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

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2001

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 000-12477

AMGEN INC.
(Exact name of registrant as specified in its charter)

Delaware	95-3540776
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Amgen Center Drive, Thousand Oaks, California	91320-1799
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (805) 447-1000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

As of September 30, 2001, the registrant had 1,045,511,203 shares of Common Stock, $0.0001 par value, outstanding.

AMGEN INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The information in this report for the three and nine months ended September 30, 2001 and 2000 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated) which Amgen Inc. ("Amgen" or the "Company") considers necessary for a fair presentation of the results of operations for those periods.

The condensed consolidated financial statements should be read in conjunction with the Company's financial statements and the notes thereto contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2000.

Interim results are not necessarily indicative of results for the full fiscal year.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
Revenues:				
Product sales	$ 879.6	$ 851.0	$ 2,536.9	$ 2,355.4
Corporate partner revenues	60.6	51.9	182.0	187.2
Royalty income	62.9	46.6	172.5	135.4
Total revenues	1,003.1	949.5	2,891.4	2,678.0
Operating expenses:				
Cost of sales	102.7	109.5	290.5	296.9
Research and development	216.9	202.9	632.4	595.5
Selling, general and administrative	221.8	202.9	644.5	577.7
Loss of affiliates, net	5.5	4.8	1.9	26.1
Legal award	-	(73.9)	-	(73.9)
Total operating expenses	546.9	446.2	1,569.3	1,422.3
Operating income	456.2	503.3	1,322.1	1,255.7
Other income (expense):				
Interest and other income	44.4	30.7	133.2	110.3
Interest expense, net	(2.3)	(4.1)	(10.2)	(11.7)
Total other income	42.1	26.6	123.0	98.6
Income before income taxes	498.3	529.9	1,445.1	1,354.3
Provision for income taxes	168.4	171.0	488.4	426.6
Net income	$ 329.9	$ 358.9	$ 956.7	$ 927.7
Earnings per share:				
Basic	$ 0.31	$ 0.35	$ 0.92	$ 0.90
Diluted	$ 0.30	$ 0.33	$ 0.88	$ 0.86
Shares used in calculation of earnings per share:				
Basic	1,048.3	1,032.1	1,044.9	1,027.7
Diluted	1,084.6	1,085.6	1,085.4	1,085.0

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)
(Unaudited)

	September 30, 2001	December 31, 2000
ASSETS		
Current assets:		
Cash and cash equivalents	$ 284.0	$ 226.5
Marketable securities	2,145.2	1,801.6
Trade receivables, net	481.5	389.2
Inventories	384.4	305.2
Other current assets	187.2	214.6
Total current assets	3,482.3	2,937.1
Property, plant and equipment at cost, net	1,909.2	1,781.5
Other assets	662.2	681.0
	$ 6,053.7	$ 5,399.6
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 70.3	$ 143.2
Commercial paper	100.0	99.7
Accrued liabilities	552.2	619.2
Total current liabilities	722.5	862.1
Long-term debt	223.0	223.0
Stockholders' equity:		
Preferred stock; $0.0001 par value; 5.0 shares authorized; none issued or outstanding	-	-
Common stock and additional paid-in capital; $0.0001 par value; 2,750.0 shares authorized; outstanding - 1,045.5 shares in 2001 and 1,037.4 shares in 2000	3,298.2	2,947.3
Retained earnings	1,773.7	1,304.6
Accumulated other comprehensive income	36.3	62.6
Total stockholders' equity	5,108.2	4,314.5
	$ 6,053.7	$ 5,399.6

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2001	2000
Cash flows from operating activities:		
Net income	$ 956.7	$ 927.7
Depreciation and amortization	194.9	156.3
Tax benefits related to employee stock options	166.5	304.5
Gain on equity investments	(12.4)	(30.7)
Loss of affiliates, net	1.9	26.1
Cash provided by (used in):		
Trade receivables, net	(92.3)	108.9
Inventories	(114.3)	(109.3)
Other current assets	(6.4)	(12.9)
Accounts payable	(72.9)	38.2
Accrued liabilities	(67.0)	(145.9)
Net cash provided by operating activities	954.7	1,262.9
Cash flows from investing activities:		
Purchases of property, plant and equipment	(310.5)	(318.0)
Proceeds from maturities of marketable securities	193.1	-
Proceeds from sales of marketable securities	208.6	868.2
Purchases of marketable securities	(701.2)	(1,359.7)
Other	27.4	(15.0)
Net cash used in investing activities	(582.6)	(824.5)
Cash flows from financing activities:		
Net proceeds from issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan	181.1	266.1
Repurchases of common stock	(487.6)	(645.1)
Other	(8.1)	(30.5)
Net cash used in financing activities	(314.6)	(409.5)
Increase in cash and cash equivalents	57.5	28.9
Cash and cash equivalents at beginning of period	226.5	130.9
Cash and cash equivalents at end of period	$ 284.0	$ 159.8

See accompanying notes.

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2001

1. Summary of significant accounting policies

Business

Amgen Inc. ("Amgen" or the "Company") is a global biotechnology company that discovers, develops, manufactures and markets human therapeutics based on advances in cellular and molecular biology.

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as well as affiliated companies in which the Company has a controlling financial interest and exercises control over their operations ("majority controlled affiliates"). All material intercompany transactions and balances have been eliminated in consolidation. Investments in affiliated companies which are 50% or less owned and where the Company exercises significant influence over operations are accounted for using the equity method. All other equity investments are accounted for under the cost method. The caption "Loss of affiliates, net" includes Amgen's equity in the operating results of affiliated companies and the minority interest others hold in the operating results of Amgen's majority controlled affiliates.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined in a manner which approximates the first-in, first-out (FIFO) method. Inventories consist of currently marketed products and product candidates which the Company expects to commercialize. The inventory balance of such product candidates totaled $67.0 million and $112.7 million as of September 30, 2001 and December 31, 2000, respectively. Inventories are shown net of applicable reserves and allowances. Inventories consisted of the following (in millions):

	September 30, 2001	December 31, 2000
Raw materials	$ 34.7	$ 29.4
Work in process	287.7	238.7
Finished goods	62.0	37.1
	$ 384.4	$ 305.2

The Company has a collaboration agreement with PRAECIS PHARMACEUTICALS INCORPORATED ("Praecis") relating to the commercialization of abarelix depot (now referred to as "Plenaxis(TM)"). Costs of approximately $35 million associated with the manufacture of Plenaxis(TM) are no longer classified in inventories (see footnote 4 - "Collaboration agreement with Praecis").

Product sales

Product sales primarily consist of sales of EPOGEN(R) (Epoetin alfa) and NEUPOGEN(R) (Filgrastim).

The Company has the exclusive right to sell Epoetin alfa for dialysis, certain diagnostics and all non-human, non-research uses in the United States. The Company sells Epoetin alfa under the brand name EPOGEN(R). Amgen has granted to Ortho Pharmaceutical Corporation (which has assigned its rights under the product license agreement to Ortho Biotech Products, L.P.), a subsidiary of Johnson & Johnson ("Johnson & Johnson"), a license relating to Epoetin alfa for sales in the United States for all human uses except dialysis and diagnostics. Pursuant to this license, the Company and Johnson & Johnson are required to compensate each other for Epoetin alfa sales that either party makes into the other party's exclusive market, sometimes referred to as "spillover" sales. Accordingly, Amgen does not recognize product sales it makes into the exclusive market of Johnson & Johnson and does recognize the product sales made by Johnson & Johnson into Amgen's exclusive market. Sales in Amgen's exclusive market are derived from the Company's sales to its customers, as adjusted for any spillover sales. The Company is employing an audit methodology to measure each party's spillover sales based in part on estimates of and subsequent adjustments thereto of third-party data on shipments to end users and their usage. Sales of the Company's other products are recognized when shipped and title has passed.

Derivative instruments

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities", as amended, on January 1, 2001 and its adoption has not had a material effect on the Company's financial statements. SFAS No. 133 requires companies to recognize all of its derivative instruments as either assets or liabilities in the balance sheet at fair value. The accounting for changes in the fair value (i.e., unrealized gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship. Derivatives that are not hedges must be adjusted to fair value through current earnings.

To protect against possible changes in values of certain anticipated foreign currency cash flows, primarily resulting from sales outside the U.S., the Company enters into foreign currency forward contracts which qualify and are designated as cash flow hedges. No portions of these foreign currency forward contracts are excluded from the assessment of

hedge effectiveness, and there are no ineffective portions of these hedging instruments. The gains and losses on these forward contracts are reported as a component of other comprehensive income and reclassified into earnings in the same periods during which the hedged transactions affect earnings. At September 30, 2001, amounts in accumulated other comprehensive income related to cash flow hedges were not material.

To protect against possible reductions in value of certain of its available-for-sale marketable equity securities, the Company has entered into equity forward contracts which qualify and are designated as fair value hedges. The gains and losses on these forward contracts as well as the offsetting losses and gains on the hedged equity securities are recognized in current earnings. During the three and nine months ended September 30, 2001, gains and losses on the portions of these forwards excluded from the assessment of hedge effectiveness and the ineffective portions of these hedging instruments were not material.

The Company has additional foreign currency forward contracts to reduce exposures to foreign currency fluctuations of certain assets and liabilities denominated in foreign currencies. However, these contracts have not been designated as hedges under SFAS No. 133.

Prior to the adoption of SFAS No. 133, all of the Company's foreign exchange forward contracts were adjusted to fair value through current earnings. Foreign exchange option contracts that hedged anticipated foreign currency transactions were deferred and recognized in the same period as the hedged transaction. In addition, derivatives that hedged against possible reductions in the fair values of available-for-sale equity securities were included in the basis of the hedged securities and adjusted to fair value through other comprehensive income.

Employee stock option and stock purchase plans

The Company's employee stock option and stock purchase plans are accounted for under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees".

Earnings per share

Basic earnings per share is based upon the weighted-average number of common shares outstanding. Diluted earnings per share is based upon the weighted-average number of common shares and dilutive potential common shares outstanding. Potential common shares are outstanding options under the Company's employee stock option plans, restricted stock and potential issuances of stock under the employee stock purchase plan (collectively "Dilutive Securities") which are included under the treasury stock method.

The following table sets forth the computation for basic and diluted earnings per share (in millions, except per share information):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
Numerator for basic and diluted earnings per share - net income	$ 329.9	$ 358.9	$ 956.7	$ 927.7
Denominator:				
Denominator for basic earnings per share - weighted-average shares	1,048.3	1,032.1	1,044.9	1,027.7
Effect of Dilutive Securities	36.3	53.5	40.5	57.3
Denominator for diluted earnings per share - adjusted weighted-average shares	1,084.6	1,085.6	1,085.4	1,085.0
Basic earnings per share	$ 0.31	$ 0.35	$ 0.92	$ 0.90
Diluted earnings per share	$ 0.30	$ 0.33	$ 0.88	$ 0.86

Recent accounting pronouncements

In June 2001, the Financial Accounting Standards Board issued SFAS No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets" effective for fiscal years beginning after December 15, 2001. Under the new rules, goodwill will no longer be amortized but will be subject to annual impairment tests in accordance with the statements. Other intangible assets will continue to be amortized over their useful lives. The Company will apply the new rules on accounting for goodwill and other intangible assets beginning in the first quarter of 2002. Application of the non-amortization provisions of the statement is not expected to have a material effect on the Company's financial statements. The Company will perform the first of the required impairment tests of goodwill as of January 1, 2002 and has not yet determined what the effect of these tests will be on the earnings and financial position of the Company.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Basis of presentation

The financial information for the three and nine months ended September 30, 2001 and 2000 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated) which the Company considers necessary for a fair presentation of

the results of operations for these periods. Interim results are not necessarily indicative of results for the full fiscal year.

Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation.

2. Stockholders' equity

The Company has a stock repurchase program primarily to reduce the dilutive effect of its employee stock option and stock purchase plans. Stock repurchased under the program is intended to be retired. During the nine months ended September 30, 2001, the Company repurchased 8.4 million shares of its common stock at a total cost of $487.6 million under its common stock repurchase program. In December 2000, the Board of Directors authorized the Company to repurchase up to $2.0 billion of common stock between January 1, 2001 and December 31, 2002. As of September 30, 2001, $1,512.4 million was available for stock repurchases through December 31, 2002.

3. Other comprehensive income/(loss)

SFAS No. 130, "Reporting Comprehensive Income", requires unrealized gains and losses on the Company's available-for-sale securities, foreign currency translation adjustments, and unrealized gains and losses on cash flow hedge instruments to be included in other comprehensive income/(loss). During the three and nine months ended September 30, 2001, total comprehensive income was $307.5 million and $930.4 million, respectively. During the three and nine months ended September 30, 2000, total comprehensive income was $393.5 million and $1,002.7 million, respectively.

4. Collaboration agreement with Praecis

The Company has a collaboration agreement with Praecis relating to the commercialization of Plenaxis(TM). In September 2001, the Company and Praecis announced that they are ending their agreement to jointly develop and commercialize Plenaxis(TM) for all indications. Praecis also stated that it remains committed to the further development and commercialization of Plenaxis(TM). The Company is currently transitioning its development and commercialization responsibilities to Praecis and is negotiating various financial and other matters related to the termination of this agreement. At September 30, 2001, the Company had approximately $60 million of capitalized costs related to this agreement

(including approximately $35 million previously classified as inventories - see footnote 1 "Summary of significant accounting policies - Inventories") and will incur certain additional costs during the transition period. The Company believes it is reasonably possible that it may incur a loss as a result of terminating this agreement. However, due to the current status of negotiations with Praecis, the Company cannot estimate the amount of such loss, if any. Accordingly, no loss has been accrued in the Company's financial statements for the three and nine months ended September 30, 2001.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Liquidity and Capital Resources

The Company had cash, cash equivalents and marketable securities of $2,429.2 million at September 30, 2001, compared with $2,028.1 million at December 31, 2000. Cash provided by operating activities has been and is expected to continue to be the Company's primary source of funds. During the nine months ended September 30, 2001, operations provided $954.7 million of cash compared with $1,262.9 million during the same period last year.

Capital expenditures totaled $310.5 million for the nine months ended September 30, 2001, compared with $318.0 million for the same period a year ago. The Company anticipates spending approximately $400 million to $500 million in 2001 on capital projects and equipment to expand its global operations.

The Company receives cash from the exercise of employee stock options and proceeds from the sale of stock by Amgen pursuant to the employee stock purchase plan. During the nine months ended September 30, 2001, employee stock option exercises and proceeds from the sale of stock by Amgen pursuant to the employee stock purchase plan provided $181.1 million of cash compared with $266.1 million for the same period last year. Proceeds from the exercise of employee stock options will vary from period to period based upon, among other factors, fluctuations in the market value of the Company's stock relative to the exercise price of such options.

The Company has a stock repurchase program primarily to reduce the dilutive effect of its employee stock option and stock purchase plans. During the nine months ended September 30, 2001, the Company purchased 8.4 million shares of its common stock at a total cost of $487.6 million compared with 9.9 million shares purchased at a cost of $645.1 million during the same period last year. In December 2000, the Board of Directors authorized the Company to repurchase up to $2.0 billion of common stock between January 1, 2001 and December 31, 2002. The amount the Company spends on and the number of shares repurchased each quarter varies based on a variety of factors, including the stock price and blackout periods in which the Company is restricted from repurchasing shares. As of September 30, 2001, $1,512.4 million was available for stock repurchases through December 31, 2002.

To provide for financial flexibility and increased liquidity, the Company has established several sources of debt financing. As of September 30, 2001, the Company had $223.0 million of unsecured long-term debt securities outstanding. These unsecured long-term debt securities consisted of: 1) $100 million of debt securities that bear interest at a fixed rate of 6.5% and mature in 2007 under a $500 million debt shelf registration (the "Shelf"), 2) $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097 and 3) $23 million of debt securities that bear interest at a fixed rate of 6.2% and mature in 2003. Under the Shelf, all of the remaining $400 million of debt securities available for issuance

may be offered under the Company's medium-term note program with terms to be determined by market conditions.

The Company's sources of debt financing also include a commercial paper program which provides for unsecured short-term borrowings up to an aggregate face amount of $200 million. As of September 30, 2001, commercial paper with a face amount of $100.0 million was outstanding. These borrowings had maturities of less than one month and had effective interest rates averaging 3.1%. In addition, the Company has an unsecured $150 million credit facility that expires on May 28, 2003. This credit facility supports the Company's commercial paper program. As of September 30, 2001, no amounts were outstanding under this line of credit.

The primary objectives for the Company's investment portfolio are liquidity and safety of principal. Investments are made to achieve the highest rate of return to the Company, consistent with these two objectives. The Company's investment policy limits investments to certain types of instruments issued by institutions with investment grade credit ratings and places restrictions on maturities and concentration by type and issuer.

The Company believes that existing funds, cash generated from operations and existing sources of debt financing are adequate to satisfy its working capital and capital expenditure requirements for the foreseeable future, as well as to support its stock repurchase program. However, the Company may raise additional capital from time to time.

Results of Operations

Product sales

Product sales were $879.6 million and $2,536.9 million during the three and nine months ended September 30, 2001, respectively. These amounts represent increases of $28.6 million and $181.5 million, or 3% and 8%, respectively, over the same periods last year. Quarterly product sales are influenced by a number of factors, including demand, wholesaler inventory management practices and foreign exchange effects.

EPOGEN(R) (Epoetin alfa)/Aranesp(TM) (darbepoetin alfa)

In September 2001, the Company received approval to market Aranesp(TM) in the U.S. for the treatment of anemia associated with chronic renal failure, including patients on dialysis and patients not on dialysis. Aranesp(TM) was launched in October 2001; thus, there were no U.S. sales in the current year quarter. In June 2001, the Company received approval and has launched Aranesp(TM) in several countries in the European Union ("EU"). Sales in these EU markets through September 30, 2001 were not material.

Combined EPOGEN(R) and Aranesp(TM) sales were $519.8 million and $1,541.3 million for the three and nine months ended September 30, 2001, respectively. These

amounts represent increases of $23.7 million and $111.8 million, or 5% and 8%, respectively, over EPOGEN(R) sales in the same periods last year. These increases were primarily due to increased EPOGEN(R) demand, which includes the effect of higher prices and growth in the U.S. dialysis patient population. Sales growth during the three and nine months ended September 30, 2001, was negatively impacted to a slight degree by wholesaler inventory changes.

NEUPOGEN(R) (Filgrastim)

Worldwide NEUPOGEN(R) sales were $359.8 million and $993.4 million for the three and nine months ended September 30, 2001, respectively. These amounts represent increases of $7.0 million and $80.9 million, or 2% and 9%, respectively, over the same periods last year.

The increase in the three months ended September 30, 2001 was primarily due to increased worldwide demand, which includes the effect of higher prices in the U.S. However, this increase was substantially offset by wholesaler inventory changes, and to a lesser extent, the negative impact of a stronger U.S. dollar. The Company believes that demand grew at a high-single digit rate during the third quarter. The increase in the nine months ended September 30, 2001 was primarily due to worldwide demand growth, which includes the effect of higher prices in the U.S., and to a lesser extent, the beneficial effects of wholesaler inventory changes compared with the prior year period. This increase was slightly offset by the negative impact of a stronger U.S. dollar.

Cost of sales

Cost of sales as a percentage of product sales was 11.7% and 11.5% for the three and nine months ended September 30, 2001, respectively, compared with 12.9% and 12.6% for the same periods last year. These decreases were primarily due to reduced royalty obligations.

Research and development

During the three and nine months ended September 30, 2001, research and development expenses increased $14.0 million and $36.9 million, or 7% and 6%, respectively, compared with the same periods last year. The increase for the three months ended September 30, 2001 was primarily due to higher staff-related costs necessary to support ongoing product development activities. The increase for the nine months ended September 30, 2001, was due to higher staff-related costs, partially offset by lower clinical manufacturing and product licensing-related costs.

Selling, general and administrative

During the three and nine months ended September 30, 2001, selling, general and administrative ("SG&A") expenses increased $18.9 million and $66.8 million, or 9% and 12%, respectively, compared with the same periods last year. These increases were primarily due to higher staff-related costs, consulting expenses, and outside marketing expenses as the

Company continues to support its existing products and prepares for anticipated new product launches.

Legal award

Included in the three months ended September 30, 2000 was a benefit of $73.9 million primarily from an award for certain costs and expenses, including attorneys' fees, associated with the spillover arbitration with Johnson & Johnson.

Interest and other income

During the three and nine months ended September 30, 2001, interest and other income increased $13.7 and $22.9, or 45% and 21%, respectively, over the same periods last year. The increase for the three months ended September 30, 2001 was primarily due to higher interest income generated from the Company's investment portfolio as a result of higher average cash balances. The increase for the nine months ended September 30, 2001 was primarily due to higher interest income generated from the Company's investment portfolio as a result of higher average cash balances, partially offset by higher gains on the sale of equity investments that occurred in the second quarter of 2000.

Income taxes

The Company's effective tax rate for both the three and nine months ended September 30, 2001 was 33.8%, compared with 32.3% and 31.5%, respectively, for the same periods last year. The Company's tax rate has increased primarily as a result of increased taxable income combined with a provision in the federal tax law that caps tax benefits associated with the Company's Puerto Rico operations at the 1995 income level.

Financial Outlook

In the third quarter, the Company received regulatory approval to market Aranesp(TM) in the U.S. for the treatment of anemia associated with chronic renal failure, including patients on dialysis and patients not on dialysis. Aranesp(TM) was launched in the U.S. in October 2001. The Company received approval in the second quarter to market Aranesp(TM) in the EU, Australia and New Zealand. Aranesp(TM) has been launched in several EU countries, and launches in additional countries will occur as reimbursement is obtained.

Because the Company is unable to predict the timing and the extent to which health care providers in the U.S. may transition from administering EPOGEN(R) to Aranesp(TM), sales guidance for EPOGEN(R) and Aranesp(TM) is provided on a combined basis. The Company continues to expect 2001 combined EPOGEN(R) and Aranesp(TM) sales to grow at a low-double digit rate over 2000 EPOGEN(R) sales. In the future, the Company expects the growth of its anemia business to be driven primarily by Aranesp(TM) sales in new market

opportunities. The Company expects growth in its U.S. dialysis business to come primarily from patient population growth and inflation-related price increases. Patients receiving treatment for end stage renal disease are covered primarily under medical programs provided by the federal government. Therefore, EPOGEN(R) sales may also be affected by future changes in reimbursement rates or a change in the basis for reimbursement by the federal government. Worldwide Aranesp(TM) sales will be dependent in part upon such factors as the effects of competitive pressures, penetration of existing and new market opportunities, and the availability and extent of reimbursement by third party payors including governments and private insurance plans.

