

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

In re Bristol-Myers Squibb
Securities Litigation

Master File No. 02-cv-2251 (LAP)

This Matter Pertains to All Cases

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

If you bought common stock of Bristol-Myers Squibb Company between October 19, 1999 and March 10, 2003, inclusive, you could get a payment from the Class Action Settlement described below.

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

This Notice explains important rights you may have, including your possible receipt of cash from the Settlement discussed below. Your legal rights are affected whether you do or do not act. Also enclosed is a Proof of Claim form that you must complete and submit by January 31, 2005 to participate in the Settlement. Please read this Notice carefully!

1. **Statement of Plaintiff Recovery:** This Notice relates to a proposed settlement (the "Settlement") of a class action lawsuit filed by the plaintiffs, the Teachers' Retirement System of Louisiana; the General Retirement System of the City of Detroit; the Louisiana State Employees' Retirement System; and the Fresno County Employees' Retirement Association (collectively the "Lead Plaintiffs"), on behalf of themselves and as representatives of the Class (as hereinafter defined) against the defendants, Bristol-Myers Squibb Company ("BMS", "Bristol-Myers Squibb" or the "Company"); and Peter R. Dolan; Harrison M. Bains, Jr.; Peter Ringrose; Charles A. Heimbold; Frederick S. Schiff; Michael F. Mee; Richard J. Lane and Curtis L. Tomlin (collectively, without BMS, the "Individual Defendants," and together with BMS, the "Defendants") (the "Action"). The Lead Plaintiffs and Defendants are referred to herein as the "Parties." The total value of the Settlement with the Defendants is \$300 million (three hundred million dollars) in cash plus interest. In particular, the Settlement will create a Settlement Fund to pay claims of investors who purchased BMS common stock between October 19, 1999 and March 10, 2003, inclusive (the "Class Period"). The Net Settlement Fund (the Settlement Fund less notice and administration costs, attorneys' fees and litigation expenses awarded to Plaintiffs' counsel and certain Tax and Tax Expenses) will be distributed in accordance with a plan of allocation (the "Plan of Allocation"). Lead Plaintiffs' damages expert estimates that approximately 1,470,310,854 shares may have been damaged during the Class Period as a result of Defendants' allegedly wrongful conduct. Assuming that the owners of all affected shares elect to participate, the average per share recovery from the Settlement Fund would be approximately \$0.20 per damaged share. However, the amount each Class Member who submits a valid Proof of Claim will actually receive depends on, among other things (i) the number of claims submitted; (ii) when the Class Member purchased his, her or its shares; (iii) whether those shares were held until the end of the Class Period or sold during the Class Period, and, if sold, when and for how much, as discussed more fully below.

2. **Reasons for the Settlement:** The Settlement resolves claims against the Defendants for allegedly violating the federal securities laws by making false and misleading public statements. However, the Settlement is not and should not be construed as an admission of any fault, liability or wrongdoing whatsoever by any of the Defendants. In light of the fact that all claims against the Defendants were dismissed with prejudice (see (i), below), the amount of the Settlement and the immediacy of recovery to the Class, Lead Plaintiffs believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class. Lead Plaintiffs believe that the Settlement provides a substantial benefit in the form of \$300 million in cash (less the various deductions described in this Notice), as compared to the risks and delays of proceeding with the Action. These risks include the fact that (i) the presiding judge, the Honorable Loretta A. Preska of the United States District Court for the Southern District of New York, dismissed all the claims against the Defendants with prejudice and, while Lead Plaintiffs have filed a timely appeal of this decision with the United States Court of Appeals for the Second Circuit (the "Court of Appeals"), there is no assurance that the Court of Appeals would overturn this decision; and (ii) even if the Court of Appeals were to overturn the District Court's dismissal of the claims and this case were to proceed against the Defendants, there is no assurance that Lead Plaintiffs would recover significantly more than the recovery achieved in this Settlement. Moreover, even if the case were to proceed and a later recovery obtained, it could take years of discovery, trial and further appeals to obtain such a recovery, during which time the Defendants would have the opportunity to assert substantial defenses to the claims asserted against them.

3. **Statement of Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiffs were to prevail first on appeal and then on the underlying claims asserted against the Defendants. The Defendants deny all liability. In addition, the Parties disagree on, among other things: (i) whether the alleged misrepresentations and omissions were material to investors; (ii) the amount of inflation, if any, caused by the alleged misrepresentations and omissions; and (iii) the percent of responsibility, if any, of each of the Defendants and other third parties for the alleged misrepresentations and omissions.

4. **Statement of Attorneys' Fees and Expenses Sought:** Lead Counsel (as defined in paragraph 21) intends to apply for an award of attorneys' fees on behalf of all Plaintiffs' counsel not to exceed 7.5% of the Settlement Fund. In addition, Lead Counsel intends to apply for reimbursement of litigation expenses paid and incurred in connection with the prosecution and resolution of the

claims against the Defendants (the "Litigation Expenses"), in an amount not to exceed \$650,000. If the Court approves Lead Counsel's fee and expense application, the average cost per share will be approximately \$0.015, and \$0.00044, respectively.

