof, and any and all prior agreements respecting the subject matter hereof, either written or oral, expressed or implied, are superseded hereby, merged and canceled, and are null and void and of

no effect. No amendment or change hereof or addition hereto will be effective or binding on either of the parties hereto unless reduced to writing and duly executed on behalf of both parties.

10.2 Governing Law. Resolution of all disputes arising out of or related to this Agreement or the performance, enforcement, breach or termination of this Agreement and any remedies relating thereto, will be governed by and construed under the substantive laws of England, without regard to conflicts of law rules requiring the application of different law.

10.3 Independent Contractors. The relationship of the parties hereto is that of donor and donee. The parties hereto are not deemed to be agents, partners or joint venturers of the others for any purpose as a result of this Agreement. At no time will any party make commitments or incur any charges or expenses for or in the name of the other party.

10.4 Assignment. Neither party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other, except a party may make such an assignment without the other party's consent to an affiliate or to a successor to substantially all of the business of such party to which this Agreement relates, whether in a merger, sale of stock, sale of assets or other transaction. Any permitted assignment will be binding on the successors of the assigning party. Any assignment or attempted assignment by either party in violation of the terms of this Section 10.4 will be null and void and of no legal effect.

10.5 Notices. Any notices given under this Agreement will be in writing, addressed to the parties at the following addresses, and delivered by person, by facsimile, or by a reputable international courier service. Any such notice will be deemed to have been given as of the day of personal delivery, one (1) day after the date sent by facsimile service or on the day of successful delivery to the other party confirmed by the courier service.

For Gilead: 333 Lakeside Drive
Foster City, CA 94404
USA
Attention: Bill Lee
Copy to: Brett Pletcher, Esq., SVP, General Counsel
Phone: +1 650-574-3000
Fax: +1 650-522-5337

For IOCB: Institute of Organic Chemistry and Biochemistry
Academy of Sciences of the Czech Republic
Flemingovo nám. 2, Praha 6
Czech Republic
Attention: Zdeněk Havlas DrSc.
Phone: +420 (220) 183 333
Fax: +420 (220) 183 578

10.6 Severability. In the event that any provision of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, the remainder of the Agreement will remain in full force and effect without said provision. In such event, the parties will in good faith negotiate a substitute clause for any provision declared invalid or unenforceable, which will most nearly approximate the intent of the parties in entering this Agreement.

10.7 English Language. This Agreement is made in English and its English version will prevail over its translation in any other language.

10.8 U.S. Dollars. All references to “dollars” or “\$” means the legal currency of the United States.

10.9 Counterparts. This Agreement may be executed in two (2) counterparts, each of each will be an original and both will constitute together the same document. Counterparts may be signed and delivered by facsimile, each of which will be binding when sent.

[Signature Page Follows]

IN WITNESS WHEREOF, Gilead and IOCB have executed this Agreement by their respective duly authorized representatives as of the Effective Date.

GILEAD SCIENCES, INC.

**INSTITUTE OF ORGANIC CHEMISTRY
AND BIOCHEMISTRY**

By: _____

By: _____

Name: John C. Martin, Ph.D.

Name: Zdeněk Havlas, DrSc.