In 2001, the Company continues to expect NEUPOGEN(R) sales growth to be in the high-single digits. Future NEUPOGEN(R) demand is dependent primarily upon penetration of existing markets and the effects of competitive products. In addition, chemotherapy treatments that are less myelosuppressive may require less NEUPOGEN(R). NEUPOGEN(R) usage is expected to continue to be affected by cost containment pressures from governments and private insurers on health care providers worldwide. In addition, reported NEUPOGEN(R) sales will continue to be affected by changes in foreign currency exchange rates. In both domestic and foreign markets, sales of NEUPOGEN(R) are dependent, in part, on the availability of reimbursement from third party payors such as governments (for example, Medicare and Medicaid programs in the U.S.) and private insurance plans. Therefore, NEUPOGEN(R) sales may also be affected by future changes in reimbursement rates or changes in the bases for reimbursement.

The Company continues to expect 2001 total product sales and earnings per share, excluding non-recurring items, to grow at low-double digit rates. In 2001, corporate partner revenues are expected to be less than 2000 revenues, cost of sales is estimated to be in the range of 11% to 12% of total product sales, research and development expenses and SG&A expenses are each estimated to be in the range of 25% to 27% of total product sales, and the effective tax rate is expected to be approximately 34%.

For information regarding the commercialization of Plenaxis(TM), see footnote 4 - "Collaboration agreement with Praecis" to the condensed consolidated financial statements.

Estimates of future product sales, operating expenses and earnings per share are necessarily speculative in nature and are difficult to predict with accuracy. The Company is providing this information as of the filing date of this Form 10-Q, and does not plan to update this information and expressly disclaims any duty to update the information contained in this filing.

Except for the historical information contained herein, the matters discussed herein are by their nature forward-looking. Investors are cautioned that forward-looking statements or projections made by the Company, including those made in this document, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Reference is made in particular to forward-looking statements regarding product sales, earnings per share and expenses. Amgen operates in a rapidly changing environment

that involves a number of risks, some of which are beyond the Company's control. Future operating results and the Company's stock price may be affected by a number of factors, including, without limitation: (i) the results of preclinical and clinical trials; (ii) regulatory approvals of product candidates, new indications and manufacturing facilities; (iii) health care guidelines and policies relating to Amgen's products; (iv) reimbursement for Amgen's products by governments and private payors; (v) intellectual property matters (patents) and the results of litigation; (vi) competition; (vii) fluctuations in operating results and (viii) rapid growth of the Company. These factors and others are discussed herein and in Exhibit 99 filed with this report titled "Factors That May Affect Amgen" and incorporated herein by reference.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Certain of the Company's legal proceedings are reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2000, with material developments since that report described in the Company's Form 10-Q for the quarters ended March 31, 2001 and June 30, 2001, and below. While it is not possible to predict accurately or to determine the eventual outcome of these matters, the Company believes that the outcome of these proceedings will not have a material adverse effect on the annual financial statements of the Company.

Johnson & Johnson arbitrations

The trial date is scheduled for January 2002.

Genentech litigation

Briefing was completed and the Federal Circuit Court of Appeals heard oral arguments in October 2001.

Biogen litigation

The Massachusetts District Court had set September 12, 2001 as the hearing date for Amgen's contention that prosecution history estoppel and issue preclusion compel findings of non-infringement of the '642 and '658 patents in the NEUPOGEN(R) action and the dismissal of the INFERGEN(R) action. Due to the events of September 11, 2001, the hearing was rescheduled to December 19, 2001.

Item 6. Exhibits and Reports on Form 8-K

(a) Reference is made to the Index to Exhibits included herein.

(b) Reports on Form 8-K - none

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 thereunto duly authorized.

Amgen Inc.
(Registrant)

Date: 10/26/01

By: /s/ Richard D. Nanula
Richard D. Nanula
Executive Vice President, Finance, Strategy and Communications, and Chief Financial Officer

Date: 10/26/01

By: /s/ Barry D. Schehr
Barry D. Schehr
Vice President, Financial Operations, and Chief Accounting Officer

AMGEN INC.

INDEX TO EXHIBITS

Exhibit No.	Description
3.1	Restated Certificate of Incorporation as amended. (10)
3.2	Amended and Restated Bylaws of Amgen Inc. (as amended October 24, 2000). (20)
3.3	Certificate of Amendment of Restated Certificate of Incorporation. (19)
3.4	Certificate of Designations of Series A Junior Participating Preferred Stock. (22)
4.1	Indenture dated January 1, 1992 between the Company and Citibank N.A., as trustee. (4)
4.2	First Supplement to Indenture, dated February 26, 1997 between the Company and Citibank N.A., as trustee. (7)
4.3	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, as supplemented, establishing a series of securities "8-1/8% Debentures due April 1, 2097." (9)
4.4	8-1/8% Debentures due April 1, 2097. (9)
4.5	Form of stock certificate for the common stock, par value $.0001 of the Company. (10)
4.6	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, dated as of January 1, 1992, as supplemented by the First supplemental Indenture, dated as of February 26, 1997, each between the Company and Citibank, N.A., as Trustee, establishing a series of securities entitled "6.50% Notes Due December 1, 2007". (12)
4.7	6.50% Notes Due December 1, 2007 described in Exhibit 4.6. (12)
4.8	Corporate Commercial Paper - Master Note between and among Amgen Inc., as Issuer, Cede & Co., as nominee of The Depository Trust Company and Citibank, N.A. as Paying Agent. (14)
10.1*	Company's Amended and Restated 1991 Equity Incentive Plan.
10.2	Company's Amended and Restated 1997 Special Non-Officer Equity Incentive Plan. (22)
10.3	Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984, between the Company and Kirin Brewery Company, Limited. (22)
10.4	Amendment Nos. 1, 2, and 3, dated March 19, 1985, July 29, 1985 and December 19, 1985, respectively, to the Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984. (19)
10.5	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated, September 30, 1985 between the Company and Ortho Pharmaceutical Corporation. (19)

10.6	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated September 30, 1985 between Kirin-Amgen, Inc. and Ortho Pharmaceutical Corporation. (19)
10.7	Company's Amended and Restated Employee Stock Purchase Plan. (19)
10.8	Research, Development Technology Disclosure and License Agreement PPO, dated January 20, 1986, by and between the Company and Kirin Brewery Co., Ltd. (1)
10.9	Amendment Nos. 4 and 5, dated October 16, 1986 (effective July 1, 1986) and December 6, 1986 (effective July 1, 1986), respectively, to the Shareholders Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.10	Assignment and License Agreement, dated October 16, 1986, between the Company and Kirin-Amgen, Inc. (22)
10.11	G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen, Inc. and the Company. (22)
10.12	Company's Retirement and Savings Plan (as amended and restated effective October 23, 2000). (22)
10.13	Company's Amended and Restated 1988 Stock Option Plan. (6)
10.14	First Amendment to the Company's Retirement and Savings Plan (as amended and restated effective October 23, 2000). (22)
10.15	Amendment, dated June 30, 1988, to Research, Development, Technology Disclosure and License Agreement: GM-CSF dated March 31, 1987, between Kirin Brewery Company, Limited and the Company. (2)
10.16	Agreement on G-CSF in Certain European Countries, dated January 1, 1989, between Amgen Inc. and F. Hoffmann-La Roche & Co. Limited Company (with certain confidential information deleted therefrom). (3)
10.17	Partnership Purchase Agreement, dated March 12, 1993, between the Company, Amgen Clinical Partners, L.P., Amgen Development Corporation, the Class A limited partners and the Class B limited partner. (5)
10.18	Amgen Inc. Supplemental Retirement Plan (As Amended and Restated Effective November 1, 1999). (18)
10.19	First Amendment to Amgen Inc. Change of Control Severance Plan. (19)
10.20	Amended and Restated Amgen Performance Based Management Incentive Plan. (17)
10.21	Credit Agreement, dated as of May 28, 1998, among Amgen Inc., the Borrowing Subsidiaries named therein, the Banks named therein, Citibank, N.A., as Issuing Bank, and Citicorp USA, Inc., as Administrative Agent. (15)
10.22	G-CSF United States License Agreement dated June 1, 1987 (effective July 1, 1986) between Kirin-Amgen, Inc. and the Company. (22)
10.23	Amendment No. 1 dated October 20, 1988 to Kirin-Amgen, Inc./Amgen G-CSF United States License Agreement dated June 1, 1987 (effective July 1, 1986). (22)
10.24	Amendment No. 2 dated October 17, 1991 (effective November 13, 1990) to Kirin-Amgen, Inc./Amgen G-CSF United States License Agreement dated June 1, 1987 (effective July 1, 1986). (22)

10.25	Amendment No. 10 dated March 1, 1996 to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.26	Amgen Inc. Change of Control Severance Plan effective as of October 20, 1998. (16)
10.27	Preferred Share Rights Agreement, dated as of December 12, 2000, between Amgen Inc. and American Stock Transfer and Trust Company, as Rights Agent. (21)
10.28	First Amendment, effective January 1, 1998, to the Company's Amended and Restated Employee Stock Purchase Plan. (11)
10.29	Amendment No. 11 dated March 20, 2000 to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.30	Agreement between Amgen Inc. and Dr. Fabrizio Bonanni, dated March 3, 1999. (18)
10.31	Amendment No. 1 dated June 1, 1987 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (22)
10.32	Amendment No. 2 dated March 15, 1988 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (22)
10.33	Amendment No. 3 dated October 20, 1988 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (22)
10.34	Amendment No. 4 dated December 29, 1989 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (22)
10.35	Company's Amended and Restated 1987 Directors' Stock Option Plan. (8)
10.36	Amended and Restated Agreement on G-CSF in the EU between Amgen Inc. and F. Hoffmann-La Roche Ltd (with certain confidential information deleted therefrom). (14)
10.37	Collaboration and License Agreement, dated December 15, 1997, between the Company, GPI NIL Holdings, Inc. and Guilford Pharmaceuticals Inc. (with certain confidential information deleted therefrom). (13)
10.38	Promissory Note of Dr. Fabrizio Bonanni, dated August 7, 1999. (18)
10.39	Promissory Note of Dr. Fabrizio Bonanni, dated October 29, 1999. (18)
10.40*	Company's Amended and Restated 1997 Equity Incentive Plan.
10.41	Agreement between Amgen Inc. and Mr. Gordon M. Binder, dated May 10, 2000. (19)
10.42	Amendment No. 6 dated May 11, 1984 to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.43	Amendment No. 7 dated July 17, 1987 (effective April 1, 1987) to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.44	Amendment No. 8 dated May 28, 1993 (effective November 13, 1990) to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.45	Amendment No. 9 dated December 9, 1994 (effective June 14, 1994) to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (22)
10.46	Agreement between Amgen Inc. and Mr. George J. Morrow, dated March 3, 2001. (23)
10.47	Promissory Note of Mr. George J. Morrow, dated March 11, 2001. (23)

10.48	Agreement between Amgen Inc. and Dr. Roger M. Perlmutter, M.D., Ph.D., dated March 5, 2001. (23)
10.49	Agreement between Amgen Inc. and Mr. Brian McNamee, dated May 5, 2001. (24)
10.50	Agreement between Amgen Inc. and Mr. Richard Nanula, dated May 15, 2001. (24)
10.51	Promissory Note of Mr. Richard Nanula, dated June 27, 2001. (24)
10.52	Promissory Note of Dr. Roger M. Perlmutter, dated June 29, 2001. (24)
10.53*	Second Amendment to the Amgen Retirement and Savings Plan as amended and restated effective October 15, 2001.
10.54*	Second Amendment to the Amgen Inc. Change of Control Severance Plan.
10.55*	First Amendment to the Amgen Supplemental Retirement Plan as amended and restated effective November 1, 1999.
10.56*	Agreement between Amgen Inc. and Dr. George Morstyn, dated July 19, 2001.
10.57*	Promissory Note of Mr. Brian McNamee, dated May 30, 2001.
10.58*	Restricted Stock Purchase Agreement between Amgen Inc. and Mr. Richard Nanula, dated May 16, 2001.
10.59*	Restricted Stock Purchase Agreement between Amgen Inc. and Dr. Roger M. Perlmutter, dated January 8, 2001.
99*	"Factors That May Affect Amgen"

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* Filed herewith.

(1) Filed as an exhibit to Amendment No. 1 to Form S-1 Registration Statement (Registration No. 33-3069) on March 11, 1986 and incorporated herein by reference.

(2) Filed as an exhibit to Form 8 amending the Quarterly Report on Form 10-Q for the quarter ended June 30, 1988 on August 25, 1988 and incorporated herein by reference.

(3) Filed as an exhibit to the Form 8 dated November 8, 1989, amending the Annual Report on Form 10-K for the year ended March 31, 1989 on June 28, 1989 and incorporated herein by reference.

(4) Filed as an exhibit to Form S-3 Registration Statement dated December 19, 1991 and incorporated herein by reference.

(5) Filed as an exhibit to the Form 8-A dated March 31, 1993 and incorporated herein by reference.

(6) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 1996 on November 5, 1996 and incorporated herein by reference.

(7) Filed as an exhibit to the Form 8-K Current Report dated March 14, 1997 on March 14, 1997 and incorporated herein by reference.

(8) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1996 on March 24, 1997 and incorporated herein by reference.

(9) Filed as an exhibit to the Form 8-K Current Report dated April 8, 1997 on April 8, 1997 and incorporated herein by reference.

(10) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1997 on May 13, 1997 and incorporated herein by reference.

(11) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1997 on August 12, 1997 and incorporated herein by reference.
(12) Filed as an exhibit to the Form 8-K Current Report dated and filed on December 5, 1997 and incorporated herein by reference.
(13) Filed as Exhibit 10.40 to the Guilford Pharmaceuticals Inc. Form 10-K for the year ended December 31, 1997 on March 27, 1998 and incorporated herein by reference.
(14) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1998 on May 13, 1998 and incorporated herein by reference.
(15) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1998 on August 14, 1998 and incorporated herein by reference.
(16) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1998 on March 16, 1999 and incorporated herein by reference.
(17) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1999 on August 3, 1999 and incorporated herein by reference.
(18) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1999 on March 7, 2000 and incorporated herein by reference.
(19) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.
(20) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 2000 on November 14, 2000 and incorporated herein by reference.
(21) Filed as an exhibit to the Form 8-K Current Report dated December 13, 2000 on December 18, 2000 and incorporated herein by reference.
(22) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.
(23) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 2001 on May 14, 2001 and incorporated herein by reference.
(24) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2001 on July 27, 2001 and incorporated herein by reference.

Exhibit 10.1

AMGEN INC.

AMENDED AND RESTATED 1991 EQUITY INCENTIVE PLAN

1. PURPOSE.

(a) The purpose of the Amended and Restated 1991 Equity Incentive Plan as amended and restated in October 2001 (the "Plan") is to provide a means by which employees or directors of and consultants to Amgen Inc., a Delaware corporation (the "Company"), and its Affiliates, as defined in paragraph 1(b), directly, or indirectly through Trusts, may be given an opportunity to benefit from increases in value of the stock of the Company through the granting of (i) incentive stock options, (ii) nonqualified stock options, (iii) stock bonuses, and (iv) rights to purchase restricted stock, all as defined below. For purposes of the incentive stock option rules of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), the Plan is a new plan.

(b) The word "Affiliate" as used in the Plan means any parent corporation or subsidiary corporation of the Company, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(c) The Company, by means of the Plan, seeks to retain the services of persons now employed by or serving as directors or consultants to the Company, to secure and retain the services of persons capable of filling such positions, and to provide incentives for such persons to exert maximum efforts for the success of the Company.

(d) The Company intends that the rights issued under the Plan ("Stock Awards") shall, in the discretion of the Board of Directors of the Company (the "Board") or any committee to which responsibility for administration of the Plan has been delegated pursuant to paragraph 2(c), be either (i) stock options granted pursuant to Sections 5 or 6 hereof, including incentive stock options as that term is used in Section 422 of the Code ("Incentive Stock Options"), or options which do not qualify as Incentive Stock Options ("Nonqualified Stock Options") (together hereinafter referred to as "Options"), or (ii) stock bonuses or rights to purchase restricted stock granted pursuant to Section 7 hereof.

(e) The word "Trust" as used in the Plan shall mean a trust created for the benefit of the employee, director or consultant, his or her spouse, or members of their immediate family. The word optionee shall mean the person to whom the option is granted or the employee, director or consultant for whose benefit the option is granted to a Trust, as the context shall require.

2. ADMINISTRATION.

(a) The Plan shall be administered by the Board unless and until the Board delegates administration to a committee, as provided in paragraph 2(c).

(b) The Board shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(1) To determine from time to time which of the persons eligible under the Plan shall be granted Stock Awards; when and how Stock Awards shall be granted; whether a Stock Award will be an Incentive Stock Option, a Nonqualified Stock Option, a stock bonus, a right to purchase restricted stock, or a combination of the foregoing; the provisions of each Stock Award granted (which need not be identical), including the time or times when a person shall be permitted to purchase or receive stock pursuant to a Stock Award; and the number of shares with respect to which Stock Awards shall be granted to each such person.

(2) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective.

(3) To amend the Plan as provided in Section 14.

(4) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company.

(c) The Board may delegate administration of the Plan to a committee composed of not fewer than two (2) members of the Board (the "Committee"). One or more of these members may be non-employee directors and outside directors, if required and as defined by the provisions of paragraphs 2(d) and 2(e). If administration is delegated to a Committee, the Committee shall have, in connection with the administration of the Plan, the powers theretofore possessed by the Board (except amendment of Section 6 or the options granted thereunder shall only be by action taken by the Board or a committee of one or more members of the Board to which such authority has been specifically delegated by the Board), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. Notwithstanding anything else in this paragraph 2(c) to the contrary, at any time the Board or the Committee may delegate to a committee of one or more members of the Board the authority to grant or amend options to all employees, directors or consultants or any portion or class thereof.

(d) The term "non-employee director" shall mean a member of the Board who (i) is not currently an officer of the Company or a parent or subsidiary of the Company (as defined in Rule 16a-1(f) promulgated by the Securities and Exchange Commission under

Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) or an employee of the Company or a parent or subsidiary of the Company; (ii) does not receive compensation from the Company or a parent or subsidiary of the Company for services rendered in any capacity other than as a member of the Board (including a consultant) in an amount required to be disclosed to the Company's stockholders under Rule 404 of Regulation S-K promulgated by the Securities and Exchange Commission ("Rule 404"); (iii) does not possess an interest in any other transaction required to be disclosed under Rule 404; or (iv) is not engaged in a business relationship required to be disclosed under Rule 404, as all of these provisions are interpreted by the Securities and Exchange Commission under Rule 16b-3 promulgated under the Exchange Act.

(e) The term "outside director," as used in this Plan, shall mean an administrator of the Plan, whether a member of the Board or of any Committee to which responsibility for administration of the Plan has been delegated pursuant to paragraph 2(c), who is considered to be an "outside director" in accordance with the rules, regulations or interpretations of Section 162(m) of the Code.

(f) Any requirement that an administrator of the Plan be a "non-employee director" or "outside director" shall not apply if the Board or the Committee expressly declares that such requirement shall not apply.

3. SHARES SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11 relating to adjustments upon changes in stock, the stock that may be issued pursuant to Stock Awards granted under the Plan shall not exceed in the aggregate One Hundred Ninety-Two Million (192,000,000) shares of the Company's $.0001 par value common stock (the "Common Stock"). If any Stock Award granted under the Plan shall for any reason expire or otherwise terminate without having been exercised in full, the Common Stock not purchased under such Stock Award shall again become available for the Plan. Shares repurchased by the Company pursuant to any repurchase rights reserved by the Company pursuant to the Plan shall not be available for subsequent issuance under the Plan.

(b) The Common Stock subject to the Plan may be unissued shares or reacquired shares, bought on the market or otherwise.

(c) An Incentive Stock Option may be granted to an eligible person under the Plan only if the aggregate fair market value (determined at the time the Incentive Stock Option is granted) of the Common Stock with respect to which incentive stock options (as defined by the Code) are exercisable for the first time by such optionee during any calendar year under all such plans of the Company and its Affiliates does not exceed one hundred thousand dollars

($100,000). If it is determined that an entire Option or any portion thereof does not qualify for treatment as an Incentive Stock Option by reason of exceeding such maximum, such Option or the applicable portion shall be considered a Nonqualified Stock Option.

4. ELIGIBILITY.

(a) Incentive Stock Options may be granted only to employees (including officers) of the Company or its Affiliates. A director of the Company shall not be eligible to receive Incentive Stock Options unless such director is also an employee of the Company or any Affiliate. Stock Awards other than Incentive Stock Options may be granted to employees (including officers) or directors of or consultants to the Company or any Affiliate or to Trusts of any such employee, director or consultant.

(b) A director shall in no event be eligible for the benefits of the Plan (other than from a Director NQSO under Section 6 of the Plan) unless and until such director is expressly declared eligible to participate in the Plan by action of the Board or the Committee, and only if, at any time discretion is exercised by the Board or the Committee in the selection of a director as a person to whom Stock Awards may be granted, or in the determination of the number of shares which may be covered by Stock Awards granted to a director, the Plan complies with the requirements of Rule 16b-3 promulgated under the Exchange Act, as from time to time in effect. The Board shall otherwise comply with the requirements of Rule 16b-3 promulgated under the Exchange Act, as from time to time in effect. Notwithstanding the foregoing, the restrictions set forth in this paragraph 4(b) shall not apply if the Board or Committee expressly declares that such restrictions shall not apply.

(c) No person shall be eligible for the grant of an Incentive Stock Option under the Plan if, at the time of grant, such person owns (or is deemed to own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any of its Affiliates unless the exercise price of such Incentive Stock Option is at least one hundred and ten percent (110%) of the fair market value of the Common Stock at the date of grant and the Incentive Stock Option is not exercisable after the expiration of five (5) years from the date of grant.

(d) Stock Awards shall be limited to a maximum of 2,000,000 shares of Common Stock per person per calendar year.

5. TERMS OF DISCRETIONARY STOCK OPTIONS.

An option granted pursuant to this Section 5 (a "Discretionary Stock Option") shall be in such form and shall contain such terms and conditions as the Board or the Committee shall deem appropriate. The provisions of separate Options need not be identical,

but each Option shall include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

(a) No Option shall be exercisable after the expiration of ten (10) years from the date it was granted.

(b) The exercise price of each Incentive Stock Option and each Nonqualified Stock Option shall be not less than one hundred percent (100%) of the fair market value of the Common Stock subject to the Option on the date the Option is granted.

