COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT
C.A. No. 1884-cv-01808 (BLS2)

COMMONWEALTH OF MASSACHUSETTS,

v.

PURDUE PHARMA L.P., PURDUE PHARMA INC., RICHARD SACKLER, THERESA SACKLER, KATHE SACKLER, JONATHAN SACKLER, MORTIMER D.A. SACKLER, BEVERLY SACKLER, DAVID SACKLER, ILENE SACKLER LEFCOURT, PETER BOER, PAULO COSTA, CECIL PICKETT, RALPH SNYDERMAN, JUDITH LEWENT, CRAIG LANDAU, JOHN STEWART, MARK TIMNEY, and RUSSELL J. GASDIA

**EXHIBITS TO AFFIDAVIT OF SYDENHAM B. ALEXANDER III ACCOMPANYING THE COMMONWEALTH'S OPPOSITION TO THE DIRECTOR DEFENDANTS' MOTION TO DISMISS THE FIRST AMENDED COMPLAINT PURSUANT TO MASSACHUSETTS RULE OF CIVIL PROCEDURE 12(b)(2)**

**CONTAINS DOCUMENTS PRODUCED BY PURDUE PHARMA L.P. – MAY BE SUBJECT TO A MOTION TO IMPOUND BY PURDUE**

**CERTIFICATE OF SERVICE**

I, Sydenham B. Alexander III, Assistant Attorney General, hereby certify that I have this day, June 19, 2019, served the foregoing document upon all parties by email to:

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Sydenham B. Alexander III
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# Exhibit 1

**PURDUE PHARMA INC.**

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**Minutes of a Meeting**
**of the Board of Directors**

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**February 8, 2008**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership") was held on February 8, 2008 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED that the Partnership be and it hereby is authorized and directed to begin expanding the sales force by an additional 100 sales representatives beginning effective as of April 1, 2008 at an additional cost in 2008 of $12.5 million, and in connection with the addition of such 100 sales representatives, to add 12 District Managers, 2 Regional Managers, 2 regional administrators, 2 trainers and 1 marketing/convention manager starting July 1, 2008; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to settle the antitrust litigation for an aggregate amount up to U.S. $10 million; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of itself and the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

There being no further business to come before the Meeting, the same was upon motion adjourned.

Stuart D. Baker
Secretary

NY2 - 494011.01

# 2008-2009 Budget Submission


November 2008

# 2009 Objectives

- **Sales & Marketing**
  - Expand Sales Force
  - Improve Rebate Management Processes
  - Prepare for BuTrans Launch
  - Determine how to successfully launch Ryzolt

- **Corporate**
  - Continue to Add Talent
  - Eliminate Poor Performers
  - Re-design Structure
  - Build Performance Culture

**EXECUTIVE COMMITTEE MEETING**

Stamford, Connecticut
Wednesday May 20th, 2009

**NOTES & ACTIONS**

| | | | |
|---|---|---|---|
| Present: | Stuart Baker (SDB) | David Lundie (DRL) | Bert Weinstein (BW) |
| | Russ Gasdia (RG) | Ed Mahony (EM) | |
| | Craig Landau (CL) | Bill Mallin (BM) | |
| | David Long (DL) | Kathy Schady (KS) | |

| | | | |
|---|---|---|---|
| Copy: | Robin Abrams | Alan Must | Phil Strassburger |
| | Mark Geraci | Burt Rosen | |
| | David Haddox | Richard Silbert | |

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## 1. Introduction

JHS provided a brief update on sales noting that the Oxycodone ER market growth is much lower than when the 2009 budget was prepared. In addition to the impact of the lower market growth, Mallinckrodt has shipped its supply of generic OxyContin more rapidly than projected – which is further impacting sales.

JHS also updated the Committee on the positive meeting with Transcept held on May 15th, and said that there are now plans to move forward to the contract stage.

**Action: JHS/EM**

## 2. Commercial Product Portfolio Committee

### 2.1 Senokot Update

Time-Cap Labs, in conjunction with Stericycle, has fully completed the Senokot recall. Purdue Canada has a workstream to supply us, which will also allow a return to a natural Senna formulation product. However, in the interim the Time-Cap formulation will be used (with updated labeling) as the fastest path back to the market for the Senokot line. August should see the transition of all Senokot products with the Purdue Canada product and the new packaging. Samples will be available to the Field Force by September. Promotional support – via TV ads and more – are ongoing.

### 2.2 10-Year Plan – Sales Force Staffing Needs

As approved in the 2009 Budget, 50 New Sales Territories have been created along with six new districts and one new region. This brings the sales force to 400 representatives, 50 districts and 7 regions. This expansion is based on OxyContin since there are a significant number of the top prescribers of Oxycodone ER that are not seen - due to the fact that with our current Field Force of 350 representatives we simply do not have the capacity.



 

### 2.3 Intermezzo – Sales Force Requirements

Assuming a product approval date in late July, there are three possible courses to take regarding the Sales Force. First, stay with a single Sales Force that promotes OxyContin, Intermezzo and Ryzolt; second, create a separate Sales Force for Intermezzo - that would be comprised of approximately 300 representatives and third, hire a contract sales force that could later be embedded into Purdue's existing Sales Force.

RG's update prompted JHS to enquire about CIA obligations for a separate Intermezzo/Ryzolt sales force. BW advises that any sales force for Ryzolt will be obligated, as all employees are, unless the product itself is not covered under the CIA – which is unlikely.

### 2.4 Ryzolt Update

RG advised that the response from physicians and pharmacists has been outstanding, and he believes we are on target to meet the obligation to Labopharm regarding primary presentations. RG will soon begin to issue relevant script and sales reports and will have them continually updated.

JHS suggested that the Ryzolt sales report include actual prescriptions, target (budget) prescriptions and also a comparison to the scripts for Ultram ER immediately following its launch. With regard to supply, DRL advised that we have the option to manufacture the product and will be in a position to make such a decision, if needed, within 18 months. Currently the contract is structured to allow us to transfer manufacturing, but is not required. DRL believes that the economics of Purdue manufacture are likely to be marginal.

**Action: RG**

## 3. R&D Operating Committee

**3.1 Targin** - Following the generally positive meeting between FDA and PPLP on Feb 24th, three work streams were initiated. The first involves the search for a previously conducted carcinogenicity study in a mouse model. These 2nd species data have been identified as a requirement for NDA submission and approval. In parallel the search for this study in the public and/or private domain, PPLP toxicologists have begun the process of performing the needed carcinogenicity study in the transgenic mouse model as the basis for the conduct of the definitive study. The 2nd and 3rd work streams pertain to re-analysis of existing European clinical study data with the goal of having these studies meet FDA requirements for pivotal studies. A report on these pursuits will be delivered to JHS at an upcoming R&D Operating Committee Meeting.

***Post Meeting Note***: Based upon the re-analysis of the pain scores in the key European study, it is likely a US conducted efficacy study will be required for the submission.

**Action: CL**



 

**3.2 BuTrans** - The multidisciplinary PPLP project team has been working closely with external CROs and other consultants to expedite the resubmission of the NDA - from its current target of September. An update on the team's progress and the current time line will be provided to JHS at the R&D Operating Committee.

***Post Meeting Note***: The target filing date for BuTrans remains September 2009

**Action: CL**

**3.3 OTR -** As of this date, FDA is roughly 2 months into the 6 month review cycle of the OTR NDA resubmission. Early last week we received a few CMC questions from FDA reviewers. These questions are viewed as routine and straight-forward. Responses to each of these questions were sent to FDA later the same week. A reminder, the PDUFA date remains September 30th, 2009. Ongoing activities are focused on pre-approval inspection readiness.

***Post Meeting Note:*** The FDA has scheduled another Advisory Committee hearing for Sept 24, 2009, and Purdue has been advised that it needs to present. We are currently working to learn more about the FDA 's plans for the meeting.


EC May 20_LSRM.ppt

## 4 Business Development Committee

**4.1**

**4.2**

**Action: JD/Alan Downs**

## 5 Executive Safety Board Report

**5.1 REMS Industry Working Group –** CL briefed the group on the outcome of Industry Working Group (IWG) meeting held on May 13th in Newark, NJ. Though significant progress has been made regarding REMS content, the primary focus of this meeting was preparations for the upcoming FDA Public Meeting on REMS, scheduled for May 27th and 28th. Three speakers will represent the IWG at the FDA meeting: Eric Carter MD, PhD (King), Craig Landau MD (PPLP) and Martin Lessem (Ranbaxy).

***Post Meeting Note***: The Public session took place as scheduled 5/27 and 5/28 and the Executive Committee will be kept up to date via ECO minutes

**5.2 Lifecycle Safety Risk Management -** The Clinical, Medical, and Regulatory groups initiated a project in January of this year to develop and implement a fully-integrated framework to manage safety risks across each product's lifecycle - so that safety risk management is developed in a proactive, systematic way. Early identification and comprehensive evaluation of potential safety issues will inform decision-making during drug development and guide the creation of targeted risk mitigation strategies in the post-marketing setting. Based upon evolving regulatory expectations, we are increasingly challenged to better-understand the safety profiles and potential liabilities of products so that we can manage them most effectively and communicate appropriately both internally and externally.

To meet these expectations, a cross-functional team of Purdue employees is partnering with WCI Consulting, Ltd. to design and implement a new process and supporting structure to manage lifecycle safety risk management. The new processes, organizational structure and governance will be implemented during early Q309.

**Action: CL**

## 6. Quarterly Update – Key Committees

**6.1 Communication and External Affairs Committee -** Burt Rosen chairs the recently created Communication and External Affairs Committee (CEAC) which includes David Haddox, Mark Geraci, Robin Abrams, Tim Richards, Alan Must and Jim Heins. The CEAC's inaugural meeting was held on April 14th, and it has started work to formalize the process for developing corporate communications strategies and public policy positions. The goal of the CEAC is to recommend, develop and pursue public policy, and the committee will reach out to executives within Purdue in an effort to identify appropriate strategy and policy recommendations. Burt urges the Executive Committee to realize that everything the company undertakes has a potential impact on corporate communications, public policy, and other issues important to Purdue - and Executive Committee member's have the potential to improve the process by bringing public policy issues to the CEAC's attention. A Sharepoint website is being developed that will provide a resource for all Purdue employees to become familiar with positions taken by Purdue on important Federal and State issues. The EC reviewed the proposed policies on drug disposal and photo IDs and they were approved.

David Haddox added that a signature page is being included with each policy to show a history of who has been involved in the process. Robin Abrams advised that the history will not be included on the actual policy page, but will be maintained for historical reasons.

**Action: BR**

## 7. 2009 Business Scorecard & Objectives

DL reported that there is no new information as the scorecard is still under discussion with the Compensation Committee. All Executive Committee members and direct reports have submitted their 2009 objectives to JHS and these objectives have been consolidated for referral as needed.

**Action: DL/JHS**

## 8. Key Hire Status

A key candidate for the new head of R&D is scheduled to meet with certain Board Members in the next few weeks. Three candidates for the position of Chief Legal Officer will be interviewed HRU, JHS, DL SDB and EM over the next few weeks.

Action: DL

## 9. Totowa Backup Plan

DRL introduced Maria Gordian of McKinsey, who made a presentation on McKinsey's analysis of Totowa's Restart Readiness. Maria Gordian brought up 4 key points:

- Identify potential risk and create mitigating strategy.
- Need to prepare a detailed step-by-step plan to restart the plant
- Proactively engage the FDA and other regulatory agencies (e.g. DEA) in our plans
- Put in place an organization to manage the site after ceasing routine manufacture – scheduled for June 30th 2009

McKinsey reported that the two most common causes of shutdown are Regulatory failure and a natural or man-made disaster. The Wilson site has a strong record of regulatory compliance, with no outstanding issues, and the probability of a shutdown caused by either natural or man-made disaster is very low. Historically, facilities shut down because of natural disaster (e.g. hurricane) can be restarted within a two-week timeframe.

On ONF back up; Totowa must be filed immediately after the FDA product approval and McKinsey recommended close management of quota and inventory as means of mitigating risks prior to the Totowa site approval. McKinsey are confident that adequate plans are in place but stressed the need for active management to ensure full execution of the Totowa transition

**Action: DRL**

20090522 Board Presentation Support

***Post Meeting Notes:*** (a) The FDA completed a 3 day inspection of the Totowa site with no 483 citations (5/28). (b) This plan was presented to the Board via the bi-weekly call of June 11th, 2009.

## 10. Departmental Updates/Other Business

**Human Resources -** DL updated the group about plans for rotational assignments to further employee opportunities. A detailed presentation is being developed and will be distributed to the Executive Committee.

Action: DL

Leadership Council has convened a task force made up of Larry Egan, Ann Kraft, David Rosen, Dennis Keohane and Lisa Miller and the first meeting is scheduled for Wednesday, May 27th.

**Action: DL**

JHS closed the meeting and let the group know that an updated Board Meeting Protocol will be distributed to all Executive Committee Members as part of the minutes.

Board Protocol Final.DOC

**11. Next meeting – July 15th, 9am in the Board Room**

**PURDUE PHARMA INC.**

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**Minutes of a Meeting**
**of the Board of Directors**

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**July 22, 2010**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), and as the general partner of Purdue Pharma L.P., a Delaware limited liability partnership (the "Partnership"), was held on July 22, 2010. A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

The meeting included a discussion of compliance matters. Bert Weinstein, Vice President, Corporate Compliance reported the Partnership is in full compliance with its compliance requirements including but not limited to the Corporate Integrity Agreement.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to settle the Anthony Simon OxyContin® product liability claims in an amount not to exceed $10 million; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to approve a supplemental budget increase of $11.9 million for certain Butrans™ launch activities; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to approve the following sales force expansion in connection with the Butrans™ launch:

(i) Promotions to create two additional Regional Managers and 16 additional District Managers; and

(ii) Beginning in September 2010, recruit 125 additional sales personnel by the National Sales Meeting

NY2 - 554065.01

; and further

; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered on behalf of itself and the Partnership, all such agreements, documents, instruments and other papers, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

There being no further business to come before the Meeting, the same was upon motion adjourned.

Stuart D. Baker
Secretary

NY2 - 554955.01

**DECISION**

April 21, 2015

Sales Force Expansion and Supporting Marketing Initiatives

It was decided to move forward with an expansion of the sales force by 122 sales representatives at a cost in 2015 of $8.5 million and the addition of peer-to-peer portfolio speaker programs, managed care and other pull through and marketing programs for Tier 4 at a cost in 2015 of $5.5 million (total approval: $14 million in 2015).

(Purdue Pharma Inc., as the general partner of Purdue Pharma L.P.)

**SCK08261**

CPAM: 7646488.1

# Exhibit 2

# Purdue Pharma L.P.
# Budget Presentation 2010 – November 2nd and 3rd, 2009

## Notes and Actions

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### 1.0 OxyContin

a. **Q:** Dr. Richard and Dr. Kathy asked for:
   i. a detailed review of the long acting SEO market, the OER market and OxyContin growth rate for purposes of projecting into the future.
   ii. identify specific programs that Sales and Marketing will implement to profitably grow the OER market and OxyContin in light of competition.
   iii. provide analytics around why/how the proposed increase in share-of-voice translates into sales and profitability growth.
   iv. clarify the situation with respect to OxyContin being used by 35% of new patients, but only retaining 30% of ongoing patients.
   v. provide a copy of the OxyContin McKinsey report on possible ways to increase OxyContin sales and market share.

**A:**

i. Response to questions i-v were provided to Dr. Kathe and Dr. Richard by e-mail from Mike Innaurato 12/3/09 13:45h – copy attached.


MI FW 2010 Budget v10 0 revised order_


2010 Budget v10 0 revised order (2).ppt


LASEO OER and Oxy Historical Data (2).xls


Market Forecast 100709 (2).xlsx


Nucynta Forecast v1 0 summary (2).xlsx

ii. The 2010 gross sales target has been increased by $56 million due to expected delays in marketing of Covidien's Exalgo and Endo's significant reduction in S&P in support of Opana ER.

iii. The McKinsey report referred to in question v. will be available in Q2 2010.

**Action: Russ Gasdia**

b. **Q:** OxyContin Pediatric – provide the Board with a detailed update on the program, timing, impact on exclusivity and value created.

**A:** The R&D group is currently developing the OxyContin pediatric clinical program with input from the FDA to ensure that the trials can be executed on a timely basis and that the additional exclusivity is earned. Enrollment in the studies will likely begin in 1Q 2011 Once the studies are complete, submitted and accepted by the FDA, Purdue will apply the additional 6 month exclusivity to one of the patents then listed in the Orange Book – preferably the "042" patent.

c. **Q:** Report back on the status of the development of a next generation formulation OTR (e.g. polycapalactone), including IP.

