



FREQUENTLY ASKED QUESTIONS

1. Why did Purdue file for bankruptcy?

- Bankruptcy is the only way to finalize a settlement that can deliver billions of dollars of value and critical help in combatting the opioid addiction crisis for the benefit of the American people. It will also resolve the litigation Purdue faces fully and efficiently and centralize resolution of all claims.
- Other companies facing mass tort liability have used bankruptcy effectively to achieve global resolution of the claims against them and preserve value that would be destroyed in uncoordinated litigation.
- Bankruptcy provides a collective process that ensures equal treatment of parties with substantially similar claims, as well as the finality that is essential to any comprehensive settlement.
- We intend to use the bankruptcy process to finalize a value-maximizing and equitable resolution, for the benefit of the American public.

2. How long does Purdue intend to be in bankruptcy?

- We intend to move through the bankruptcy process as quickly as possible. However, we cannot give any assurances as to how quickly we will be able to resolve the case.
- Finalizing the settlement, if approved, will take more than six months, at a minimum. Prior mass tort cases of this type have taken a year or longer in many instances.

3. Why is converting the Company to a trust or other entity for the benefit of the American people the best option to preserve value and help address the opioid addiction crisis?

- Under the new structure, Purdue would produce and distribute, at no or low cost, vital opioid overdose reversal medications and opioid use disorder treatment medications while continuing to serve those patients who rely on Purdue's FDA-approved medicines and other products.
- Purdue's restructuring as a public benefit entity will ensure that its FDA-approved medications and other products will continue to be available to patients who need them.
- In addition, Purdue would continue to develop and distribute opioid overdose reversal medications and opioid use disorder treatment medications, consumer health and wellness products, and important new therapies to treat select cancers, pain, ADHD and disorders of the central nervous system.
- When Purdue emerges from bankruptcy, only its ordinary course trade liabilities would attach to new company, which would own 100% of Purdue's business and assets, including the entire U.S. pharmaceutical business, and 100% of Purdue's intellectual property and other assets.
- All pending litigation and other pre-bankruptcy liabilities would be left behind.
- Ownership of Purdue and all of its subsidiaries would be transferred to a newly-created trust or other entity, for the benefit of claimants and the American public.

4. When will the transition to the new structure take place?

- This process will take time. Finalizing the settlement, if approved, will take more than six months, at a minimum. Prior mass tort cases of this type have taken a year or longer in many instances.

5. What will happen to Purdue's non-opioid businesses and to Purdue's wholly owned subsidiaries, including Imbrium Therapeutics, Adlon Therapeutics, Greenfield BioVentures, Rhodes Technologies, Rhodes Pharmaceuticals and Avrio Health, under this proposal?

- Purdue Pharma L.P. and all of its subsidiaries including Imbrium Therapeutics L.P., Adlon Therapeutics L.P., Greenfield BioVentures L.P., Avrio Health L.P., Rhodes Technologies and Rhodes Pharmaceuticals L.P. are included in the chapter 11 case.



- TXP and One Stamford Realty, along with the other independently associated companies, are *not* included in the filing.
 - Regardless of filing status, all companies will operate “business as usual” going forward.
- 6. Does Purdue expect access issues for patients at any point under this agreed go-forward plan?**
- We do not anticipate any supply or shortage problems or other issues that would hamper patient or provider access to our medicines.
 - Through customary First Day Motions, the Bankruptcy Court approved our request to continue ordinary business operations, including serving patients and providers by producing and distributing Purdue’s FDA-approved medications and other products.
- 7. Does this resolve all outstanding litigation against Purdue?**
- If ultimately approved, the settlement will resolve all outstanding civil claims against Purdue, including claims of states and municipalities.
 - Currently, the attorneys general of 24 states and the analogous officials of 5 U.S. territories, along with the Plaintiffs’ Executive Committee and Co-Lead Counsel in the federal multidistrict litigation pending in Ohio, support implementation of the proposed framework.
 - If we are able to achieve approval and implementation of the preliminary agreement, Purdue will receive a full and permanent discharge of all claims and will be able to enter its next chapter as a public benefit entity unencumbered by litigation.
- 8. How is this announcement different than what was reported in the media recently? I thought you had reached a settlement?**
- The proposal to convert Purdue into a trust or other entity operated for the benefit of claimants and the American public, and the contemplated contributions of vital opioid overdose reversal medications and opioid use disorder treatment medications at no or low cost, are unprecedented in scope and nature. But they can be consummated only in connection with a comprehensive resolution of the litigation.
 - Bankruptcy is the only way to finalize a settlement that can deliver billions of dollars of value and critical help in combating the opioid crisis for the benefit of the American people. It will also resolve the litigation Purdue faces fully and efficiently and centralize all claims.
- 9. Is Purdue out of money? Is this decision the result of poor financial performance at Purdue?**
- No. We have ample liquidity to support ongoing business needs and operations. At the time of our bankruptcy filing on September 15, 2019, Purdue had well over \$1 billion in cash on hand.
 - Bankruptcy is the only way to finalize a settlement that can deliver billions of dollars of value and critical help in combatting the opioid crisis for the benefit of the American people. It will also resolve the litigation Purdue faces fully and efficiently, and centralize resolution of all claims.
 - Other companies facing mass tort liability have used the bankruptcy system to efficiently and fairly resolve these liabilities and preserve value for their stakeholders, which is what Purdue intends to do.
- 10. Is this decision the result of the litigation Purdue is facing?**
- Yes. Bankruptcy is the only way to finalize a settlement that can deliver billions of dollars of value and critical help in combatting the opioid crisis for the benefit of the American people. In addition, it will resolve the litigation Purdue faces fully and efficiently and centralize resolution of all claims.