(c) The purchase price of Common Stock acquired pursuant to an Option shall be paid, to the extent permitted by applicable statutes and regulations, either: (i) in cash at the time the Option is exercised; or (ii) at the discretion of the Board or the Committee, either at the time of grant or exercise of the Option (A) by delivery to the Company of shares of Common Stock that have been held for the period required to avoid a charge to the Company's reported earnings and valued at the fair market value on the date of exercise, (B) according to a deferred payment or other arrangement with the person to whom the Option is granted or to whom the Option is transferred pursuant to paragraph 5(d), or (C) in any other form of legal consideration that may be acceptable to the Board or the Committee in their discretion; including but not limited to payment of the purchase price pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board which results in the receipt of cash (or a check) by the Company before Common Stock is issued or the receipt of irrevocable instruction to pay the aggregate exercise price to the Company from the sales proceeds before Common Stock is issued.

In the case of any deferred payment arrangement, interest shall be payable at least annually and shall be charged at not less than the minimum rate of interest necessary to avoid the treatment as interest, under any applicable provisions of the Code, of any amounts other than amounts stated to be interest under the deferred payment arrangement.

(d) An Option granted to a natural person shall be exercisable during the lifetime of such person only by such person, provided that such person during such person's lifetime may designate a Trust to be such person's beneficiary with respect to any Incentive Stock Options granted after February 25, 1992 and with respect to any Nonqualified Stock Options, and such beneficiary shall, after the death of the person to whom the Option was granted, have all the rights that such person has while living, including the right to exercise the Option. In the absence of such designation, after the death of the person to whom the Option is granted, the Option shall be exercisable by the person or persons to whom the optionee's rights under such Option pass by will or by the laws of descent and distribution.

(e) The total number of shares of Common Stock subject to an Option may, but need not, be allotted in periodic installments (which may, but need not, be equal). From

time to time during each of such installment periods, the Option may become exercisable ("vest") with respect to some or all of the shares allotted to that period, and may be exercised with respect to some or all of the shares allotted to such period and/or any prior period as to which the Option was not fully exercised. During the remainder of the term of the Option (if its term extends beyond the end of the installment periods), the Option may be exercised from time to time with respect to any shares then remaining subject to the Option. The provisions of this paragraph 5(e) are subject to any Option provisions governing the minimum number of shares as to which an Option may be exercised.

(f) The Company may require any optionee, or any person to whom an Option is transferred under paragraph 5(d), as a condition of exercising any such Option: (i) to give written assurances satisfactory to the Company as to such person's knowledge and experience in financial and business matters and/or to employ a purchaser representative who has such knowledge and experience in financial and business matters, and that such person is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Option; and (ii) to give written assurances satisfactory to the Company stating that such person is acquiring the Common Stock subject to the Option for such person's own account and not with any present intention of selling or otherwise distributing the Common Stock. These requirements, and any assurances given pursuant to such requirements, shall be inoperative if: (x) the issuance of the shares upon the exercise of the Option has been registered under a then currently effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"); or (y) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities law.

(g) An Option shall terminate three (3) months after termination of the optionee's employment or relationship as a consultant or director with the Company or an Affiliate, unless: (i) such termination is due to the optionee's permanent and total disability, within the meaning of Section 422(c)(6) of the Code and with such permanent and total disability being certified by the Social Security Administration prior to such termination, in which case the Option may, but need not, provide that it may be exercised at any time within one (1) year following such termination of employment or relationship as a consultant or director; (ii) the optionee dies while in the employ of or while serving as a consultant or director to the Company or an Affiliate, or within not more than three (3) months after termination of such employment or relationship as a consultant or director, in which case the Option may, but need not, provide that it may be exercised at any time within eighteen (18) months following the death of the optionee by the person or persons to whom the optionee's rights under such Option pass by will or by the laws of descent and distribution; or (iii) the Option by its term specifies

either (A) that it shall terminate sooner than three (3) months after termination of the optionee's employment or relationship as a consultant or director with the Company or an Affiliate; or (B) that it may be exercised more than three (3) months after termination of the optionee's employment or relationship as a consultant or director with the Company or an Affiliate. This paragraph 5(g) shall not be construed to extend the term of any Option or to permit anyone to exercise the Option after expiration of its term, nor shall it be construed to increase the number of shares as to which any Option is exercisable from the amount exercisable on the date of termination of the optionee's employment or relationship as a consultant or director.

(h) The Option may, but need not, include a provision whereby the optionee may elect at any time during the term of the optionee's employment or relationship as a consultant or director with the Company or any Affiliate to exercise the Option as to any part or all of the shares subject to the Option prior to the stated vesting dates of the Option. Any shares so purchased from any unvested installment or Option may be subject to a repurchase right in favor of the Company or to any other restriction the Board or the Committee determines to be appropriate.

(i) To the extent provided by the terms of an Option, each optionee may satisfy any federal, state or local tax withholding obligation relating to the exercise of such Option by any of the following means or by a combination of such means: (i) tendering a cash payment; (ii) authorizing the Company to withhold from the shares of the Common Stock otherwise issuable to the optionee as a result of the exercise of the Option a number of shares having a fair market value less than or equal to the amount of the Company's required minimum statutory withholding; or (iii) delivering to the Company owned and unencumbered shares of the Common Stock having a fair market value less than or equal to the amount of the Company's required minimum statutory withholding.

(j) Without in any way limiting the authority of the Board or Committee to make or not to make grants of Discretionary Stock Options under this Section 5, the Board or Committee shall have the authority (but not an obligation) to include as part of any Option agreement a provision entitling the optionee to a further Option (a "Re-Load Option") in the event the optionee exercises the Option evidenced by the Option agreement, in whole or in part, by surrendering other shares of Common Stock in accordance with this Plan and the terms and conditions of the Option agreement. Any such Re-Load Option (i) shall be for a number of shares equal to the number of shares surrendered as part or all of the exercise price of such Option; (ii) shall have an expiration date which is the same as the expiration date of the Option the exercise of which gave rise to such Re-Load Option; and (iii) shall have an exercise price which is equal to one hundred percent (100%) of the fair market value of the Common Stock subject to the Re-Load Option on the date of exercise of the original Option or, in the case of a

Re-Load Option which is an Incentive Stock Option and which is granted to a 10% stockholder (as defined in paragraph 4(c)), shall have an exercise price which is equal to one hundred and ten percent (110%) of the fair market value of the Common Stock subject to the Re-Load Option on the date of exercise of the original Option.

Any such Re-Load Option may be an Incentive Stock Option or a Nonqualified Stock Option, as the Board or Committee may designate at the time of the grant of the original Option, provided, however, that the designation of any Re-Load Option as an Incentive Stock Option shall be subject to the one hundred thousand dollars ($100,000) annual limitation on exercisability of Incentive Stock Options described in paragraph 3(c) of the Plan and in Section 422(d) of the Code. There shall be no Re-Load Option on a Re-Load Option. Any such Re-Load Option shall be subject to the availability of sufficient shares under paragraph 3(a) and shall be subject to such other terms and conditions as the Board or Committee may determine.

6. TERMS OF NON-DISCRETIONARY OPTIONS

(a) On January 27 of each year, each person who is at that time an Eligible Director of the Company, (as defined in paragraph 6(k)), shall automatically be granted under the Plan, without further action by the Company, the Board, or the Company's stockholders, a Nonqualified Stock Option (a "Director NQSO") to purchase sixteen thousand (16,000) shares of Common Stock on the terms and conditions set forth herein. An Eligible Director may designate that such Director NQSO be granted in the name of a Trust instead of in the name of such Eligible Director. The Director NQSO shall be on the terms and conditions set forth herein and should the date of grant set forth above be a Saturday, Sunday or legal holiday, such grant shall be made on the next business day.

(b) Each person who becomes an Eligible Director, shall, upon the date such person first becomes an Eligible Director, automatically be granted under the Plan, without further action by the Company, the Board, or the Company's stockholders, a Director NQSO to purchase sixty thousand (60,000) shares of Common Stock on the terms and conditions set forth herein. An Eligible Director may designate that such Director NQSO be granted in the name of a Trust instead of in the name of such Eligible Director. The Director NQSO shall be on the terms and conditions set forth herein and should the date of grant set forth above be a Saturday, Sunday or legal holiday, such grant shall be made on the next business day.

(c) Each Director NQSO granted pursuant to this Section 6 (or any Director Re-Load Option granted pursuant to paragraph 6(j)) shall be in such form and shall contain such terms and conditions as the Board or the Committee shall deem appropriate. The provisions of separate Director NQSO's need not be identical, but each

Director NQSO shall include (through incorporation of provisions hereof by reference in the Director NQSO or otherwise) the substance of each of the following provisions as set forth in paragraphs 6(d) through 6(j), inclusive.

(d) The term of each Director NQSO shall be ten (10) years from the date it was granted.

(e) The exercise price of each Director NQSO shall be one hundred percent (100%) of the fair market value of the Common Stock subject to such Director NQSO on the date such Director NQSO is granted.

(f) The purchase price of Common Stock acquired pursuant to a Director NQSO shall be paid, to the extent permitted by applicable statutes and regulations, either (i) in cash at the time the Director NQSO is exercised; (ii) by delivery to the Company of shares of Common Stock that have been held for the period required to avoid a charge to the Company's reported earnings and valued at their fair market value on the date of exercise; or (iii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board which results in the receipt of cash (or a check) by the Company before Common Stock is issued or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds before Common Stock is issued.

(g) A Director NQSO shall be exercisable during the lifetime of the Eligible Director with respect to whom it was granted only by the person to whom it was granted (whether the Eligible Director or a Trust), provided that such person during the Eligible Director's lifetime may designate a Trust to be a beneficiary with respect to the Director NQSO, and such beneficiary shall, after the death of the Eligible Director to whom the Director NQSO was granted, have all of the rights designated for such beneficiary. In the absence of such designation, after the death of the Eligible Director with respect to whom the Director NQSO was granted, if such Director NQSO was granted to the Eligible Director, the Director NQSO shall be exercisable by the person or persons to whom the optionee's rights under such option pass by will or by the laws of descent and distribution.

(h) A Director NQSO shall not vest with respect to an Eligible Director, or the affiliate of such Eligible Director, as the case may be, (i) unless the Eligible Director, has, at the date of grant, provided three (3) years of prior continuous service as an Eligible Director, or (ii) until the date upon which such Eligible Director has provided one year of continuous service as an Eligible Director following the date of grant of such Director NQSO, whereupon such Director NQSO shall become fully vested and exercisable in accordance with its terms.

(i) The Company may require any optionee under this Section 6, or any person to whom a Director NQSO is transferred under paragraph 6(g), as a condition of exercising any such option: (i) to give written assurances satisfactory to the Company as to

such person's knowledge and experience in financial and business matters and/or to employ a purchaser representative who has such knowledge and experience in financial and business matters, and that such person is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Director NQSO; and (ii) to give written assurances satisfactory to the Company stating that such person is acquiring the Common Stock subject to the Director NQSO for such person's own account and not with any present intention of selling or otherwise distributing the stock. These requirements, and any assurances given pursuant to such requirements, shall be inoperative if (i) the issuance of the shares upon the exercise of the Director NQSO has been registered under a then currently effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), or (ii), as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws.

(j) Subject to the last sentence of this paragraph 6(j), each Director NQSO shall include a provision entitling the optionee to a further Nonqualified Stock Option (a "Director Re-Load Option") in the event the optionee exercises the Director NQSO evidenced by the Director NQSO grant, in whole or in part, by surrendering other shares of Common Stock in accordance with the Plan and the terms of the Director NQSO grant. Any such Director Re-Load Option (i) shall be for a number of shares equal to the number of shares surrendered as part or all of the exercise price of the original Director NQSO; (ii) shall have an expiration date which is the same as the expiration date of the original Director NQSO; and (iii) shall have an exercise price which is equal to one hundred percent (100%) of the fair market value of the Common Stock subject to the Director Re-Load Option on the date of exercise of the original Director NQSO. Any such Director Re-Load Option shall be subject to the availability of sufficient shares under paragraph 3(a). There shall be no Director Re-Load Option on a Director Re-Load Option. Notwithstanding anything else in the Plan to the contrary, this paragraph 6(j) shall be of no force and effect from and after June 23, 1998.

(k) For purposes of this Section 6, the term "Eligible Director" shall mean a member of the Board who is not an employee of the Company or any Affiliate, and the term "affiliate" shall mean a person that directly or indirectly controls, is controlled by, or is under common control with, the Eligible Director.

7. TERMS OF STOCK BONUSES AND PURCHASES OF RESTRICTED STOCK.

Each stock bonus or restricted stock purchase agreement shall be in such form and shall contain such terms and conditions as the Board or the Committee shall deem appropriate. The terms and conditions of stock bonus or restricted stock purchase agreements

may change from time to time, and the terms and conditions of separate agreements need not be identical, but each stock bonus or restricted stock purchase agreement shall include (through incorporation of provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions as appropriate:

(a) The purchase price under each stock purchase agreement shall be such amount as the Board or Committee shall determine and designate in such agreement. Notwithstanding the foregoing, the Board or the Committee may determine that eligible participants in the Plan may be awarded stock pursuant to a stock bonus agreement in consideration for past services actually rendered to the Company or for its benefit.

(b) No rights under a stock bonus or restricted stock purchase agreement shall be assignable by any participant under the Plan, either voluntarily or by operation of law, except where such assignment is required by law or expressly authorized by the terms of the applicable stock bonus or restricted stock purchase agreement.

(c) The purchase price of stock acquired pursuant to a stock purchase agreement shall be paid either: (i) in cash at the time of purchase; (ii) at the discretion of the Board or the Committee, according to a deferred payment or other arrangement with the person to whom the Common Stock is sold; or (iii) in any other form of legal consideration that may be acceptable to the Board or the Committee in their discretion; including but not limited to payment of the purchase price pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board which results in the receipt of cash (or a check) by the Company before Common Stock is issued or the receipt of irrevocable instruction to pay the aggregate exercise price of the Company from the sales proceeds before Common Stock is issued. Notwithstanding the foregoing, the Board or the Committee to which administration of the Plan has been delegated may award Common Stock pursuant to a stock bonus agreement in consideration for past services actually rendered to the Company or for its benefit.

(d) Shares of Common Stock sold or awarded under the Plan may, but need not, be subject to a repurchase option in favor of the Company in accordance with a vesting schedule to be determined by the Board or the Committee.

(e) In the event a person ceases to be an employee of or ceases to serve as a director or consultant to the Company or an Affiliate, the Company may repurchase or otherwise reacquire any or all of the shares of Common Stock held by that person which have not vested as of the date of termination under the terms of the stock bonus or restricted stock purchase agreement between the Company and such person.

8. COVENANTS OF THE COMPANY.

(a) During the terms of the Stock Awards granted under the Plan, the

Company shall keep available at all times the number of shares of Common Stock required to satisfy such Stock Awards up to the number of shares of Common Stock authorized under the Plan.

(b) The Company shall seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to issue and sell shares of Common Stock under the Stock Awards granted under the Plan; provided, however, that this undertaking shall not require the Company to register under the Securities Act either the Plan, any Stock Award granted under the Plan or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company shall be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained.

9. USE OF PROCEEDS FROM COMMON STOCK.

Proceeds from the sale of Common Stock pursuant to Stock Awards granted under the Plan shall constitute general funds of the Company.

10. MISCELLANEOUS.

(a) The Board or Committee shall have the power to accelerate the time during which a Stock Award may be exercised or the time during which a Stock Award or any part thereof will vest, notwithstanding the provisions in the Stock Award stating the time during which it may be exercised or the time during which it will vest. Each Discretionary Stock Option providing for vesting pursuant to paragraph 5(e) shall also provide that if the employee's employment or a director's or consultant's affiliation with the Company or an Affiliate of the Company formed under the laws of the U.S., Puerto Rico or Bermuda is terminated by reason of death or disability (within the meaning of Title II or XVI of the Social Security Act and with such permanent and total disability certified by the Social Security Administration or the comparable governmental authority of an Affiliate, as applicable, prior to such termination), then the vesting schedule of Discretionary Stock Options granted to such employee, director or consultant or to the Trusts of such employee, director or consultant shall be accelerated by twelve months for each full year the employee has been employed by or the director or consultant has been affiliated with the Company and an Affiliate of the Company formed under the laws of the U.S., Puerto Rico or Bermuda. Discretionary Stock Options granted under the Plan that are outstanding on February 25, 1992, shall be amended to include the accelerated vesting upon death provided for in the preceding sentence of this paragraph 10(a) and

Discretionary Stock Options granted under the Plan that are outstanding on June 18, 1996, shall be amended to include the accelerated vesting upon disability provided for in the preceding sentence of this paragraph 10(a).

(b) Neither an optionee nor any person to whom an Option is transferred under the provisions of the Plan shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares subject to such Option unless and until such person has satisfied all requirements for exercise of the Option pursuant to its terms.

(c) Nothing in the Plan or any instrument executed or Stock Award granted pursuant thereto shall confer upon any eligible employee, consultant, director, optionee or holder of Stock Awards under the Plan any right to continue in the employ of the Company or any Affiliate or to continue acting as a consultant or director or shall affect the right of the Company or any Affiliate to terminate the employment or consulting relationship or directorship of any eligible employee, consultant, director, optionee or holder of Stock Awards under the Plan with or without cause. In the event that a holder of Stock Awards under the Plan is permitted or otherwise entitled to take a leave of absence, the Company shall have the unilateral right to (i) determine whether such leave of absence will be treated as a termination of employment or relationship as consultant or director for purposes hereof, and (ii) suspend or otherwise delay the time or times at which exercisability or vesting would otherwise occur with respect to any outstanding Stock Awards under the Plan.

11. ADJUSTMENTS UPON CHANGES IN COMMON STOCK.

If any change is made in the Common Stock subject to the Plan, or subject to any Stock Award granted under the Plan (through merger, consolidation, reorganization, recapitalization, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other transaction not involving the receipt of consideration by the Company), the Plan and outstanding Stock Awards will be appropriately adjusted in the class(es) and maximum number of shares subject to the Plan, the maximum number of shares which may be granted to a participant in a calendar year, the class(es) and number of shares and price per share of stock subject to outstanding Stock Awards, and the number of shares of Common Stock to be granted as provided for in paragraphs 6(a) and 6(b). Such adjustment shall be made by the Board or the Committee, the determination of which shall be final, binding and conclusive. (The conversion of any convertible securities of the Company shall not be treated as a "transaction not involving the receipt of consideration".)

12. CHANGE OF CONTROL.

(a) Notwithstanding anything to the contrary in this Plan, in the event of a Change in Control (as hereinafter defined), then, to the extent permitted by applicable law: (i) the time during which Stock Awards become vested shall automatically be accelerated so that the unvested portions of all Stock Awards shall be vested prior to the Change in Control and (ii) the time during which the Options may be exercised shall automatically be accelerated to prior to the Change in Control. Upon and following the acceleration of the vesting and exercise periods, at the election of the holder of the Stock Award, the Stock Award may be: (x) exercised (with respect to Options) or, if the surviving or acquiring corporation agrees to assume the Stock Awards or substitute similar stock awards, (y) assumed; or (z) replaced with substitute stock awards. Options not exercised, substituted or assumed prior to or upon the Change in Control shall be terminated.

(b) For purposes of the Plan, a "Change of Control" shall be deemed to have occurred at any of the following times:

(i) upon the acquisition (other than from the Company) by any person, entity or "group," within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act (excluding, for this purpose, the Company or its affiliates, or any employee benefit plan of the Company or its affiliates which acquires beneficial ownership of voting securities of the Company), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of fifty percent (50%) or more of either the then outstanding shares of Common Stock or the combined voting power of the Company's then outstanding voting securities entitled to vote generally in the election of directors; or

(ii) at the time individuals who, as of April 2, 1991, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to April 2, 1991, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the Directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) shall be, for purposes of the Plan, considered as though such person were a member of the Incumbent Board; or

(iii) immediately prior to the consummation by the Company of a reorganization, merger, consolidation, (in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than fifty percent (50%) of the

combined voting power entitled to vote generally in the election of directors of the reorganized, merged or consolidated company's then outstanding voting securities) or a liquidation or dissolution of the Company or of the sale of all or substantially all of the assets of the Company; or

(iv) the occurrence of any other event which the Incumbent Board in its sole discretion determines constitutes a Change of Control.

13. QUALIFIED DOMESTIC RELATIONS ORDERS

(a) Anything in the Plan to the contrary notwithstanding, rights under Stock Awards may be assigned to an Alternate Payee to the extent that a QDRO so provides. (The terms "Alternate Payee" and "QDRO" are defined in paragraph 13(c) below.) The assignment of a Stock Award to an Alternate Payee pursuant to a QDRO shall not be treated as having caused a new grant. The transfer of an Incentive Stock Option to an Alternate Payee may, however, cause it to fail to qualify as an Incentive Stock Option. If a Stock Award is assigned to an Alternate Payee, the Alternate Payee generally has the same rights as the grantee under the terms of the Plan; provided however, that (i) the Stock Award shall be subject to the same vesting terms and exercise period as if the Stock Award were still held by the grantee, (ii) an Alternate Payee may not transfer a Stock Award and (iii) an Alternate Payee is ineligible for Re-Load Options described at paragraph 5(j) or Director Re-Load Options described at paragraph 6(j).

(b) In the event of the Plan administrator's receipt of a domestic relations order or other notice of adverse claim by an Alternate Payee of a grantee of a Stock Award, transfer of the proceeds of the exercise of such Stock Award, whether in the form of cash, stock or other property, may be suspended. Such proceeds shall thereafter be transferred pursuant to the terms of a QDRO or other agreement between the grantee and Alternate Payee. A grantee's ability to exercise a Stock Award may be barred if the Plan administrator receives a court order directing the Plan administrator not to permit exercise.

(c) The word "QDRO" as used in the Plan shall mean a court order (i) that creates or recognizes the right of the spouse, former spouse or child (an "Alternate Payee") of an individual who is granted a Stock Award to an interest in such Stock Award relating to marital property rights or support obligations and (ii) that the administrator of the Plan determines would be a "qualified domestic relations order," as that term is defined in section 414(p) of the Code and section 206(d) of the Employee Retirement Income Security Act ("ERISA"), but for the fact that the Plan is not a plan described in section 3(3) of ERISA.

14. AMENDMENT OF THE PLAN.

(a) The Board at any time, and from time to time, may amend the Plan. However, except as provided in Section 10 relating to adjustments upon changes in the Common Stock, no amendment shall be effective unless approved by the stockholders of the Company within twelve (12) months before or after the adoption of the amendment, where the amendment will:

(i) increase the number of shares reserved for Stock Awards under the Plan;

(ii) modify the requirements as to eligibility for participation in the Plan (to the extent such modification requires stockholder approval in order for the Plan to satisfy the requirements of Section 422(b) of the Code); or

(iii) modify the Plan in any other way if such modification requires stockholder approval in order for the Plan to satisfy the requirements of Section 422(b) of the Code.