**A:** The Purdue research team is evaluating two new TR platforms – polycapalactone and eudrogit NE. The important next steps are to secure manufacturing cabability, prepare small sample batches, and test prototype formulations. This project is budgeted in 2010, has adequate resources and detailed progress will be included in our R&D report to the Board in mid 2010.

**Action: Don Kyle**

d. **Q:** What are OxyContin's clinical advantages vs. Opana ER, MS Contin, Kadian, Exalgo, Avinza, Nucynta and Duragesic? How are these differences communicated?

**A:** OxyContin has the following advantages vs. the other above products:

i. OxyContin has been studied in more pain syndromes (e.g., LBP, OA, neuropathic pain) with demonstrated efficacy and published results
ii. Prompt onset of analgesia
iii. Less variability in blood levels

Specific comments by product are:

i. Opana ER has unfavorable alcohol sensitivity, elderly PK, hepatic PK, and food effects.
ii. Duragesic needs to be titrated more slowly and has only 5 strengths.
iii. Morphine products
   a. Oxycodone has higher oral bioavailability
   b. Oxycodone plasma levels are more predictably related to drug dosage.
   c. Oxycodone bioavailability is less affected by age
   d. Renal dysfunction has less of an influence on the disposition of oxycodone (the active metabolite, morphine-6-glucoronide accumulates with renal impairment)
   e. Fewer hallucinations with oxycodone
   f. Less pruritis with oxycodone
   g. Have fewer strengths in the case of MS Contin and Avinza
   h. Avinza has an alcohol effect in in-vitro studies
   i. Kadian is not consistently either a 12 or a 24 hour product
   j. MS Contin has pH dependency of delivery
iv. Exalgo is not yet approved, so we do not yet know its details
v. Nucynta does not have evidence of efficacy for the group of patients requiring high dose OxyContin. It also has the potential for serotonin syndrome, given its mechanism of action.

Methods of communication

i. Most of the differences above are published in the Full Prescribing Information or in the medical literature and, as such, can be provided to clinicians in various formats to provide clinicians with the information.

e. **Q:** Reconsider the 3% OxyContin price increase planned for 2010 – i.e. consider a higher price increase in recognition of the increased COGS and cost of royalties with OTR.

**A:** Over the last 3 years OxyContin list price has been increased a total of 23%. A further increase of at least 3% is anticipated in 2010. The logic for the proposed price increase will be discussed at that time, but management believes it is important not to have any price increase timed directly with the switch from the current to new OxyContin formulatin. A history of recent OxyContin list price increases is attached.

Microsoft Office
Word 97 - 2003 Docu

## 2.0 BuTrans

a. **Q:** Compare proposed USA price (gross and net) with international prices by strength.

**A:** This analysis is underway as part of the overall BuTrans launch planning and will be reported in 2010 as part of the BuTrans review presentation.

**Action: Russ Gasdia**

b. **Q:** Provide the Board with copies of the market research that supports the proposed pricing.

**A:** This analysis is underway as part of the overall BuTrans launch planning and will be reported in 2010 as part of the BuTrans review presentation.

**Action: Russ Gasdia**

c. **Q:** Regarding the BuTrans pediatric program – provide the Board with a detailed update on the program, timing, impact on exclusivity and value created.

**A:** Successful completion of the pediatric studies will extend the patent life for the BuTrans product. For instance, it will extend the life of the 7-day patch patent from September 29, 2017 until March 29, 2018.

The Proposed Pediatric Study Request (PPSR), submitted as part of Purdue's complete response package sent to the FDA on September 30, 2009, describes 3 studies to be conducted in children between birth and 16 years of age. The 3 proposed studies are as follows:

i. Study 1: A Multicenter, Inpatient, Open-label Study to Characterize the Pharmacokinetics, Safety, and Efficacy of a Continuous Intravenous Infusion of Buprenorphine in Children from Birth to up to 6 Years of Age Who Require Opioid Analgesia for Acute Moderate to Severe Pain

ii. Study 2: A Multicenter, Randomized, Double-blind, Active Comparator-controlled, Multiple-dose, Titration Study with an Open-label Extension to Evaluate the Efficacy, Safety, and Pharmacokinetics of Buprenorphine Transdermal System (BTDS) in Opioid-

tolerant Children from 6 to 16 Years of Age Who Require Continuous Opioid Analgesia for Moderate to Severe Persistent Pain

iii. Study 3: An Open-label, Multicenter Study of the Safety, Pharmacokinetics, and Efficacy of Buprenorphine Transdermal System (BTDS) in Opioid-naïve Children from 6 to 16 Years of Age Who Require Continuous Opioid Analgesia for Moderate to Severe Prolonged or Persistent Pain Anticipate up to 4 year enrollment periods, particularly for double-blind and open-label studies.

The third BuTrans™ patent U.S. 6,344,212, et. al. covers 7-day use of patches and expires Feb. 24, 2017 w/ possible pediatric exclusivity until Aug. 24, 2017. The final study reports for pediatric clinical trials conducted must be sent to FDA by no later than November 2015 to allow the FDA sufficient time to review the reports in support of exclusivity. As double-blind and open-label pediatric pain trials may take up to 4 years to enroll, the plan is to initiate work on the program immediately in order to have the potential to gain pediatric exclusivity.

Protocol development and the contracting process with PRA are targeted for completion by the PDUFA date (March 30, 2009). All tasks up to dosing of first subject are planned to be completed by September 30, 2009, consistent with an extended PDUFA date. $4.5 M is currently budgeted for BuTrans™ pediatrics in 2010, sufficient to cover planned activities. The regulatory environment for pediatric study conduct and progress towards approval of BuTrans™ will be monitored closely as at-risk work proceeds.

d. **Q:** In preparation for the launch, be sure the US Sales and Marketing group is fully aware of international marketing strategies and sales force activity.

**A:** Gary Lewandowski will meet with colleagues in markets where BuTrans/Norspan has been launched. The trip schedule is now being developed.

**Action: J. Stewart/R. Gasdia**

e. **Q:** Report US sales projections vs. international sales history in both dollars and numbers of patches by strength.

**A:** This analysis is underway as part of the overall BuTrans launch planning and will be reported in 2010 as part of the BuTrans review presentation.

**Action: Russ Gasdia**

f. **Q:** Explain the nature of the spend and output expected from the proposed $6.9 mm BuTrans 2010 marketing spend.

**A:** The BuTrans 2010 budget of $6.9 mm is for pre-DDMAC approval related expenses and is comprised of the following:.

- $2.6 mm - Agency fees (Abelson Taylor)
- $1.4 mm - Promotional items (sell sheets, brochures, presentations)
- $1.4 mm – Market research
- $1.2 mm – Advisory board and website development

- $0.3 mm - REMS

**3.0 Ryzolt**

a. **Q:** Ryzolt sales are far below expectations - the Board asked for an analysis of how/why this occurred.

**A:** Once December sales are available a final report/presentation will be developed for review with the Board - most likely in February 2010.

**Action: Russ Gasdia**

**b. Q:** Evaluate converting Ryzolt primary position calls to secondary position calls starting 1Q 2010.

**A:** Subject to agreement with Labopharm, which we expect shortly, Ryzolt will be promoted in second position, behind OxyContin, in 1Q 2010.

**Action: Russ Gasdia**

**4.0 POA**

a. **Q:** Provide the Board with results of POA 1001, when available.

**A:** Data will be circulated when available.

**Action: Craig Landau**

**5.0 R & D General**

a. **Q:** Please evaluate developing CR hydromorphone & naloxone and CR hydrocodone & naloxone vs. CR single entity formulations of hydromorphone or hydrocodone.

**A:** In process.

**Action: BDC**

b. **Q:** Include an update on the FAAH project in future R & D presentations.

**A:** Infinity's draft FAAH IND is under review at Purdue. An update on the FAAH project will be included in the next R&D update to the Board.

**Action: Jim Dolan**

c. **Q:** Circulate the FDA DDMAC Embeda warning letter to the Board.

**A**: Attached is the warning letter.

Embeda Warning
Letter 2009-10-08.pc

d. **Q:** Provide the Board with names and biographies of External Advisory Board members and plans for the Advisory board in 2010.

**A:** The External Advisory Board is made up of 15 specialists in the areas of pain management and sleep. Specialties represented are in alignment with our Comprehensive Analgesic Plan (and related therapeutic areas). The Comprehensive Analgesic Plan generally calls for expertise in:

i. Management of pain secondary to osteoarthritis, surgery, chronic back disorders, fibromyalgia, and diabetic peripheral neuropathy
ii. Adjunctive and combination therapies to address opioid-induced adverse effects such as constipation, sedation, tolerance, and withdrawal
iii. Abuse liability and abuse-resistance
iv. Related therapeutic areas (e.g. sleep)

The Advisory Board is charged with providing external, unbiased recommendations regarding the clinical application/implications of new products/agents. Such expert commentary provides guidance regarding potential acquisitions and new drug development based on clinical unmet needs, new medical trends, and economic benefits.

Specifically: to provide expert opinion regarding:

i. New product opportunities that Purdue is in the process of evaluating
ii. Products currently under development by Purdue, as well as those already marketed by Purdue
iii. Areas of unmet medical need for which new treatments might be acquired and/or developed and applied

So that we can make more informed decisions regarding:

i. New product opportunities
ii. Research and development
iii. Education of health professionals
iv. The development of long-range plans and a strategy to achieve our goals

The first face-to-face meeting of the board is scheduled for January 29th.

The members and biographies are attached

Microsoft Office
Word Document

**Action: C. Landau/R. Kaiko**

e. **Q:** R & D should develop metrics on industry wide FDA review performance (e.g. first cycle approval, etc.) and measure Purdue performance against those metrics.

**A:** In process

**Action: C. Landau, D. Long, E. Mahony**

f. **Q:** The Board suggested holding an international R & D meeting focused on overall strategy and identification of new products.

**A:** John Stewart is working to arrange the meeting, with input from Craig Landau, Karen Reimer and Ake Wikstrom.

**Action: J. Stewart/C. Landau**

## 6.0 External Affairs

a. **Q:** What specific messages does Purdue want picked-up? How are those messages developed, what are those messages and how will they be presented to the target communities?

**A:** Burt Rosen will present this information as part of the upcoming CEAC presentation to the Board.

**Action: Burt Rosen**

## 7.0 Supply Chain

a. **Q:** The Noramco oxycodone API contract provides back-up to Rhodes, but at a cost to Purdue. How can Purdue ensure the same back-up protection, but at a lower cost?

**A:** This analysis will be coordinated with Rhodes and will be completed in late 2010, in time for contract renewal negotiations with Noramco. No new oxycodone API orders will be placed with Noramco until that negotiation is complete.

**Action: E. Mahony/D. Lundie**

b. **Q:** Negotiate with LTS now to incorporate Rhodes Technologies API in the BuTrans patch once that API becomes available.

**A:** LTS just signed a new 5-year exclusive supply agreement with Tasmanian Alkaloids/Noramco. If Rhodes can manufacture buprenorphine, validate the process, generate drug substance/drug product stability in 3-4 years the timing may be good to negotiate the API switch at that time. The only other possibility is if DEA closes the borders to the importation of buprenorphine and Rhodes has API available and qualified sooner than Noramco.

**Action: B. Mallin/E. Mahony**

c. **Q:** Can the Wilson plant serve as a Targin backup for Napp Laboratories?

**A:** There are no technical reasons why Wilson could not serve as backup to Cambridge for supply of Targin. There may be regulatory and/or fiscal considerations that should be more fully explored.

d. **Q:** Report on development of a back-up supplier for polyethylene oxide. Consider Rhodes Technologies as a possible supplier.

**A:** To become a back-up supplier for polyethylene oxide, Rhodes would have to invest up to $10mm in capital. Purdue supply chain is evaluating less expensive, but still very reliable third party alternatives. In the meantime, Purdue is keeping approximately 2 years safety stock.

**Action: David Lundie**

**8.0 Finance**

a. **Q:** Explain the nature of the $19.3 mm Discovery budget, particularly as it relates to the increase over the prior year.

**A:** The budget for Discovery Research in 2010 of $19.3 mm comprises the following key components:

| | |
|---|---|
| People Costs (39 positions) | $6.4 |
| Depreciation | 1.3 |
| Occupancy costs | 1.7 |
| Environmental Health and Safety | 0.1 |
| Security | 0.3 |
| IT, Finance and Facility Services | 0.4 |
| Outsourced IND enabling studies | 5.4 |
| Lab supplies | 1.7 |
| Annual maintenance on software and equipment | 0.7 |
| Other | 1.3 |
| Total | $19.3 |

This budget is expected to deliver the following:

- Complete the IND-enabling studies & GMP manufacturing of V116957 (ORL-1 agonist) and complete substantial authoring of the IND in preparation for filing early Q1 2011.
- Discover new chemotype, establish IP, and create an advanced SAR to support a backup program for the ORL-1 program.
- Nominate a developmental candidate from either the sodium channel blocker program or the novel opiates exploratory research activities.

b. **Q:** Explain the nature of the $51.1 mm "other R & D" spending.

**A:** The following table summarizes the major elements:

| | |
|---|---|
| Health Policy – includes Medical Liaisons, non branded medical education, medical services, library and health policy | $19.4 |
| Risk Management – includes $8.3 mm in support of marketed products including a placeholder budget of $5.0 mm for REMS and expert consulting | 8.3 |
| Regulatory support of marketed products | 2.1 |
| Drug Safety processing of adverse events | 12.0 |
| Support of due diligence | 1.6 |
| All Other (largely represents a portion of costs not allocated to projects such as cost of facilities, depreciation, non-project consulting etc) | 7.7 |
| Total | $51.1 |

c. **Q:** Explain the reasons for the decline in the operating margin ratios from 2009 LE to 2010 Budget.

**A:** The decline in operating margin from 2008 to 2010 is summarized as follows:

| | |
|---|---|
| **2008 Operating Margin** | **69.6%** |
| Line Items impacting margin | |
| COGS – favorable | 0.3% |
| Royalty expense – Gruenenthal, McGinity | -3.7% |
| Legal Fees | 1.3% |
| R&D – increase spend as more programs enter Phase 3 | -2.4% |
| S&P – increased sales force | -2.0% |
| Other, Net | 0 |
| **2010 Operating Margin** | **63.1%** |

d. **Q:** What will it cost the group in 2010 to use Noramco API vs. the variable supply cost at Rhodes Technologies?

**A:** The additional cost has been about $4.0 mm annually.

e. **Q:** Adjust the Gruenenthal royalty expense in the budget to assume the patents issue later in the year.

**A:** Done – We assume the patent will issue 9/1/2010 and the 2010 budget has been reduced by $38.7 million to $33.3 million.

f. **Q:** Consider recasting OTR Medicaid budget (sales and rebate) to include the lower rebate rate that the NDA is entitled to.

**A:** Done – the impact reduced the Medicaid rebate expense by $39.4 mm

**9.0 General**

a. **Q:** Organize "Welcome Home" activities for returning Summer Street staff.

**A:** Current thinking is that we will hold two "welcome home" events. The first will be in the second quarter celebrating the first returning group, and the second one celebrating the return of the last group of the SS residents. The "welcome home" events will likely be a BBQ on the Plaza level.

b. **Q:** Circulate the America Academy of Pain Medicine article.

**A:**

American Acadamy
of Pain Medicine

c. **Q:** Determine whether or not it would be appropriate to reinitiate funding of the Mass. General Pain Center.

**A:** John Stewart is working with David Haddox and the CEAC on this issue.

**Action: J. Stewart/D. Haddox**

# Exhibit 3

Find the next available date. No need to invite Judy.

Richard S. Sackler, M.D.

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**From:** Naclerio, Linda
**Sent:** Tuesday, November 10, 2009 9:20 AM
**To:** Sackler, Dr Richard
**Subject:** Oxy Marketing Meeting
**Importance:** High

Dr. Richard,

The following people are **not** available to meet Wed.

Russ Gasdia – Out of country until Sunday

Mike Innaurato – Out of office until Monday the 16th

David Rosen – Out with H1N1

Judy Lewent – Will be at Thermo Fisher Scientific Board meeting in MA

Ed Mahoney is available and I have not heard back from Dr. Kathe yet.