5. **Identification of Attorneys' Representatives:** Any questions regarding the Settlement should be directed to Lead Counsel: Daniel L. Berger, Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, New York 10019, (800) 380-8496, www.blbgllaw.com, or Jeffrey C. Block, Berman DeValerio Pease Tabacco Burt & Pucillo, One Liberty Square, Boston, Massachusetts 02109, (800) 516-9926, www.bermanesq.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A PROOF OF CLAIM FORM NO LATER THAN JANUARY 31, 2005	The only way to get a payment.
EXCLUDE YOURSELF FROM THE CLASS NO LATER THAN OCTOBER 26, 2004	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Defendants with respect to the claims in this case.
OBJECT NO LATER THAN OCTOBER 26, 2004	Write to the Court and explain why you do not like the Settlement.
GO TO THE HEARING ON NOVEMBER 9, 2004 AND FILE A NOTICE OF INTENTION TO APPEAR NO LATER THAN OCTOBER 26, 2004	Ask to speak in Court about the fairness of the Settlement.
DO NOTHING	Get no payment. Give up your rights.

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WHY DID I GET THIS NOTICE?

6. You or someone in your family may have purchased common stock of BMS between October 19, 1999 and March 10, 2003, inclusive. The Court sent you this Notice because, as a potential Class Member, you have a right to know about the proposed Settlement of the claims asserted in this Class Action and your options before the Court determines whether to approve the Settlement. If the Court approves the Settlement, after objections and appeals are resolved, a claims administrator selected by Lead Counsel (the "Claims Administrator") will make payments pursuant to the Settlement.

7. The Court in charge of this case is the United States District Court for the Southern District of New York and the case is known as In re Bristol-Myers Squibb Securities Litigation, Master File No. 02-CV-2251 (LAP). The entities that filed this lawsuit are the Teachers' Retirement System of Louisiana; the General Retirement System of the City of Detroit; the Louisiana State Employees' Retirement System; and the Fresno County Employees' Retirement Association and the entities and people who have been sued are Bristol-Myers Squibb; Peter R. Dolan; Harrison M. Bains, Jr.; Peter Ringrose; Charles A. Heimbold; Frederick S. Schiff; Michael F. Mee; Richard J. Lane; and Curtis L. Tomlin.

8. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for such benefits and how you may receive your portion of the benefits. The purpose of this Notice is to inform you of the terms of the proposed Settlement and to inform you of a hearing to be held by the Court to consider the fairness, reasonableness and adequacy of the proposed Settlement and to consider the application for attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Fairness Hearing").

9. **The Settlement Fairness Hearing:** The Settlement Fairness Hearing will be held at 9:00 a.m. on November 9, 2004, before the Honorable Loretta A. Preska in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 12A, New York, New York, 10007-1312, to determine:

- (i) Whether the proposed Settlement is fair, reasonable and adequate and should be approved by the Court;
- (ii) Whether the claims against the Defendants should be dismissed with prejudice as set forth in the Stipulation and Agreement of Settlement;
- (iii) Whether the proposed Plan of Allocation is fair and reasonable and should be approved; and
- (iv) Whether the application by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses incurred should be approved.

10. The issuance of this Notice is not an expression of the Court's opinion on the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, payments will be made after all appeals, if any, are resolved and after the completion of all claims processing. Please be patient.

HOW DO I KNOW IF I AM PART OF THIS SETTLEMENT?

11. The Class covered by this Settlement consists of all persons and entities that purchased common stock of BMS between October 19, 1999 and March 10, 2003, inclusive, and who were damaged thereby. Excluded from the Class are: (i) the Defendants; (ii) members of the immediate family of each of the Individual Defendants; (iii) any entity in which any Individual Defendant has a controlling interest; (iv) any parent or subsidiary of BMS; (v) any person who was an officer or director of BMS or any of its subsidiaries during the Class Period; and (vi) the legal representatives, heirs, predecessors, successors or assigns of any of the persons or entities specified in this paragraph. Also excluded from the Class are any putative Class Members who exclude themselves by filing a request for exclusion in accordance with the requirements set forth herein (see "What if I Do Not Want to Participate in the Settlement? How Do I Exclude Myself?" below).

RECEIPT OF THIS NOTICE DOES NOT NECESSARILY MEAN THAT YOU ARE A CLASS MEMBER OR ARE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT.

IF YOU WISH TO PARTICIPATE IN THE PROCEEDS FROM THE SETTLEMENT, YOU MUST SUBMIT A PROOF OF CLAIM FORM BY JANUARY 31, 2005.

WHAT RECOVERY DOES THE SETTLEMENT PROVIDE?

12. BMS has agreed to pay three hundred million dollars (\$300,000,000) in cash. Attorneys' fees, Litigation Expenses, notification costs, administration costs and certain Taxes and Tax Expenses will be deducted from these settlement proceeds and the balance will be distributed to the Class.

13. Lead Plaintiffs' damages expert estimates that approximately 1,470,310,854 shares of the Company's common stock traded during the Class Period may have been damaged as a result of the allegedly wrongful conduct. Thus, assuming that the owners of all affected shares elect to participate, the average per-share recovery from the Settlement Fund would be approximately \$0.20.