(b) The Board may in its sole discretion submit any other amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 162(m) of the Code and the regulations promulgated thereunder regarding the exclusion of performance-based compensation from the limit on corporate deductibility of compensation to certain executive officers.

(c) It is expressly contemplated that the Board may amend the Plan in any respect the Board deems necessary or advisable to provide optionees with the maximum benefits provided or to be provided under the provisions of the Code and the regulations promulgated thereunder relating to employee Incentive Stock Options and/or to bring the Plan and/or Options granted under it into compliance therewith.

(d) Rights and obligations under any Stock Award granted before amendment of the Plan shall not be impaired by any amendment of the Plan, unless: (i) the Company requests the consent of the person to whom the Stock Award was granted; and (ii) such person consents in writing.

15. TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may suspend or terminate the Plan at any time. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated. No Incentive Stock Options may be granted under the Plan after February 22, 2009.

(b) Rights and obligations under any Stock Awards granted while the Plan is in effect shall not be impaired by suspension or termination of the Plan, except with the consent of the person to whom the Stock Award was granted.

16. EFFECTIVE DATE OF PLAN.

The Plan shall become effective as determined by the Board.

Exhibit 10.40

AMGEN INC.

AMENDED AND RESTATED 1997 SPECIAL NON-OFFICER EQUITY INCENTIVE PLAN

1. PURPOSE.

(a) The purpose of the 1997 Special Non-Officer Equity Incentive Plan (the "Plan") is to provide a means by which non-Officer employees of and consultants to Amgen Inc., a Delaware corporation (the "Company"), and employees of and consultants to the Company's Affiliates, as defined in paragraph 1(b), directly, or indirectly through Trusts, may be given an opportunity to benefit from increases in value of the stock of the Company through the granting of (i) stock options, (ii) stock bonuses, and (iii) rights to purchase restricted stock, all as defined below.

(b) The word "Affiliate" as used in the Plan means any parent corporation or subsidiary corporation of the Company, as those terms are defined in Sections 424(e) and (f), respectively, of the Internal Revenue Code of 1986, as amended (the "Code").

(c) The Company, by means of the Plan, seeks to retain the services of non-Officer employees of the Company and persons serving as consultants to the Company, to secure and retain the services of persons capable of filling such positions, and to provide incentives for such persons to exert maximum efforts for the success of the Company.

(d) The Company intends that the rights issued under the Plan ("Stock Awards") shall, in the discretion of the Board of Directors of the Company (the "Board") or any committee to which responsibility for administration of the Plan has been delegated pursuant to paragraph 2(c), be either (i) stock options granted pursuant to Section 5 hereof, which option shall not qualify as incentive stock options as that term is used in Section 422 of the Code ("Options") or (ii) stock bonuses or rights to purchase restricted stock granted pursuant to Section 6 hereof.

(e) The word "Trust" as used in the Plan shall mean a trust created for the benefit of the employee or consultant, his or her spouse, or members of their immediate family. The word optionee shall mean the person to whom the option is granted or the employee or consultant for whose benefit the option is granted to a Trust, as the context shall require.

2. ADMINISTRATION.

(a) The Plan shall be administered by the Board unless and until the Board delegates administration to a committee, as provided in paragraph 2(c).

(b) The Board shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(1) To determine from time to time which of the persons eligible under the Plan shall be granted Stock Awards; when and how Stock Awards shall be granted; whether a Stock Award will be an Option, a stock bonus, a right to purchase restricted stock, or a combination of the foregoing; the provisions of each Stock Award granted (which need not be identical), including the time or times when a person shall be permitted to purchase or receive stock pursuant to a Stock Award; and the number of shares with respect to which Stock Awards shall be granted to each such person.

(2) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective.

(3) To amend the Plan as provided in Section 13.

(4) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company.

(c) The Board may delegate administration of the Plan to a committee composed of not fewer than two (2) members of the Board (the "Committee") which members may be non-employee directors and outside directors. If administration is delegated to a Committee, the Committee shall have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. Notwithstanding anything else in this paragraph 2(c) to the contrary, at any time the Board or the Committee may delegate to a committee of one or more members of the Board the authority to grant or amend options to all employees or consultants or any portion or class thereof.

(d) The term "non-employee director" shall mean a member of the Board who (i) is not currently an officer of the Company or a parent or subsidiary of the Company (as defined in Rule 16a-1(f) promulgated by the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) or an employee of the Company or a parent or subsidiary of the Company; (ii) does not receive compensation from the Company or a parent or subsidiary of the Company for services rendered in any capacity other than as a member of the Board (including a consultant) in an amount required to be disclosed to the Company's stockholders under Rule 404 of Regulation S-K promulgated by the Securities and Exchange Commission ("Rule 404"); (iii) does not possess an interest in any other transaction required to be disclosed under Rule 404; or (iv) is not engaged in a business relationship required to be disclosed under Rule 404, as all of these provisions are interpreted by the Securities and Exchange Commission under Rule 16b-3 promulgated under the Exchange Act.

(e) The term "outside director," as used in this Plan, shall mean an administrator of the Plan, whether a member of the Board or of any Committee to which responsibility for administration of the Plan has been delegated pursuant to paragraph 2(c), who is considered to be an "outside director" in accordance with the rules, regulations or interpretations of Section 162(m) of the Code.

3. SHARES SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 10 relating to adjustments upon changes in stock, the stock that may be issued pursuant to Stock Awards granted under the Plan shall not exceed in the aggregate Eighty-Nine Million (89,000,000) shares of the Company's $.0001 par value common stock (the "Common Stock"). If any Stock Award granted under the Plan shall for any reason expire or otherwise terminate without having been exercised in full, the Common Stock not purchased under such Stock Award shall again become available for the Plan. Shares repurchased by the Company pursuant to any repurchase rights reserved by the Company pursuant to the Plan shall not be available for subsequent issuance under the Plan.

(b) The Common Stock subject to the Plan may be unissued shares or reacquired shares, bought on the market or otherwise.

4. ELIGIBILITY.

(a) Stock Awards may be granted to non-Officer employees of the Company, or employees of any Affiliate, or consultants to the Company or any Affiliate, or to Trusts of any such employee or consultant. Notwithstanding any other provisions in this Plan to the contrary, Officers of the Company shall not be eligible to receive Stock Awards. The term "Officer" shall include any natural person who is elected as a corporate officer of the Company by the Board.

(b) Stock Awards shall be limited to a maximum of 2,000,000 shares of Common Stock per person per calendar year.

5. TERMS OF OPTIONS.

An Option granted pursuant to this Section 5 shall be in such form and shall contain such terms and conditions as the Board or the Committee shall deem appropriate. The provisions of separate Options need not be identical, but each Option shall include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

(a) No Option shall be exercisable after the expiration of ten (10) years from the date it was granted.

(b) The exercise price of each Option shall be not less than one hundred percent (100%) of the fair market value of the Common Stock subject to the Option on the date the Option is granted.

(c) The purchase price of Common Stock acquired pursuant to an Option shall be paid, to the extent permitted by applicable statutes and regulations, either: (i) in cash at the time the Option is exercised; or (ii) at the discretion of the Board or the Committee, either at the time of grant or exercise of the Option (A) by delivery to the Company of shares of Common Stock that have been held for the period required to avoid a charge to the Company's reported earnings and valued at the fair market value of the shares of Common Stock on the date of exercise, (B) according to a deferred payment or other arrangement with the person to whom the Option is granted or to whom the Option is transferred pursuant to paragraph 5(d), or (C) in any other form of legal consideration that may be acceptable to the Board or the Committee in their discretion, including but not limited to payment of the purchase price pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board which results in the receipt of cash (or a check) by the Company before Common Stock is issued or, prior to the issuance of Common Stock, receipt by the Company of evidence from the person authorized to sell the underlying stock that they have received irrevocable instructions from the option holder to pay to the Company the aggregate exercise price of the Option from the sale proceeds.

In the case of any deferred payment arrangement, interest shall be payable at least annually and shall be charged at not less than the minimum rate of interest necessary to avoid the treatment as interest, under any applicable provisions of the Code, of any amounts other than amounts stated to be interest under the deferred payment arrangement.

(d) An Option granted to a natural person shall be exercisable during the lifetime of such person only by such person, provided that such person during such person's lifetime may designate a Trust to be such person's beneficiary, and such beneficiary shall, after the death of the person to whom the Option was granted, have all the rights that such person had while living, including the right to exercise the Option. In the absence of such designation, after the death of the person to whom the Option is granted, the Option shall be exercisable by the person or persons to whom the optionee's rights under such Option pass by will or by the laws of descent and distribution.

(e) The total number of shares of Common Stock subject to an Option may, but need not, be allotted in periodic installments (which may, but need not, be equal). From time to time during each of such installment periods, the Option may become exercisable ("vest") with respect to some or all of the shares allotted to that period, and may be exercised with respect to some or all of the shares allotted to such period and/or any prior period as to which the Option was not fully exercised. During the remainder of the term of the Option (if its term extends beyond the end of the installment periods), the Option may be exercised from time to time with respect to any shares then remaining subject to the Option. The provisions of this paragraph 5(e) are subject to any Option provisions governing the minimum number of shares as to which an Option may be exercised.

(f) The Company may require any optionee, or any person to whom an Option is transferred under paragraph 5(d), as a condition of exercising any such Option: (i) to give written assurances satisfactory to the Company as to such person's knowledge and experience in financial and business matters and/or the employment of such person's purchaser

representative who has such knowledge and experience in financial and business matters, and that such person is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Option; and (ii) to give written assurances satisfactory to the Company stating that such person is acquiring the Common Stock subject to the Option for such person's own account and not with any present intention of selling or otherwise distributing the Common Stock. These requirements, and any assurances given pursuant to such requirements, shall be inoperative if: (x) the issuance of the shares upon the exercise of the Option has been registered under a then currently effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"); or (y) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities law.

(g) An Option shall terminate three (3) months after termination of the optionee's employment or relationship as a consultant with the Company or an Affiliate, unless: (i) such termination is due to the optionee's permanent and total disability, within the meaning of Section 422(c)(6) of the Code and with such permanent and total disability being certified by the Social Security Administration prior to such termination, in which case the Option may, but need not, provide that it may be exercised at any time within one (1) year following such termination of employment or relationship as a consultant; (ii) the optionee dies while in the employ of or while serving as a consultant to the Company or an Affiliate, or within not more than three (3) months after termination of such employment or relationship as a consultant, in which case the Option may, but need not, provide that it may be exercised at any time within eighteen (18) months following the death of the optionee by the person or persons to whom the optionee's rights under such Option pass by will or by the laws of descent and distribution; or (iii) the Option by its term specifies either (A) that it shall terminate sooner than three (3) months after termination of the optionee's employment or relationship as a consultant with the Company or an Affiliate; or (B) that it may be exercised more than three (3) months after termination of the optionee's employment or relationship as a consultant with the Company or an Affiliate. Notwithstanding any other provision in this Plan to the contrary, (x) no portion of an Option shall be exercisable by any person to the extent that the Company's federal income tax deduction with respect to the exercise of such portion of the Option would be subject to disallowance pursuant to Section 162(m) of the Code, or any successor thereto, and (y) subject to paragraph 5(a), if any portion of an Option is not exercisable solely because of the preceding clause (x) on the date on which such Option would otherwise terminate pursuant to the foregoing provisions of this paragraph 5(g), such Option shall not terminate until three (3) months after such Option thereafter ceases to be subject to the preceding clause (x). Subject to the preceding sentence, any portion of an Option which is not exercisable on the date on which an optionee's employment or relationship as a consultant with the Company or an Affiliate ceases shall terminate immediately on such date. This paragraph 5(g) shall not be construed to extend the term of any Option or to permit anyone to exercise the Option after expiration of its term, nor shall it be construed to increase the number of shares as to which any Option is exercisable from the amount exercisable on the date of termination of the optionee's employment or relationship as a consultant.

(h) The Option may, but need not, include a provision whereby the optionee may elect at any time during the term of the optionee's employment or relationship as a

consultant with the Company or any Affiliate to exercise the Option as to any part or all of the shares subject to the Option prior to the stated vesting dates of the Option. Any shares so purchased from any unvested installment or Option may be subject to a repurchase right in favor of the Company or to any other restriction the Board or the Committee determines to be appropriate.

(i) To the extent provided by the terms of an Option, each optionee may satisfy any federal, state or local tax withholding obligation relating to the exercise of such Option by any of the following means or by a combination of such means: (i) tendering a cash payment; (ii) authorizing the Company to withhold from the shares of the Common Stock otherwise issuable to the optionee as a result of the exercise of the Option a number of shares having a fair market value less than or equal to the amount of the Company's required minimum statutory withholding; or (iii) delivering to the Company owned and unencumbered shares of the Common Stock having a fair market value less than or equal to the amount of the Company's required minimum statutory withholding.

6. TERMS OF STOCK BONUSES AND PURCHASES OF RESTRICTED STOCK.

Each stock bonus or restricted stock purchase agreement shall be in such form and shall contain such terms and conditions as the Board or the Committee shall deem appropriate. The terms and conditions of stock bonus or restricted stock purchase agreements may change from time to time, and the terms and conditions of separate agreements need not be identical, but each stock bonus or restricted stock purchase agreement shall include (through incorporation of provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions as appropriate:

(a) The purchase price under each stock purchase agreement shall be such amount as the Board or Committee shall determine and designate in such agreement. Notwithstanding the foregoing, the Board or the Committee may determine that eligible participants in the Plan may be awarded stock pursuant to a stock bonus agreement in consideration for past services actually rendered to the Company or for its benefit.

(b) No rights under a stock bonus or restricted stock purchase agreement shall be assignable by any participant under the Plan, either voluntarily or by operation of law, except where such assignment is required by law or expressly authorized by the terms of the applicable stock bonus or restricted stock purchase agreement.

(c) The purchase price of stock acquired pursuant to a stock purchase agreement shall be paid either: (i) in cash at the time of purchase; (ii) at the discretion of the Board or the Committee, according to a deferred payment or other arrangement with the person to whom the Common Stock is sold; or (iii) in any other form of legal consideration that may be acceptable to the Board or the Committee in their discretion; including but not limited to payment of the purchase price pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board which results in the receipt of cash (or a check) by the Company before Common Stock is issued or the receipt of irrevocable instruction to pay the aggregate exercise price of the Company from the sales proceeds before Common Stock is

issued. Notwithstanding the foregoing, the Board or the Committee to which administration of the Plan has been delegated may award Common Stock pursuant to a stock bonus agreement in consideration for past services actually rendered to the Company or for its benefit.

(d) Shares of Common Stock sold or awarded under the Plan may, but need not, be subject to a repurchase option in favor of the Company in accordance with a vesting schedule to be determined by the Board or the Committee.

(e) In the event a person ceases to be an employee of or ceases to serve as a consultant to the Company or an Affiliate, the Company may repurchase or otherwise reacquire any or all of the shares of Common Stock held by that person which have not vested as of the date of termination under the terms of the stock bonus or restricted stock purchase agreement between the Company and such person.

7. COVENANTS OF THE COMPANY.

(a) During the terms of the Stock Awards granted under the Plan, the Company shall keep available at all times the number of shares of Common Stock required to satisfy such Stock Awards up to the number of shares of Common Stock authorized under the Plan.

(b) The Company shall seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to issue and sell shares of Common Stock under the Stock Awards granted under the Plan; provided, however, that this undertaking shall not require the Company to register under the Securities Act either the Plan, any Stock Award granted under the Plan or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company shall be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained.

8. USE OF PROCEEDS FROM COMMON STOCK.

Proceeds from the sale of Common Stock pursuant to Stock Awards granted under the Plan shall constitute general funds of the Company.

9. MISCELLANEOUS.

(a) The Board or Committee shall have the power to accelerate the time during which a Stock Award may be exercised or the time during which a Stock Award or any part thereof will vest, notwithstanding the provisions in the Stock Award stating the time during which it may be exercised or the time during which it will vest. Each Option providing for vesting pursuant to paragraph 5(e) shall also provide that if the employee's employment or a consultant's affiliation with the Company or an Affiliate of the Company formed under the laws of the U.S., Puerto Rico or Bermuda is terminated by reason of death or disability (within the meaning of Title II or XVI of the Social Security Act and with such permanent and total

disability certified by the Social Security Administration or the comparable governmental authority of an Affiliate, as applicable, prior to such termination), then the vesting schedule of Options granted to such employee or consultant or to the Trusts of such employee or consultant shall be accelerated as of the date of such termination by twelve months for each full year the employee has been employed by or the consultant has been affiliated with the Company and an Affiliate of the Company formed under the laws of the U.S., Puerto Rico or Bermuda.

(b) Neither an optionee nor any person to whom an Option is transferred under the provisions of the Plan shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares subject to such Option unless and until such person has satisfied all requirements for exercise of the Option pursuant to its terms.

(c) Nothing in the Plan or any instrument executed or Stock Award granted pursuant thereto shall confer upon any eligible employee, consultant, optionee or holder of Stock Awards under the Plan any right to continue in the employ of the Company or any Affiliate or to continue acting as a consultant or shall affect the right of the Company or any Affiliate to terminate the employment or consulting relationship of any eligible employee, consultant, optionee or holder of Stock Awards under the Plan with or without cause, at any time and with or without notice. In the event that a holder of Stock Awards under the Plan is permitted or otherwise entitled to take a leave of absence, the Company shall have the unilateral right to (i) determine whether such leave of absence will be treated as a termination of employment or relationship as consultant for purposes hereof, and (ii) suspend or otherwise delay the time or times at which exercisability or vesting would otherwise occur with respect to any outstanding Stock Awards under the Plan.

10. ADJUSTMENTS UPON CERTAIN TRANSACTIONS.

(a) In the event that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), recapitalization, reclassification, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or exchange of Common Stock or other securities of the Company (other than pursuant to the conversion of convertible securities), issuance of warrants or other rights to purchase Common Stock or other securities of the Company, or other similar corporate transaction or event, in the Board's or the Committee's sole discretion, affects the Common Stock such that an adjustment is determined by the Board or the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to Stock Awards, then the Committee or the Board shall, in such manner as it may deem equitable, may make the following adjustments to the Plan and with respect to any or all of the outstanding Stock Awards:

a. the number and kind of shares of Common Stock (or other securities or property) with respect to which Stock Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in paragraph 3(a) on the maximum number and kind of shares which may be issued under the Plan and in

paragraph 4(b) on the maximum number of shares subject to Stock Awards which can be granted any person in a calendar year),

b. the number and kind of shares of Common Stock (or other securities or property) subject to outstanding Stock Awards, including by providing, either by the terms of such Stock Awards or by action taken prior to the occurrence of such transaction or event, that upon such event, such Stock Award shall be assumed by a successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar Stock Awards covering the stock of a successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices, and

c. the grant or exercise price with respect to any Stock Award.

(b) In the event that the Board or Committee adjusts any or all of the outstanding Stock Awards by providing that such Stock Awards shall be assumed by a successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of a successor or survivor corporation, or a parent or subsidiary thereof, the Board or the Committee may, in its sole discretion, determine that the transfer of the optionee's or other holder's employment or consulting relationship to such successor or survivor corporation or a parent or subsidiary thereof shall not constitute a cessation of the optionee's or holder's employment or consulting relationship with the Company or an Affiliate for the purposes of paragraph 5(g).

(c) Any adjustments made by the Board or the Committee under paragraphs 10(a) and 10(b) shall be final, binding and conclusive on all persons.

11. CHANGE OF CONTROL.

(a) Notwithstanding anything to the contrary in this Plan, in the event of a Change in Control (as hereinafter defined), then, to the extent permitted by applicable law: (i) the time during which Stock Awards become vested shall automatically be accelerated so that the unvested portions of all Stock Awards shall be vested prior to the Change in Control and (ii) the time during which the Options may be exercised shall automatically be accelerated to immediately prior to the Change in Control. Upon and following the acceleration of the vesting and exercise periods, at the election of the holder of the Stock Award, the Stock Award may be: (x) exercised (with respect to Options) or, if the surviving or acquiring corporation agrees to assume the Stock Awards or substitute similar stock awards, (y) assumed; or (z) replaced with substitute stock awards. Options not exercised, substituted or assumed prior to or upon the Change in Control shall be terminated.

(b) For purposes of the Plan, a "Change of Control" shall be deemed to have occurred at any of the following times:

(i) upon the acquisition (other than from the Company) by any person, entity or "group," within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act

(excluding, for this purpose, the Company or its affiliates, or any employee benefit plan of the Company or its affiliates which acquires beneficial ownership of voting securities of the Company), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of fifty percent (50%) or more of either the then outstanding shares of Common Stock or the combined voting power of the Company's then outstanding voting securities entitled to vote generally in the election of directors; or

(ii) at the time individuals who, as of December 9, 1997, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to December 9, 1997, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) shall be, for purposes of the Plan, considered as though such person were a member of the Incumbent Board; or

(iii) immediately prior to the consummation by the Company of a reorganization, merger, consolidation, (in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than fifty percent (50%) of the combined voting power entitled to vote generally in the election of directors of the reorganized, merged or consolidated company's then outstanding voting securities) or a liquidation or dissolution of the Company or of the sale of all or substantially all of the assets of the Company; or

(iv) the occurrence of any other event which the Incumbent Board in its sole discretion determines constitutes a Change of Control.

12. QUALIFIED DOMESTIC RELATIONS ORDERS.

(a) Anything in the Plan to the contrary notwithstanding, rights under Stock Awards may be assigned to an Alternate Payee to the extent that a QDRO so provides. (The terms "Alternate Payee" and "QDRO" are defined in paragraph 12(c) below.) The assignment of a Stock Award to an Alternate Payee pursuant to a QDRO shall not be treated as having caused a new grant. If a Stock Award is assigned to an Alternate Payee, the Alternate Payee generally has the same rights as the grantee under the terms of the Plan; provided however, that (i) the Stock Award shall be subject to the same vesting terms and exercise period as if the Stock Award were still held by the grantee, and (ii) an Alternate Payee may not transfer a Stock Award.

(b) In the event of the Plan administrator's receipt of a domestic relations order or other notice of adverse claim by an Alternate Payee of a grantee of a Stock Award, transfer of the proceeds of the exercise of such Stock Award, whether in the form of cash, stock or other property, may be suspended. Such proceeds shall thereafter be transferred pursuant to

the terms of a QDRO or other agreement between the grantee and Alternate Payee. A grantee's ability to exercise a Stock Award may be barred if the Plan administrator receives a court order directing the Plan administrator not to permit exercise.