- Bankruptcy provides a collective process that ensures equal treatment of parties with substantially similar claims, as well as the finality that is essential to any comprehensive settlement. This will help to reach an equitable, value-maximizing resolution.
- The potential to stay the uncontrolled litigation is the singular feature of bankruptcy that makes it an effective tool for the successful resolution of mass tort matters. Certain litigation was stayed automatically upon Purdue's bankruptcy filing.
- Purdue has also filed a motion for a preliminary injunction to stay all pending litigation against the Company. This will allow the Bankruptcy Court to centralize all claims against Purdue and prevent further depletion of assets, while the Company works toward a final settlement agreement.
- This process will provide Purdue with the respite necessary to employ the tools uniquely available in bankruptcy to fashion a value-maximizing and, hopefully, consensual resolution, to the benefit of the American public.

11. What is chapter 11? Is Purdue closing or ceasing operations, now or in the near-term?

- Chapter 11 in the United States is a well-established legal process whereby companies restructure their financial obligations and emerge as stronger organizations, while operating in the normal course of business.
- Bankruptcy is the only way to finalize a settlement that can deliver billions of dollars of value and critical help in combatting the opioid addiction crisis for the benefit of the American people. It provides a collective process that ensures equal treatment of parties with substantially similar claims, as well as the finality that is essential to any comprehensive settlement.
- The potential ability to stay the uncontrolled litigation is the singular feature of bankruptcy that makes it an effective tool for the successful resolution of mass tort matters. Certain litigation was stayed automatically upon Purdue's bankruptcy filing.
- Purdue has also filed a motion for a preliminary injunction to stay all other pending litigation against the Company. This will allow the Bankruptcy Court to centralize all claims against Purdue and prevent further depletion of the assets, while the Company works toward a final settlement agreement.
- This process will provide Purdue with the respite necessary to employ the tools uniquely available in bankruptcy to fashion a value-maximizing and, hopefully, consensual resolution, to the benefit of the American public.
- Chapter 11 is very different from chapter 7 and other types of reorganization, where the focus is on liquidating a company and going out of business.
- During a chapter 11 filing—unlike a chapter 7 filing—management remains in control of the business and the business operates as normal.

12. What is Purdue's go-forward business plan?

- We continue to focus on the same strategic plan that we have presented over the past year, to invest in therapeutic areas outside of opioid analgesic pain management, consumer health and wellness products, including non-opioid pain medications and therapies for select cancers, pain, ADHD and central nervous system disorders.
- We still plan to exit our Treyburn, NC facility by December 1, while continuing to operate out of the Wilson (NC) and Coventry (RI) facilities in the ordinary course of business.
- Rhodes Technologies and Rhodes Pharmaceuticals L.P., along with other subsidiaries, will continue to operate as usual. Rhodes continues to explore and develop opportunities to grow and diversify its portfolio, in-line with FDA guidance.



- Avrio also continues to introduce new consumer wellness products.

13. Will Purdue's senior management remain in place, including the CEO and the Board?

- There are no changes planned at this time.

14. What does the filing mean for key commercial products and products in the pipeline? What about our business development efforts?

- We will continue to make and sell the same products that we do now.
- During our First Day Motions hearing, the court confirmed that Purdue can continue to operate with no interruption to supply from the chapter 11 filing.
- We anticipate that Purdue, Rhodes and other subsidiaries will continue to pursue their pipelines and make related decisions in the same manner as they do today.