14. However, the amount of recovery by any particular Class Member depends on a number of factors including (i) when and for what price said Class Member purchased and/or sold his, her or its shares of the Company's common stock; and (ii) the total number of shares for which timely and valid Proof of Claim forms are submitted by Class Members ("Authorized Claimants"). See "How Much Will My Payment Be?" below.

QUESTIONS? VISIT WWW.GARDENCITYGROUP.COM

15. **Timing of Payment:** BMS, on behalf of itself and all defendants, has paid, in settlement of the Settled Claims of Lead Plaintiffs and all the other members of the Class, three hundred million dollars (\$300,000,000) in cash, deposited in the Escrow Account for the benefit of the class.

WHY IS THERE A SETTLEMENT?

16. Under the proposed Settlement, the Court will not decide in favor of either the Lead Plaintiffs or the Defendants. By agreeing to a Settlement, both the Plaintiffs and the Defendants avoid the costs and risks of an appeal of the order dismissing the claims against the Defendants with prejudice and protracted litigation and a trial in the Action. Rather, by accepting this Settlement, Class Members will be compensated immediately.

17. In light of the amount of the Settlement, the immediacy of recovery to the Class and the fact that the claims against the Defendants were dismissed with prejudice, Lead Plaintiffs believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of Class Members. Lead Plaintiffs believe that the Settlement provides a substantial benefit; namely three hundred million dollars (\$300,000,000) in cash, less the various deductions described in this Notice, as compared to the risk that (i) the Court of Appeals may not overturn the District Court's dismissal of the claims against the Defendants; and (ii) even if the District Court's dismissal is overturned, the Class might obtain a similar or a smaller recovery, or even no recovery at all, after potentially years of protracted litigation.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

18. If there were no settlement and Lead Plaintiffs (i) failed to prevail on appeal before the Court of Appeals; or (ii) even if they prevailed on appeal, but failed to establish any essential legal or factual element of their claims, neither they nor the Class would recover anything from the Defendants. Also, if the Defendants were successful in proving any of their defenses, the Class likely would recover substantially less than the amount provided in the Settlement, if anything at all.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING?

19. Plaintiffs' counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Class, nor have they been reimbursed for their considerable out-of-pocket expenses. In this type of litigation, it is customary for counsel to be awarded a percentage of the Settlement Fund recovered, frequently one-third, as their attorneys' fees, and to receive reimbursement of the expenses advanced in the prosecution of the Action. Lead Counsel intend to apply to the Court for an award of attorneys' fees on behalf of all Plaintiffs' counsel not to exceed 7.5% of the Settlement Fund in connection with this Settlement. In addition, Lead Counsel intend to apply for reimbursement of Litigation Expenses in an amount not to exceed \$650,000. If the application for attorneys' fees and reimbursement of Litigation Expenses is approved by the Court, the average cost per share would be approximately \$0.0155. NEITHER THE COURT NOR THE DEFENDANTS HAVE EXPRESSED ANY OPINION ON THE APPLICATION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES. See "How Will the Lawyers Be Paid?" below.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?

20. BMS is a manufacturer and distributor of pharmaceutical prescription drugs, consumer medicines, nutritional products and beauty care products. Beginning on or about March 21, 2002, fourteen class actions alleging violations of federal securities laws on behalf of purchasers of the Company's common stock were asserted against the Defendants in the United States District Court for the Southern District of New York (the "District Court"). These actions were consolidated pursuant to an October 4, 2002 Order of the Court and are referred to in this Notice as the "Action."

21. The Court appointed the Teachers' Retirement System of Louisiana, the General Retirement System of the City of Detroit, the Louisiana State Employees' Retirement System and the Fresno County Employees' Retirement Association as Lead Plaintiffs in the Action, and approved their choice of Berman DeValerio Pease Tabacco Burt & Pucillo and Bernstein Litowitz Berger & Grossmann LLP as Co-Lead Counsel for the Class (collectively, "Lead Counsel") by Order dated October 10, 2002.

22. There is one controlling complaint in the Action; the Consolidated Class Action Complaint (the "Consolidated Complaint"), filed by Lead Plaintiffs on April 11, 2003, alleges violations of sections 10(b) and 20(a) of the Securities Exchange Act of

1934 and Rule 10b-5 promulgated thereunder. More specifically, the Consolidated Complaint alleges that, during the Class Period, the Defendants violated the federal securities laws by making a series of false and misleading statements regarding the Company's publicly reported financial results and the potential for the FDA's approval of the drug Erbitux. The Consolidated Complaint alleges that these statements were set forth in earnings releases, filings with the Securities and Exchange Commission (the "SEC") and other public statements. The Consolidated Complaint alleges that, as a result of the Defendants' dissemination of the allegedly false and misleading statements during the Class Period, the market price of the Company's common stock price was artificially inflated, thereby allegedly causing damages to Class Members.

23. On or about August 1, 2003, the Defendants each filed a motion to dismiss the Consolidated Complaint. Lead Plaintiffs filed oppositions to these motions to dismiss on September 12, 2003. Beginning on October 10, 2003, Defendants filed replies to the motions to dismiss. A hearing was held on March 29, 2004, and on April 2, 2004 the District Court entered a judgment, which granted Defendants' motions to dismiss and dismissed the Consolidated Complaint with prejudice (the "April 2, 2004 Judgment"). On April 28, 2004, Lead Plaintiffs timely filed a Notice of Appeal of the April 2, 2004 Judgment with the Court of Appeals.