(c) The word "QDRO" as used in the Plan shall mean a court order (i) that creates or recognizes the right of the spouse, former spouse or child (an "Alternate Payee") of an individual who is granted a Stock Award to an interest in such Stock Award relating to marital property rights or support obligations and (ii) that the administrator of the Plan determines would be a "qualified domestic relations order," as that term is defined in section 414(p) of the Code and section 206(d) of the Employee Retirement Income Security Act ("ERISA"), but for the fact that the Plan is not a plan described in section 3(3) of ERISA.

13. AMENDMENT OF THE PLAN.

The Board at any time, and from time to time, may amend the Plan. Rights and obligations under any Stock Award granted before amendment of the Plan shall not be impaired by any amendment of the Plan, unless: (i) the Company requests the consent of the person to whom the Stock Award was granted; and (ii) such person consents in writing.

14. TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may suspend or terminate the Plan at any time. Unless sooner terminated, the Plan shall terminate on December 9, 2007. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) Rights and obligations under any Stock Awards granted while the Plan is in effect shall not be impaired by suspension or termination of the Plan, except with the consent of the person to whom the Stock Award was granted.

15. EFFECTIVE DATE OF PLAN.

The Plan shall become effective as determined by the Board.

Exhibit 10.53

SECOND AMENDMENT TO THE
AMGEN RETIREMENT AND SAVINGS PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 15, 2001

The Amgen Retirement and Savings Plan as Amended and Restated Effective October 15, 2001, and as amended on February 27, 2001 (the "Plan") is hereby amended to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"). This amendment is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder. This amendment shall also modify the vesting schedule for Company Contributions, and designate Amgen USA Inc. as a Participating Company. Except as otherwise provided, this amendment shall be effective as of January 1, 2002. This amendment shall supersede the provisions of the plan to the extent those provisions are inconsistent with the provisions of this amendment.

1. Amgen USA Inc. shall be a Participating Company for so long as Amgen USA Inc. remains in existence, and Appendix A to the Plan is thereby amended to include Amgen USA Inc.

2. Article 7 of the Plan shall be amended as follows:

   a. The following language is added to the beginning of Article 7 as Section 7.1 and all Sections under Article 7 are hereby renumbered accordingly, and any references to any Sections under Article 7 in the Plan are hereby amended to refer to the Sections as renumbered hereunder:

      7.1 100 Percent Vesting. Except for those Participants whose employment with a member of the Affiliated Group was terminated on or prior to December 31, 2001, a Participant's interest in all of his or her Participant Elected Contributions Account, Qualified Matching Contributions Account, Qualified Nonelective Contributions Account, Rollover Contributions Account, Matching Contributions Account and Nonelective Contributions Account shall be 100% vested and nonforfeitable at all times. If a Participant's employment with a member of the Affiliated Group was terminated on or before December 31, 2001, then Sections 7.2-7.5 shall apply in determining the vesting of those Accounts.

   b. Section 7.2, as hereby amended, shall be re-titled "Vesting of Participant Elected Contributions Accounts."

3. Section 4.1 shall be amended to read:

      4.1 Participant Elected Contributions. Each Participant whose participation in the Plan is not suspended may make Participant Elected Contributions to the Trust Fund pursuant to a Salary Deferral Agreement that specifies the amount of the contribution. Subject to the limitations set forth in Section

4.4 and Articles 13-16, the amount of the Participant Elected Contributions shall be equal to any whole percentage of his or her Compensation, as the Participant shall elect, except that this whole percentage shall not exceed 30 percent of his or her Compensation. Participant Elected Contributions shall be made through payroll deductions from the Participant's Compensation. If a Participant elects to make Participant Elected Contributions, the contributions shall be deemed to be employer contributions to the Plan for federal income tax purposes and, to the extent permitted, for purposes of other federal, state and local taxes. A Participant's election to make Participant Elected Contributions shall constitute an election to have the Participant's taxable salary or wages from the Participating Company reduced by the amount of the Participant Elected Contributions.

4. Section 4.6 is added to read in its entirety:

4.6 Catch-up Contributions. All Participants who are eligible to make Participant Elected Contributions under this Plan and who have attained age 50 before the close of the Plan Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, Section 414(v) of the Code. Such catch-up contributions shall be equal to any whole percentage of the Participant's Compensation, except that this whole percentage shall not exceed 30% of his or her Compensation, and such catch-up contributions shall not be taken into account for purposes of Matching Contributions under Section 5.1 of the Plan. Such catch-up contributions shall not be taken into account for purposes of the provisions of the Plan implementing the required limitations of Sections 402(g) and 415 of the Code. The Plan shall not be treated as failing to satisfy the provisions of the Plan implementing the requirements of Section 401(k)(3), 401(k)(11), 401(k)(12), 410(b), or 416 of the Code, as applicable, by reason of the making of such catch-up contributions.

5. Section 5.1 shall be amended to also be subject to the limitations of Section 4.6 of the Plan.

6. Section 4.4(d) shall be restated in its entirety to read:

(d) Section 415 "Annual Additions" Limit. As it described in detail in Article 16, if amounts credited to a Participant's Accounts during the Plan Year, other than earnings and Rollover Contributions, exceed the Section 415 "Annual Additions" Limit, then Participant elected Contributions may be returned to the Participant.

7. Section 16.1 shall be restated in its entirety to read:

16.1 Limitation on Contributions. Except to the extent permitted under Section 4.6 of the Plan and Section 414(v) of the Code, if applicable, the Annual

Additions that may be contributed or allocated to a Participant for any Plan Year shall not exceed the lesser of:

(a) $40,000 as adjusted for increases in the cost-of-living under Section 415(d) of the Code, or

(b) 100% of the Participant's Section 415 Compensation for such year.

If a Participant's Annual Additions would exceed the foregoing limitation, then such Annual Additions shall be reduced by reducing the components thereof as necessary in the order in which they are listed in Section 16.5(a). Any amounts so reduced shall not be included in a Participant's Aggregate 401(k) Contributions or Aggregate 401(m) Contributions. The limitation in Section 16.1(b) shall not apply to any amount that otherwise is an Annual Addition under Section 415(l)(1) or 419A(d)(2) of the Code.

8. Section 8.8 shall be restated in its entirety to read:

8.8 Small Benefits: Lump Sum. Any other provision of this Article notwithstanding, if the value of a Participant's entire Plan Benefit equals $5,000 or less (including a Plan Benefit of $0) before the first payment of the Plan Benefit is made, then the Plan Benefit shall be paid (or deemed paid if the Plan Benefit is $0) as soon as reasonably practicable after the Participant's termination of employment to the Participant (or to his or her Beneficiary in the case of the Participant's death) in a single lump sum in cash. For purposes of this section, the value of a Participant's Plan Benefit shall be determined without regard to that portion of the Participant's Account that is attributable to rollover contributions (and earnings allocable thereto) within the meaning of Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Code.

9. Section 8.9. shall be amended as follows:

a. Section 8.9(a) shall be restated in its entirety to read:

(a) Definition of Eligible Retirement Plan. An Eligible Retirement Plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity contract described in Section 403(b) of the Code, an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan, or a qualified trust described in Section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to a Beneficiary who is the Participant's surviving spouse, an Eligible Retirement Plan is an individual retirement account or

individual retirement annuity. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the Alternate Payee under a qualified domestic relations order, as defined in Section 414(p) of the Code.

b. Section 8.9(b) shall be restated in its entirety to read:

(b) Definition of Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of 10 years or more; (2) any distribution to the extent the distribution is required under Section 401(a)(9) of the Code; (3) the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); or (4) any amount that is distributed on account of hardship shall not be an eligible rollover distribution and the distributee may not elect to have any portion of such a distribution paid directly to an eligible retirement plan.

10. Section 4.5(b) shall be restated in its entirety to read:

(b) The Eligible Employee demonstrates to the Company's satisfaction that the contribution is a qualifying rollover contribution under Section 402(c)(4), 403(a)(4), 457(e)(16) or 408(d)(3) of the Code.

11. Article 22 shall be amended to reflect that the top-heavy requirements of Section 416 of the Code and Article 22 of the Plan shall not apply in any year beginning after December 31, 2001, in which the Plan consists solely of a cash or deferred arrangement which meets the requirements of Section 401(k)(12) of the Code and matching contributions with respect to which the requirements of Section 401(m)(11) of the Code are met.

12. Section 3.5(b) shall be restated in its entirety to read:

(b) Does not qualify as an Eligible Employee but remains a Participant.

In accordance with Section 10.8 and 11.4, participation is also suspended for 12 months if a Participant defaults on a Plan loan or 6 months if a Participant takes a Hardship Withdrawal. A Participant shall not make Participant Elected Contributions or receive any allocation of Company Contributions with respect to a period of suspended participation, but a suspended Participant's Accounts shall remain invested as a part of the Trust Fund and shall continue to share in the gains, income, losses and expenses of the Trust Fund.

13. Section 11.4(a) shall be restated in its entirety to read:

(a) Plan participation and all employee before- and after-tax contributions to the Plan and other qualified and nonqualified deferred compensation plans sponsored by members of the Affiliated Group shall be suspended for a period of 6 months. The consequences of suspension from the Plan are described in Section 3.5.

To record this Second Amendment to the Plan as set forth herein, the Company has caused its authorized officer to execute this document this 24th day of October, 2001.

AMGEN INC.

By: /s/ Brian McNamee

Title: Senior Vice President Human Resources

Exhibit 10.54

SECOND AMENDMENT TO THE
AMGEN INC.
CHANGE OF CONTROL SEVERANCE PLAN

This Second Amendment to the Amgen Inc. Change of Control Severance Plan is adopted as of October 16, 2001 by the Board of Directors (the "Board") of Amgen Inc., a Delaware corporation (the "Company").

RECITALS

WHEREAS, the Company maintains the Amgen Inc. Change of Control Severance Plan, effective as of October 20, 1998, (hereinafter the "Plan"); and

WHEREAS, pursuant to section 11.3 of the Plan, the Company may amend the Plan from time to time by resolution of the Board;

NOW THEREFORE, BE IT RESOLVED, that the Plan be amended as follows, effective January 1, 2002:

1. Section 1(M) shall be amended and restated in its entirety as follows:

   "(M) "Group I Participants" shall mean those senior executive-level staff members of the Company and of Amgen USA Inc. whom the Company has designated as members of the Amgen Executive Committee, as such committee shall be constituted immediately prior to a Change of Control. At or before the occurrence of a Change of Control, the Company shall notify the Group I Participants in writing of their status as Participants in the Plan."

2. Section 1(N) shall be amended and restated in its entirety as follows:

   "(N) "Group II Participants" shall mean those management-level staff members of the Company and of Amgen USA Inc. at the level of Director or equivalent and above (i.e., those employees of the Company or of Amgen USA Inc. whose positions have been designated as Salary Grade 32 or Salary Grade EL4 and above) and who are not Group I Participants, as such group shall be constituted immediately prior to a Change of Control. At or before the occurrence of a Change of Control, the Company shall notify the Group II Participants in writing of their status as Participants in the Plan."

3. Section 1(O) shall be amended and restated in its entirety as follows:

   "(O) "Group III Participants" shall mean those management-level staff members of the Company and of Amgen USA Inc. at the level of Associate Director or equivalent (i.e., those employees of the Company or of Amgen USA Inc. whose positions have been designated as Salary Grade 30 or Salary Grade

EL2 or Salary Grade EL3), as such group shall be constituted immediately prior to a Change of Control. At or before the occurrence of a Change of Control, the Company shall notify the Group III Participants in writing of their status as Participants in the Plan."

I hereby certify that the foregoing Second Amendment to the Plan was duly adopted by the Board of Directors of Amgen Inc. on October 24, 2001
--

AMGEN INC.

By: /s/ Brian McNamee

Title: Senior Vice President Human Resources

Exhibit 10.55

FIRST AMENDMENT TO THE
AMGEN SUPPLEMENTAL RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE NOVEMBER 1, 1999

The Amgen Supplemental Retirement Plan as amended and restated effective November 1, 1999 (the "Plan") is hereby amended as follows:

1. Effective as of January 1, 2002, Amgen USA Inc. shall participate in the Plan for so long as Amgen USA Inc. remains in existence. As such, the attached Appendix A shall be added to the Plan to show Amgen USA Inc. as a participating subsidiary in the Plan.

To record this First Amendment to the Plan as set forth herein, the Company has caused its authorized officer to execute this document this 24th day of October, 2001.

AMGEN INC.

By: /s/ Brian McNamee

Title: Senior Vice President, Human Resources

APPENDIX A

Participating Subsidiaries and Affiliates of Amgen Inc.

1. Amgen USA Inc. - January 1, 2002

Exhibit 10.56

July 19, 2001

Dr. George Morstyn
964 Bright Star
Thousand Oaks, CA 91360

Re: Agreement Regarding Part-Time Special Assignment Position

Dear George:

On behalf of Amgen Inc. ("Amgen" or the "Company"), I am pleased to confirm in this letter agreement ("Agreement") the terms and conditions under which you will continue to be employed by Amgen from and after the date upon which you cease to serve and resign your positions as Amgen's Senior Vice President of Development, Chief Medical Officer, and any other officer and/or director positions that you presently hold with Amgen or any of its subsidiaries or affiliates, which will occur on January 1, 2002 (the "Effective Date"), it being acknowledged that you will be on paid vacation from December 1, 2001 until the Effective Date. You will remain a full-time Amgen staff member and receive all compensation and benefits of your current position between now and the Effective Date, although your duties may be modified and your responsibilities may be reduced by the Company. In addition, it is acknowledged that you will be on a paid personal leave of absence during all of August 2001 and such leave shall not reduce any other paid leave or vacation time you are entitled to receive or use. This Agreement also provides for the termination of your employment with Amgen on or before July 31, 2004, as set forth below.

1. POSITION AND DUTIES

On the Effective Date, you will cease to be a regular full-time employee of Amgen, but you will continue to be employed by Amgen as an employee in a part-time special assignment position, at grade level 28, with the title of Special Advisor, Development reporting to me, or my designee or successor (collectively the "Executive VP"). You also will provide assistance to Steve Odre, Amgen General Counsel, or his designee or successor (collectively the "General Counsel") (the Executive VP and the General Counsel, acting individually or together, hereafter are referred to as "Your Supervisor"). You will also resign as an officer and/or director of Amgen and any Amgen subsidiaries or affiliates on the Effective Date or such other time as Amgen may designate in its sole discretion. In connection with resigning your offices, you agree to execute and return to Amgen with this Agreement two signed, undated original resignation letters (the "Resignation Letters") on your Amgen letterhead in the forms provided in Appendices A through F to this Agreement. Appendices A through H are hereby incorporated into and made part of this Agreement by reference. In addition, you agree to take all such further

steps as Amgen may deem necessary or appropriate in order to accomplish the resignation of any officer and/or director positions that you hold with Amgen or any of its subsidiaries or affiliates.

As Special Advisor, Development you will:

1. assist the Executive VP by providing technical and professional assessments of Amgen's current products and products that Amgen is in the process of developing as of the Effective Date; and

2. assist the General Counsel on intellectual property or other related legal matters or litigation including, but not limited to, your meeting with Amgen attorneys and testifying or otherwise appearing at depositions or court hearings scheduled as a result of any such litigation, including preparation for all the above.

The times and places where this work will be performed will be at your choosing unless otherwise requested by Your Supervisor. It is currently anticipated that your duties can be performed primarily in Australia except that you will be required to make approximately four trips per year to Amgen's Thousand Oaks, California facility to perform your duties. You will be a member of the Development Department and, as such, Your Supervisor will assign these matters to you from time to time and you will provide Your Supervisor with quarterly written or oral reports detailing your progress toward accomplishing the tasks and directives given to you by Your Supervisor. You will also provide additional reports and materials, upon reasonable request by Your Supervisor. Your Supervisor will evaluate your performance.

You agree that you will not hire or pay anyone to assist you in performing your services under this Agreement. If your work load is such that you require assistance, you agree to consult with Your Supervisor, and, if, in Amgen's sole discretion, it is deemed appropriate, Amgen either will assign one of its then-current employees to assist you, or Amgen will hire an assistant for you.

Your Supervisor will control and direct the manner (including the order), in which you perform the services under this Agreement, including the details and means by which you provide your services.

You will be an employee of Amgen for all purposes during the term of this Agreement and will not be an independent contractor.

As we have discussed, the position of Special Advisor, Development, is a part-time special assignment position in which you will be required to work a minimum of ten (10) hours per month; however, you also agree that, to the extent that Your Supervisor requests, you will work up to twenty (20) hours per month. In the event that you work more than twenty (20) hours per month, then you will receive no additional compensation

or benefits for such additional work. If, in any month, Your Supervisor does not specifically assign you a sufficient amount of work to meet your minimum hour requirement, you will satisfy your minimum requirement by independently researching and evaluating product development by competitors of Amgen and U.S. Food and Drug Administration developments and reporting your findings to Your Supervisor.

If requested by Your Supervisor, you agree to attend certain meetings or programs related to your area of expertise so long as such meeting or program does not unreasonably interfere with your other activities. Furthermore, from time to time, your duties may require you to travel and attend meetings at various locations, including Amgen's Thousand Oaks facility, and you agree that no reasonable request by Your Supervisor for travel or attendance at meetings will be refused. Your Supervisor will work with you in scheduling any such business trips or meetings so that they do not unreasonably interfere with your other activities. Amgen will reimburse you for your reasonable travel expenses pursuant to the reimbursement policy(ies) in place at Amgen at the time you incur such expenses except that your air travel for work under this Agreement may be first-class as provided by Amgen's travel policy for Amgen officers at the time of such travel, even though you will no longer be an Amgen officer.

You will maintain an accurate and contemporaneous log showing the time you have spent performing the foregoing services and this log shall be deemed conclusive evidence of the time spent. Your Supervisor, at any time, may request a copy of your log and you agree to provide such a copy within a reasonable period of time after the request is made.

We have agreed that your part-time special assignment will continue until July 31, 2004, subject to earlier termination by you or Amgen as set forth in Paragraph 8 of this Agreement. As long as you are employed by Amgen, you will continue to be subject to Amgen's policies and procedures, including but not limited to those relating to the non-disclosure of proprietary and confidential information and you will continue to be subject to the Amgen Inc. Proprietary Information and Inventions Agreement, executed by you on or about July 1, 1991 (the "Proprietary Agreement") (which also contains obligations that survive the termination of your employment with Amgen).

During the term of your part-time special assignment, except as set forth herein, you may not be employed by any person or company other than Amgen, without Amgen's prior approval. You may, however, perform part-time services for companies listed on Appendix H to this Agreement, teach, be on faculties and sit on boards of directors of other companies outside the fields of biotechnology and/or pharmaceutics, or companies within these fields having fewer than 500 employees and no current contractual relationship with Amgen provided that any such entity (whether profit or non-profit) for which you perform services during the term of your part-time special assignment with Amgen does not compete with Amgen or conduct research and development in any subject area in which Amgen competes or conducts research and development at any time during such term and provided, further, that your activities do not violate the Proprietary

Agreement or interfere or conflict with your duties under this Agreement. Your engaging in the activities described in the preceding sentence shall not constitute a violation of paragraph 7 of the Proprietary Rights Agreement. You agree promptly to notify Amgen in writing if you provide services to any third party in the biotechnology or pharmaceutical industries during the term of your part-time special assignment. You also agree that during the term of this Agreement and for one year after the termination of your employment you will not induce any employee of Amgen to leave the employ of Amgen or otherwise solicit for employment or affiliation, including as an independent contractor, any officer, director, or employee of Amgen or its subsidiaries.

2. COMPENSATION AND BENEFITS

Following is a brief description of the compensation and benefits you will receive under this Agreement during your part-time special assignment. The terms and conditions of all of your benefits are subject to the terms and conditions of each of the applicable plans, policies or arrangements, as they may be amended or terminated by Amgen from time to time.

2.1 Compensation: Your compensation will be $32,260.00 per month for the period from the Effective Date through the Termination Date, as defined in Paragraph 8 of this Agreement, subject to applicable income tax and employment tax withholding requirements. Amgen will also reimburse you for any reasonable business expenses you incur in performing your duties, subject to Amgen's standard employee expense reimbursement policies.

2.2 Administrative Support: Amgen will provide you with an office and secretarial assistance for any work that you perform while at Amgen's Thousand Oaks headquarters or its Melborne, Australia facility. You will also be provided any office equipment and supplies you may need to perform your duties under this Agreement and you will have access to the services of Amgen's travel department. You may not rent any office space or purchase any office equipment in connection with performing your services under this Agreement.

2.3 Management Incentive Plan: You will not be eligible to participate in Amgen's Management Incentive Plan ("MIP") for any year after the 2001 calendar year.

2.4 Supplemental Retirement Plan: As an employee in a part-time special assignment position, you will no longer be eligible to receive additional credits in your supplemental retirement plan account, although you will continue to maintain an account and receive earnings on the balance in your account until the termination of your employment with Amgen.

2.5 Retirement and Savings Plan: Pursuant to Section 3.3 of the Amgen Retirement and Savings Plan (the "401(k) Plan"), employees that are eligible to participate in the 401(k) Plan are those that are classified as "regular full-time" or "regular part-time" employees. By signing below, you expressly acknowledge and agree that Amgen is not classifying you as a regular full-time or regular part-time employee during your part-time special assignment and, therefore, after the Effective Date, you will not be eligible to make contributions or to have contributions made on your behalf to the 401(k) Plan. This letter qualifies as an agreement pursuant to Section 3.3(c)(2) of the 401(k) Plan. You will, however, be able to maintain your account in the 401(k) Plan to the extent allowed by law.

2.6 Change of Control Severance Plan: Due to your new grade level, you will not be eligible to participate in the Amgen Inc. Change of Control Severance Plan on or after the Effective Date.

2.7 Stock Options:

2.7.1 No New Grants: As an employee in a part-time special assignment position, you will not be eligible to receive additional stock option grants after the Effective Date.

2.7.2 Vesting During Special Assignment: To the extent that you continue in your part-time special assignment, you will be eligible to continue to vest in all unvested options that have previously been granted to you by Amgen on the dates and in the manner provided in your stock option grant agreements and applicable stock option plans. No stock options will vest following the Termination Date as defined in Paragraph 8 of this Agreement.

2.7.3 Cooperation To Restructure: As we have discussed, it is our intention that your ability to continue to vest in and exercise options during your part-time special assignment will not result in any additional compensation charges to Amgen in accordance with U.S. generally accepted accounting principles. Accordingly, at any time that Amgen requests, you agree that you will use your reasonable best efforts to cooperate with Amgen to restructure this Agreement and the terms of your position, such as with respect to hours of employment, reporting relationships, working conditions, etc., as Amgen reasonably determines is necessary for you to continue to be able to vest and exercise your options without creating a compensation charge to Amgen in accordance with U.S. generally accepted accounting principles.