Title: Chairman and CEO

Title: Director

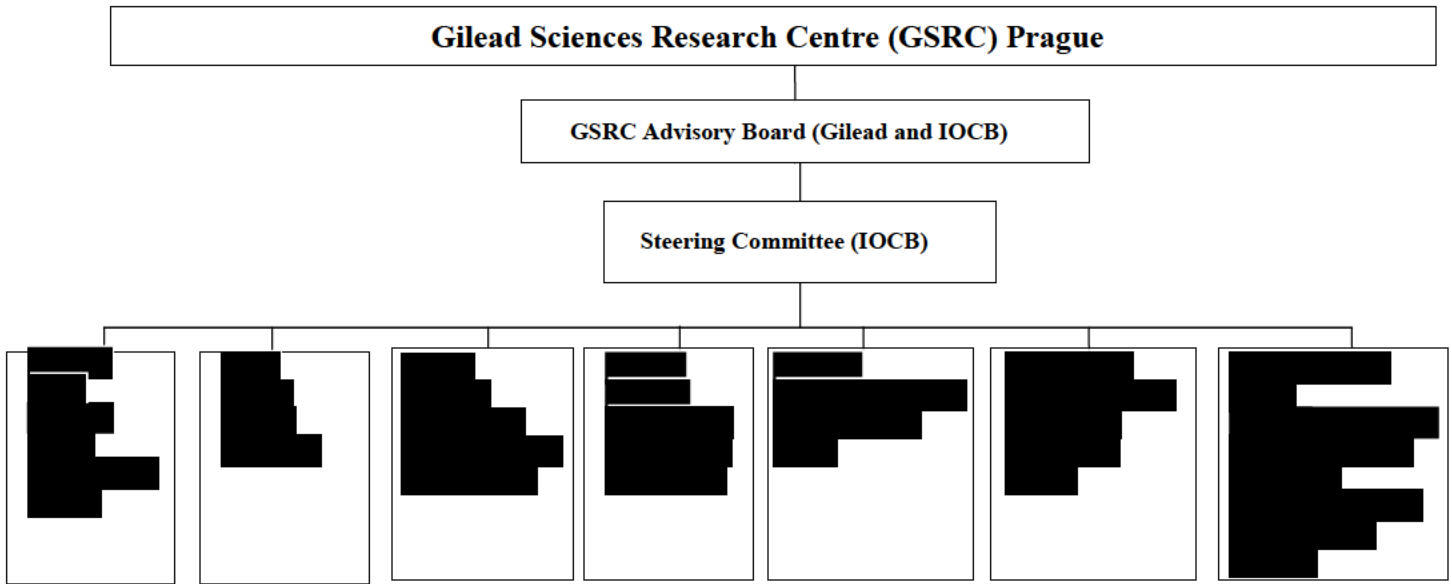
Annex A

IOCB Bank Account Information

[REDACTED]

Annex B

Structure of the GSRC



Annex D

By-Laws of the Steering Committee

The aim of the Steering Committee is to guide the research performed at the Gilead Sciences Research Centre, to assign financial means to individual research groups and to organize reports or presentation of the research results for the Advisory Board.

Steering Committee can also select and nominate *Gilead Sciences postdoctoral fellows* and/or *Gilead Sciences Ph.D. fellowships*. At this activity the Steering Committee is guided by internal rules which are to be published at suitable terms in a form which will make them available to the scientific community.

Steering Committee is composed of all Heads of research groups in the Gilead Sciences Research Centre and the Director of IOCB. Any research group must not have more than one representative in the Steering Committee.

The composition of the first Steering Committee is given by Annex E. According to its stipulation, it amounts to eight representatives.

The Chairperson of the Steering Committee is either the Director of IOCB himself or a person appointed by him. The Chairperson organizes the work of the Steering Committee and is in personal contact with the Gilead Alliance Manager. He/she is responsible for making written reports of the meetings of Steering Committee.

The Chairperson of the Steering Committee is by virtue of his position a representative of the Advisory Board. He/she is responsible for transferring essentially all the non-confidential information, recommendations and decisions of the Advisory Board to the representatives of the Steering Committee.

The Vice-Chairperson of the Steering Committee is elected by and from the representatives of the Steering Committee in an open election. Vice-Chairperson replaces the Chairperson in his duties in the absence of the Chairperson or at his/her explicit order.

The Vice-Chairperson of the Steering Committee is responsible for keeping the records on the activity of the Steering Committee.

Both the Chairperson and Vice-Chairperson of the Steering Committee are appointed for the period of two (2) subsequent years. They can be re-installed again after the next two (2) years period.

Steering Committee meets at least once every two months, except for the summer months (July, August).

Rules of Procedures

1. Steering Committee meets regularly once in two months. It is invoked by the Chairperson or, in his absence, by the Vice-Chairperson. In the case that the immediate situation or the majority of representatives demands it, the meeting has to be invoked at the shortest time available.
2. Decisions are made by an open voting. The meeting is quorum when there is a majority of representatives of Steering Committee present. For decisions on finances, acceptance or selection of new representatives/research groups, nomination of Gilead Science fellowship candidates, or the changes of research programme, the majority must amount to the qualified majority of all representatives.
3. All proceedings of these meetings and their records will be shared with Gilead at Gilead's request and will not be disclosed by IOCB or Gilead to any third party.
4. Records of the meetings must be made by the Chairperson and their verity approved *per rollam* with the least delay. Records will be archived in the Institute Archive at the separate place from the other items.

Annex E

Initial Members of the Steering Committee

Chairperson:

[REDACTED]

Vice-Chairperson

[REDACTED]

Members:

[REDACTED]

Annex F

Initial Members of the Advisory Board

Gilead:



IOCB:



Annex G
Press Release
[attached]