24. Over the course of many months, Lead Counsel met with counsel for Defendants to discuss settlement. Ultimately, through several intense settlement negotiations, the Parties reached an agreement in principle for a Settlement. The Parties then filed a joint motion with the District Court requesting that the April 2, 2004 Judgment be vacated for settlement purposes and a joint motion with the Court of Appeals asking that the appeal be suspended and the Action remanded back to the District Court for the purposes of settlement. On July 26, 2004, the Court of Appeals suspended the appeal and remanded the Action back to the District Court for purposes of Settlement. On July 30, 2004, the District Court vacated the April 2, 2004 Judgment. Accordingly, the District Court has jurisdiction over this Settlement. Also on July 30, 2004, the District Court executed an order preliminarily approving the terms of this Settlement as set forth in the Stipulation and Agreement of Settlement executed by the parties on July 29, 2004. To the extent defined terms are not defined in this Notice, the use of the terms here is the same as defined in the Stipulation and Agreement of Settlement.

25. Before agreeing to the Settlement, Lead Counsel conducted an extensive investigation into the events and transactions underlying the claims alleged in the Consolidated Complaint. Lead Counsel analyzed potential claims, researched the applicable law with respect to the claims asserted and Defendants' potential defenses thereto and consulted with forensic accountants and economic damage experts. Lead Plaintiffs' investigation included, among other things, reviewing the Company's filings with the SEC, press releases and other publicly-disseminated statements, including records of Congressional investigations, and interviewing former Bristol-Myers Squibb employees who were familiar with the subject matter of the claims.

26. Defendants deny all wrongdoing as alleged by Plaintiffs, and the Settlement is not and may not be construed or deemed to be evidence of, or an admission or a concession, on the part of any of the Defendants of any fault or liability whatsoever on the part of any of them or of any infirmity in any defenses they have asserted or intended to assert. Defendants, while affirmatively denying wrongdoing, fault and liability, consider it desirable and in their best interest that this Action be dismissed under the terms of the proposed Settlement in order to avoid further expense, uncertainty and distraction, or protracted litigation.

WHAT LED UP TO THE SETTLEMENT?

27. The Settlement resulted from extensive arm's-length negotiations among counsel for Lead Plaintiffs and the Defendants. Several settlement discussions took place, which ultimately resulted in an agreement to settle the claims against the Defendants.

WHAT ARE THE LEAD PLAINTIFFS' REASONS FOR THE SETTLEMENT?

28. Lead Plaintiffs and Lead Counsel believe that the claims asserted against the Defendants have merit. However, they recognize the risks of, expense of and delay associated with the continued prosecution of this Action. Most notably, Lead Plaintiffs and Lead Counsel have considered the fact that the presiding Judge dismissed all claims against the Defendants on April 2, 2004 with prejudice. While Lead Plaintiffs timely filed a notice of appeal with the Court of Appeals on April 28, 2004, there exists a serious risk that the Court of Appeals may not overturn the District Court's ruling, in which case this Action would be terminated and the claims against the Defendants could no longer be prosecuted on a class-wide basis. Lead Plaintiffs and Lead Counsel have also taken into account the issues that would have to be decided by a jury including: (i) whether each of the alleged misrepresentations and omissions was material; (ii) whether the Defendants acted knowingly or recklessly in making the alleged misrepresentations and omissions; and (iii) the amount of any damages caused by the alleged misrepresentations and omissions. Lead Plaintiffs and Lead Counsel have also considered the uncertain outcome and trial risk in complex lawsuits like this one. Lead Plaintiffs believe that a recovery now will provide an immediate benefit to Class Members, which is superior to the risk of proceeding with this Action, particularly given that the Court of Appeals must overturn the District Court's dismissal of all claims against the Defendants in order for this Action to proceed. Considering these factors and balancing them against the certain and substantial benefits that the Class will receive as a result of the Settlement, Lead Plaintiffs and Lead Counsel determined that the Settlement described herein is fair, reasonable and adequate, and that it is in the best interests of the Class to settle the claims against the Defendants on the terms set forth in the Stipulation and Agreement of Settlement and this Notice.

HOW MUCH WILL MY PAYMENT BE?

THE PROPOSED PLAN OF ALLOCATION: GENERAL PROVISIONS

29. BMS has agreed to pay three hundred million dollars (\$300,000,000) in cash (the "Settlement Fund").

30. After approval of the Settlement by the Court and upon satisfaction of the other conditions to the Settlement, the Net Settlement Fund (less any taxes and administration costs) will be distributed to Authorized Claimants in accordance with the Plan of Allocation described below.