Linda

**Linda Naclerio**, Assistant to

**Dr. Richard S. Sackler**

**Purdue Pharma, L.P.**

One Stamford Forum/201 Tresser Boulevard

Stamford, CT 06901-3431

203-588-7774 phone

203-588-6500 fax

# Exhibit 4

**From:** Mallin, William
**Sent:** Monday, December 13, 2010 9:44 AM
**To:** Sackler, Dr Raymond R; Sackler, Beverly; Sackler, Theresa; Sackler, Dr Richard; Sackler, Dr Kathe; Sackler, Jonathan; Sackler Lefcourt, Ilene; Sackler, Mortimer D.A.; Boer, Peter; Boer, Peter; Lewent, Judy; Pickett, Cecil
**CC:** Baker, Stuart D.; Mahony, Edward; Stewart, John H. (US); Mallin, William; Gasdia, Russell; Dolan, James; Landau, Dr. Craig; Stiles, Gary; Long, David; Lundie, David; Abrams, Robin; Silbert, Richard W; Strassburger, Philip
**Subject:** Notes and Actions from November US Budget Meeting & Hydrocodone Project Meeting
**Attachments:** Board_Meetings_Notes_Actions_HYD_2010_12_8.doc; Board Notes Actions-BUDGET MTG 12-1.docx

Attached please find the responses to questions raised during the November 1-3 US Budget Meeting and responses to questions raised during the November 11th follow-up meeting on the hydrocodone project.

Regards,

Bill

# Purdue Pharma
# US Budget Meeting

**November 1 – 3, 2010**
**Board Room**

**NOTES & ACTIONS**

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1. Overview of 2010 and 2011

1.1. You have described the Class REMS approach as being helpful to Purdue, by virtue of OxyContin not being singled out for such a program. Will similar requirements be placed on ANDA products?

The context for the "helpful to Purdue" comment was that prior to the FDA announcing the Class REMS approach, Purdue was facing a very restricted "OxyContin – only" REMS requirement from the FDA. With respect to the Class REMS, it is our understanding that any generic formulations of products covered by the Class REMS will also be required to comply with the REMS.

1.2. Are we sure the Pediatric Studies will be completed in time to extend by six months the exclusivity afforded by the "042" patent?

All efforts are being taken to complete the required pediatric studies in the time frame required to extend the 042 patent, though a recent FDA-requested modification to one of the studies (inclusion of multiple blood draws) is expected to make enrollment of pediatric subjects more challenging. The importance of this effort is understood by all involved R & D staff.

1.3. Does it make sense to start either abuse liability or epidemiology studies with Targin?

Yes. The naloxone component of ONU (Targin) is expected to provide significant pharmacologic abuse deterrence, and prospective abuse liability studies are under way to provide data characterizing this benefit and support approval of the product. Epidemiology studies are possible to conduct in the regions where

Targin is currently marketed; however data sources acceptable to FDA for analysis in such studies may not be available in these regions.

1.4. Does it make sense for JHS to meet with the new FDA Commissioner, as part of our activities to improve relationships with the Agency?

A meeting with Commissioner Hamberg would indeed be a welcomed opportunity, and J. Stewart will follow-up on this.

2. Marketing and Sales

2.1 OER Tx – Other than price, why do doctors prescribe methadone for the treatment of pain? Are there specific parts of the US or specific health plans that use more methadone than others? Is methadone in any way an unsafe or ineffective medicine? If yes, what if anything should be done to bring attention to this?

Methadone is often prescribed for the treatment of chronic pain because its' long clinical and elimination half-life and low cost to the patient make it a suitable, if not a perfectly attractive therapeutic alternative to other long-acting or controlled release opioid products. While safe and effective when prescribed and used appropriately, methadone's long elimination half-life can result in accumulation of the drug in the plasma if dosed too frequently, a behavior known to occur upon initiation of therapy in patients seeking to manage their pain with this drug. While opioid naive or non-physically dependent patients may be most susceptible, the risk of respiratory depression, overdose and death exists for all patients when methadone is dosed inappropriately. However, the drug is not inherently "unsafe" – and there is awareness of its limitations/peculiarities.

2.2 What is the evidence that supports the belief that "called on" prescribers write significantly more OxyContin prescriptions than their "non-called on" counterparts?

Ongoing analysis of OxyContin prescription data over the past several years continues to point to the fact that there is a positive correlation between call frequency and prescribing behaviors. This is seen both within prescribers who are regularly called on as we as between non-called on and called on physicians.

2.3 What are we doing in terms of follow up with MD's regarding the reception of the new formulation – both from the patient and physician perspective?

The Sales & Marketing organization performed qualitative research with a sample of approximately 350 physicians of various specialties to understand their perception of the new formulation. No significant differences between the new and original formulation were reported. The Drug Safety and Pharmacovigilance group is in the process of implementing structured interviews of patients who have reported specific adverse events, (e.g. cases of hypersensitivity reactions, GI obstruction). Learnings from this initiative will be reported in the future.

3. OxyContin – Product Life Cycle

3.1 Do we test the product abuse/tampering methods being described on- line by abusers, to determine whether or not they are "effective"?

Purdue and a third party (Inflexxion, Newton MA) continuously monitor internet chat rooms for the purpose of understanding abuser perspectives and methods used by abusers to tamper with the dosage form. To date, no "recipes" have been reported that our scientific staff see as meaningfully different than those employed in our previous tamper testing protocols. Should a unique tamper approach be identified through this or another source, we will consider appropriate follow-up evaluation by our analytical science group.

3.2 For ORF and the differences in reports of GI adverse effects, does the PEO formulation offer some Targin like benefits? When we do the Targin trials and use the new formulation of OxyContin as an active control, will the PEO content produce less constipation than would have the old OxyContin formula? Could we formulate Targin using PEO, to further enhance the laxative effect – or- to make it crush resistant?

While polyethylene oxides are structurally similar to polyethylene glycol-containing laxatives, no signal has emerged to suggest that PEO-containing reformulated OxyContin provides an anti-constipatory benefit to patients.

Incidence rates for constipation and other GI adverse events will be collected for all treatment groups in the upcoming US Targin registration trials, including reformulated OxyContin and Targin. Since the original formulation is not under study, the event rate for constipation between the original and reformulated OxyContin products can only be compared through cross-study comparison.

The potential to formulate Targin using PEO is under evaluation. Preliminary data have revealed difficulty in analyzing naloxone content when naloxone and PEO co-exist. Our pharmaceutics group is evaluating whether this finding reflects a true incompatibility between naloxone and PEO, or an inability to measure naloxone in the presence of PEO with our current assay.

3.3 Online tools for pain management – should Purdue develop an on-line tool which would allow patients to report their pain condition and/or pain scores online, for later access by their physician?

Marketing is investigating this idea to determine if there is a way to incorporate such a tool this into "Partners Against Pain". We are also looking to identify other "value added" tools for prescribers to utilize with their patients.

3.4 What is the effectiveness/return on investment of the patient savings cards? Since the card can be used every 14 days, could we be paying $140 per patient/ month? Why is the card limit the same by strength? Provide a cost analysis and a P&L by strength .

Marketing will provide an analysis at the January 2011 Board Meeting.

3.5 Several Board members asked management to prepare an analysis regarding the potential for development of ORF 5mg, 120 mg and 160 mg strengths.

We have attempted to formulate an ORF 5mg tablet for use in the OxyContin Pediatric studies. Variability in stability between batches has precluded its use in trials thus far. Consideration for developing strengths greater than 80mg is ongoing and the commercial benefit will be formally addressed via the BDC process.

3.6 Does Medical Research have concerns over the potential for swelling of tablets in pediatric studies?

No. Our Analytical Sciences group evaluated tablet swelling across strengths and found minimal swelling to take place (e.g. up to 3mm) when subjected to aqueous media (Simulated Gastric Fluid) for several hours.

3.7 Where do you think Remoxy is as far as approval and launch is concerned?

King has announced that they will re-file the NDA late 2010. The PDUFA date is uncertain but is most likely to be 6 months following the date of re-filling. It is also uncertain whether an Advisory Committee meeting will be required, which could further delay consideration of the NDA by FDA.

Purdue has filed a Citizen Petition asking FDA to require King to certify to the OxyContin patents. If the FDA grants this request, Purdue will obtain a 30-month stay over King's Remoxy product (which may be shortened to the April 16, 2013 OxyContin patent expiration date, if the product does not infringe Grunenthal's patents). Objectively, our Citizen Petition presents valid legal arguments that King should be required to certify our patents, but the outcome is uncertain.

4. Butrans

4.1 Identify what other companies are developing buprenorphine products for treatment of pain.

Bio Delivery Sciences International has an oral transmucosal delivery system buprenorphine product in phase III development for chronic (low back) pain.

4.2 Is pharmaco-economic analysis data from Ex-US markets available to Purdue? If so, please provide an analysis of how Purdue US plans to use this information to the Board.

Marketing is working with our colleagues in other markets, as well as our clinical team to "mine" a variety of studies, reprints, data sources all in an effort to see what can be utilized in the US market.

4.3 What ideas do we have to extend IP for the 2nd generation patch?

The 2nd generation patches required innovation to develop, especially to decrease the total amount of buprenorphine in the patch while providing the prescribed delivery of buprenorphine to the patients. Patent applications are currently being drafted and will be filed in the next few months to cover this innovation.

Orphan drug status will not be able for the 2nd Generation Patch, because the indication covers more than 200,000 patients.

5. Intermezzo

5.1 Zolpomist – why would people not use this product as opposed to Intermezzo?

Zolpomist does not have the proposed indication that Intermezzo has (middle of the night awakenings):

**Indication**:

Zolpimist (zolpidem tartrate) Oral Spray is indicated for the short-term treatment of insomnia characterized by difficulties with sleep initiation. Zolpidem tartrate has been shown to decrease sleep latency for up to 35 days in controlled clinical studies. The clinical trials performed in support of efficacy were 4-5 weeks in duration with the final formal assessments of sleep latency performed at the end of treatment.

**Dosage in adults**

The recommended dose for adults is 10 mg once daily immediately before bedtime. The total Zolpimist dose should not exceed 10 mg per day.

While this may not prevent a physician from prescribing Zolpomist outside of labeling, we do not believe that Managed Care would support such use of the product. Further, if we can utilize the results of the driving studies performed with Intermezzo, we believe we will be able to demonstrate the need to understand the safety issues surrounding dosing of these medications in the middle of the night which Zolpomist will not be able to provide without such testing.

6. Sales Force Activities

6.1 Track the number of new reps that will be managed by new managers and consider additional training and monitoring for those representatives and their managers.

All new District Managers (DMs), hired from outside Purdue, come to us with district management experience. We verify the training they received at their previous company as well as their effectiveness in the field.

All of these new DMs received the same Level 100 – "New Hire" training that all new Sales Representatives receive. This includes:

- Product knowledge
- Market knowledge
- Compliance training
- SOP, Regulatory, Law training
- Human Resources Training
- Selling skills training

In addition, these DMs receive our Level 600/620 "New DM Training".This includes additional/management specific:

- Compliance training
- SOP, Regulatory, Law training
- Human Resources Training
- Coaching skills
- Performance management skills/process
- Communication skills
- Leadership skills

The Regional Management (RM) team, who is responsible for managing the DMs, is also applying field-based training in a one-on-one manner with these new DMs. This is part of an already established training process that is implemented by the RM team.

This is supplemented with field-based training for our new DMs by experienced DMs who make up what is called the District Manager Advisory Council (DMAC). These are experienced, high performing DMs who assist in training of new DMs.

Finally, the RMs routinely meet with all DMs in the field to review their development. This is accompanied by field contacts that the RM has with representatives in that district, so the RM has a firsthand view of the impact the DM is having on the representatives.

7. Research & Development

7.1 Where do innovative new product ideas get created/generated? Why is there no budget placeholder for new products? Of the high prescribing physicians we call on, what would they like to have as products offered by Purdue in 5 years?

There are several sources for new product ideas. First, there is a company-wide communication/SOP that solicits ideas for such new products from all Purdue staff and such ideas are formally assessed/reviewed by a sub-group of the Business Development Committee (BDC). Second, specific committees/groups within the company (e.g. CCCP, BDC) are charged with developing and innovating processes to identify potential new product opportunities (e.g. line extensions, new combinations of existing drug substances), and the output of these groups is also assessed by the sub-group of the BDC.

External advisors to the company such as members of the Portfolio Advisory Board and clinical Investigators are also asked to identify new formulations that would be of therapeutic value and any such recommendations can be evaluated by the BDC. Also, during the course of these day-to-day activities, members of our Licensing and Business Development Group become aware of the new product directions of other companies and often bring forward thoughts as to what Purdue could do in a similar direction.
We do not budget for new products that have yet to be identified, which is the same way we treat potentially in-licensed or acquired products. When such new products are identified and vetted by the BDC, they are then added to the budget.

7.2

7.3

7.4 For POA, will there be enough clinical differentiation to be able to compete against NSAIDS - even considering the AEs associated with NSAIDS? It seems essential that while the research must demonstrate POA as an effective

analgesic, is must also have a better safety profile - improved safety is critical. Will the product need to be as efficacious as an opioid? What is the next most critical stage-gate, and what will that information be? Is it a mechanism based toxicity that is being seen? Without linear kinetics, it could be very difficult to study this compound further – so we need better understanding of the pharmacokinetics. For POA and TRPV-1, or any medicines that will compete against NSAIDS, it is likely that the most important selling feature will be safety - which could require post marketing studies in 10,000 to 30,000 patients.

POA is under development as a peripherally restricted opioid agonist (analgesic) indicated for mild to moderate pain. Given that peripheral mu opioid receptors are expressed under conditions of localized inflammation, we believe POA will compete directly with NSAIDs and COX-2 inhibitors. Given its early stage of development, we don't yet understand the relative efficacy of POA vs. NSAIDs or other analgesic agents in humans. We and our external advisors believe that POA can add significant clinical and hence commercial value, if it is determined to be as or more efficacious than NSAIDs, but better tolerated (e.g. improved GI, renal, platelet aggregation profile). Given the different mechanism of action relative to NSAIDs / COX-2 inhibitors, large safety studies should not be necessary to demonstrate critical differences in the safety profile between POA and these compounds.

The next most critical stage gate is the conduct of a Proof-of-Concept study in an established human experimental pain study where a superficial burn injury is induced through UVB radiation. A go/no-go decision will be based upon data from this study as well as data from simultaneously conducted non-clinical studies evaluating on/off-target toxicities and responsiveness of toxicities to a mu-opioid receptor antagonist in a primate model.

7.5 

8. R & D Department Initiatives

8.1 Governance/Cost/Efficiency – How do you manage a strategic relationship with one provider in a way that contains costs while also ensuring a priority focus on Purdue's business needs?

Since 2005 we've been conducting our clinical development through a full outsource model. While we've worked with a few CROs over this time, one CRO (PRA) has been our "strategic collaborator." With this designation, Purdue has been able to contain costs by pre-negotiating fixed unit-based prices for all services, and implementing a tiered discount structure based upon volume of work. Costs are also contained through learned efficiencies, (e.g. utilization of standards agreed upon by Purdue and PRA), continued involvement of dedicated PRA resources that have Purdue project and process experience. Lastly, specific goals and deliverables are defined at the beginning of each project via a detailed "scope of services agreement" and "project requirement plan", both of which are amendments to the finalized contract for each project. We will continue to use competitive bidding and other efficiency enhanced approaches, as part of our CRO selection process and require such CROs to deliver metrically driven reimbursement and quality.

8.2 For all clinical studies, what is being done to optimize protocol development timelines and, subsequently, patient recruitment?

In 2010 we began implementation of a structured protocol authoring tool to streamline the protocol authoring process, reduce the time frame for final protocol development, improve the quality of our protocols, and to facilitate consistent application of standard protocol elements. This tool will also improve the clarity and reduce the complexity of study protocols, and in this way, result in less intimidating and more attractive protocols to study investigators than similar protocols from competing sponsors.

8.3 The Board is interested in developing strong IP in association with all exploratory formulation efforts, and IP that focuses not on only a specific compound but rather to stake out broader positions (e.g. abuse resistant IP positions).

Management is equally interested in strengthening the company's IP portfolio, and toward that end establishes ongoing contact between the Legal IP group and the staff on many levels of R&D including Discovery, Formulation, Clinical Development, and Regulatory. In addition, members of the Legal IP group are closely involved in the assessment of acquisition and in-licensing opportunities - and often work to help strengthen the IP position of opportunities the company decides to pursue.

8.4 Have you undertaken a comprehensive review of academic centers in the world, for biomarkers metrics related to pain and/or its treatment? With respect to the proposed partnership with Aalborg - why align with any one university center?

We have not as yet undertaken a comprehensive review of all academic centers but we plan on doing this in the coming months. We will not limit this to just academic centers but all entities/organizations that could impact our development of drugs in our therapeutic areas. We will align with single entities when we can accomplish our proposed goals but not to the exclusion of other interactions.