FOR VENDORS

15. How does this announcement impact Purdue's vendors?

- It is "business as usual" and you should expect no changes to your company's business agreement with Purdue.
- We will keep you informed should any changes occur that would impact your relationship with us.
- We appreciate your business and look forward to continuing our work together to serve patients and providers.

16. Will Purdue continue to order from its suppliers?

- It is "business as usual" and you should not expect changes to your company's business agreement with Purdue.
- We will keep you informed should any changes occur that would impact your relationship with us.
- We appreciate your business and look forward to continuing our work together to serve patients and providers.

17. Will Purdue pay vendors' pre-petition invoices for goods or services provided prior to the Filing Date (September 15, 2019)?

- Payment of any claims for goods and services incurred prior to the filing date requires authorization of the Bankruptcy Court and therefore must be assessed on a case-by-case basis.
- Vendors with questions regarding goods and services delivered prior to September 15, 2019, can contact the restructuring information line maintained by our claims agent, Prime Clerk, +1 (844) 217-0912 (toll-free in the U.S.) or +1 (347) 859-8093 (for parties outside the U.S.).

18. Will vendors be paid for goods and services provided to Purdue in the future?

- All claims incurred after the filing date, including claims for goods and services, will be paid in full in the ordinary course of business.
- We have more than \$1 billion in cash on hand to support our ongoing business needs and operations.
- We remain committed to meeting our obligations to our colleagues, customers, suppliers, other business partners, and to the patients who benefit from our medicines.

19. What determines whether an invoice is a pre-petition or post-petition claim? What's the difference?

- In making this distinction, the key factor is not the invoice date but when the goods or services were delivered and when Purdue or its subsidiaries became legally responsible for payment.

20. Will Purdue and its subsidiaries sever ties with any business partners as a result of the chapter 11 filing?

- We remain committed to meeting our obligations to our employees, customers, suppliers, other business partners, and to the patients who benefit from our medicines.

21. We have a business partnership currently being negotiated / planned with Purdue or a subsidiary. Will these plans change because of the chapter 11 filing?

- We remain committed to meeting our obligations to our employees, customers, suppliers, other business partners, and to the patients who benefit from our medicines.



FOR PATIENTS AND HEALTH CARE PROFESSIONALS

22. Will the prices of the Company's medications change?

- We do not anticipate price changes at this time. Any changes that occur in the future would be related to the normal course of business.

23. Will the labels or brand names of the products change as a result of this action?

- At this time, we do not anticipate changes to product names, logos, dosage instructions or other related items as a result of the new corporate structure.

24. Will Purdue continue to honor rebate agreements going forward?

- Purdue is filing customary First Day Motions that, once approved by the court, will allow the Company to smoothly transition into chapter 11. These include granting authority to pay all pre-petition rebates owed in the ordinary course of business. The hearing is expected to occur in the next few days.
- Rebates incurred for post-petition sales are administrative, priority claims of Purdue and have payment priority over any pre-petition litigation liabilities.
- Purdue currently has more than \$1 billion in cash on hand, which is more than sufficient to continue paying all of its rebate obligations in the ordinary course of business.

25. Will Purdue continue to honor product returns?

- Purdue is filing customary First Day Motions that, once approved by the court, will allow the Company to smoothly transition into chapter 11. These include granting authority to honor all returns in the ordinary course of business. The hearing is expected to occur in the next few days.

26. Will I receive the products I've already ordered?

- We will continue to process and ship orders to distributors and other customers as usual.

27. Who should I talk to if I have questions about my prescription?

- Questions regarding your prescription should be directed to your physician or nurse practitioner—whomever prescribed the medication for you.

28. My doctor / pharmacist told me my medication is no longer available. Who can I talk to?

- Your medication continues to be available. If your pharmacist or doctor has questions about availability, please have them call Purdue Medical Information at +1 (888) 726-7535 (option 1) or visit www.AskPurdueMedical.com.

29. I use a rebate / discount card / coupon to fill my prescription. Will you still accept that under Chapter 11?

- Yes. We are seeking and expect to receive court permission to continue these programs.

30. The pharmacy continues to tell my patients that their product is no longer available. What should I do?

- Our products continue to be available as usual.
- Please direct pharmacists to purduepharma.com for the latest information on our products. They can also call Purdue Medical Information at 1-888-726-7535 (option 1) or visit AskPurdueMedical.com.

31. Can I get a sales representative to visit me?

- In 2018, we stopped promoting opioids to prescribers in this way.



- As we have since then, and going forward, we will handle questions and requests for information about our opioid products through direct communication with the highly experienced healthcare professionals in our Medical Affairs department. You can reach them at +1 (888) 726-7535 (option 1).