31. The Settlement Fund will be distributed as follows:

- (i) First, to pay all federal, state and local taxes on any income earned by the Settlement Fund and to pay the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants);
- (ii) To pay costs and expenses in connection with providing notice to Class Members and administering the Settlement on behalf of Class Members;
- (iii) To reimburse Lead Counsel for, and to pay, costs and expenses incurred by Lead Counsel in connection with commencing and prosecuting the Action, with interest thereon if and to the extent allowed by the Court;
- (iv) To pay Lead Counsel's attorneys' fees, to the extent allowed by the Court; and
- (v) Subject to the Order by the Court granting approval of the Settlement and the Plan of Allocation (or such other allocation plan as the Court may approve) becoming Final (meaning that the time for appeal or appellate review of the Judgment granting final approval has expired, or if the Judgment is appealed, that appeal is either decided without causing a material change in the Judgment or upheld on appeal and no longer subject to appellate review by further appeal or writ of certiorari) the balance of the Settlement Fund (the "Net Settlement Fund") shall be distributed in accordance with the Plan of Allocation to Authorized Claimants.

32. There will be no distribution of the Net Settlement Fund until a plan of allocation is finally approved and affirmed on appeal or certiorari and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

33. The Settling Defendants are not entitled to get back any of the settlement consideration once the Court's order approving the Settlement becomes Final. Moreover, the Settling Defendants have no liability, obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund.

34. Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement, if approved.

35. Each person wishing to participate in the distribution must timely submit a valid Proof of Claim form and all required documentation no later than January 31, 2005, to the address set forth in the Proof of Claim form that accompanies this Notice. The Proof of Claim form includes a general release of each of the Settling Defendants. Unless otherwise ordered by the Court, any Class Member who fails to submit a Proof of Claim form by January 31, 2005 shall be forever barred from receiving payments pursuant to the Settlement set forth in the Stipulation, but will in all other respects be subject to the provisions of the Stipulation, including the terms of any Judgment entered and releases given. This means that each Class Member releases the Settled Plaintiffs' Claims against the Released Defendant parties and is enjoined and prohibited from filing, prosecuting, or pursuing any of the Settled Plaintiffs' Claims against any of the Released Defendant parties regardless of whether or not such Class Member submits a Proof of Claim form.

36. The Court has reserved jurisdiction to allow, disallow or adjust on equitable grounds the Claim of any Class Member. The Court also reserves the right to modify the Plan of Allocation without further notice to Class Members. Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Counsel or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court.

THE PROPOSED PLAN OF ALLOCATION: CALCULATION OF RECOGNIZED CLAIM AMOUNT

37. A "Recognized Claim" will be calculated for each purchase or acquisition of BMS common stock that is listed in the Proof of Claim form, and for which adequate documentation is provided. The calculation of the Recognized Claim will depend upon several factors, including when the shares were purchased or acquired, and whether the shares were held until the conclusion of the Class Period or whether they were sold during the Class Period and, if so, when they were sold.

38. Each Authorized Claimant shall be allocated a pro rata share of the Net Settlement Fund based on his, her or its Recognized Claim compared to the total Recognized Claims of all Authorized Claimants. This is not a claims-made settlement. The Defendants shall not be entitled to get back any of the Settlement Amount once the Effective Date has occurred. The Defendants shall have no involvement in reviewing or challenging claims.

39. A payment to any Authorized Claimant of less than \$10 in total will not be included in the calculation and will NOT be distributed.

40. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Proof of Claim.

41. Persons or entities which exclude themselves from the Class will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Proof of Claim forms.

42. The "PSLRA average price" on the date of sale is computed by taking an average of the closing prices of BMS Common Stock beginning on March 11, 2003 through the date of sale.

CALCULATION OF RECOGNIZED CLAIM AMOUNT

43. **Plan of Allocation:**

(a) For shares purchased between October 19, 1999 and January 23, 2002 and:

- (i) held at the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase minus \$23.81 or \$4.00;
- (ii) sold between October 19, 1999 and the close of business on April 1, 2002, there is no Recognized Claim (shares are purchased and sold with the same or greater inflation);
- (iii) sold between April 2, 2002 and the close of business on April 24, 2002, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$2.07;
- (iv) sold between April 25, 2002 and the close of business on July 22, 2002, the Recognized Claim per share shall be the lesser of purchase price minus the sales price or \$3.34;
- (v) sold between July 23, 2002 and the close of business on March 10, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$4.00; or
- (vi) sold between March 11, 2003 and the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the PSLRA average price on the date of sale or \$4.00.

(b) For shares purchased between January 24, 2002 and April 1, 2002 and:

- (i) held at the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase minus \$23.81 or \$8.67;
- (ii) sold between January 24, 2002 and the close of business on April 1, 2002, there is no Recognized Claim (shares are purchased and sold with the same inflation);
- (iii) sold between April 2, 2002 and the close of business on April 24, 2002, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$6.75;
- (iv) sold between April 25, 2002 and the close of business on July 22, 2002, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$8.01;
- (v) sold between July 23, 2002 and the close of business on March 10, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$8.67; or
- (vi) sold between March 11, 2003 and the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the PSLRA average price on the date of sale or \$8.67.