8.5 Are we collecting hair from ongoing clinical studies to save for post hoc analysis?

Yes. We have been collecting hair samples from our ongoing Phase I studies and plan to collect hair within each of our planned late Phase studies as well.

8.6 Could you collect hair from animals, and does that have any value in non clinical studies?

While collecting hair samples from animals is possible, the benefit it may provide is not clear.

9. Human Resources

9.1 For the performance culture survey, provide the Board the list of 90 questions that make up the 12 categories.

CLC's research revealed about 150 top drivers of desired employee behaviors and attitudes from over 300 drivers that were assessed. Chart 1 of the Attachment (page 12) shows the variation in impact of engagement drivers on employee discretionary effort. CLC continues to update their research data via web-based engagement and employment value proposition surveys. This research and resulting data are available to Purdue through our CLC membership.
HR customized the Culture Survey to focus on the high impact drivers that are most relevant to Purdue considering company culture, special areas of interest, and business conditions. HR carefully selected survey items in order to create a

comprehensive survey, but one that was not burdensome to employees. For the 2010 Survey we were able to obtain broad industry norms for 56 of the 90 survey items covering all survey categories except Compliance. Purdue's results are more favorable than broad industry comparators: Purdue's results averaged 76% favorable; external results averaged 68% favorable. Purdue's results are also more favorable across all categories except for Performance (Innovation) Culture.

Performance Culture
Survey Categories &

9.2 Why did the respondents express considerable concern over an environment that inhibits innovation?

It is possible that the results in this area reflect the tension in the organization between a culture of compliance and a culture of innovation and risk-taking. Purdue has worked diligently to instill a culture of compliance which is a critical attribute for the highly regulated pharmaceutical industry. Purdue has successfully created such a culture as demonstrated by company performance and survey results. Compliance is the most favorable of the twelve survey categories at 96% favorable.

The Culture Survey asks employees to assess various items related to their relationship with their immediate manager, their perception of the work environment, and their perception of the company culture. Items at the manager-colleagues interface level typically have higher ratings than similar items at the company culture level. Relative to trying new ways of doing things (e.g., process improvement, experimentation, and innovation) and open communication (e.g. safe to offer ideas or express a divergent opinion), the results at the manager-colleague interface level are very favorable (average 82% favorable) while the results at the company culture level are somewhat unfavorable (average 29% unfavorable).

Table 1 of the Attachment above (page 13) includes five survey statements related to this topic area. Results by location are reported in addition to All Purdue results. At the manager-colleague interface level, results are favorable across all locations. At the Purdue company culture level, results vary considerably by location: where creativity is most highly valued (Cranbury research site) these ratings are the most favorable (59% average); where

compliance is most highly valued (Sales Field) these ratings are the least favorable (40% average). The range of difference in favorability is 15% or greater across sites. This is a reflection of our effort to create an appropriate balance between a culture of compliance and a culture of innovation based on the nature of the work.

9.3 Does HR have a plan to address the areas of concern?

HR is working with Department Heads to review survey results, identify areas of concern, develop improvement plans, and track progress against plans. HR will collect and review plans to look for common themes, areas that need to be addressed at a site or organization level, and best practices that can be shared across groups.

Relative to the innovation culture area, several resources are in place or planned for 2011, and these will benefit from added reinforcement. 1) One of our 2011 Corporate Objectives is focused on operational effectiveness and efficiency. This objective will be cascaded through the organization to drive process improvement at the organization, department, and team levels. 2) On the Purdue Intranet there is a suggestion box for New Product Opportunities (currently with 190 ideas submitted and 35 ideas under review) and a suggestion box for New Continuous Improvement Opportunities. Colleagues actively use these suggestion boxes to submit ideas which are then reviewed and tracked via defined processes. 3) In March 2011 the Purdue Leadership Council and HR will host a 2-day leadership meeting to address organizational needs and issues. Innovation will be one of five key focus areas for this meeting.

9.4 Were 360 degree reviews part of this survey? If not, think about adding such reviews in the next iteration.

The Culture Survey is not designed to be a tool to assess individual manager performance; it is designed to be a development tool that helps us build a stronger culture of performance across departments, sites, and the company. Demographic items in the 2010 Culture Survey enabled HR to separate out results for 33 different departments. It is at the department level where we can have the most impact on driving high performance and engagement.

As part of Purdue's leadership development programs, HR conducts upward and 360° assessments at the individual leader level. These assessments are used with a defined group of leaders, e.g., high potential leaders; they are not used with

the broad population of managers. The focus of these assessments is the development of stronger leadership skills, not appraisal of past performance. However, as part of Purdue's formal performance appraisal process, managers are encouraged to collect and use multi-source feedback in the evaluation of colleague performance.

10. Technical Operations

10.1 Is switching over to ORF for Latin America desirable or necessary, and are all regulatory costs incurred by the US included in the Latin America P&L Statement?

Yes, switching to the new formulation of OxyContin in the Latin American markets is sure to have considerable advantages from both proactive marketing and generic defense perspectives, and some of the milestone payments we will receive from Technofarma under the renewal license are contingent upon the new formulation being pursued.

All Regulatory and other costs associated with approval of new products in Latin America are captured within the Latin America P&L statements.

11. Licensing and Business Development

11.1 The Board wanted to know why the proposed strategy does not include oncology?

Given the lack of expertise in oncology, the undeveloped opportunities yet to be had in pain and related therapies, and the very high level of cost/complexity and risk in oncology, the strategy remains focused in pain, OIC and GI.

11.2 Does anyone know how Grunenthal came up with the tapendadol molecule?

Grunenthal invented tramadol, and at their research labs in Germany pain has continued to be a major focus. Tapentadol (licensed to J&J) and a second molecule (licensed to Endo) are recent discoveries from Grunenthal's' research.

11.3 What is the problem with Relistor? Why does it not do well commercially and might it do better if it was incorporated into a patch?

Relistor has a restricted (end of life) indication and is currently available only as a subcutaneous injection, which is not patient-friendly. An oral product, if developed, might change the overall acceptance of the product; there is no evidence that a transdermal formulation could be developed.

11.4 Why was Astra Zeneca willing to spend so much more on Nektar than we were?

Astra Zeneca's model for the number of worldwide patients with opioid-induced constipation apparently includes assumptions that are very optimistic compared to our estimates of actual patients with the condition. Astra Zeneca was also actively looking for a large-market GP product in GI, and were willing to pay top dollar for a late-stage product.

12. IP & Litigation Settlement Strategies

12.1

12.2

12.3 What is our strategy with respect to the Remoxy NDA, and if this product reaches the market – what do we see as the commercial impact?

As with all competitors, marketing develops strategies and tactics around the final approved label of the competitor and what we learn about their positioning, managed care strategy, etc.

At this point, we do not believe that Remoxy will have any competitive/clinical advantage over OxyContin in regards to indication, tamper-resistance statements or clinical outcomes.

With OxyContin commanding such a large % of the LAO market, coupled with the significant "brand recognition/equity" and very strong managed care support, it will be difficult for Remoxy to gain a foothold in this market.

Marketing will continue to monitor their application and approval timeline, as well as their final labeling all in an effort to develop marketing & sales strategies to ensure their impact on OxyContin is minimal.

The projected commercial impact could be:

- The 2011 OxyContin forecast is "evented" down by $52 mm for Remoxy
- We project 2011 sales for Remoxy at 80mm (thus we see a majority of their sales coming at the expense of OxyContin
- We are forecasting sales for Remoxy to be ~ $675mm in 2013.

12.4 

12.5 Should we consider developing an Embeda like product/technology?

Yes, using our own sequestered technology. Embeda has proven that this technology is useful/effective.

13. Budget Proposal

13.1 The Board would like to hear product management's ideas to expand the laxative and other OTC business (i.e. Betadine)?

The OTC brand team, working with Finance and LBD is currently developing scenarios for the Betadine brand in an effort to identify options moving forward. This includes an option to out-license Betadine Institutional Products, similar to the Alcon arrangement for Betadine Opthalmic. .

The OTC brand team is also working with LBD to evaluate potential in-licensing opportunities to expand our laxative portfolio and possibly expand into related GI markets.

13.2 What can we do to assist patients to be better informed of their formulary/co-pay options - and can this be made part of the Purdue web site?

Marketing has just rolled out what is known as" Fingertip Formulary". This is a tool our representatives have within their computers that allows the representative to customize a managed care formulary grid for a specific physician. In turn, the physician is able to gain specific knowledge regarding formulary status of our products, as well as patient co-pay levels. This allows the physician to inform the patient on these important issues.

Most (>80%) managed care plans offer their patients a web-based resource that provides them information for formulary status of products as well as co-pay amounts. Therefore, we do not see a need for us to build such a resource at this point in time.

13.3 Can the Communications & External Affairs Committee and Commercial Products Portfolio Committee prepare a communication plan to react to questions about new higher Medicaid pricing / lower rebates – should they arise?

This is in process.

13.4 Please provide comparative metrics on IT spend, including spend per employee.

IT expenditure as a % of net sales is 1.4% for Purdue v 2.9% for industry. IT expenditure per employee is Purdue $15,600 v industry $16,795. (Industry benchmarked companies: Easai $13,368, Allergan $15, 425, Biogen $20,900, Amgen $34,286)

14. Board attendees / presenters attached.

Board Attendance
11-2-10 v2.docx

# Exhibit 5

**To:** Gasdia, Russell[Russell.Gasdia@pharma.com]
**From:** Weinstein, Bert
**Sent:** Thur 6/16/2011 7:47:14 PM
**Subject:** Re: Feedback from District Manager Advisory Council - FYI

LOL - I told him you raised concerns with me. We agreed Richard needs to be mum and be anonymous

---

**From**: Gasdia, Russell
**To**: Weinstein, Bert
**Sent**: Thu Jun 16 17:08:15 2011
**Subject**: Fw: Feedback from District Manager Advisory Council - FYI

I spoke to John and he said Stuart cleared Dr Richard observing calls with reps. I told him I spoke with you and you have concerns...he said he'd speak with you.

---

**From**: Sackler, Dr Richard
**To**: Gasdia, Russell
**Cc**: JHS (US)
**Sent**: Thu Jun 16 16:45:56 2011
**Subject**: Re: Feedback from District Manager Advisory Council - FYI

Russ,
One more thing. Who have you chosen for me to go to the field with the week after the budget meetings? Where are they? Can we conveniently do two reps each day especially if I travel to get to the right place as I probably should do.

---

**From:** Richard Sackler <DrRichard.Sackler@pharma.com>
**Date:** Thu, 16 Jun 2011 16:44:58 -0400
**To:** "Gasdia, Russell" <Russell.Gasdia@pharma.com>
**Cc:** "JHS (US)" <JHS@pharma.com>
**Subject:** RE: Feedback from District Manager Advisory Council - FYI

Nothing is quantitative. May all be true but insignificant. How have you tried to quantify these elements?
What is missing or misleading in our message that causes physicians to think of Duragesic? I thought that we were careful to make clear this is not for the most severe pain patients.

1. • The manager's all felt that we can improve in our call focus and frequency on high-potential prescribers

1 Above suggests that we are calling on non-high potential prescribers. How can our managers have allowed this to happen?

1. o We are seeing that where we focus our efforts with greater call frequency, we see a great number of Rxs per MD. This is not a surprise, but now that we have a few months of call data as well as Rx data, we see a pretty clear correlation. (This will be presented next week at the Mid-Year meeting)

What is the evidence that calling on more physicians with higher frequency will produce more sales? I must say that I don't find this convincing as a major cause of our underperformance. Isn't it the case that reps call more frequently on their best customers, so maybe the higher frequency is caused by higher use, not the other way around. What about poor reps? Are they not calling on some docs with high frequency who still are poor to zero users?

The notion that newer reps are poorer reps is believable, but a couple of scatter plots would show this better. Chart 1 would have results from Jan through Mar with tenure of reps on the x-axis and results on the y-axis. Then Apr (with May, if available) would do it again. Not only would you be able to show the evidence of the observation, but the magnitude of the discrepency would be evident, and some reason to hope for progress moving forward would be show by comparing the two graphs.

It is reassuring to know that the managers think that some corrective programs will be productive, but more telling would be the reasons that managers disagreed, or thought that other actions would be more productive. If you had no disagreements with the course of action or no alternative courses proposed, then say that. But this would be disappointing.

Richard Sackler, M.D.
- +1 203 588 7777 Office
- +1 203 550 4550 iPhone
- +1 801 742 1001 UT Locus
- r@pharma.com

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**From:** Gasdia, Russell
**Sent:** Thursday, June 16, 2011 9:24 AM
**To:** Sackler, Dr Richard
**Cc:** Stewart, John H. (US)
**Subject:** Feedback from District Manager Advisory Council - FYI

Dr Richard

I received the message that you weren't able to join us for the District Manager Advisory Council luncheon yesterday.

I'm providing a top-line overview of the feedback received on the Butrans launch results from this group of DMs:

- The primary issue facing the physicians right now is patient access through managed care plans.
    - This is consistent with recent market research conducted at the American Academy of Pain Management conference (John forwarded you a presentation on this research for your review)
    - Representatives are improving their ability to focus the physicians on managed care plans where Butrans is available and we are also increasing our messaging on the Patient Savings Program to reduce the patient's out-of-pocket costs until we can achieve improved formulary status for Butrans.
- The managers all indicated that proper patient selection is key.
    - Some physicians think of Duragesic when we present Butrans
    - The Butrans doses available are not considered to be "equianalgesic" to the available doses of Duragesic. Therefore, a patient who requires Duragesic has pain that is "beyond" Butrans and if they convert a patientfrom Duragesic to Butrans there is a risk on "failure" on Butrans. This has occurred in some areas, but the representatives are improving in their ability to focus the physicians on more appropriate patients (low dose Vicodin , Percocet, or tramadol, as well as opioid naïve who now require an opioid analgesic)
- The manager's all felt that we can improve in our call focus and frequency on high-potential prescribers
    - We are seeing that where we focus our efforts with greater call frequency, we see a great number of Rxs per MD. This is not a surprise, but now that we have a few months of call data as well as Rx data, we see apretty clear correlation. (This will be presented next week at the Mid-Yearmeeting)
    - They discussed tactics managers can take to assist representatives with call planning and physician selection for their call lists.
- As you know we expanded by 125 new territories during the 4th quarter 2010. With additional expansion at the management level, we actually hired approximately 147 new representatives into the Sales Force between October 2010 and March 2011.
    - The managers all see that the newer representatives are not having the same level of impact as our veteran representatives.
        - While some of the newer representatives are doing well, most of the newer representatives are behind our more experienced representatives in performance.
        - This is not a surprise as relationships need to be developed to be effective at selling. Also, many of the representatives we hire do not have a pain management background, since there are only a few companies who are in this market.
        - All the manager's were confident that with our training focus for these new representatives we will see improvement. They also felt that as we progress into the second half of2011 they will increase effectiveness as they build more relationships withtheir physicians.
- We have some representatives who are underperforming and the managers all indicated the value of a program we initiated called the "Performance Enhancement Plan".

- This is designed to focus the manager's efforts on representatives who are not performing to expectations. It is not probation. Instead it is designed to improve performance before a representative is performing so poorly they need to be placed onto probation.
- The program focuses on selling skills, call activity focus, product knowledge and any other areas that require improvement. It also requires the manager to devote more time to the representative, beyond the normal field contact rotation.
  - All managers reported successes with this program. All had examples of representatives placed onto this program who have demonstrated significant improvement.

- The positioning and messaging is effective. However, all the managers felt we need to continue to train the representatives on how to more effectively deliver the messages and reinforce appropriate positioning for Butrans.
  - They all felt that the workshops we've developed for the June two-day district meetings are on target and will help to elevate the skills of the representatives in regards to effective messaging around Butrans.

Overall, the managers reported that they hear from physicians that Butrans is an effective product, as long as it was prescribed for the appropriate patient and those who have access through their managed care plan. They also indicated that they feel the second half of the year should be strong, based on what they see in the field and how call activity relates to results. They also feel the newer representatives will increase effectiveness as we get further into 2011.