2.7.4 No Amendment to Stock Option Grant Agreements or Stock Option Plans: Nothing in this Agreement shall be deemed to alter, amend, or otherwise modify the terms of your stock option grant agreements or the terms of the applicable stock option plans.

2.8 Medical, Dental, and Vision Insurance and COBRA: Your medical, dental and vision insurance coverage will terminate on the Effective Date due to your reduction of hours pursuant to this Agreement. If after the Effective Date you or your eligible dependents should elect to continue coverage under Amgen's group health plan(s) under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") continuation rights, and you or your eligible dependents timely take the required steps to initiate such coverage, then Amgen will pay the cost of COBRA coverage for you and your eligible dependents until the earlier of June 30, 2003, or until you and/or your eligible dependents no longer qualify for COBRA continuation rights or, in the case of your dependents, the date on which such dependents cease to be eligible dependents under Amgen's group health plan(s), whichever occurs first. Such coverage is limited to the insurance benefits provided under Amgen's United States medical, dental and vision insurance plans. Generally, the period during which you and/or your eligible dependents will be eligible for COBRA benefits will be no more than eighteen (18) months from the Effective Date. However, if you and/or your eligible dependents qualify for COBRA benefits on or after June 30, 2003, then you and/or your eligible dependents will have the option of continuing coverage under Amgen's group health plan(s), under COBRA and at your own expense, for the remainder of the period for which you are entitled to receive COBRA benefits, if any, provided that you and your eligible dependents continue to meet the qualification requirements under COBRA and under Amgen's group health plan(s). For a complete description of the rights and responsibilities you and your eligible dependents have under COBRA, you must refer to the COBRA documents that will be sent to you by Amgen or its designee under separate cover. In the event that you work more than twenty (20) hours per week during some period(s) of this part-time special assignment, you will still be ineligible to participate in Amgen's group health plans as an active employee because, despite those periods, you would not be considered to "normally" work more than twenty (20) hours per week. Therefore, your COBRA continuation period will not terminate merely because you work more than twenty (20) hours per week for a temporary period during the part-time special assignment. In any event, by signing this Agreement, you hereby waive any claim you have to benefits under Amgen's group health plans beyond what is provided through your COBRA coverage.

In the event that you and your eligible dependents do not elect COBRA coverage, then Amgen will reimburse you for the cost of a private medical insurance plan in Australia for you and/or your eligible dependents for the duration of this Agreement provided that the maximum monthly reimbursement shall be the lesser

of (a) the actual cost of to you of such insurance or (b) the amount that Amgen would have paid for COBRA coverage per month under the preceding paragraph if you had elected COBRA coverage.

2.9 Basic Life Insurance: Your Basic Life Insurance coverage will terminate on the Effective Date. If you are interested in converting your insurance to an individual policy, please contact Jean Ellis at Aetna (860) 273-7252 within thirty (30) days after the Effective Date. In the event that you work more than twenty (20) hours per week during some period(s) of this part-time special assignment, you will still be ineligible to obtain Basic Life Insurance because, despite those periods, you would not be considered to "normally" work more than twenty (20) hours per week. In any event, by signing this Agreement, you hereby waive your eligibility to obtain Basic Life Insurance coverage.

2.10 Long-Term Disability Plan: Your Long-Term Disability Plan coverage will terminate on the Effective Date and there is no conversion policy or plan available for this coverage. In the event that you work more than twenty (20) hours per week during some period(s) of this part-time special assignment, you will still be ineligible to participate in the Long-Term Disability Plan because, despite those periods, you would not be considered to "regularly" work more than twenty (20) hours per week. In any event, by signing this Agreement, you hereby waive your participation in the Long-Term Disability Plan.

2.11 Amgen Foundation Matching Funds: During the term of your part-time special assignment, contributions you make to qualified organizations will continue to be eligible for matching funds from the Amgen Foundation, subject to the same terms, conditions, and limitations that apply to contributions made by regular, full time employees of Amgen.

2.12 Employee Stock Purchase Plan: Provided that you take the necessary steps to enroll in the Employee Stock Purchase Plan (the "ESPP") for the purchase period of January 2, 2001, to December 31, 2001, you will be eligible to participate in the ESPP for that purchase period. Thereafter, however, you will not be eligible to participate in the ESPP due to the fact that you will be customarily working less than twenty (20) hours per week. In the event that you work more than twenty (20) hours per week during some period(s) of this part-time special assignment, you will still be ineligible to participate in the ESPP after that purchase period because, despite those periods, you would not be considered to "customarily" work more than twenty (20) hours per week. In any event, by signing this Agreement, you hereby waive your eligibility to participate in the ESPP after the purchase period of January 2, 2001 to December 31, 2001.

2.13 Other Benefits: As an employee in a part-time special assignment position, you will not be eligible to participate in the following Amgen benefit plans and programs, as well as any other benefits not specifically listed in this letter, after the Effective Date: Medical Flexible Spending Account; Dependent Care Assistance Program; Accidental Death and Dismemberment Insurance; Voluntary and Dependent Life Insurance; use of Amgen Fitness Center facilities; use of Amgen Child Care Center facilities; personal illness, vacation/optional holiday pay; family illness/personal time; bereavement leave; or holidays. Your accrued and unused vacation hours and optional holiday pay will be paid to you on the next regularly scheduled payroll date following the Effective Date. By signing this Agreement, you agree that, notwithstanding any rights you may otherwise have under these programs, you hereby waive your claim to any benefits under these programs.

3. TRANSFER OF COMPANY PROPERTY

You promise that on or before the Termination Date, as defined in Paragraph 8 of this Agreement, you will return to Amgen all files, memoranda, documents, records, copies of the foregoing, credit cards, keys, and any other Amgen property in your possession or under your control.

4. OFFICERS AND DIRECTORS INSURANCE

During your part-time special assignment and for four (4) years following the Termination Date, as defined in Paragraph 8 of this Agreement, you will be covered by such officers and directors insurance coverage that Amgen provides to its senior executive officers at your salary grade level 37 during that time period. In addition, Amgen shall indemnify and hold you harmless both during and after the entire term of your employment (including your service hereunder) to the fullest extent permitted by law with regards to actions or inactions in relation to your duties performed at Amgen, both before and after the date of this Agreement. Furthermore, you will be entitled to reimbursement of expenses incurred in accordance with your rights under California Labor Code Section 2802.

5. FINANCIAL/TAX CONSULTING REIMBURSEMENT

Amgen will reimburse you for the legal expenses reasonably incurred by you in connection with the review of this Agreement up to a maximum amount of $10,000. Amgen will reimburse you for financial and/or tax counseling expenses that you reasonably incur, up to a maximum amount of $3,000 per year, for each year of this Agreement.

6. REFERENCE

Amgen will provide you with a positive written factual reference. Kevin W. Sharer should be listed as your work reference. You agree to confer with Kevin on the form and nature of the reference to be provided to third parties concerning the work that you have performed at Amgen. If, by sixty (60) days after the Effective Date, you are unable to reach agreement with Kevin on the written reference to be provided, then Amgen's only obligation will be to respond to inquiries by confirming to third parties the dates of your employment at Amgen and the last position you held as an Amgen employee.

7. RELOCATION

If you decide to relocate outside of the (50) mile radius of your residence located in Thousand Oaks, California during the period of your part-time special assignment or immediately at the termination thereof for any reason other than for a Stated Reason, as defined below, then Amgen will pay or reimburse you up to the aggregate maximum amount of $50,000 for the following relocation assistance: (i) packing, shipping, delivery, storage (for up to ninety (90) days) and unpacking of your common household goods and furnishings to be arranged by Amgen and handled by Mover's International or such other vendor as Amgen may select and paid directly by Amgen to Mover's International or such other vendor; (ii) reimbursement (not to exceed $9,000) for moving expenses that you have paid to Mover's International for moving your goods to Australia; and (iii) payment or reimbursement of travel expenses for you and your family to travel to Australia. As a condition of receiving this relocation assistance you agree to (i) provide all documentation requested by Amgen in connection with this Paragraph 7 upon the request of Amgen; (ii) to indemnify and hold Amgen harmless for any and all claims in connection with this relocation up to a maximum obligation to you of $50,000; and (iii) you agree that Amgen shall have no liability to you or your family for lost or damaged items, or otherwise, in connection with this relocation. In order to initiate this relocation assistance, please contact Christine Swinburne or her designee at Amgen.

8. EARLY TERMINATION OF SPECIAL ASSIGNMENT

8.1 At-Will Employment: If you accept this new position, it will become your new assignment and you will have no right to return to your current position. Although it is currently anticipated that this part-time special assignment position will continue until July 31, 2004, you acknowledge, understand and agree that your employment with Amgen remains at-will. Therefore, your employment can terminate, with or without cause, and with or without notice, at any time, at your option or Amgen's option prior to July 31, 2004. This at-will relationship will remain in effect throughout your employment with Amgen or any of its subsidiaries or affiliates. The at-will nature of your employment, as set forth in this Paragraph, can be modified only by a written agreement signed by both me

and you which expressly alters it. This at-will relationship may not be modified by any oral or implied agreement, or by any Company policies, practices or patterns of conduct.

8.2 Termination by Amgen for a Stated Reason or Termination by You for Any Reason Other Than A Covered Breach: If your employment is terminated by Amgen for a Stated Reason (as defined below), or if you terminate your employment for any reason other than a Covered Breach (as defined below), then your payments and benefits from Amgen under this Agreement, including but not limited to the vesting of your stock options, will cease as of the Termination Date (as defined below).

For purposes of this Paragraph, a "Stated Reason" means that you: breached any material provision of this Agreement or the Proprietary Agreement; engaged in fraud or other acts of dishonesty in connection with your employment; were guilty of gross misconduct or gross negligence; continued to perform your job deficiently after having received specific written notice calling your attention to the deficiency and requiring improvement; made disparaging remarks about Amgen, its products, employees, or research and development abilities and projects; or engaged in sexual or any other prohibited form of harassment or discrimination.

For purposes of this Paragraph, a "Covered Breach" means a breach by Amgen of its obligations under this Agreement in the following manner only: (i) any reduction in your salary or benefits provided for in this Agreement, including nonpayment thereof; or (ii) the assignment of duties to you that are inconsistent with those set forth in Paragraph 1 of this Agreement; or (iii) a reduction in your title or position. In order for an event described in the preceding sentence to qualify as a Covered Breach, you must give written notice of the event to Amgen and Amgen must fail to cure the event within 30 days of receipt of that written notice.

8.3 Termination by Amgen for Other Than a Stated Reason or Termination by You for a Covered Breach: In the event your employment is terminated by Amgen or its successor, if any, before July 31, 2004 for any reason other than a Stated Reason, or your employment is terminated by you for a Covered Breach, then (1) you shall be paid in a cash lump-sum all of the remaining payments due to you under this Agreement from the date of termination through July 31, 2004 and (2) Amgen shall take the necessary corporate action to accelerate the vesting of all of your outstanding and then unvested stock options so that they shall vest and become immediately exercisable in full as of the Termination Date; such stock options, as so accelerated shall be exercisable as provided in your stock option grant agreements and applicable stock option plans.

8.4 Termination Date: The date of the termination of your employment for any of the foregoing reasons is referred to in this Agreement as the "Termination Date."

9. DEATH

In the event of the termination of your employment hereunder by reason of your death prior to July 31, 2004, all of the remaining payments that would have been paid to you through July 31, 2004 pursuant to Paragraph 2.1 of this Agreement will be payable to the beneficiary or beneficiaries that you designate in writing to Amgen. Your other remaining benefits will be treated according to their specific terms concerning such death. For purposes of Paragraph 10(a) of the Amgen Inc. Amended and Restated 1991 Equity Incentive Plan, your employment with Amgen shall be deemed to have commenced in 1991, when you first became an employee at Amgen.

10. RELEASE

In exchange for consideration provided to you under this Agreement, you agree to execute and be bound by the General Release attached hereto as Appendix G (the "General Release") and to return the executed Agreement, together with the executed General Release and Appendices A through H, to me. The General Release is hereby incorporated into and made part of the Agreement by this reference.

11. INTERPRETATION

This Agreement and the Appendices hereto shall be construed as a whole according to their fair meaning, and not strictly for or against any of the parties. Unless the context indicates otherwise, the term "or" shall be deemed to include the term "and" and the singular or plural number shall be deemed to include the other. Paragraph headings used in this Agreement and the General Release are intended solely for convenience of reference and shall not be used in the interpretation of any part of this Agreement or the General Release.

12. NOTICES

For the purposes of this Agreement, notices, demands and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered either personally, by United States certified or registered mail, return receipt requested, postage prepaid, or by Australian certified mail - requires receipt, postage prepaid, addressed, if to you, to the last address on file with Amgen and if to Amgen, to its executive offices or to such other address as any party may have furnished to the others in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

13. ARBITRATION OF DISPUTES

13.1 Agreement to Arbitrate: Any dispute (an "Arbitrable Dispute") arising between any of the Amgen Releasees (as defined in Paragraph 1.1 of the General Release attached hereto as Appendix G) who either consent to arbitration or demand arbitration and you, including but not limited to those disputes concerning the formation, validity, interpretation, effect, or alleged violations of this Agreement or the General Release, must be submitted to binding arbitration for resolution in Los Angeles, California in accordance with the rules and procedures of the Employment Dispute Resolution Rules of the American Arbitration Association then in effect. The decision of the arbitrator shall be final and binding on the parties, and any court of competent jurisdiction may enter judgment upon the award. Except for an action taken outside of arbitration pursuant to Subparagraph 13.4 of this Agreement, should any party pursue any other legal or administrative action outside of arbitration against the other, the responding party shall be entitled to the return of any payments that party made under this Agreement and shall be entitled to recover all costs, expenses and attorneys' fees the responding party incurs as a result of such action. The arbitrator may not modify or change this Agreement in any way.

13.2 Costs of Arbitration: Each party shall pay the fees of their respective attorneys, the expenses of their witnesses and any other expenses connected with the arbitration, but all other costs of the arbitration, including the fees of the arbitrator, cost of any record or transcript of the arbitration, administrative fees and other fees and costs shall be paid by Amgen, except that you shall pay an amount equal to 50% of the filing fee for a civil action in the court of general jurisdiction where the claim arose. Subject to the arbitrator's discretion, the party losing the arbitration shall reimburse the party who prevailed for all fees and expenses the prevailing party paid pursuant to the preceding sentence, and (where a prevailing party attorney's fees provision exists) shall also reimburse the prevailing party for attorney's fees paid.

13.3 Exclusive Remedy: Arbitration in this manner shall be the exclusive remedy for any Arbitrable Dispute. The arbitrator's decision or award shall be fully enforceable and subject to an entry of judgment by a court of competent jurisdiction. Except for an action taken outside of arbitration pursuant to Subparagraph 13.4 of this Agreement, should you or any of the Releasees (as defined in Paragraph 1.1 of the General Release attached hereto as Appendix G) who either consent to arbitration or demand arbitration, without the consent of the other party, attempt to resolve an Arbitrable Dispute by any method other than arbitration pursuant to this Paragraph 13, the responding party shall be entitled to recover from the initiating party all damages, expenses and attorneys' fees incurred as a result.

13.4 Sole Exception: Notwithstanding the foregoing, a dispute relating to alleged violation(s) of Paragraph 2 and/or Paragraph 3 of the General Release attached hereto as Exhibit G, including those involving the disclosure of the existence, terms or amount of this Agreement, and/or the use or disclosure of information which is prohibited by the Proprietary Agreement, and/or the criticism, denigration or disparagement of Amgen, any other Releasee (as defined in Paragraph 1.1 of the General Release attached hereto as Appendix G), or any of Amgen's products, processes, experiments, policies, practices, standards of business conduct, or areas or techniques of research may be resolved through a means other than arbitration.

14. CHOICE OF LAWS

This Agreement shall be governed by, and shall be construed and enforced in accordance with, the substantive laws of the State of California, without regard to principles of conflicts of laws, as applied to contracts entered into and to be performed entirely within such state by residents thereof.

15. TAXES

You acknowledge and agree that all payments made pursuant to this Agreement shall be made less applicable tax withholdings and/or other withholdings as required by law. You acknowledge and agree that you, and not Amgen, shall be solely responsible for any taxes (other than Amgen's share of FICA) imposed upon you as a result of entering into this Agreement.

16. MITIGATION

You shall not be required to mitigate amounts payable under this Agreement by seeking other employment or otherwise, and there shall be no offset against amounts due you under this Agreement on account of employment after the termination of your part-time special assignment. Additionally, amounts owed to you under this Agreement shall not be offset by any claims Amgen may have against you and Amgen's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder, shall not be affected by any other circumstances, including, without limitation, any counterclaim, recoupment, defense or other right which Amgen may have against you or others.

17. NO ASSIGNMENT OR DELEGATION

Amgen has selected you for this part-time special assignment because it has judged that your unique experience and skills are those Amgen required for the job. Accordingly, you may not assign or delegate any of your duties or responsibilities under this Agreement.

18. NATURE, EFFECT AND INTERRELATION OF THIS AGREEMENT

18.1 Amgen's Successors: No rights or obligations of Amgen under this Agreement may be assigned or transferred except that Amgen will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of Amgen to expressly assume and agree to perform this Agreement in the same manner and to the same extent that Amgen would be required to perform it if no such succession had taken place. As used in this Agreement, "Amgen" shall mean Amgen as herein before defined and any successor to its business and/or assets (by merger, purchase or otherwise) which executes and delivers the agreement provided for in this Paragraph 18 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

18.2 Your Successors: No rights or obligations of you under this Agreement may be assigned or transferred by you, other than your rights to payments or benefits hereunder, which may be transferred only by will or the laws of descent and distribution. Upon your death, this Agreement and all rights of you hereunder shall inure to the benefit of and be enforceable by your beneficiary or beneficiaries, personal or legal representatives, or estate, to the extent any such person succeeds to your interests under this Agreement. You shall be entitled to select and change a beneficiary or beneficiaries to receive any benefit or compensation payable hereunder following your death by giving Amgen written notice thereof. In the event of your death or a judicial determination of your incompetence, reference in this Agreement to you shall be deemed, where appropriate, to refer to your beneficiary(ies), estate or other legal representative(s). If your should die following your Termination Date while any amounts would still be payable to you hereunder if you had continued to live, all such amounts unless otherwise provided herein shall be paid in accordance with the terms of this Agreement to such person or persons so appointed in writing by you, or otherwise to your legal representatives or estate.

18.3 Implementation: Amgen and you both agree that, without the receipt of further consideration, they will sign and deliver any documents and do anything else that is necessary in the future to make the provisions of this Agreement effective.

19. ENTIRE AGREEMENT

The Proprietary Agreement, your stock option agreements, this Agreement, and Appendices A through H to this Agreement constitute the entire agreement, arrangement and understanding between you and Amgen; they may not be modified or canceled in any manner except by a writing signed by both you and Amgen. This Agreement supersedes any prior or contemporaneous agreement, arrangement or understanding on this subject matter. By executing this Agreement as provided below, you expressly acknowledge the termination of any such prior agreement, arrangement or understanding. Also, by executing this Agreement, you affirm that no one has made any written or verbal statement that contradicts the provisions of this Agreement.

Sincerely yours,

/s/ Roger M. Perlmutter
Roger M. Perlmutter

Executive Vice President Research and Development
Amgen Inc.

Acknowledged and Agreed:

/s/ George Morstyn Dated: 7/19/01
Dr. George Morstyn

APPENDIX A

RESIGNATION

The undersigned hereby resigns his position as Senior Vice President, Development and Chief Medical Officer of Amgen Inc., effective _____

Date: _____

/s/ George Morstyn

George Morstyn

APPENDIX B

TO: AMGEN-REGENERON PARTNERS (the "Partnership")

AND TO: The Joint Management Committee of the Partnership

RESIGNATION

The undersigned hereby resigns as an Amgen member of the Joint Management Committee effective _____.

Date:

/s/ George Morstyn

George Morstyn

APPENDIX C

TO: AMGEN AUSTRALIA PTY LIMITED (the "Company")

AND TO: The Directors and Shareholders of the Company

RESIGNATION

The undersigned hereby resigns as Secretary of the Company effective _____

Date: _____

/s/ George Morstyn

George Morstyn

APPENDIX D

TO: AMGEN CANADA INC. (the "Company")

AND TO: The Directors and Shareholders of the Company

RESIGNATION

The undersigned hereby resigns as Senior Vice President, Development and Chief Medical Officer of the Company effective _____.

Date:

/s/ George Morstyn

George Morstyn

APPENDIX E

_____, 200_

To the Directors of
Amgen Limited (the "Company")
Carmelite
50 Victoria Embankment
Blackfriars
London EC4Y ODX

Dear Sirs:

I hereby resign as a director of the Company to be effective as of _____, 200_ and confirm that I have no claims against the Company whatsoever.

EXECUTED as a deed)
by GEORGE MORSTYN)
in the presence of:)

/s/ George Morstyn

George Morstyn

Signature of Witness:

/s/ Shae Williams

Name: Shae Williams

Address: One Amgen Center Drive
Thousand Oaks, CA 91320

Occupation: Administrative Coordinator V

APPENDIX F

TO: KIRIN-AMGEN, INC. (the "Company")

AND TO: The Directors and Shareholders of the Company

RESIGNATION

The undersigned hereby resigns as an Amgen Director of the Company effective _____.

Date:

/s/ George Morstyn

George Morstyn

APPENDIX G

GENERAL RELEASE

By signing below, Amgen Inc. ("Amgen" or the "Company") and you, George Morstyn, agree to all of the terms and conditions set forth in this General Release, which resolves all issues between you and the Company including, but not limited to, those related to your employment with the Company, and the termination thereof.

1. COMPLETE RELEASE

1.1 Release: In exchange for consideration provided to you and the Company under the Agreement, the receipt of which and adequacy thereof you and the Company hereby acknowledge, you irrevocably and unconditionally release all the claims described in Subparagraph 1.2 of this General Release that you may have against the following persons or entities (the "Amgen Releasees"): Amgen, all related or affiliated companies and all of Amgen's or such related or affiliated companies' predecessors, successors, and assigns; and, with respect to each such entity, all of its past and present employees, officers, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries and insurers of such programs) and any other persons acting by, through, under or in concert with any of the persons or entities listed in this Subparagraph and each of them; and the Company irrevocably and unconditionally releases all the claims described in Subparagraph 1.2 of this General Release that the Company may have against the following persons or entities (the "Mortsyn Releasees") you, your employees, agents, attorneys, representatives, successors, and assigns, past and present and each of them.