(c) For shares purchased between April 2, 2002 and April 24, 2002 and:

- (i) held at the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase minus \$23.81 or \$1.93;
- (ii) sold between April 2, 2002 and the close of business on April 24, 2002, there is no Recognized Claim (shares are purchased and sold with the same inflation);

- (iii) sold between April 25, 2002 and the close of business on July 22, 2002, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$1.27;
 - (iv) sold between July 23, 2002 and the close of business on March 10, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$1.93; or
 - (v) sold between March 11, 2002 and the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the PSLRA average price on the date of sale or \$1.93.
- (d) For shares purchased between April 25, 2002 and July 22, 2002 and:
- (i) held at the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus \$23.81 or \$0.66;
 - (ii) sold between April 25, 2002 and the close of business on July 22, 2002, there is no Recognized Claim (shares are purchased and sold with the same inflation);
 - (iii) sold between July 23, 2002 and the close of business on March 10, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$0.66; or
 - (iv) sold between March 11, 2002 and the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the PSLRA average price on the date of sale or \$0.66.
- (e) For shares purchased between July 23, 2002 and December 11, 2002 and:
- (i) held at the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus \$23.81 or \$1.75;
 - (ii) sold between July 23, 2002 and the close of business on December 11, 2002, there is no Recognized Claim (shares are purchased and sold with the same inflation);
 - (iii) sold between December 12, 2002 and the close of business on March 10, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the sales price or \$1.00; or
 - (iv) sold between March 11, 2003 and the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the PSLRA average price on the date of sale or \$1.00.
- (f) For shares purchased between December 12, 2002 and March 10, 2003 and:
- (i) held at the close of business on June 6, 2003 the Recognized Claim per share shall be the lesser of the purchase price minus \$23.81 or \$0.75;
 - (ii) sold between December 12, 2002 and the close of business on March 10, 2003, there is no Recognized Claim (shares are purchased and sold with the same inflation); or
 - (iii) sold between March 11, 2003 and the close of business on June 6, 2003, the Recognized Claim per share shall be the lesser of the purchase price minus the PSLRA average price on the date of sale or \$0.75.

44. For Class Members who held shares at the beginning of the Class Period or made multiple purchases or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases and sales for purposes of calculating a claim. Under the FIFO method, sales of shares during the Class Period will be matched, in chronological order, first against shares held at the beginning of the Class Period. The remaining sales of shares during the Class Period will then be matched, in chronological order, against shares purchased during the Class Period.

WHAT RIGHTS AM I GIVING UP BY AGREEING TO THE SETTLEMENT?

45. If the Settlement is approved, the Court will enter a Final Judgment (the “Judgment”). The Judgment will (i) dismiss the claims against the Defendants with prejudice; and (ii) provide that Lead Plaintiffs and all other Class Members, except those who validly and timely request to be excluded from the Class, shall, upon the settlement Effective Date (as defined in the Stipulation and Agreement of Settlement), be deemed to have and by operation of the Judgment shall have, fully, finally and forever released, waived, discharged and dismissed any and all Settled Plaintiffs’ Claims (defined below) against any or all of the Released Defendant Parties as those persons are defined in the Stipulation and Agreement of Settlement and shall be permanently and finally barred and enjoined without the necessity of posting a bond from commencing or prosecuting any actions or other proceedings asserting any of the Settled Plaintiffs’ claims either directly, indirectly, representatively, derivatively or in any other capacity against any of the Released Defendants.

46. "Settled Plaintiffs' Claims" means any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law, or any other law, rule or regulation (whether foreign or domestic), including both known claims and unknown claims, accrued claims and not accrued claims, foreseen claims and unforeseen claims, matured claims and not matured claims, that have been or could have been asserted from the beginning of time to the end of time in any forum by the Class Members or any of them against any of the Released Defendant Parties which arise out of or relate in any way to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, referred to in this Action or that could have been asserted, relating to the purchase, transfer or acquisition of shares of the common stock of BMS during the Class Period, except claims relating to the enforcement of the Settlement of the Action and the "Specifically Excluded Claims" defined below. This release shall constitute an express waiver and relinquishment, to the fullest extent permitted by law of: (a) the provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides that: "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"; and (b) the provisions, rights and benefits of any similar statute or common law or any other jurisdiction that may be, or may be asserted to be, applicable.

47. "Specifically Excluded Claims" means any and all claims asserted on behalf of Class Members related to alleged false statements relating to Vanlev in the action entitled In re Bristol-Myers Squibb Securities Litigation, Civil Action No. 00-1990 (SRC), which is currently pending in the United States District Court for the District of New Jersey.

48. The Judgment will also provide that the Defendants on behalf of themselves and their respective heirs, executors, administrators, successors and assigns and all persons acting in concert with any such person shall each be deemed to have, and by operation of the Judgment shall have fully, finally and forever released, waived, and discharged Plaintiffs of any and all claims which the Defendants may have, or that could have been asserted by the Defendants against any of the Lead Plaintiffs, any of the named plaintiffs in any of the actions consolidated into the Action, or any of their attorneys, which arise out of or relate in any way to the institution, prosecution, to the date of Settlement of the action, or settlement of the action, except claims relating to the enforcement of the Settlement.

HOW WILL THE LAWYERS BE PAID?