I'll provide more lead time to you and John prior to our nextfeedback session. We will most likely conduct the next one via a phone conference and you are more than welcome to join us.
Russ

# Exhibit 6

**To:** Feltz, Margaret[Margaret.Feltz@pharma.com]; Stroud, Alexis[Alexis.Stroud@pharma.com]
**From:** Weinstein, Bert
**Sent:** Wed 2/8/2012 9:47:34 AM
**Subject:** FW: Butrans Weekly Report for the week ending January 27, 2012 - FYI

Oh dear

*Bert Weinstein*
*Vice President, Corporate Compliance*
*Purdue Pharma L.P.*
*One Stamford Forum*
*Stamford, CT 06901*
*203-588-8288 (o)*
*203-912-4462 (c)*

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**From:** Sackler, Dr Richard
**Sent:** Wednesday, February 08, 2012 9:45 AM
**To:** Gasdia, Russell; Sackler, Mortimer D.A.
**Cc:** Sackler, Dr Raymond R; Sackler, Dr Kathe; Sackler, Jonathan; Sackler, Theresa; Pickett, Cecil; Boer, Peter; Lewent, Judy; Baker, Stuart D.; Stewart, John H. (US); Abrams, Robin; Dolan, James; Landau, Dr. Craig; Long, David; Lundie, David; Mahony, Edward; Mallin, William; Silbert, Richard W; Stiles, Gary; Strassburger, Philip; Weinstein, Bert
**Subject:** Re: Butrans Weekly Report for the week ending January 27, 2012 - FYI

Maybe the thing to have done was not have the meeting at all.

---

**From:** "Gasdia, Russell" <Russell.Gasdia@pharma.com>
**Date:** Wed, 8 Feb 2012 09:38:33 -0500
**To:** Mortimer Sackler <msackler@pharma.com>
**Cc:** Richard Sackler <DrRichard.Sackler@pharma.com>, Raymond Sackler <DrRaymondR.Sackler@pharma.com>, "Sackler, Dr Kathe" <Dr.K.A.Sackler@pharma.com>, "Sackler, Jonathan" <Jonathan.Sackler@pharma.com>, Theresa Sackler <Theresa.Sackler@mdsackler.co.uk>, Cecil internet <cecil.pickett@pharma.com>, Boer <fpboer@boer.org>, Judy Lewent <Judy.Lewent@pharma.com>, Chadbourne SDB <sbaker@chadbourne.com>, John Stewart <John.H.Stewart@pharma.com>, Robin Abrams <robin.abrams@pharma.com>, "Purdue Pharma L.P." <James.Dolan@pharma.com>, "Landau, Dr. Craig" <Dr.Craig.Landau@pharma.com>, David Long <david.long@pharma.com>, "Lundie, David" <David.Lundie@pharma.com>, Ed Mahony <edward.mahony@pharma.com>, "Mallin, William" <William.Mallin@pharma.com>, "Silbert, Richard W" <Richard.Silbert@pharma.com>, "Stiles, Gary" <Gary.Stiles@pharma.com>, "Strassburger, Philip" <Philip.Strassburger@pharma.com>, Bert Weinstein <Bert.Weinstein@pharma.com>
**Subject:** RE: Butrans Weekly Report for the week ending January 27, 2012 - FYI

Mortimer

We have considered this. I fact, Windell Fisher and I discussed this just last week. Our meeting is set for next January, but we are considering moving into mid to late January in order to do what you say and also allow some added tome to prepare for the meeting.

Most companies have kick-off meetings at the start of the year. Not sure about "Big Pharma" where they are too big to conduct in a national setting.

The balance is waiting too long after the end of a year to gather the sales force together, gain a new focus, introduce new promotional campaigns and provide training geared towards addressing issue faced in the previous year and anticipated in the new year.

Russ

-----Original Message-----
From: Sackler, Mortimer D.A.
Sent: Tuesday, February 07, 2012 6:35 PM
To: Gasdia, Russell
Cc: Sackler, Dr Richard; Sackler, Dr Raymond R; Sackler, Dr Kathe; Sackler, Jonathan; Sackler, Theresa; Pickett, Cecil; Boer, Peter; Lewent, Judy; Baker, Stuart D.; Stewart, John H. (US); Abrams, Robin; Dolan, James; Landau, Dr. Craig; Long, David; Lundie, David; Mahony, Edward; Mallin, William; Silbert, Richard W; Stiles, Gary; Strassburger, Philip; Weinstein, Bert
Subject: Re: Butrans Weekly Report for the week ending January 27, 2012 - FYI

Russ,

Do you feel based on these results that in future years we should not plan the national sales meeting so close following the winter break as it extends the period of time since the doctor last saw our rep? Wouldn't it be better to have the reps get back to work for January and back in front of doctors who enter the new year refreshed and ready to take on new information and challenges and hold the sales meeting the beginning of Feb? At least then the doctors will have have gotten at least one reminder visit from our reps in the last month whereas now they might go two months without seeing one of our reps??

What do other companies do?

Regards,

Mortimer

On Feb 7, 2012, at 5:55 PM, "Gasdia, Russell" <Russell.Gasdia@pharma.com> wrote:

· Prescriptions for the final week of January 2012 are now available

· We experienced a 2.3% increase over the previous week in TRx growth and an increase in share from 1.48% to 1.59%. This is the third highest share since launch.

o This occurred while the entire extended-release opioid market experienced a -4.9% decrease in TRxs

· While the prescription trends have decreased since mid-December, the past four weeks are showing a slight rebound

· Call activity appears to be a major driver of these trends, as evidenced below

o The graph below depicts primary presentations per week in blue. You will note that primary presentations dropped during December due to vacations as well as the company holiday week. Also we lose a full week in January due to the National Sales Meeting.

o The red line represents TRxs and you can see the relationship/trend with calls and results.
[cid:image015.png@01CCE5C1.AAA3C490]

We are also tracking the Butrans Patient Savings Program. Results for this program are a week ahead of the TRx data.

· We had a record week for redemptions with data the week ending February 4th

o On a weekly basis, we have been averaging 40% of all TRxs including a redemption of a savings card or eVoucher. Based on this, we should see an increase in TRxs next week.

· We also see redemptions for a new version of the savings program which offers a $0 co-pay on the first RX (for patients receiving their first RX of Butrans) and we cover up to $75 of the co-pay.

· The blue bar represents the eVoucher savings (which is savings at the retail pharmacy cash register/computer). This is the bulk of our redemptions and the most recent eek was the strongest week to date.

· This Patient Savings Program is designed to provide a reduction in a patient's out-of-pocket costs while we continue to negotiate with Managed Care Organizations for improved formulary status.

[cid:image016.png@01CCE5C1.AAA3C490]

The National Sales Meeting focused on improving the effectiveness of the sales force. The entire meeting was geared on "best practices" of our top Butrans sales representatives for 2011. We transferred their successful approaches to the entire sales force via a series of workshops. We are confident that as we progress into February primary presentations will increase. This, along with improved skills of the sales reps and implementation of the new patient savings card, should lead to increases in TRxs in line with our objectives.

Russ

[cid:image001.jpg@01CCE03A.5FFE0630]

Weekly Prescriptions and Stocking Report for the Week Ending January 27, 2012

*Please note:

· Prescriptions are inclusive of retail, long term care, and mail service channels.

· Stocking data is not available for 2012 as Purdue no longer purchases the weekly data .

· The store count and patches ordered data reflect all channels of trade.

· The store count reflects the number of outlets that ordered products during the given time period.

· Wal-Mart, Target and Kroger data are not included in the stocking data.

1. Weekly Rx Snapshot for Week 54 of Butrans Launch

· The new Butrans Trial Offer $0 copay began the week ending January 27.

· Butrans total prescriptions for week of January 27, accounted for 7,567 Rxs compared to last week's prescription count of 7,396.

· Butrans share of ERO Rx segment was 1.59% this week, compared to 1.48% last week. 1.59% of the ERO market is the highest share since Dec 16, 2011 and the third highest share percent since launch. The highest ERO market share was 1.62% for the week of November 18, 2011.

Key Metrics

Actual

Latest weekly Butrans TRx volume

7,567

Latest weekly Butrans NRx volume

6,142

Year to date 2012 TRxs

29,497

Latest weekly Butrans growth rate

2.3%

Latest weekly distribution by Butrans dosage strength

TRxs

%

5mcg

2,115

28.0%

10mcg

3,441

45.5

20mcg

2,011

26.6

Total

7,567

100.0%

Latest weekly growth rate for Extended Release Opioids (EROs)

-4.9%

Latest weekly Butrans share of Extended Release Opioids (EROs)

1.59%

2. Launch Comparison (Retail Only)

· The following is a post launch comparison of Butrans versus other extended release opioids and Butrans versus extended release Tramadol products. At 54 weeks post-launch, Butrans retail Rxs (7,567) continued to outpace all launched EROs with the exception of OxyContin.

· At 21 weeks post-launch, Butrans outpaced all EROs, including recently introduced Nucynta ER which is tracking similarly to Duragesic's launch.

[cid:image002.png@01CCE59C.8402B2D0]

*Includes pre-launch prescriptions

[cid:image003.png@01CCE59C.8402B2D0]

3. New vs. Refill Prescriptions

· Latest weekly new and refill Rxs are shown as follows:
[cid:image004.png@01CCE59C.8402B2D0]

[cid:image005.png@01CCE59C.8402B2D0]

4. Prescriptions by Dosage Strength

· In order to meet the 2012 prescription target of 604,500 Rxs, Butrans prescriptions must increase at an average of 190.5 Rxs each week, starting with the Rx total for the week ending January 6th (6,770). Butrans Rxs must also achieve a year end distribution of 5mcg/hr at 30%, 10mcg/hr at 45% and 20mcg/hr at 25% in order to meet demand forecast of $132mm. Progress against the Rx target is shown in the following figures:

Week Prior

Last Week

Current Week

YTD

Goal

5mcg

27.6%

28.2%

28.0%

27.9%

30.0%

10mcg

46.2%

45.4%

45.5%

45.8%

45.0%

20mcg

26.1%

26.3%

26.6%

26.3%

25.0%

[cid:image006.png@01CCE59C.8402B2D0]

[cid:image007.png@01CCE59C.8402B2D0]

· 10mcg equivalents Rxs:

[cid:image008.png@01CCE59C.8402B2D0]

5. Prescriptions by Channel

· Retail pharmacy scripts continue to dominate Butrans total Rxs by channel, accounting for 95%, followed by 4% in LTC and 1% from Mail order.

[cid:image009.png@01CCE59C.8402B2D0]

[cid:image010.png@01CCE59C.8402B2D0]

6. Prescriptions by Specialty

· By specialty group, Primary Specialists continue to garner largest share of Butrans Rxs, accounting for 39.7% this week, followed by PCPs with 39.6%, and NP/PAs with 15%.

· Anesthesiology/pain medicine (19.7%), FP/GP (15.3%), Physical Medicine (12.1% ) and Osteopathic Medicine (13.1%), were leading individual specialties this week.
[cid:image012.png@01CCE59C.8402B2D0]

7. Stocking Overview

· Stocking data is not available for 2012 as Purdue no longer purchases the weekly data .

Stephen Wachter | Manager, Market Research | Purdue Pharma L.P.
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Tel: 203-588-8416 | Fax: 203-588-6216 | Mobile: 203-461-1169 |
Email: stephen.wachter@pharma.com<mailto:stephen.wachter@pharma.com>


<Butrans Weekly Report 1-27-12.xlsm>










# Exhibit 7

**To:** Stewart, John H. (US)[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=johns]
**From:** Gasdia, Russell
**Sent:** Thur 3/8/2012 6:48:53 AM
**Subject:** Re: Copy of Butrans Weekly Report 2-24-12-RS.xlsm

Thanks.

On Mar 8, 2012, at 6:37 AM, "Stewart, John H. (US)" <John.H.Stewart@pharma.com> wrote:

Russ

I work on this virtually every day, some with more success than others. You are right about the ultimate solution, and in the meantime when RSS does ask for data – I find it best to just give it to him, but at the same time repeat what i/we feel.

Do ask David to keep copying me on his replies to RSS, since it is those that spur me to get involved directly.

John

---

**From:** Gasdia, Russell
**Sent:** Wednesday, March 07, 2012 1:35 PM
**To:** Stewart, John H. (US)
**Subject:** FW: Copy of Butrans Weekly Report 2-24-12-RS.xlsm

John

This is taking a lot of David's energy, almost every day. I can assure you that Mike and Windell are fully focused on improving these results. It isn't constructive to spend too much time on this as opposed to expending energy within my department of identifying the problem, developing the solutions and gaining implementation. Anything you can do to reduce the direct contact of Richard into the organization is appreciated. I realize he has a right to know and is highly analytical, but diving into the organization isn't always productive.

Russ

---

**From:** Sackler, Dr Richard
**Sent:** Wednesday, March 07, 2012 11:39 AM
**To:** Rosen, David (Marketing)
**Cc:** Stewart, John H. (US); Gasdia, Russell; Innaurato, Mike; Fisher, Windell; Condon, Donna
**Subject:** Re: Copy of Butrans Weekly Report 2-24-12-RS.xlsm

This is bad. This will extend the period of plateau by more than one week, but maybe by two or three, even if next week is up.

Please take the notations of 1.5% etc off on the **Butrans US Dollar**

# Share of the Extended Release Opioid Market

## (Source: IMS National Sales Perspective; includes branded and generic opioids)

**From:** "Rosen, David (Marketing)" <David.Rosen@pharma.com>
**Date:** Tue, 6 Mar 2012 10:38:27 -0500
**To:** "Richard S. Sackler" <drrichard.sackler@pharma.com>
**Cc:** John Stewart <John.H.Stewart@pharma.com>, "Gasdia, Russell" <Russell.Gasdia@pharma.com>, "Innaurato, Mike" <Mike.Innaurato@pharma.com>, "Fisher, Windell" <Windell.Fisher@pharma.com>, "Condon, Donna" <Donna.Condon@pharma.com>
**Subject:** Copy of Butrans Weekly Report 2-24-12-RS.xlsm

HI, Dr. Richard. The attached report contains graphs containing the latest data located at the last 6 spreadsheets in the file. While predictably Rx's were down given the President's Day holiday, we slightly increased share. I believe next week is poised to be a good week given copay card redemptions.

Thanks,
David

# Exhibit 8

**To:** Sackler, Mortimer D.A.[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=Mortimer JR Sackler]; Stewart, John H. (US)[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=johns]
**Cc:** MNP Consulting Limited - Board of Directors[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=MINT-InternationalBoardofDirectors]; Baker, Stuart D.[/O=PURDUE/OU=Purdue US/cn=Chadbourne and Parke/cn=ChadStuart.D.Baker]; Must, Alan[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=MustA]; Abrams, Robin[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=AbramsR]; Geraci, Mark[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=geracf]; Haddox, Dr. J. David[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=HaddoxJ]; Rosen, Burt[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=rosenbu]
**From:** Sackler, Dr Richard
**Sent:** Sun 8/18/2013 3:43:06 PM
**Subject:** Re: Florida Pain Victims Trapped by Prescription Crackdown: Heal

I had the same idea and expressed it to JHS after the Board meeting.

---

**From:** <Sackler>, Mortimer Sackler <msackler@pharma.com>
**Date:** Sunday, August 18, 2013 7:51 AM
**To:** John Stewart <John.H.Stewart@pharma.com>
**Cc:** MNP Consulting Limited - Board of Directors <MNPConsultingLimited-BoardofDirectors@pharma.com>, Chadbourne SDB <sbaker@chadbourne.com>, "Must, Alan" <Alan.Must@pharma.com>, Robin Abrams <robin.abrams@pharma.com>, Mark Geraci <Mark.Geraci@pharma.com>, "Haddox, Dr. J. David" <Dr.J.David.Haddox@pharma.com>, "'Burt. com'" <Burt.Rosen@pharma.com>
**Subject:** Re: Florida Pain Victims Trapped by Prescription Crackdown: Heal

I do think there maybe an opportunity here for us to set up a complementary business to handle this for Purdue as well as other controlled drug manufacturers. Do we have a team who could explore this possibility?

Regards,
Mortimer

On Aug 16, 2013, at 11:24 AM, "Stewart, John H. (US)" <John.H.Stewart@pharma.com> wrote:

> We are considering/evaluating many options, but recognizing as you do that this problem is affecting many opioid formulations – are first focusing on solution/vehicles that could deal with all or substantially opioids, such as existing mail order services (e.g. Express Scripts) – many of which already handle opioids. They are already up and running, and are likely already "helping" to some extent.
>
> We are also evaluating activities such as shipping directly to pharmacies who can't get supply from their regular wholesalers, but recognize that in association with such a service we would assume additional order monitoring responsibility/risk. In addition, we are looking as to what we may be able to set-up so as to provide guidance to patients who call us with respect to their personal problem in filling a prescription.
>
> At multiple levels, we and others are also looking to interact with those wholesalers and chain

pharmacies whose policy changes have resulted in these shortages -- to help them identify ways of meeting their compliance requirements while at the same time not causing shortage problems for patients.