1.2 Claims Released: Except as provided in Subparagraph 1.4 of this General Release, the claims released include all claims, promises, debts, causes of action or similar rights of any type or nature you have or had against the Amgen Releasees and/or the Company has or had against the Morstyn Releasees, including but not limited to those which in any way relate to: (a) your employment with Amgen, the change in your employment status or the termination of your employment as of the Termination Date, such as claims for compensation, bonuses, commissions, lost wages or unused accrued vacation, or sick pay; (b) the design or administration of any employee benefit program or your entitlement to benefits under any such program; (c) any rights you may have to severance or similar benefits under any program, policy or procedure of Amgen; (d) any rights you may have to the continued receipt of health or life insurance-type benefits, except for any rights you may have to continue benefits pursuant to COBRA at your own expense; (e) any claims to attorneys fees or

other indemnities; and (f) any other claims or demands you or the Company may have on any basis. The claims released, for example, may have arisen under any of the following statutes or common law doctrines:

1.2.1 Anti-Discrimination Statutes, such as Title VII of the Civil Rights Act of 1964, (S)1981 of the Civil Rights Act of 1866 and Executive Order 11246, which prohibit discrimination based on race, color, national origin, religion or sex; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Americans With Disabilities Act and (S)503 and (S)504 of the Rehabilitation Act of 1973, which prohibit discrimination against the disabled; the California Fair Employment and Housing Act, which prohibits discrimination in employment based on race, color, national origin, ancestry, physical or mental disability, medical condition, marital status, sexual orientation, sex or age.

1.2.2 Federal Employment Statutes, such as the WARN Act, which requires that advance notice be given of certain work force reductions; Employee Retirement Income Security Act of 1974, which, among other things, protects pension or health plan benefits; and the Fair Labor Standards Act of 1938, which regulates wage and hour matters.

1.2.3 Other Laws, such as any federal, state or local laws providing workers' compensation benefits; restricting an employer's right to terminate employees or otherwise regulating employment; or enforcing express or implied employment contracts or requiring an employer to deal with employees fairly or in good faith; California Labor Code(S)(S)200 et seq., relating to salary, commission, compensation, benefits and other matters; the California Workers' Compensation Act; the California Unemployment Insurance Code; any applicable California Industrial Welfare Commission Order; and any other federal, state or local laws, whether based on statute, regulation or common law, providing recourse for alleged wrongful discharge, physical or personal injury, emotional distress, fraud, negligent misrepresentation, libel, slander, defamation and similar or related claims.

1.2.4 Age Discrimination In Employment Act

1.2.4.1 You also acknowledge and agree that by signing the Agreement and this General Release, in addition to the any matters discussed above, you are waiving and releasing and all claims, charges, or rights you may have under the Age Discrimination In Employment Act of 1967, as amended ("ADEA"), that this waiver and release is knowing and voluntary, and that the consideration given for this waiver and release is in addition to anything of value to which you were already entitled as an employee of Amgen. You further acknowledge that you have been advised that: (a) you should consult with an attorney (at

your own expense) prior to executing the Agreement, and this General Release (you understand that whether you consult an attorney or not is your decision); (b) you have at least twenty-one (21) days in which to consider the Agreement and this General Release (although you may choose to execute the Agreement and this General Release earlier); (c) the Agreement and this General Release does not waive or release any rights or claims you may have under the ADEA which may arise after you execute the Agreement and this General Release; (d) you have seven (7) days following execution of the Agreement and this General Release to revoke your consent to the Agreement and this General Release (to be effective, any revocation must be actually received in writing by me by 5:30 p.m. on the seventh day); and (e) the Agreement and this General Release shall not be effective until the seven (7) day revocation period has expired.

In the event that you exercise this right to revoke this General Release, you and Amgen agree that the Agreement (including without limitation the Resignation Letters attached to the Agreement as Appendices A-F) will be simultaneously revoked.

1.2.4.2 You acknowledge and agree that you were first given a copy of the Agreement and this General Release on January 16, 2001 that you have been given the opportunity to consult with whomever you wish regarding the Agreement and this General Release and that you have entered into the Agreement and this General Release voluntarily and with full knowledge of their final and binding effect.

1.3 Release Extends to Both Known and Unknown Claims: This General Release covers both claims that you and/or Amgen know about and those you and/or Amgen do not know about. You understand the significance of this release of unknown claims and this waiver of statutory protection against a release of unknown claims by you. You expressly waive all rights afforded by any statute which limits the effect of a release with respect to unknown claims. You and Amgen expressly waive the protection of (S) 1542 of the Civil Code of the State of California, which states as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

1.4 Claims Not Released: This General Release does not release your right or the Company's right to enforce the Agreement, nor does it release your rights under Labor Code (S) 2802 or the Company's rights under the Amgen Inc. Proprietary Information and Inventions Agreement executed by you on or about July 1, 1991 (the "Proprietary Agreement").

1.5 Ownership of Claims: You represent that you have not assigned or transferred, or purported to assign or transfer, all or any part of any claim released by the Agreement and this General Release.

2. YOUR PROMISES In addition to the release of claims provided for in Paragraph 1 of this General Release, you also agree to the following:

2.1 Employee's Representations:

2.1.1 You represent and warrant that you are changing the scope of your responsibilities voluntarily and that your age has not been a factor in any employment decision involving you.

2.1.2 You represent and warrant that you have not been the victim of age or other discrimination or wrongful treatment in connection with your employment with Amgen.

2.1.3 You represent and warrant that you have not breached any portion of the Proprietary Agreement.

2.1.4 You represent and warrant that you have not suffered any job-related injury to which you might be entitled to compensation or relief, such as an injury for which you might receive a workers' compensation award now or in the future.

2.1.5 You represent and warrant that you are not aware of any facts that would (a) establish, (b) tend to establish, or (c) in any way support an allegation of, a violation by the Company of the federal False Claims Act (or any similar state or federal qui tam statute).

2.2 No Future Employment: You understand that, as provided in Paragraph 7 of the Agreement, your employment with Amgen and all related or affiliated companies will terminate forever on the Termination Date and you promise never to seek employment with Amgen or its related or affiliated companies in the future. If your employment is not terminated by Amgen for a Stated Reason, Amgen shall treat this termination as a resignation on its records. You acknowledge and agree that the Agreement, together with this General Release, contemplates your termination from Amgen on the Termination Date, and that the release in Paragraph 1 of this General Release shall cover your entire employment with Amgen and the termination of that employment.

2.3 You are Not to Harm Amgen: You agree not to criticize, denigrate or otherwise disparage Amgen, any other Releasee, or any of Amgen's products, processes, experiments, policies, practices, standards of business conduct, or areas or techniques of research; provided, however, that nothing in this General Release shall prohibit you from complying with any lawful subpoena or court order.

2.4 No Pursuit of Released Claims: You promise never to file or prosecute a lawsuit or other complaint or charge asserting any claims that are released by the Agreement. You represent that you have not filed or caused to be filed any lawsuit, complaint or charge with respect to any claim the Agreement and this General Release.

2.5 Agreement to be Kept Confidential: You agree not to disclose the terms, amount or existence of the Agreement and this General Release to anyone other than (i) Your Supervisor; (ii) members of your immediate family; or (iii) your professional representatives and, even as to such persons in groups (ii) and (iii), only if they are informed of and agree to honor this confidentiality requirement. Such persons' violation of this confidentiality requirement shall be treated as a violation of the Agreement and this General Release by you. This Subparagraph shall not prohibit disclosure of the terms, amount or existence of the Agreement and this General Release to the extent (i) such information has been made public by Amgen in a proxy statement or other corporate disclosure; (ii) legally necessary to enforce the Agreement and this General Release or (iii) to the extent otherwise legally required. Since the damages Amgen would suffer if this Subparagraph were violated would be difficult to calculate, you promise to pay Amgen $7,500 for each violation and, in addition, Amgen shall be entitled to the relief described in Paragraph 3.

3. CONSEQUENCES OF YOUR VIOLATION OF YOUR PROMISES

3.1 General Consequences: If you break any of the promises made in the Agreement or this General Release, for example, by filing or prosecuting a lawsuit based on claims that you have released, or if any representation made by you in this General Release was false when made, or if you have, as of the Effective Date, breached any portion of the Proprietary Agreement, or if you, at any time after the Effective Date, breach any portion of the Proprietary Agreement that contains obligations which survive the termination of your employment with the Company, you (a) shall forfeit all right to future benefits under the Agreement; (b) must repay all benefits previously received, other than the monthly compensation paid to you under Paragraph 2.1 of the Agreement, upon Amgen's demand; and (c) must pay reasonable attorneys' fees and all other costs incurred as a result of your breach or false representation, such as the cost of defending any suit brought with respect to a released claim by you or other owner of a released claim.

In addition, in order to ensure that you have complied fully with your obligations under Paragraph 2.1.5 of this General Release, you hereby covenant and agree that to the full extent permitted by law, you hereby waive and release any and all rights or claims you may have to any proceeds or awards that you may be entitled to under any qui tam
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proceeding brought against Amgen. You further agree that you shall deliver any such money, proceeds, or awards to the U.S. government.

3.2 Injunctive Relief: You further agree that Amgen would be irreparably
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harmed by any actual or threatened violation of Paragraph 2.5 that involves disclosure of the existence, terms or amount of the Agreement and this General Release, and/or the use or disclosure of information that is prohibited by the Proprietary Agreement (which contains obligations that survive the termination of your employment with Amgen), and that Amgen shall be entitled to an injunction prohibiting you from committing any such violation.

3.3 Challenges to Validity: Should you attempt to challenge the formation
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or enforceability of the Agreement, this General Release, and/or the Proprietary Agreement, you shall initially tender, by certified check delivered to Amgen, all amounts received pursuant to the Agreement, other than the monthly compensation paid to you under Paragraph 2.1 of the Agreement, plus interest at the legal rate and invite Amgen to cancel the Agreement. In the event Amgen accepts this offer, the Agreement shall be canceled. In the event Amgen does not accept this offer, Amgen shall so notify you and the amount tendered by you shall be placed in an interest-bearing account pending a determination of the enforceability of the Agreement, this General Release, and/or the Proprietary Agreement. If the Agreement, General Release and/or Proprietary Agreement is determined to be enforceable, the amount in the account shall be repaid to you; if the Agreement, General Release and/or Proprietary Agreement is determined not to be enforceable, the amount in the account shall be retained by Amgen or its designee.

4. VOLUNTARILY ENTERING AGREEMENT

You acknowledge that you (a) have had a sufficient period to consider and review the Agreement and this General Release before signing them; (b) have carefully read the Agreement and this General Release; and (c) fully understand the Agreement and this General Release and are entering into them voluntarily.

5. SEVERABILITY

The provisions of the Agreement and this General Release are severable. If any one or more of the provisions contained therein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable in any respect and for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be affected or impaired in any way, it being intended that all of the parties'

rights and privileges arising hereunder shall be enforceable to the fullest extent permitted by law.

6. NON-ADMISSION OF LIABILITY

Amgen has entered into the Agreement and this General Release with you to effect a mutually acceptable resolution of each claim that is released in Paragraph 1. Amgen does not believe or admit that it or any other Releasee has done anything wrong. You agree that neither the Agreement nor this General Release is admissible in any court or other forum for any purpose other than the enforcement of their terms.

7. ENCOURAGEMENT TO CONSULT WITH ATTORNEY

You acknowledge that Amgen strongly encouraged you to discuss the Agreement and this General Release with an attorney (at your own expense, except as provided in Paragraph 5 of the Agreement) before signing the Agreement and this General Release and that, to the extent you deemed it appropriate, you did so.

PLEASE READ THIS GENERAL RELEASE CAREFULLY. IT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Executed at Thousand Oaks, California this 19 day of July, 2001.

/s/ George Morstyn
George Morstyn

Executed at Thousand Oaks, California this 19th day of July, 2001.

/s/ Roger M. Perlmutter
Amgen Inc.
By: Roger M. Perlmutter
Executive Vice President Research and Development

APPENDIX H

Bionomics Limited (based in Adelaide, Australia)
CSL Limited (based in Melbourne, Australia)
The Scientific Advisory Board of Baxter International Inc.
(based in Deerfield, Illinois)

Exhibit 10.57

PROMISSORY NOTE

$500,000.00

1. Promise to Pay.

For value received, I, Brian M. McNamee ("Staff Member"), a married man, and I, Gillian D. McNamee, wife of Staff Member, promise to pay to the order of Amgen Inc., a Delaware corporation ("Payee"), at its office at One Amgen Center Drive, Thousand Oaks, CA 91320-1789, the sum of Five Hundred Thousand Dollars and No Cents ($500,000.00) (the "Principal"), payable in full on the earlier of five (5) years from date of execution of this Note or thirty (30) days from the date on which Staff Member ceases to be an employee of Payee, whichever first occurs, together with interest on the Principal from the date of this Note until such date as the Note is paid in full. Interest on this Note shall be computed as set forth below. The interest rate for the period from the date of this Note through December 31, 2001 (the "initial rate") is 5.00% per annum on the unpaid Principal. After December 31, 2001 the interest rate on this Note shall change as set forth below.

2. Adjustable Interest Rate.

The interest rate shall be adjusted annually on January 1 of each year (the "Change Date") so as to equal the average interest rate designated as the "Introduction Rates" on adjustable rate loans as publicly offered by the banks and savings and loans in California as published by the Los Angeles Times in its Sunday edition. The rate shall be set using the rates published in the Los Angeles Times on the Sunday immediately preceding the Change Date. In the event that the "Introduction Rates" list is not published in the Los Angeles Times for any reason, then, in such event, the Payee shall establish the interest rate based on a survey by it of the introductory interest rates on adjustable loans offered by no fewer than five banking institutions located in Southern California that the Payee, in its sole discretion, deems representative of banking institutions in the Ventura and Los Angeles County areas. Payee shall give Staff Member notice if the interest rate shall be determined using this alternative method. Notwithstanding the foregoing, the interest rate shall never be increased or decreased on any single Change Date by more than one percentage point from the interest rate for the preceding 12 months. At no time during the term of this Note shall the annual interest rate exceed 8.00% per annum.

Payee shall deliver or mail to Staff Member a notice of any changes in the adjustable interest rate on this Note and the amount of the Staff Member's semi-monthly payroll deductions before the effective date of any change. The notice shall include information required by law to be given to Staff Member and also the title and telephone number of a person who shall answer any questions Staff Member may have regarding the notice.

3. Salary Deduction.

The interest on this Note shall be payable by semi-monthly deductions from Staff Member's salary. The amount of such deductions shall initially be One Thousand Forty-One Dollars and Sixty-Seven Cents ($1,041.67) per installment; provided, however, that the manner of payment of this Note shall not be limited to deductions from Staff Member's salary. The amount of such deductions shall be adjusted annually concurrently with any adjustment in the interest rate on this Note to ensure that interest to be incurred during the ensuing calendar year shall be paid in twenty-four (24) equal payments. The first such

installment shall be on 06/15/01; the second installment shall be on 06/30/01; and each successive installment shall be on the fifteenth and last days of each successive month until the Principal is repaid. Payee shall give Staff Member at least seven (7) days advance notice of any adjustment in the amount of said payroll deductions. Staff Member acknowledges and agrees that by executing this Note, Staff Member agrees to the payroll deductions described in this Note.

4. Option to Convert.

At the end of the term of this Note, Staff Member shall have the option to seek to convert this loan to a loan amortized over an additional five-year period by executing a new Promissory Note at terms to be mutually agreed upon by Staff Member and Payee. In the event that Staff Member and Payee are unable to reach agreement on such terms, this Note shall become immediately due and payable.

5. Prepayment.

Staff Member may prepay without penalty this Note in whole or in part at any time. Any and all payments or prepayments under this Note may be made by Staff Member to Payee at the following address (or such other address as it designates in writing to Staff Member):

AMGEN INC.
One Amgen Center Drive
Thousand Oaks, California 91320-1789

Attention: Accounting Manager

6. Attorneys' Fees.

Staff Member agrees to pay all costs and expenses, including, without limitation, collection agency fees and expenses, reasonable attorneys' fees, costs of suit and costs of appeal, which Payee may incur in the exercise, preservation or enforcement of its right, powers and remedies hereunder, or under any documents or instruments securing this Note, or under law.

7. Modification of Terms.

Payee may, with or without notice to Staff Member, cause additional parties to be added to this Note, or release any party to this Note, or revise, extend, or renew the Note, or extend the time for making any installment provided for by this Note, or accept any installment in advance, all without affecting the liability of Staff Member. Staff Member may not assign or transfer in any manner whatsoever this Note or any of Staff Member's obligations under this Note.

8. Security Interest.

The purpose of this loan is to purchase a personal residence. Staff Member shall secure this loan by executing and causing to be filed, immediately upon close of escrow, a trust deed on this residence, commonly known as 5921 Careybrook Drive, Agoura Hills, CA 91301 whose property description is as follows: Lot 79, of Tract No. 33411, in the City of

Agoura Hills, County of Los Angeles, State of California, as per map recorded in Book 1022 Page(s) 7 - 15 inclusive of Maps, in the office of the County Recorder of said County.

9. Acceleration.

A) In the event Staff Member fails to pay when due any sums under this Note, then:

(1) the entire unpaid balance of this Note shall, at the option of the Payee hereof, immediately become due and payable in full and unpaid Principal thereafter shall bear interest at the lesser of the maximum rate permitted by law or at the rate of 8.00% per annum; and

(2) Staff Member authorizes Payee to deduct any sums due to Payee under this Note from any monies, including any wages due, otherwise owing to Staff Member.

B) If Staff Member sells the residence which is purchased with the funds herein provided, this Note shall immediately become due and payable upon the sale of such residence.

10. Waiver of Rights by Staff Member.

Staff Member waives (1) presentment, demand, protest, notice of dishonor and/or protest and notice of non-payment; (2) the right, if any, to the benefit of, or to direct the application of, any security hypothecated to Payee until all indebtedness of Staff Member to Payee, however arising, has been paid; and (3) the right to require the Payee to proceed against any party to this Note, or to pursue any other remedy in Payee's power. Payee may proceed against Staff Member directly and independently of any other party to this Note, and the cessation of the liability of any other party for any reason other than full payment, or any revision, renewal, extension, forbearance, change of rate of interest, or acceptance, release or substitution of security, or any impairment or suspension of Payee's remedies or rights against any other party, shall not in any way affect the liability of Staff Member.

11. Obligations of Persons Under this Note.

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety, or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. Payee may enforce its rights under this Note against each person individually or against all of the signatories to this Note. This means that any one of the signatories to this Note may be required to pay all of the amounts owed under this Note.

12. Governing Law.

This Note and the obligations under this Note of Staff Member or any other signatory to this Note shall be governed by and interpreted and determined in accordance with the laws of the State of California as applied to contracts between California residents entered into and to be performed entirely within said State.

IN WITNESS WHEREOF, the undersigned has/have executed and delivered this Note as of the 30th day of May, 2001.

/s/ Brian M. McNamee

Brian M. McNamee

/s/ Gillian D. McNamee

Gillian D. McNamee

Exhibit 10.58

RESTRICTED STOCK PURCHASE AGREEMENT

RICHARD NANULA, Amgen Inc. Grantee:

On this 16th day of May, 2001, Amgen Inc., a Delaware corporation (the "Company"), pursuant to its Amended and Restated 1991 Equity Incentive Plan (the "Plan") has granted to you, the grantee named above, a right to purchase Eighty Five Thousand (85,000) shares (the "Shares") of the $.0001 par value common stock of the Company ("Common Stock") pursuant to the terms of this Restricted Stock Purchase Agreement (this "Agreement") and the Plan. Capitalized terms not defined herein shall have the meanings assigned to such terms in the Plan.

I. Purchase Price. Subject to the terms and conditions of this Agreement, the Shares may be purchased from the Company at a purchase price per share of $.0001 for a total purchase price of $8.50 (the "Total Purchase Price"). The Total Purchase Price shall be paid in cash at the time of purchase.

II. Repurchase Option.

(1) Subject to Section III(4), upon termination of your employment for any reason, other than death and permanent and total disability (with such permanent and total disability being certified by the Social Security Administration prior to such termination), the Company shall have the right and option to purchase from you or any holder of the Shares as permitted under Section III(5) (a "Holder") any or all of the Shares at the per Share purchase price paid by you for such Shares (the "Repurchase Option").

(2) The Company may exercise the Repurchase Option by delivering personally or by registered mail, to you or a Holder within ninety (90) days of the date of termination of your employment, a notice in writing indicating the Company's intention to exercise the Repurchase Option and setting forth a date for closing not later than thirty (30) days from the mailing of such notice. The closing shall take place at the Company's office. At the closing, the Secretary of the Company or other escrow agent as provided in Section VI shall deliver the stock certificate or certificates evidencing the Shares to the Company, and the Company shall deliver the purchase price therefor to you or a Holder.

(3) At its option, the Company may elect to make payment for the Shares to a bank selected by the Company. The Company shall avail itself of this option by a notice in writing to you or a Holder stating the name and address of the bank, date of closing, and waiving the closing at the Company's office.

(4) If the Company does not elect to exercise the Repurchase Option conferred above by giving the requisite notice to you or a Holder within ninety (90) days following the date of termination of your employment, the Repurchase Option shall terminate, and any restrictions on Shares remaining as of the date of the termination of your employment shall lapse immediately.

(5) One hundred percent (100%) of the Shares shall initially be subject to the Repurchase Option. The Shares shall be released from the Repurchase Option in accordance with the schedule set forth in Section III(1).

III. Lapse of Repurchase Option.

(1) Subject to Sections III (2), (3) and (4), the Repurchase Option shall lapse in accordance with the following schedule with respect to the Shares which have not previously been forfeited by you, provided you are actively employed by the Company on the respective dates:

Date	Number of Shares to Which Repurchase Option Shall Lapse
May 16, 2004	20,000
May 16, 2005	20,000
May 16, 2006	45,000

(2) Upon termination of your employment due to your permanent and total disability (with such permanent and total disability being certified by the Social Security Administration prior to such termination) or your death, then the Repurchase Option shall lapse immediately with respect to all the Shares awarded under this Agreement. For purposes of this Agreement, "termination of your employment" shall mean the last date you are either an employee of the Company or an Affiliate or engaged as a consultant or director to the Company or an Affiliate.

(3) In addition, the lapsing of the Repurchase Option pursuant to Section III(1) may be suspended during a leave of absence as provided from time to time according to Company policies and practices.