49. At the Settlement Fairness Hearing, or at such other time as the Court may direct, Lead Counsel intend to apply for an award of attorneys' fees on behalf of all Plaintiffs' counsel not to exceed 7.5% of the Settlement Fund. In addition, Lead Counsel intends to apply for reimbursement of Litigation Expenses incurred in connection with the lawsuit in an amount not to exceed \$650,000.

50. To date, neither Lead Counsel nor any of Plaintiffs' counsel have received any payment for their services in prosecuting this Action on behalf of the Class, nor have counsel been reimbursed for their out-of-pocket expenses. The fee requested by Lead Counsel would compensate Plaintiffs' counsel for their efforts in achieving the Settlement for the benefit of the Class and for their risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded to plaintiffs' counsel under similar circumstances in litigation of this type. The Court will determine the actual amount of the award.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

51. The Court has preliminarily certified this Action as a class action for purposes of this Settlement only. If you purchased Bristol-Myers Squibb common stock between October 19, 1999 and March 10, 2003, inclusive, and were damaged thereby and you are not excluded by the definition of the Class and do not elect to exclude yourself, then you are a Class Member.

52. As a Class Member, you will be bound by the proposed Settlement provided for in the Stipulation and Agreement of Settlement, in the event it is approved by the Court, as well as by any judgment or determination of the Court affecting the Class. Unless otherwise provided by the Court, any Class Member who fails to submit a Proof of Claim form by January 31, 2005 shall be forever barred from receiving any payments pursuant to the Settlement set forth in the Stipulation and Agreement of Settlement but will, in all other respects, be subject to the provisions of the Stipulation and Agreement of Settlement including the terms of any judgments entered and the releases given.

53. If you wish to remain a Class Member, you may be eligible to share in the proceeds of the Settlement, provided that you submit an acceptable Proof of Claim form. Extra copies of the Proof of Claim form shall be available from the Claims Administrator at the address noted below or may be downloaded from the Claims Administrator's website at www.gardencitygroup.com. The Proof of Claim form must be supported by such documents as are specified in the Proof of Claim form.

54. The Court may disallow or adjust the claim of any Class Member. The Court also may modify the Plan of Allocation without further notice to the Class. Payments pursuant to the Plan of Allocation, as approved by the Court, will be conclusive against all Authorized Claimants. No person shall have any claim against any Plaintiffs' counsel or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and Agreement of Settlement, the Settlement, the Plan of Allocation, or further orders of the Court. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Proof of Claim form.

QUESTIONS? VISIT WWW.GARDENCITYGROUP.COM

55. As a Class Member you are represented by Lead Plaintiffs and Lead Counsel unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file an appearance on your behalf and must serve copies of such appearance on the attorneys listed in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?" below.

56. If you do not wish to remain a Class Member, you may exclude yourself from the Class by following the instructions in the section entitled, "What If I Do Not Want to Participate in the Settlement? How Do I Exclude Myself?" below.

57. If you object to the Settlement or any of its terms, the proposed Plan of Allocation, or Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?" below.

WHAT IF I DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT? HOW DO I EXCLUDE MYSELF?

58. Each Class Member will be bound by all determinations and judgments in this lawsuit concerning the Settlement, whether favorable or unfavorable, unless such person mails, by first class mail, a written request for exclusion from the Class, postmarked no later than October 26, 2004 [fourteen days prior to the Settlement Fairness Hearing], addressed to:

Bristol-Myers Squibb Securities Litigation
c/o The Garden City Group, Inc.
EXCLUSIONS
PO Box 9000 #6252
Merrick, NY 11566-9000

No person may exclude himself, herself or itself from the Class after that date. In order to be valid, each request for exclusion must set forth the name and address of the person or entity requesting exclusion, must state that such person or entity "requests exclusion from the Class in In re Bristol-Myers Squibb Securities Litigation, Case No. 02-CV-2251 (LAP)" and must be signed by such person or entity. The following information must also be provided: a daytime telephone number and the date(s), price(s), and number(s) of shares of all purchases and sales of BMS common stock during the Class Period. Requests for exclusion will not be accepted if the requests do not include the required information or if the requests are not made within the time stated above, unless the requests for exclusion are otherwise accepted by the Court.

59. If a Class Member requests to be excluded from the Class, that Class Member will not receive any benefit provided for in the Stipulation and Agreement of Settlement.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?
DO I HAVE TO COME TO THE HEARING?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

If you do not wish to object to the proposed Settlement, the application for attorneys' fees and reimbursement of Litigation Expenses, and/or the proposed Plan of Allocation, you need not attend the Settlement Fairness Hearing.