This issue is a standing action topic on the CEAC Agenda -- which meets every Tuesday morning.

JS

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**From:** Sackler, Mortimer D.A.
**Sent:** Friday, August 16, 2013 9:35 AM
**To:** Stewart, John H. (US); Baker, Stuart D.
**Cc:** MNP Consulting Limited - Board of Directors
**Subject:** Fwd: Florida Pain Victims Trapped by Prescription Crackdown: Heal

FYI. We didn't get to discuss yesterday what ideas management has for creating a new distribution system to help relieve this problem of product access for legitimate chronic pain patients. The McKinsey report describes one possible version. Are you pursuing that or an alternate and if so, how long do we think it could take to get it going?

My thought would be to continue to have doctors prescribe as before (ideally though using the central database as part of the prescribing process) but to enter into agreements with each of the pharmacy chains whereby they provide the patients with only the first 3-4 days of product and then we would directly ship them the rest after using an **independent** service to verify the legitimacy of their prescription. This way the pharmacies will be happy as they won't need to stock as much of the medicines, the patients will be happy as they will be assured of getting their needed medicines, and we can provide a service (and charge for it) which handles in a much more streamlined way (so the doctors offices will also be happy) the verification process and supply of the remaining pills directly to the patient. We could set this up for ALL controlled drugs not just OxyContin. What do you think?

Regards,

Mortimer

Begin forwarded message:

> **From:** "MORTIMER SACKLER (STILLWATER LLC)" <mortimer@bloomberg.net>
> **Date:** August 16, 2013, 9:20:41 AM EDT
> **To:** <msackler@pharma.com>
> **Subject: Florida Pain Victims Trapped by Prescription Crackdown: Heal**
> **Reply-To:** MORTIMER SACKLER <mortimer@bloomberg.net>

Sent from Bloomberg Anywhere for iPad

+----------+

Florida Pain Victims Trapped by Prescription Crackdown: Health
2013-08-16 04:00:01.8 GMT

(Use {SALT HEACOL <GO>} for alerts on health columns.)

By Samuel Adams

Aug. 16 (Bloomberg) -- Meredith Diaz's battle against chronic pain has fallen foul of America's new war on drugs.

The 35-year-old mother of three from Florida suffers with lupus, an inflammatory disease that causes bone loss and joint problems. She has a ruined knee that will soon need replacing, and herniated discs in her back. Until last year, Diaz, a nurse living on disability benefits, had no trouble getting the painkillers and anti-anxiety medicines -- OxyContin, roxycodone and Xanax -- her doctors regularly prescribe.

That's now changed after regulators clamped down on Florida's lax prescription controls to halt an epidemic of painkiller abuse that kills more people nationwide than heroin and cocaine combined. Drug distributors and pharmacies hemmed in by new regulations are limiting the pain medicines they keep on hand and who gets them, making Diaz and hundreds of other patients like her collateral damage.

"Regulation is fine, but truly making the pharmacists not able to get the medication can't be the answer," Diaz, who lives near Tampa, said in a phone interview. "There shouldn't be this apprehension about how I'm going to get my medicine."

In 2010, Florida harbored 90 of the nation's top 100 pharmacies buying oxycodone, a synthetic opioid, according to a statement last year by Rick Scott, the state governor.

A year later, the amount of oxycodone sold in the state had dropped by 97 percent after a joint U.S.-state task force made 2,150 arrests for offenses ranging from improper sales to over-prescription by doctors. Last month, the Drug Enforcement Agency fined Walgreen Co., the nation's largest pharmacy chain, $80 million for failing to properly control painkiller sales.

## Black Market

Pills doled out in Florida found their way into the black market, fueling a nationwide surge in prescription-drug abuse. Opioid painkillers caused 16,652 deaths in 2010, with more than 420,000 emergency department visits, according to the Centers for Disease Control and Prevention.

Sales of Purdue Pharma LP's OxyContin alone accounted for

about $2.81 billion of the $9.38 billion U.S. market for prescription painkillers last year, according to IMS Health Inc., a health-care data provider based in Danbury, Connecticut.

While the Florida crackdown has been successful in fighting abuse, patients with everyday pain say it has also had a chilling effect on their ability to fill prescriptions that are legally obtained, appropriate and necessary.

In some cases, they say, pharmacies carry limited supplies that often run out, and some businesses only want to deal with long-known patients. New faces, particularly those from outside their immediate neighborhoods, are often not welcome, said Colleen Sullivan, a 29-year-old muscular dystrophy patient.

## Isolated

That's a particular problem for people who, like Sullivan, live in isolated areas. Sullivan's home is in Marathon, a town in the Florida Keys with few pharmacies, she said. When they run out, Sullivan often finds herself traveling miles to find the drugs since pharmacies will no longer tell her over the telephone if they have a supply on hand, she said.

Paul Doering, a professor emeritus at the University of Florida College of Pharmacy in Gainesville, has worked with regulators on how best to control prescription use. Legitimate patients are in an awkward spot with drug sales now drawing strict monitoring, he said.

Distributors such as Cardinal Health Inc., the second-largest by revenue, are delivering fewer drugs because of both lower demand and concerns they may be blamed for any oversupply going forward, said Doering. At the same time, pharmacies that faced tough questions about outsized sales in the past now often refuse to provide the drugs unless they they know a patient's background, he said.

## 'Hammer Dropped'

"The hammer was dropped," Doering said in a telephone interview. "There isn't a material shortage of the drugs, but there has been somewhat of a de facto shortage."

In some cases, he said, patients are being judged by their appearance by pharmacists who are concerned they'll be blamed for providing drugs to the wrong person.

There is a solution, according to Doering. Before the anti-abuse task force, there was no easy way for doctors and pharmacists to verify prescription use. Now, healthcare providers must notify authorities every time a controlled substance is dispensed to patients and the information is

recorded on a database.

Even so, state lawmakers declined to make use of the database mandatory and only 12 percent of doctors and 40 percent of pharmacists have registered for it, according to the Florida Department of Health. Pharmacists can find themselves having to confirm even legitimate prescriptions in a process that can take anywhere from hours to days.

## Bottom Line

"Because of the legal requirements placed on pharmacists to verify that controlled substance prescriptions are issued for a legitimate medical purpose, pharmacists may need to gather additional patient information from their prescribing physician's office," James Graham, a spokesman for Deerfield, Illinois-based Walgreen, said in an e-mail.

The bottom line for patients like Diaz and Sullivan is constant fear that one day they won't be able to get their drugs at all.

"It's a very unhappy existence, but as a mother of three kids you don't want to look unhappy," Diaz said. "So you put on a facade. If I don't have that medicine my life gets even harder."

For Related News and Information:
Opioid Painkiller Abuse Epidemic Spurs Search for a Safer Drug
NSN MPBS4S0YHQ0X <GO>
Walgreen Pays $80 Million to Settle DEA Painkiller Probe
NSN MO90AX1A1I4H <GO>

Top Stories:TOP<GO>

--Editors: Reg Gale, Ben Richardson.

To contact the reporter on this story:
Samuel Adams in at +1-212-617-4330 or
sadams69@bloomberg.net

To contact the editor responsible for this story:

# Exhibit 9

Message

**From:** Baker, Stuart D. [/O=PURDUE/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=BOD PLANNER64F]
**Sent:** 8/21/2013 12:03:18 PM
**To:** Sackler, Dr Raymond R [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=5126C570D61C454289292825E5390B7A]; Sackler, Beverly [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=94F7FE9728884A34A23A59DA6A65D27D]; Sackler, Dame Theresa [/OU=VIRTUAL/CN=SACKLERT_VMB]; Sackler Lefcourt, Ilene [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=E8553F6239F74B4F8AC8128E98CD1464]; Sackler, Dr Kathe [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=E49EFBF38CA448279F811B95D7C83BDD]; Sackler, Jonathan [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=EDCD012C2FCA40ECA986A3580BECA1AE]; Sackler Hunt, Samantha [/O=PURDUE/OU=UKCAM/CN=RECIPIENTS/CN=SSH01]; Sackler, Mortimer D.A. [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=DFB6F389A54E4602AD592A333BE529F2]; Sackler, David A. [/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=DAVIDSACKLER]; Boer, Peter [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=4AC9F20EA6BA451BA0CCB00539CCC06F]; Boer, Peter [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=4AC9F20EA6BA451BA0CCB00539CCC06F]; Lewent, Judy [/OU=VIRTUAL/CN=LEWENJU]; Pickett, Cecil [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=A338055AFF804483BED29ABC15A6D980]; Costa, Paulo [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=CD11DC2D120A4DAFB713405C9A7E8387]; Snyderman, Ralph [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=F6C03D96FCBD4F909D91FDC982FB926C]
**CC:** Sackler, Dr Richard [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=3AFB14348C50493E95A6A5977146F48E]; 'Christopher.Mitchell@cbmitchell.co.uk' [Christopher.Mitchell@cbmitchell.co.uk]; Roncalli, Anthony [/O=PURDUE/OU=PURDUE US/CN=CHADBOURNE AND PARKE/CN=CHADANTHONY.RONCALLI]
**Subject:** McKinsey Report Regarding Purdue Pharma L.P.
**Attachments:** 20130808 Addendum to Board Memo v14.docx

Dear All:

Dr. Richard has arranged a face to face meeting with McKinsey on Friday, August 23, 2013 commencing at 2:00pm to discuss the McKinsey report. This report was included in the Board book for the Thursday, August 15, 2013 meeting. For ease of reference, a copy is attached hereto. Any Directors who would like to attend the meeting can do so. If you would like to attend telephonically, the following are the call in details:

U.S. Participants: 1-888-809-4012

International Participants: 1-719-785-9325

Passcode: 447799

Stuart

CONFIDENTIAL

Memorandum to
John Stewart
Russ Gasdia

From
McKinsey & Company

August 8th, 2013

# Identifying granular growth opportunities for OxyContin: Addendum to July 18th and August 5th updates

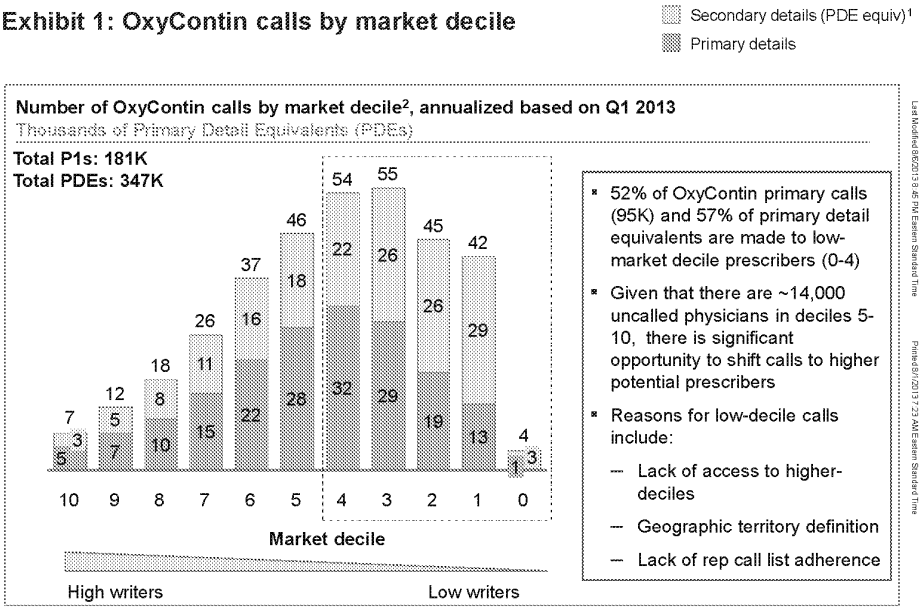
This addendum highlights two additional findings since our July 18th and August 5th updates and specific actions we believe Purdue should take to begin to increase sales.

**1. Prescriber Targeting**

Our refined analyses confirm significant opportunity to improve sales through better targeting. We believe the upside is >$100 million in annual sales.

Today Purdue spends as much effort detailing the lesser value prescribers (decile 0-4) as it does on the higher value prescribers (decile 5-10). To put this in perspective, the average prescriber in decile 5-10 writes 25 times as many OxyContin scripts as a prescriber in decile 0-4. In Q1 2013 the majority (52%) of OxyContin primary calls were made to decile 0-4 prescribers. Including the secondary calls, 57% of the primary detail equivalents (PDEs) were made to decile 0-4 prescribers. Best practice in the industry is over 80% of effort on higher value prescribers. (Exhibit 1)

**Exhibit 1: OxyContin calls by market decile**




1 PDEs calculated as 1.0 x P1 calls + 0.5 x P2 calls
2 Market decile based on ER-IR market basket as defined by ZS Associates

SOURCE: IMS, Purdue call data

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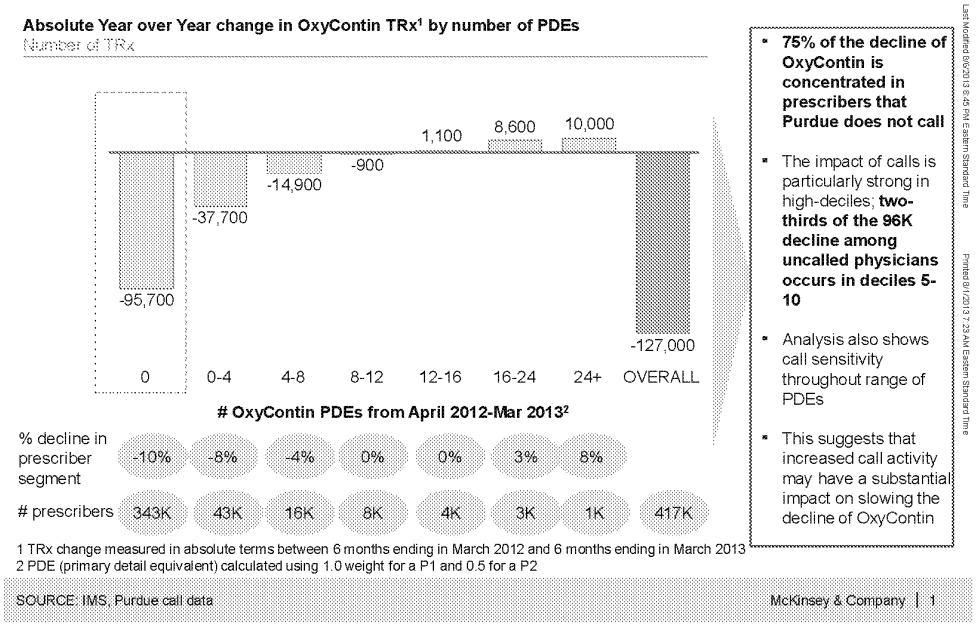
Furthermore, 75% of the decline in OxyContin sales comes from prescribers that Purdue is not calling upon. Two thirds of this decline is from prescribers in deciles 5-10. (Exhibit 2) In addition, the field sales force primary OxyContin calls are running at 65% of goal.

**Exhibit 2: OxyContin TRx change at different levels of call activity**




Collectively these findings show significant opportunity to improve targeting and also emphasize the upside from improvement as OxyContin's responsiveness to calls appears significant.

## 2. Retail access

Access to OxyContin for some patients has become quite challenging in specific local markets. This is due to a combination of factors including: regulations, DEA initiatives, PROP, wholesaler initiatives and local pharmacist perceptions.

There is direct evidence of this reduced access through patient calls to Purdue's Medical Information line which have recorded a 300% increase in instances of patients reporting difficulty filling opioid prescriptions, often needing to travel to multiple pharmacies in an attempt to fill their prescription.

There are reports of wholesalers stopping shipments entirely to an increasing number of pharmacies, causing temporary supply disruptions. Although, it appears that pharmacies are able to secure alternative distributors.