(4) Upon termination of your employment by Amgen without Cause, the Repurchase Option shall automatically lapse with respect to a pro rata portion of each tranche of restricted stock for which the Repurchase Option was otherwise scheduled to lapse as set forth in Section III(1), multiplied by the ratio of (x) the sum of the number of full months of your active employment with the Company and (y) the number of months otherwise required for lapsing of the Repurchase Option with respect to such tranche, as follows:

Number of Shares		Ratio
20,000	x	Z/36
20,000	x	Z/48
45,000	x	Z/60

where Z= the sum of the number of full months of your active employment with the Company.

Solely for the purpose of this Agreement, "Cause" means (i) your conviction of a felony, (ii) the engaging by you in conduct that constitutes willful gross neglect

or willful gross misconduct in carrying out your duties to the Company, resulting, in either case, in material economic harm to the Company, unless you believed in good faith that such conduct was in, or not contrary to, the best interests of the Company, (iii) your material breach of any of the terms of this letter agreement or the Proprietary Information and Inventions Agreement or (iv) your failure to follow any lawful directive of the Company's Chief Executive Officer with respect to your employment. For purposes hereof, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith.

Notwithstanding anything to the contrary contained herein, the Committee may, as it deems appropriate, in its sole discretion, accelerate the date on which the Repurchase Option shall lapse with respect to any of the Shares which have not been previously forfeited by you.

(5) Your Shares are not assignable or transferable, except by will or the laws of descent and distribution. Notwithstanding the foregoing, all or a portion of the Shares subject to the Repurchase Option may be transferred to an Alternate Payee (as defined in the Plan) if required by the terms of a QDRO (as defined in the Plan), as further described in the Plan; provided, that such Alternate Payee is subject to the same terms and conditions as set forth in this Agreement

IV. Legends. Certificates representing the Shares issued pursuant to this Agreement shall, until all restrictions lapse or shall have been removed and new certificates are issued pursuant to Section V, bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS AND REPURCHASE RIGHTS AND MAY BE SUBJECT TO FORFEITURE UNDER THE TERMS OF THAT CERTAIN RESTRICTED STOCK PURCHASE AGREEMENT BY AND BETWEEN AMGEN INC. (THE "COMPANY") AND THE REGISTERED OWNER OF SUCH SHARES, AND SUCH SHARES MAY NOT BE, DIRECTLY OR INDIRECTLY, OFFERED, TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES, EXCEPT PURSUANT TO THE PROVISIONS OF SUCH AGREEMENT."

V. Issuance of Certificates; Tax Withholding.

(1) Subject to subsection (2) below, upon the lapse of the Repurchase Option with respect to any of the Shares as provided in Section III, the Company shall cause new certificates to be issued with respect to such Shares and delivered to you or a Holder, free from the legend provided for in Section IV and of the Repurchase Option. Such Shares shall cease to be subject to the terms and conditions of this Agreement.

(2) Notwithstanding subsection (1), no such new certificate shall be delivered to you or a Holder unless and until you or a Holder shall have paid to the Company, in cash or by check, the full amount of all federal and state withholding or other employment taxes applicable to your taxable income resulting from the grant of the Shares or the lapse or removal of the restrictions in a form approved by the Committee.

VI. Escrow. The Secretary of the Company or such other escrow holder as the Committee may appoint shall retain physical custody of the certificates representing the Shares until all of the restrictions lapse or shall have been removed, including, without limitation, the Repurchase Option.

VII. No Contract for Employment. This Agreement is not an employment or service contract and nothing in this Agreement shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ or service of the Company, or of the Company to continue your employment or service with the Company.

VIII. Notices. Any notices provided for in this Agreement or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at such address as is currently maintained in the Company's records or at such other address as you hereafter designate by written notice to the Company.

IX. Plan. This Agreement is subject to all the provisions of the Plan and its provisions are hereby made a part of this Agreement, including without limitation the provisions of paragraph 7 of the Plan relating to purchases of restricted stock, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of this Agreement and those of the Plan, the provisions of the Plan shall control.

Very truly yours,
AMGEN INC.

By /s/ Steven M. Odre
_____
Duly authorized on behalf of the Board of Directors

Agreed and Accepted
as of the date first written above

/s/ Richard Nanula
_____
Richard Nanula

Exhibit 10.59

RESTRICTED STOCK PURCHASE AGREEMENT

ROGER M. PERLMUTTER, Amgen Inc. Grantee:

On this 8th day of January, 2001, Amgen Inc., a Delaware corporation (the "Company"), pursuant to its Amended and Restated 1991 Equity Incentive Plan (the "Plan") has granted to you, the grantee named above, a right to purchase One Hundred Eleven Thousand Five Hundred (111,500) shares (the "Shares") of the $.0001 par value common stock of the Company ("Common Stock") pursuant to the terms of this Restricted Stock Purchase Agreement (this "Agreement") and the Plan. Capitalized terms not defined herein shall have the meanings assigned to such terms in the Plan.

I. Purchase Price. Subject to the terms and conditions of this Agreement, the Shares may be purchased from the Company at a purchase price per share of $.0001 for a total purchase price of $11.15 (the "Total Purchase Price"). The Total Purchase Price shall be paid in cash at the time of purchase.

II. Repurchase Option.

(1) Upon termination of your employment for any reason, other than death and permanent and total disability (with such permanent and total disability being certified by the Social Security Administration prior to such termination), the Company shall have the right and option to purchase from you or any holder of the Shares as permitted under Section III(5) (a "Holder") any or all of the Shares at the per Share purchase price paid by you for such Shares (the "Repurchase Option").

(2) The Company may exercise the Repurchase Option by delivering personally or by registered mail, to you or a Holder within ninety (90) days of the date of termination of your employment, a notice in writing indicating the Company's intention to exercise the Repurchase Option and setting forth a date for closing not later than thirty (30) days from the mailing of such notice. The closing shall take place at the Company's office. At the closing, the Secretary of the Company or other escrow agent as provided in Section VI shall deliver the stock certificate or certificates evidencing the Shares to the Company, and the Company shall deliver the purchase price therefor.

(3) At its option, the Company may elect to make payment for the Shares to a bank selected by the Company. The Company shall avail itself of this option by a notice in writing to you or a Holder stating the name and address of the bank, date of closing, and waiving the closing at the Company's office.

(4) If the Company does not elect to exercise the Repurchase Option conferred above by giving the requisite notice to you or a Holder within ninety (90) days

following the date of termination of your employment, the Repurchase Option shall terminate, and any restrictions on Shares remaining as of the date of the termination of your employment shall lapse immediately.

(5) One hundred percent (100%) of the Shares shall initially be subject to the Repurchase Option. The Shares shall be released from the Repurchase Option in accordance with the schedule set forth in Section III(1).

III. Lapse of Repurchase Option.

(1) Subject to Sections III (2), (3) and (4), the Repurchase Option shall lapse in accordance with the following schedule with respect to the Shares which have not previously been forfeited by you, provided you are actively employed by the Company on the respective dates:

Date	Number of Shares to Which Repurchase Option Shall Lapse
April 1, 2002	40,000
April 1, 2003	23,750
April 1, 2004	23,750
April 1, 2005	24,000

(2) Upon termination of your employment due to your permanent and total disability (with such permanent and total disability being certified by the Social Security Administration prior to such termination) or your death, then the Repurchase Option shall lapse immediately with respect to all the Shares awarded under this Agreement. For purposes of this Agreement, "termination of your employment" shall mean the last date you are either an employee of the Company or an Affiliate or engaged as a consultant or director to the Company or an Affiliate.

(3) In addition, the lapsing of the Repurchase Option pursuant to Section III(1) may be suspended during a leave of absence as provided from time to time according to Company policies and practices.

(4) Notwithstanding anything to the contrary contained herein, the Committee may, as it deems appropriate, in its sole discretion, accelerate the date on which the Repurchase Option shall lapse with respect to any of the Shares which have not been previously forfeited by you.

(5) Your Shares are not assignable or transferable, except by will or the laws of descent and distribution. Notwithstanding the foregoing, all or a portion of the Shares subject to the Repurchase Option may be transferred to an Alternate Payee (as defined in the Plan) if required by the terms of a QDRO (as defined in the Plan), as further described in the Plan; provided, that such Alternate Payee is subject to the same terms and conditions as set forth in this Agreement

IV. Legends. Certificates representing the Shares issued pursuant to this Agreement shall, until all restrictions lapse or shall have been removed and new certificates are issued pursuant to Section V, bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS AND REPURCHASE RIGHTS AND MAY BE SUBJECT TO FORFEITURE UNDER THE TERMS OF THAT CERTAIN RESTRICTED STOCK PURCHASE AGREEMENT BY AND BETWEEN AMGEN INC. (THE "COMPANY") AND THE REGISTERED OWNER OF SUCH SHARES, AND SUCH SHARES MAY NOT BE, DIRECTLY OR INDIRECTLY, OFFERED, TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES, EXCEPT PURSUANT TO THE PROVISIONS OF SUCH AGREEMENT."

V. Issuance of Certificates; Tax Withholding.

(1) Subject to subsection (2) below, upon the lapse of the Repurchase Option with respect to any of the Shares as provided in Section III, the Company shall cause new certificates to be issued with respect to such Shares and delivered to you or a Holder, free from the legend provided for in Section IV and of the Repurchase Option. Such Shares shall cease to be subject to the terms and conditions of this Agreement.

(2) Notwithstanding subsection (1), no such new certificate shall be delivered to you or a Holder unless and until you or a Holder shall have paid to the Company, in cash or by check, the full amount of all federal and state withholding or other employment taxes applicable to your taxable income resulting from the grant of the Shares or the lapse or removal of the restrictions in a form approved by the Committee.

VI. Escrow. The Secretary of the Company or such other escrow holder as the Committee may appoint shall retain physical custody of the certificates representing the Shares until all of the restrictions lapse or shall have been removed; provided, however, that in no event shall you retain physical custody of any certificates representing Shares issued to you which are subject to the Repurchase Option.

VII. No Contract for Employment. This Agreement is not an employment or service contract and nothing in this Agreement shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ or service of the Company, or of the Company to continue your employment or service with the Company.

VIII. Notices. Any notices provided for in this Agreement or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at such address as is currently maintained in the Company's records or at such other address as you hereafter designate by written notice to the Company.

IX. Plan. This Agreement is subject to all the provisions of the Plan and its provisions are hereby made a part of this Agreement, including without limitation the provisions of paragraph 7 of the Plan relating to purchases of restricted stock, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of this Agreement and those of the Plan, the provisions of the Plan shall control.

Very truly yours,
AMGEN INC.

By /s/ Steven M. Odre

Duly authorized on behalf of the
Board of Directors

Agreed and Accepted
as of the date first written above

/s/ Roger M. Perlmutter

Roger M. Perlmutter

FACTORS THAT MAY AFFECT AMGEN

Amgen operates in a rapidly changing environment that involves a number of risks, some of which are beyond our control. The following discussion highlights some of these risks.

Our product development efforts may not result in commercial products.

We intend to continue an aggressive product development program. Successful product development in the biotechnology industry is highly uncertain, and very few research and development projects produce a commercial product. Product candidates that appear promising in the early phases of development, such as in early human clinical trials, may fail to reach the market for a number of reasons, such as:

- the product candidate did not demonstrate acceptable clinical trial results even though it demonstrated positive preclinical trial results
- the product candidate was not effective in treating a specified condition or illness
- the product candidate had harmful side effects on humans
- the necessary regulatory bodies such as the U.S. Food and Drug Administration, did not approve our product candidate for an intended use
- the product candidate was not economical for us to manufacture and commercialize
- other companies or people have or may have proprietary rights to our product candidate, such as patent rights, and will not let us sell it on reasonable terms, or at all
- the product candidate is not cost effective in light of existing therapeutics

Several of our product candidates have failed at various stages in the product development process, including Brain Derived Neurotrophic Factor (BDNF), Megakaryocyte Growth and Development Factor (MGDF) and Glial Cell-line Derived Neurotrophic Factor (GDNF). For example, in 1997, we announced the failure of BDNF for the treatment of amyotrophic lateral sclerosis, or Lou Gehrig's Disease, because the product candidate, when administered by injection, did not produce acceptable clinical results for a specific use after a phase 3 trial, even though BDNF had progressed successfully through preclinical and earlier clinical trials. In addition, in 1998, we discontinued development of MGDF, a novel platelet growth factor, at the phase 3 trial stage after several people in platelet donation trials developed low platelet counts and neutralizing antibodies. In 1999 we discontinued development of GDNF after a phase 1/2 trial of GDNF in Parkinson's disease failed to demonstrate a statistically significant benefit. Of course, there may be other factors that prevent us from marketing a product. We cannot guarantee we will be able to produce commercially successful products. Further, clinical trial results are frequently susceptible to varying interpretations by scientists, medical personnel, regulatory personnel, statisticians and others which may delay, limit or prevent further clinical development or regulatory approvals of a product candidate. Also, the length of time that it takes for us to complete clinical trials and obtain regulatory approval for product marketing has in the past varied by product and by the intended use of a product. We expect that this will likely be the case with future product candidates and we cannot predict the

length of time to complete necessary clinical trials and obtain regulatory approval. See "- Our current products and products in development cannot be sold if we do not obtain and maintain regulatory approval."

Our current products and products in development cannot be sold if we do not obtain and maintain regulatory approval.

We conduct research, preclinical testing and clinical trials and we manufacture our product candidates. We also manufacture, price, sell, distribute and market our products for their approved indications. These activities are subject to extensive regulation by numerous state and federal governmental authorities in the U.S., such as the FDA and the Health Care Financing Administration, as well as by foreign countries, including the European Union. Currently, we are required in the U.S. and in foreign countries to obtain approval from those countries' regulatory authorities before we can market and sell our products in those countries. In our experience, obtaining regulatory approval is costly and takes many years, and after it is obtained, it remains costly to maintain. The FDA and other U.S. and foreign regulatory agencies have substantial discretion to terminate clinical trials, require additional testing, delay or withhold registration and marketing approval and mandate product withdrawals. EPOGEN(R) is currently approved in the U.S. and NEUPOGEN(R) is currently approved in the U.S., the EU and in some other foreign countries for specific uses. We currently manufacture and market EPOGEN(R) and NEUPOGEN(R) and we plan to manufacture and market many of our potential products. Even though we have obtained regulatory approval for EPOGEN(R) and NEUPOGEN(R), these products and our manufacturing processes are subject to continued review by the FDA and other regulatory authorities. In addition, later discovery of unknown problems with our products or manufacturing processes could result in restrictions on such products or manufacturing processes, including potential withdrawal of the products from the market. If regulatory authorities determine that we have violated regulations or if they restrict, suspend or revoke our prior approvals, they could prohibit us from manufacturing or selling EPOGEN(R) or NEUPOGEN(R) until we comply or indefinitely. In addition, if regulatory authorities determine that we have not complied with regulations in the research and development of a product candidate, then they may not approve the product candidate and we will not be able to market and sell it. If we are unable to market and sell our products or product candidates, our business would be adversely affected.

Guidelines and recommendations published by various organizations can reduce the use of our products.

Government agencies promulgate regulations and guidelines directly applicable to us and to our products. However, professional societies, practice management groups, private health/science foundations and organizations involved in various diseases from time to time may also publish guidelines or recommendations to the health care and patient communities. Recommendations of government agencies or these other groups/organizations may relate to such matters as usage, dosage, route of administration and use of concomitant therapies. Organizations like these have in the past made recommendations about our products. Recommendations or guidelines that are followed by patients and health care providers could result in decreased use of our products. In addition, the perception by the investment community or stockholders that recommendations or guidelines will result in decreased use of our products could adversely affect prevailing market prices for our common stock.

Our sales depend on payment and reimbursement from third party payors, and a reduction in the payment rate or reimbursement could result in decreased use or sales of our products.

In both domestic and foreign markets, sales of our products are dependent, in part, on the availability of reimbursement from third party payors such as state and federal governments, under programs such as Medicare and Medicaid in the U.S., and private insurance plans. In certain foreign markets, the pricing and profitability of our products generally are subject to government controls. In the U.S., there have been, and we expect there will continue to be, a number of state and federal proposals that could limit the amount that state or federal governments will pay to reimburse the cost of drugs. In addition, we believe the increasing emphasis on managed care in the U.S. has and will continue to put pressure on the price and usage of our products, which may adversely impact product sales. Further, when a new therapeutic product is approved, the availability of governmental and/or private reimbursement for that product is uncertain, as is the amount for which that product will be reimbursed. We cannot predict the availability or amount of reimbursement for our product candidates, including those at a late stage of development, and current reimbursement policies for existing products may change at any time. For example, we believe that sales of ARANESP(TM) will be affected by government and private payor reimbursement policies.

If reimbursement for EPOGEN(R) and NEUPOGEN(R) changes adversely or if we fail to obtain adequate reimbursement for our future products, health care providers may limit how much or under what circumstances they will administer them, which could reduce the use of our products or cause us to reduce the price of our products. This could result in lower product sales or revenues which could have a material adverse effect on us and our results of operations. For example, in the U.S. the use of EPOGEN(R) in connection with treatment for end stage renal disease is funded primarily by the U.S. federal government. In early 1997, HCFA instituted a reimbursement change for EPOGEN(R) which adversely affected Amgen's EPOGEN(R) sales, until the policies were revised. Therefore, as in the past, EPOGEN(R) sales could be adversely affected by future changes in reimbursement rates or the basis for reimbursement by the federal government for the end stage renal disease program.

If our intellectual property positions are challenged, invalidated or circumvented, or if we fail to prevail in present and future intellectual property litigation, our business could be adversely affected.

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and often involve complex legal, scientific and factual questions. To date, there has emerged no consistent policy regarding breadth of claims allowed in such companies' patents. Third parties may challenge, invalidate or circumvent our patents and patent applications relating to our products, product candidates and technologies. In addition, our patent positions might not protect us against competitors with similar products or technologies because competing products or technologies may not infringe our patents. For certain of our product candidates, there are third parties who have patents or pending patents that they may claim prevent us from commercializing these product candidates in certain territories. Patent disputes are frequent, costly and can preclude commercialization of products. We are currently, and in the future may be, involved in patent litigation. For example, we are involved in ongoing patent infringement lawsuits against Transkaryotic Therapies, Inc. and Aventis S.A. with respect to our erythropoietin patents. The trial court decided in our favor on January 19, 2001, however, Transkaryotic Therapies, Inc. and Aventis S.A. have appealed the decision. If we ultimately lose

these or other litigations we could be subject to competition and/or significant liabilities, we could be required to enter into third party licenses for the infringed product or technology, or we could be required to cease using the technology or product in dispute. In addition, we cannot guarantee that such licenses will be available on terms acceptable to us.

Our success depends in part on our ability to obtain and defend patent rights and other intellectual property rights that are important to the commercialization of our products and product candidates. We have filed applications for a number of patents and have been granted patents relating to erythropoietin, recombinant G-CSF and our other products and potential products. We market our erythropoietin and G-CSF products as EPOGEN(R) and NEUPOGEN(R), respectively. In the United States, we have been issued several patents relating to erythropoietin that generally cover DNA and host cells, processes for making erythropoietin, various product claims to erythropoietin, cells that make levels of erythropoietin and pharmaceutical compositions of erythropoietin. We have also been issued U.S. patents relating to G-CSF that cover aspects of DNAs, vectors, cells, processes, polypeptides, methods of treatment using G-CSF polypeptides, methods of enhancing bone marrow transplantation and treating burn wounds, methods for recombinant production of G-CSF and analogs of G-CSF. We also have a patent in the EU relating to erythropoietin and a patent in the EU relating to G-CSF, and two patents in the EU relating to darbepoetin alfa and hyperglycosylated erythropoietic proteins.

We face substantial competition, and others may discover, develop, acquire or commercialize products before or more successfully than we do.

We operate in a highly competitive environment. Our products compete with other products or treatments for diseases for which our products may be indicated. For example, although we maintain a substantial share of the chemotherapy induced neutropenia market, NEUPOGEN(R) competes against a product marketed by Immunex Corporation. EPOGEN(R) faces competition from other treatments for anemia in end stage renal disease patients in the U.S. Further, we believe that some of our late stage product candidates may face competition when they are approved and marketed. For example, ARANESP(TM) will compete with an epoetin alfa product marketed by Johnson & Johnson in certain anemia markets and anakinra could compete with rheumatoid arthritis products marketed by Immunex, Centocor Inc./Johnson & Johnson and others. Additionally, some of our competitors, including biotechnology and pharmaceutical companies, market products or are actively engaged in research and development in areas where we are developing product candidates. Large pharmaceutical corporations may have greater clinical, research, regulatory and marketing resources than we do. In addition, some of our competitors may have technical or competitive advantages over us for the development of technologies and processes. These resources may make it difficult for us to compete with them to successfully discover, develop and market new products.

Our operating results may fluctuate, and this fluctuation could cause financial results to be below expectations.

Our operating results may fluctuate from period to period for a number of reasons. In budgeting our operating expenses, we assume that revenues will continue to grow; however, some of our operating expenses are fixed in the short term. Because of this, even a relatively small revenue shortfall may cause a period's results to be below our expectations or projections. A revenue shortfall could arise from any number of factors, some of which we cannot control. For example, we may face:

- lower than expected demand for our products
- changes in the government's or private payors' reimbursement policies for our products
- changes in wholesaler buying patterns
- increased competition from new or existing products
- fluctuations in foreign currency exchange rates
- changes in our product pricing strategies

Of these, we would only have control over changes in our product pricing strategies and, of course, there may be other factors that affect our revenues in any given period.

We plan to grow rapidly, and if we fail to adequately manage that growth our business could be adversely impacted.

We have an aggressive growth plan that includes substantial and increasing investments in research and development, sales and marketing and facilities. Our plan has a number of risks, some of which we cannot control. For example:

- we may need to generate higher revenues to cover a higher level of operating expenses, and our ability to do so may depend on factors that we do not control
- we may need to attract and assimilate a large number of new employees
- we may need to manage complexities associated with a larger and faster growing organization
- we will need to accurately anticipate demand for the products we manufacture and maintain adequate manufacturing capacity, and our ability to do so may depend on factors that we do not control

Of course, there may be other risks and we cannot guarantee that we will be able to successfully manage these or other risks.

Our stock price is volatile, which could adversely affect your investment.

Our stock price, like that of other biotechnology companies, is highly volatile. For example, in the fifty-two weeks prior to May 2, 2001, the trading price of our common stock has ranged from a high of $80.4375 per share to a low of $45.4375 per share. Our stock price may be affected by such factors as:

- clinical trial results
- product development announcements by us or our competitors
- regulatory matters
- announcements in the scientific and research community
- intellectual property and legal matters

. changes in reimbursement policies or medical practices

. broader industry and market trends unrelated to our performance

In addition, if our revenues or earnings in any period fail to meet the investment community's expectations, there could be an immediate adverse impact on our stock price.