60. Any Class Member who does not request exclusion by October 26, 2004, may appear at the Settlement Fairness Hearing and be heard on any of the matters to be considered at the Settlement Fairness Hearing; provided, however, that no such person shall be heard unless his, her or its objection or opposition is made in writing and is filed, together with copies of all other papers and briefs to be submitted to the Court at the Settlement Fairness Hearing, by him, her or it (including proof of all purchases and sales of BMS common stock during the Class Period) with the Clerk's Office at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York 10007-1312, on or before October 26, 2004, and is served on the same day by hand or overnight delivery to each of the following:

Co-Lead Counsel for Plaintiffs:

BERMAN DEVALERIO PEASE
TABACCO BURT & PUCILLO
JEFFREY C. BLOCK
LESLIE R. STERN
JULIE A. RICHMOND
One Liberty Square
Boston, MA 02109

BERNSTEIN LITOWITZ
BERGER & GROSSMANN LLP
DANIEL L. BERGER
J. ERIK SANDSTEDT
JOSEPH A. FONTI
1285 Avenue of the Americas
38th Floor
New York, NY 10019

Counsel for the Defendants:

CRAVATH, SWAINE & MOORE LLP
EVAN R. CHESLER
ELIZABETH L. GRAYER
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New York, NY 10019

GOODWIN PROCTER LLP
RICHARD M. STRASSBERG
599 Lexington Avenue
Room 3053
New York, NY 10022

KRAMER, LEXIN NAFTALIS
& FRANKEL LLP
ALAN R. FRIEDMAN
919 Third Avenue
New York, NY 10022

MILLBANK, TWEED, HADLEY
& MCCLOY LLP
SCOTT A. EDELMAN
One Chase Manhattan Plaza
New York, NY 10005

JENKENS & GILCHRIST PARKER
CHAPIN LLP
ELLIOT COHEN
405 Lexington Avenue, 9th Floor
New York, NY 10174

HAFETZ & NECHELES
FREDERICK HAFETZ
500 Fifth Avenue, 29th Floor
New York, NY 10010

61. The filing must demonstrate your membership in the Class including the number of shares of BMS common stock purchased during the Class Period and price(s) paid. Only Class Members who have submitted their position in this manner will be entitled to be heard at the Settlement Fairness Hearing, unless the Court orders otherwise. You may file an objection without having to appear at the Settlement Fairness Hearing. Class Members who approve of the Settlement need not appear at the Settlement Fairness Hearing.

62. While attendance at the Settlement Fairness Hearing is not necessary, persons wishing to be heard orally in opposition to the approval of the Settlement, the proposed Plan of Allocation and/or the request for attorneys' fees and reimbursement of Litigation Expenses are required to indicate in their written objections their intention to appear at the Settlement Fairness Hearing. Persons who intend to object to the Settlement, the proposed Plan of Allocation and/or Lead Counsel's application for an award of attorneys' fees and reimbursement of Litigation Expenses, and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witnesses they may seek to call to testify and exhibits they may seek to introduce into evidence at the Settlement Fairness Hearing.

63. The Settlement Fairness Hearing may be delayed from time to time by the Court without further written notice to the Class. If you intend to attend the Settlement Fairness Hearing, you should confirm the date and time with Lead Counsel.

Unless otherwise ordered by the Court, any Class Member who does not object in the manner described herein will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the application for attorneys' fees and reimbursement of Litigation Expenses and/or the proposed Plan of Allocation. Class Members do not need to appear at the Settlement Fairness Hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

64. If you purchased BMS common stock during the Class Period for the beneficial interest of a person or organization other than yourself, you are directed (a) to provide the Claims Administrator with lists of the names and last known address of the beneficial owners for whom you have purchased Bristol-Myers Squibb Securities during the Class Period within seven (7) days of receipt of this Notice, or (b) to request additional copies of this Notice and Proof of Claim form within (7) days of receipt of this Notice. If you elect to send this Notice and Proof of Claim to beneficial owners, you are directed to mail this Notice and Proof of Claim within seven (7) days of receipt of the copies of this Notice from the Claims Administrator, and, upon such mailing, you shall send a statement to the Claims Administrator confirming that the mailing was made as directed. You shall be reimbursed from the settlement fund upon receipt by the Claims Administrator of proper documentation for the reasonable expenses of sending the Notices and Proofs of Claim to the beneficial owners. If you choose to follow the first alternative, you must retain the list of names and addresses so that it will be available for use in connection with future notice to the Class. Copies of this Notice may also be obtained from the Claims Administrator or may be downloaded from the Claims Administrator's website at www.gardencitygroup.com.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

65. This Notice contains only a summary of the terms of the proposed Settlement. For a more detailed statement of the matters involved in the Action, you are referred to the papers on file in the Action, including the Stipulation and Agreement of Settlement, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007-1312.

66. All inquiries concerning this Notice or the Proof of Claim form should be directed to:

Bristol-Myers Squibb Securities Litigation
c/o The Garden City Group, Inc.
Claims Administrator
PO Box 9000 #6252
Merrick, NY 11566-9000
Toll free: (800) 326-4150

OR

Daniel L. Berger, Esq.
J. Erik Sandstedt, Esq.
Joseph A. Fonti, Esq.
Bernstein Litowitz Berger & Grossmann LLP
1285 Avenue of the Americas
38th Floor
New York, NY 10019
Toll free: (800) 380-8496

Co-Lead Counsel

OR

Jeffrey C. Block, Esq.
Julie A. Richmond, Esq.
Leslie R. Stern, Esq.
Berman DeValerio Pease Tabacco Burt & Pucillo
One Liberty Square
Boston, MA 02109
Toll free: (800) 516-9926

Co-Lead Counsel

DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF THE COURT REGARDING THIS NOTICE.

Dated: September 3, 2004

By Order of the Court
United States District Court
Southern District of New York