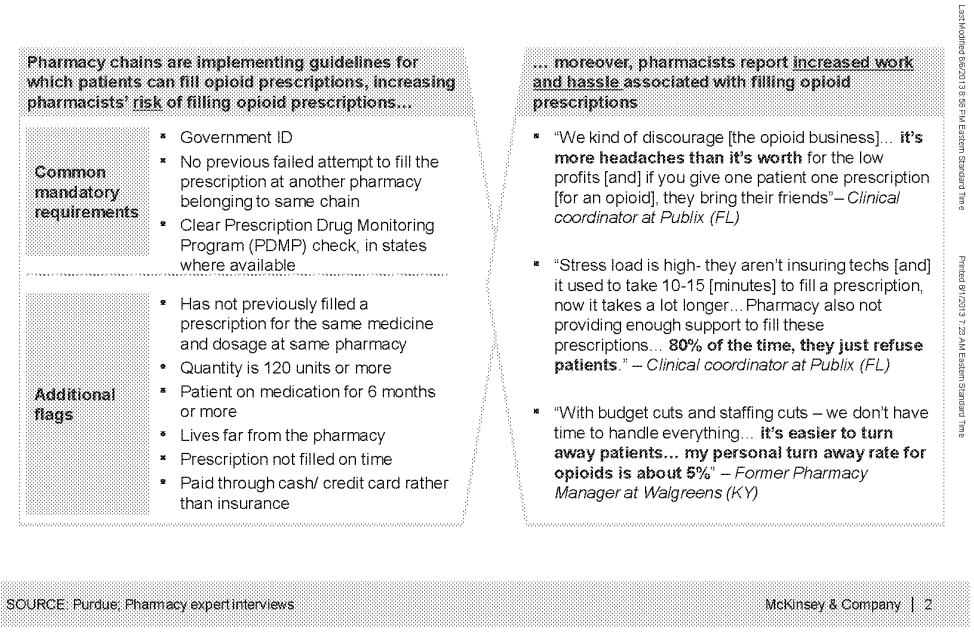
[ PAGE * MERGEFORMAT ]

Many wholesalers are also imposing hard quantity limits on orders based on prior purchase levels. This restricts access for new and existing patients, especially in situations when an access challenge arises in a local pharmacy, the wholesaler quantity limits restrict the ability of other local pharmacies to pick up the displaced patients.

While the wholesaler issues are quite visible and real, we believe the daily decisions being made at local pharmacies, while less publicly visible, are in fact creating far greater access issues.

Walgreens, in particular, is having material impact on patients. In April, Walgreens rolled out national opioid dispensing guidelines. These guidelines are quite extensive and include 'flags' for new patients and dose limits which can clearly impact appropriate patient access. (Exhibit 3)

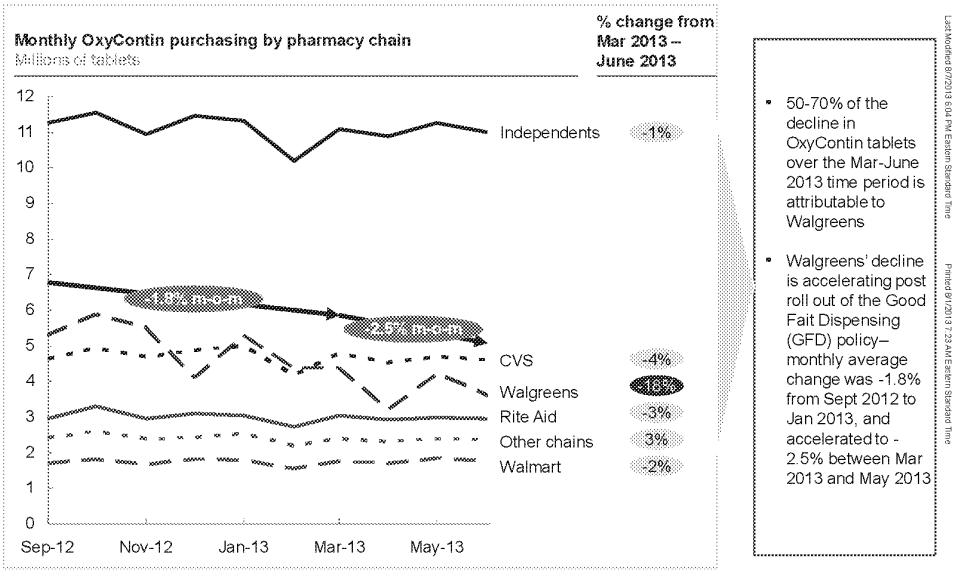
**Exhibit 3: Guidelines established by major pharmacy chains for opioid dispensing**




Separately, as part of their agreement with the DEA, Walgreens eliminated controlled substances from their bonus calculations for pharmacists. Thus individual pharmacists effectively lose money every time they accept the work of fulfilling an opiod prescription. Thus there is a strong dis-incentive for pharmacists to dedicate the extra time needed to maintain patient access to opiods, even independent of the chain's national guidelines on opioid dispensing.

Deep examination of Purdue's available pharmacy purchasing data shows that Walgreens has reduced its units by 18% in just the last three months. In March – June, the Walgreens reduction alone can account for 50-70% of the total OxyContin decline in units. (Exhibit 4)

**Exhibit 4: OxyContin purchasing by pharmacy chain** PRELIMINARY – IN VALIDATION




SOURCE: Market Visibility dataset; OMS

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We have examined multiple zip codes where Walgreens is a major supplier, and the other local pharmacies have not seen offsetting increases in purchases – thus it appears that many of these patients are either going untreated or being forced to find alternatives.

Further, the Walgreens data also shows a significant impact on higher OxyContin dosages. Among Walgreen stores that stock OxyContin 20mg, in the last three months there has been a 21% reduction in the number of stores also purchasing the 80mg. It is also important to note that Walgreen's reduction in the 80mg far exceeds the national trend. Their share of national purchases of the 80mg has fallen by nearly 20%. Thus Walgreens is not simply reflecting lower demand, but apparently taking independent action to further reduce 80mg purchasing.

While Walgreens is currently having the most dramatic impact, there is reason to believe that many of the chains either have implemented (e.g., CVS in 2012) or are considering similar policies. Thus the pharmacy access issue is both urgent and broad.

The magnitude of today's patient access issues underscores the need to: (1) take immediate actions to address issues at pharmacies (e.g., ensure appropriate senior level dialogue with Walgreens, increase patient advocacy efforts); and (2) accelerate exploration of potential

innovative alternatives such as direct-to-patient mail order which was described in our prior memo.

### 3. Specific actions to begin to increase Purdue's sales[1]

When combined with prior findings, the scale of change required in Purdue's sales force model is significant. Rather than addressing the pieces individually, we recommend you take actions to 'Turbocharge Purdue's Sales Engine' and optimize across all elements of the winning sales model – from targeting to territories to incentive compensation.

The rationale to for addressing Purdue's sales model holistically is strong. These findings demonstrate the breadth of issues and how they are inter-related. For example, despite the significant value in improving Purdue's targeting, the value cannot be captured unless the field achieves a higher level of adherence to Purdue's call plan.

While the behavioral and process changes described here are significant, and some incremental investments may be required (e.g., additional reps, Sales analytics capabilities), overall the financial investments are moderate relative to the upside sales potential.

Therefore, we recommend Purdue approve five actions immediately:

1. Create a senior leadership team to lead this effort (no more than three executives within and outside sales) and task them to develop a detailed workplan within 30 days.
2. Establish a revenue growth goal (e.g., $150M incremental stretch goal by July 2014) and set monthly progress reviews with CEO and Board.
3. Shift Purdue's sales targeting from decile to workload (industry norm that more precisely defines the value of physicians)
4. Re-balance field effort dramatically toward OxyContin by increasing field force activity where needed and closely measuring changes in sales
5. Mandate field compliance with targets and align the incentive program to match OxyContin prioritization

Our experience with other pharmaceutical companies suggests that such a comprehensive Sales transformation program takes nine months, although positive impact will be seen within 2-3 months. It is critical that Purdue commits to addressing sales as an organizational journey, not an event. Success requires not only the analytic answer, but even more importantly winning the hearts and minds of the sales force and permanently changing how the company operates, from

[1] Recommended actions to address "retail access" will be included in our final report

HQ to the field. New capabilities will need to be learned and reinforced on a daily basis. The organizational mindset, behavior and culture will all need to evolve along with journey.

Purdue should start work immediately. Additional analytics are needed (e.g., workload and Champions need to be identified). As mentioned above, a detailed workplan needs to be developed within 30 days. While this effort would be focused on OxyContin, the approach and capabilities built would likely have positive spillover to Butrans and the rest of the portfolio.

While it is challenging to quantify the exact impact of such changes in a dynamic marketplace, we are confident that the value at stake is significant – hundreds of millions, not tens of millions. Analysis done during the prior sales force alignment and our own retrospective analysis both showed over $200M of potential opportunity in a single year, even more in cumulative terms. While this did not take into account the negative landscape drivers such as pharmacy access challenges, it also did not consider the positive drivers such as the recent label change. The substantial size of the opportunity is reassurance that the significant effort required will be well rewarded.

**Closing**

We emphasized this 'Sales Engine' recommendation because we believe it is fundamental to Purdue's near term and longer term success. We strongly believe that a comprehensive approach is the right answer. Success will require real commitment from Purdue leadership and also significant effort from the organization. This program requires substantial capability building at HQ and in the field. The program office described above will require support of an internal cross-functional working group, likely with executive committee engagement, possibly as co-chairs. Our experience is that these kinds of sales transformations are not easy and require real work but the end result is quite rewarding, both for individuals and for the organization.

Our experience makes clear that one fundamental 'must have' for execution success is strong leadership alignment upfront.

Therefore our recommendation is that Purdue makes a clear go-no go decision to 'Turbocharge the Sales Engine'.

# Exhibit 10

**To:** Gasdia, Russell[russell.gasdia@pharma.com]
**From:** Sackler, Dr Richard
**Sent:** Thur 1/31/2008 4:10:24 PM
**Subject:** RE: Teva looks to be done

Thanks.

Richard S. Sackler, M.D.
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* +1 203 542 0666 C
* r@pharma.com

-----Original Message-----
From: Gasdia, Russell
Sent: Thursday, January 31, 2008 10:47 AM
To: Sackler, Dr Richard
Subject: RE: Teva looks to be done

June 30th it is on the card.

-----Original Message-----
From: Sackler, Dr Richard
Sent: Thursday, January 31, 2008 10:14 AM
To: Gasdia, Russell
Subject: RE: Teva looks to be done

Russ, when do the cards expire? That should be built into the cards.
Please check if you don't know.

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* +1 203 542 0666 C
* r@pharma.com

-----Original Message-----
From: Gasdia, Russell
Sent: Thursday, January 31, 2008 8:29 AM
To: Sackler, Dr Richard
Subject: Re: Teva looks to be done

My fault. It was a typo. It is 50 not 500. You have it right at 50 above the first 10. They are good for up to 5 Rxs.

Sorry for the confusion

----- Original Message -----
From: Sackler, Dr Richard
To: Gasdia, Russell
Sent: Wed Jan 30 18:25:10 2008
Subject: RE: Teva looks to be done

Let's try this again.

The patient goes to the pharmacy with the card.

The pharmacist dispense the Rx.

The patient pays the first $10.

Then, the card picks up any additional costs above the $10, up to $500 (in addition).

So if a patient pays the $100 and the card picks up the additional $50, any Rx for $60 or less is covered for just a $10 co-pay on the part of the patient.

I don't get the $500? If the Rx is $1000 and the patient is obligated to pay 30% of that, the card handles 30% of 1000 or $300-$10? That seems to be a very serious obligation.

Or do I have it wrong.

When the program was presented more than a year ago, I understood that the card was good for up to $50/Rx with some Rx # limit. What has changed since then?

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---

From: Gasdia, Russell
Sent: Wednesday, January 30, 2008 4:23 PM
To: Sackler, Dr Richard
Subject: RE: Teva looks to be done

Here is how it works.

The patient goes to the pharmacy with the card. The pharmacist dispense the Rx. The patient pays the

first $10. Then, the card picks up any additional costs above the $10, up to $500 (in addition). So if a patient pays the $100 and the card picks up the additional $50, any Rx for $60 or less is covered for just a $10 co-pay on the part of the patient.

The current cards have a hard stop at end of June.

We are presenting some findings at the board meeting next week.

Russ

---

From: Sackler, Dr Richard
Sent: Wednesday, January 30, 2008 4:20 PM
To: Gasdia, Russell
Subject: RE: Teva looks to be done

I didn't follow the cards:

1. Is the support to reduco pay to $10.00 or to give $50.00 off the RX or both? Or is it up to 50.00 to reduce the copay down to $10.00?

2. These cards will cease being effective in June? I know the cards can have a hard expiration date.

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* +1 203 542 0666 C

* r@pharma.com

---

From: Gasdia, Russell
Sent: Wednesday, January 30, 2008 3:49 PM
To: Sackler, Dr Richard; Sackler, Mortimer JR; Sackler, Jonathan; Sackler, Dr Kathe; Sackler, Dr Raymond R; Sackler, Theresa; Sackler, Dr Mortimer

Cc: Baker, Stuart D.; Stewart, John H. (US); Mahony, Edward; Udell, Howard
Subject: RE: Teva looks to be done

They are increasing stocking of brand. Uptake on new strengths is exceeding original expectations, because it is coinciding with a decrease in availability of generics and they see value. We are running a stock and save for the new strengths and have not seen the need to do so with the brand. Retailers are re-stocking as needed. We are getting strong support from our wholesalers, major chain drug stores, as well as most independent pharmacies. Our sales representatives have been directed to increase their level of retail pharmacy activity during January and early February as we introduce the new strengths and as generic availability decreases. Also, Steve Seid's National Account Managers are staying in close contact with wholesalers and chain drug during the transition.

We are seeing significant support from the Managed Care Organizations, of which many are moving OxyContin back to 2nd tier status. But there are some tablet limits and prior authorizations being put into place in some plans. Managed Care Organizations will put more pressure on physicians and patients. Some will require a course of therapy with a generic MS Contin or generic Duragesic, before approving a branded long-acting opioid like OxyContin, Opana ER, Kadian, Avinza. This is where we see some managed care "step edits" coming back, as they were in place in 2003 prior to generics.

It is not the pharmacist turning patients away. We are hearing some cases where patients who have been used to the lower co-pay associated with generics, not wanting to pay the higher co-pay for brand. However, this has not been a widespread issue yet. We are still hovering around 30% share, so we need to keep an eye on this as we gain more share. As we gain more share, it may become more of an issue.

We are seeing an increase in utilization of the Patient Savings Cards. This is allowing patients to get the brand with a $10 out-of-pocket co-pay and then up to $50 off the OxyContin prescription for up to 5 prescriptions. We budgeted for this program to continue until June 2008. It is well received by most physicians and patients who take advantage of this program.

We are vulnerable to the competition (Endo, Alpharma, King) in offices where we do not have adequate coverage. They are capitalizing on that lack of coverage on our part. This is one of my biggest concerns as we return to exclusivity. We must ensure we regain as much market share as possible (convert as much of the existing generic oxycodone er prescriptions to branded OxyContin prescriptions) and continue to effectively position ourselves in the minds of prescribers versus the other branded long-acting opioids that are being promoted. Our competitors all have larger sales forces with capabilities to see more high potential physicians.

Sorry for the long response, but I wanted to provide more of an overview surrounding the current market conditions.

Russ

---

From: Sackler, Dr Richard
Sent: Wednesday, January 30, 2008 3:04 PM
To: Gasdia, Russell; Sackler, Mortimer JR; Sackler, Jonathan; Sackler, Dr Kathe; Sackler, Dr Raymond R; Sackler, Theresa; Sackler, Dr Mortimer
Cc: Baker, Stuart D.; Stewart, John H. (US); Mahony, Edward; Udell, Howard
Subject: RE: Teva looks to be done

What do they do when they can't get generics?

Are they stocking out on OxyContin totally and turning patients away?

How can we utilize this situation to encourage retailers to stock up on OxyContin tablets?

Should we run a stock and save rebate program?

Richard S. Sackler, M.D.

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* +1 203 869 8828 H

* +1 203 542 0666 C

* r@pharma.com <mailto:r@pharma.com>

---

From: Gasdia, Russell
Sent: Wednesday, January 30, 2008 2:29 PM
To: Sackler, Dr Richard; Sackler, Mortimer JR; Sackler, Jonathan; Sackler, Dr Kathe; Sackler, Dr Raymond R; Sackler, Theresa; Sackler, Dr Mortimer
Cc: Baker, Stuart D.; Stewart, John H. (US); Mahony, Edward; Udell, Howard
Subject: RE: Teva looks to be done

As soon as I hear anything solid, I will let you know. So far, this report from AmerisourceBergen, one of the "Big Three" wholesalers, is consistent with reports we are hearing at the retail level. Recent reports from sales representatives indicate that retail pharmacists are telling our reps that they are having a difficult time getting generics.

Russ

---

From: Sackler, Dr Richard
Sent: Wednesday, January 30, 2008 2:27 PM
To: Gasdia, Russell; Sackler, Mortimer JR; Sackler, Jonathan; Sackler, Dr Kathe; Sackler, Dr Raymond R; Sackler, Theresa; Sackler, Dr Mortimer
Cc: Baker, Stuart D.; Stewart, John H. (US); Mahony, Edward; Udell, Howard
Subject: RE: Teva looks to be done

Thank you.

Any more confirmation/validation/verification of the actions of Teva?

Richard S. Sackler, M.D.

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From: Gasdia, Russell
Sent: Wednesday, January 30, 2008 9:38 AM
To: Sackler, Dr Richard; Sackler, Mortimer JR; Sackler, Jonathan; Sackler, Dr Kathe; Sackler, Dr Raymond R; Sackler, Theresa; Sackler, Dr Mortimer
Cc: Baker, Stuart D.; Stewart, John H. (US); Mahony, Edward; Udell, Howard
Subject: FW: Teva looks to be done

This is to provide an update regarding availability of the Teva product at our wholesale accounts.

The report below, from Steve Seid our Executive Director, National Accounts demonstrates that Teva is letting customers know that they will no longer be supplying generic OxyContin.

Russ

---

From: Seid, Stephen
Sent: Tuesday, January 29, 2008 9:42 PM
To: Gasdia, Russell
Subject: Teva looks to be done

Russ,

AmerisourceBergen reported today that their generic buyer received a letter from Teva indicating that any outstanding orders for oxycodone ER will not be filled. ABC has outstanding orders going back to mid December.

Steve Seid

National Accounts

Trade Relations

# Exhibit 11

Message

**From**: Mahony, Edward [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=B021F7E2B1084B1EACE6BF46DAC9C6CB]
**Sent**: 11/14/2012 3:21:46 PM
**To**: Boer, Peter [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=4AC9F20EA6BA451BA0CCB00539CCC06F]; Costa, Paulo [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=CD11DC2D120A4DAFB713405C9A7E8387]; Lewent, Judy [/OU=VIRTUAL/CN=LEWENJU]; Boer, Peter [/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=PETERBOER]; Pickett, Cecil [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=A338055AFF804483BED29ABC15A6D980]; Roncalli, Anthony [/O=PURDUE/OU=PURDUE US/CN=CHADBOURNE AND PARKE/CN=CHADANTHONY.RONCALLI]; Sackler Hunt, Samantha [/O=PURDUE/OU=UKCAM/CN=RECIPIENTS/CN=SSH01]; Sackler Lefcourt, Ilene [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=E8553F6239F74B4F8AC8128E98CD1464]; Sackler, Beverly [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=94F7FE9728884A34A23A59DA6A65D27D]; Sackler, Dame Theresa [/O=PURDUE/OU=EU01/CN=RECIPIENTS/CN=TES01]; Sackler, David [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=6F3E43FA61C7471E9057878419583E16]; Sackler, Dr Kathe [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=E49EFBF38CA448279F811B95D7C83BDD]; Sackler, Dr Raymond R [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=5126C570D61C454289292825E5390B7A]; Sackler, Dr Richard [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=3AFB14348C50493E95A6A5977146F48E]; Sackler, Jonathan [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=EDCD012C2FCA40ECA986A3580BECA1AE]; Sackler, Mortimer D.A. [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=DFB6F389A54E4602AD592A333BE529F2]; Snyderman, Ralph [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=F6C03D96FCBD4F909D91FDC982FB926C]; sdb [/OU=VIRTUAL/CN=SDB]
**CC**: Stewart, John H. (US) [/O=PURDUE/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=STEWART, JOHN984]; Jamieson, Steve [/O=PURDUE/OU=UKCAM/CN=RECIPIENTS/CN=STEVEJAMIESON]; sdb [/OU=VIRTUAL/CN=SDB]
**BCC**: Stewart, John H. (US) [/OU=VIRTUAL/CN=JOHNS]
**Subject**: Purdue 2013 Budget
**Attachments**: Opportunities and Threats v6.docx

Colleagues,

This is being sent at John Stewart's request.

Paulo and Judy suggested that Purdue prepare a probability adjusted list of Opportunities and Threats to Purdue's 2013 sales and profit budget. That list is attached.

The list shows that Purdue has about $150 million of both upside and downside risk – balanced risk.

With respect to the key threats described in the attached (Exclusivity Maintenance, Managed Care losses and Anti-Opioid Activities) the Purdue management team have significant underway to mitigate these risks. Examples of that work include:

- The OxyContin epidemiology studies underway in the R&D group and the Legal effort underway to ensure that non abuse-deterrent OxyContin generics are not approved when the 042 patent expires in April 2013.
- The extensive work being done to maintaining the low ABUK and abuse-deterrent patents.
- The work being done in the federal and state government affairs groups on the Medicaid rebate line extension proposed regulation.

Ed Mahony

# Opportunities and Threats --- potential 2013 impact on sales and profits

| Event | Probability of Event Occurring | 2013 Impact | Opportunity Probability Adjusted Impact | Threat Probability Adjusted Impact |
|---|---|---|---|---|
| **OxyContin** | | | | |
| **EXCLUSIVITY** | | | | |
| OxyContin is assumed to retain exclusivity. | 85% | If exclusivity is lost the sales impact varies depending on date of generic entry. | | Impact depends on timing of launch of generic products |
| | | | | |
| **MARKET** | | | | |
| Extended release opioid market is projected to be 26.3 million Rx's in 2013. The market could change by 2% either way -- up or down. | 25% | Plus or minus $54 million | + $13.75 million sales | -13.75 million sales |
| **MANAGED CARE** | | | | |
| Managed care coverage is projected to continue at 2012 levels. A number of factors could impact this including: | | | | |
| Budget assumes that Medicaid Rebate draft rules which classify OxyContin new formula as a Line Extension requiring rebates at the same rate as the old formula retroactive to August 2010. If the rule holds, $236 million in rebates would be paid. If the final rules are decided in a favorable manner, some or all of that payment will be avoided. | 50% | $236 million | +$118 million profit | |

| | | | | |
|---|---|---|---|---|
| Medicare Part D plans are not selected by patients till the end of 2012. While OxyContin is listed in roughly the same number of plans as in 2012, patient selection could impact the ultimate results. A change of 2% either way is possible --- up or down. | 50% | 2% of lives = about $15 million in gross sales | + $15 million sales | -$15 million sales |
| Optimum Medicare Part D plan is still in negotiation. The budget assumes that OxyContin remains on formulary. Exclusion from formulary would impact sales. | 50% | $54 million | | -$27 million sales |
| In 2012 we learned that a number of plans had assumed that generics to OxyContin would become available in April 2013 and may have included the generic savings in their 2013 budget. Plans that budgeted for these savings may take extraordinary measures in 2013 to "make budget". | Not Quantified | Not Quantified | | Not Quantified |
| **ENVIRONMENT** | | | | |
| Epidemiology studies provide compelling evidence that the new formula of OxyContin creates effective barriers to abuse. As this data becomes known in the medical community, barriers/resistance to appropriate prescribing of OxyContin could be diminished. | Not Quantified | Each 1% increase in OxyContin share of ERO market = about $25 million in revenue | Not Quantified | |
| OxyContin label may be revised to include reference to the formula's tamper resistant characteristics. | 50% | Each 1% increase in OxyContin share of ERO market = about $25 million in revenue | Not Quantified | |
| The 2013 budget assumed no significant new restrictions on prescribing of OxyContin (and other | 100% | Each 1% decrease in OxyContin | | -$25 million sales |

| | | | | |
|---|---|---|---|---|
| opioids) are expected.<br><br>Anti-opioid advocates like PROP create an environment that encourages policy and formulary makers to limit or frustrate prescribing of opioids. For example:<br>- In Washington State where opioid mg daily limits have been put in place above which a pain specialist must be engaged. Other states are considering this model – e.g. Oregon and Ohio.<br>- Senate Finance Committee investigation into pain advocacy groups -- distracting their efforts and diminishing their effectiveness.<br>- Anti-opioid advocates --- not limited by FDA's requirements for rigorous science and fair balance - campaign against use of opioids. For example, the Group Health Opioid Summit – run by an affiliate of Kaiser.<br>- Cost sensitive and high control payers – like Workers Compensation Insurers – see these advocates' positions as a cost saving opportunity. | | share of ERO market = about $25 million in revenue | | |
| In response to the above environmental factors, payers are requesting the ability to prior authorize opioid prescriptions. These requests are being made for perceived societal benefit --- but also because the requestor sees the potential to reduce the number of prescriptions filled. | 100% | Assuming that this impacts plans with $100 million in covered sales for part of the year the impact could be 10% or $10 million. | | -$10 million sales |
| **OXYCONTIN PROMOTIONAL PROGRAMS** | | | | |
| Primary Detail Equivalents will increase | 100% | $31 million | Included in the | -$8 million if |

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| | | | | |
|---|---|---|---|---|
| by 29% in 2013 to 539,964. This is expected to generate incremental sales. | | | budget | effectiveness is off by 25% |
| Patient Savings Card maximum value is raised from $70 to $90 per covered prescription. The program is expected to increase sales by $19.7 million and provide a 4.28 ROI. | 100% | $19.7 million | Included in the budget | -$5 million if effectiveness is off by 25% |
| **COMPETITION** | | | | |
| **Remoxy** approval – previously expected to occur in late 2013 -- is expected to be delayed. | 100% | $5 million | +$5 million sales | |
| **Nucynta ER** competes with OxyContin 10 to 40 mg. strengths. To date the impact on OxyContin has been modest. The 2013 budget assumes a $25 million negative impact on OxyContin. The impact could be double. | 50% | $25 million | | -$12.5 million sales |
| **Opana ER –**Endo recently announced that they expect to return Opana ER to double digit growth in 2013. If that growth is achieved by more sales effort or steeper discounting, there could be a negative impact on OxyContin. | 10% | $50 million | | $5 million sales |
| **OTHER** | | | | |
| | | | | |
| Trade inventory is projected to decrease from $459 to $403 million during 2013. If trade inventories do not decrease, sales would be higher. | 20% | $56 million | +$11 million sales | |

| | | | | |
|---|---|---|---|---|
| **Butrans** | | | | |
| Gross sales are budgeted to increase by 36% over 2012 to $160 million. | | | | |
| **MANAGED CARE** | | | | |
| The 2013 budget assumes that 35% of lives in Commercial managed care plans have Butrans available on Tier II up from 30% in 2012. An increase to 40% by midyear would increase sales. | 25% | $10 million | +$2.5 million sales | |
| The 2013 budget assumes that 10% of lives in Med D managed care plans have Butrans available on Tier II up from 1% in 2012. An increase to 15% by midyear would increase sales. | 10% | $5 million | +$0.5 million sales | |
| The 7.5 mg and 15 mg strength patches may be approved in time for a late 2013 launch. | 50% | $10 million | +$5 million sales | |
| The Butrans high dose QTc study is expected to show little to no impact on QTc. The probability of finding significant prolongation is estimated at:<br><br>20 mg strength<br><br>40 mg strength<br><br>80 mg strength | <br><br>5%<br><br>10%<br><br>15% | Lost sales ½ year of this strength == $40 million<br><br>Inability to pursue higher strengths | | -$2.0 million sales |
| **INTERMEZZO** | | | | |
| If the DTC campaign does not deliver and it is decided to return the product to Transcept in late 2013, the financial result (not shown in the attached) | 25% | $27 million | | -$6.75 million profit |

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| | | | | |
|---|---|---|---|---|
| would be:<br>1. A 2013 cost of about $23 million assuming a modest improvement in sales and that S&P costs are stopped in late summer.<br>2. A 2013 sales force contract termination cost of about $2.0 million and other costs of about $2.0 million.<br>3. All in, $27 million further loss. | | | | |
| **EXPENSE RISKS** | | | | |
| The R&D budget assumes that $25.4 million of planned program work is delayed into 2014. The R&D team is making best efforts to ensure that all programs run on time. | 25% | $24.5 million | | -$6 million profit |
| In past years the S&P budget has been underspent. | 25% | $10 million | +$2.5 million profit | |
| The budget does not include funding for new product licenses, acquisitions or like opportunities. | 100% | Not Quantified | | Not Quantified |
| The budget assumes that preparation for and response to the Senate Finance Committee and similar inquiries are accomplished at a cost not to exceed $0.5 million. That cost could escalate. | 50% | $2 million | | -$1 million profit |
| The budget assumes that Infinity stock is valued at $25 per share (October price) and as a result Purdue is able to make a yearend 2012 distribution of $60 million. In recent weeks, Infinity's stock has decreased in value. | - | $60 million | | -$35 million based on 11/8/12 stock price – impact on equity |
| Approved changes to the Purdue Defined Benefits Plans will increase equity by $18 million. | 100% | $18 million | +$18 million impact on equity | |
| Changes in actuarial assumptions, interest rates and return could increase Purdue's accrued pension and post retirement obligations with an | 80% | $20 million | | -$16 million impact on equity |

| | | | | |
|---|---|---|---|---|
| offsetting charge to equity ($20 million impact on equity based on mid-October discount rates and asset returns). | | | | |
| Tax distributions are assumed at 44.92% up from 41.97% in 2012.<br><br>1% reduction in tax rate below 44.92% = $10 million lower tax | Not Quantified | | | |
| Total Impact Above:<br><br>Probability adjusted impact on pretax profit (assume 75% margin on sales)<br><br><br><br>Probability adjusted impact on equity of change in value of Infinity Stock, implementing approved changes to Defined Benefit Plans and impact of changes in discount rates and asset returns on accrued pension and post retirement obligations. | | | + $ 118 million rebate<br>+ $42.1 million other | -$116.2 million<br><br><br><br>-$33 million equity impact |
| | | | | |

[ PAGE * MERGEFORMAT ]

# Exhibit 12

**To:** Baker, Stuart D.[/O=PURDUE/OU=Purdue US/cn=Chadbourne and Parke/cn=ChadStuart.D.Baker]; Damas, Raul[/O=PURDUE/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Damas, Raul7e2]; Dolan, James[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=1E41A12F]; Gasdia, Russell[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=58B02E32]; Long, David[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=LongD]; Lundie, David[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=lundieda]; Mahony, Edward[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=MahonyE]; Mallin, William[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=MallinW]; Stewart, John H. (US)[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=johns]; Stiles, Gary[/O=PURDUE/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Stilega]; Strassburger, Philip[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=StrassbP]; Weinstein, Bert[/O=PURDUE/OU=Purdue US/cn=Recipients/cn=weinsteb]
**Cc:** JHS (US)[/O=PURDUE/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JHS]
**From:** Stewart, John H. (US)
**Sent:** Mon 11/18/2013 6:03:30 PM
**Subject:** Budget Meeting Notes & Actions - Final
Budget Meeting October 2013 Notes & Actions.docx

Gents

Here are the final Notes & Actions arising out of our Budget Presentation – to which I have added due dates to the individual actions. Please look at the actions that involve individuals in your department, and advise me by the end of the day on Wednesday if you feel that any requested action is unclear, or if there is an alternate deliverable you believe would be preferable. Also let me know if you feel that the due dates are not "doable".

Where more than one individual is listed as responsible for an action, the first person listed is to take the lead in collecting/coordinating the input from all involved – and for completing the action on time.

I will send copies of these Notes & Actions to my remaining direct reports and also the individuals listed as being responsible for any of the actions after tomorrow's EC Meeting.

Thanks - John

# Purdue U.S. Budget Presentation
# October 29th & 30th, 2013

## Notes & Actions

1.0 John Stewart's Presentation - In response to the FDA's approval of Zohydro, which is not an abuse-deterrent formulation, there were questions and concerns as to the implications of this decision for the company's strategy of developing a line of abuse deterrent opioid products.

1.1 What can we do to achieve a better understanding of the FDA and the evolution of their thinking/policy regarding encouraging development of abuse-deterrent opioids? Is it possible to make direct contact with influential/informed individuals at the FDA on this issue?

Action: Todd Baumgartner/Burt Rosen – report/action plan by December 20th

1.2 Has there been any sign of Congressional interest/concern over the Zogenix approval decision? If so, can this/these individuals be helpful as we pursue the development and implementation of laws, regulations and policies that support the development and use of abuse-deterrent opioid formulations?

Action Burt Rosen/Alan Must/Raul Damas – report/action plan by December 13th

1.3 It would be very helpful to see data on the nature and extent of abuse of opioid formulations other than OxyContin. For example, what is the extent of abuse of IR oxycodone formulations as compared to OxyContin? The FDA has been stating that OxyContin and other ER/LA formulations are "the problem", but this seems inconsistent with what has been noted about the shift by abusers to Roxicodone 30mg tablets and other forms of IR oxycodone.

Action: Paul Coplan/David Haddox – report by December 20th

1.4 In regard to the ongoing decline in the number of OxyContin prescriptions and the average dose per prescription, what do we know about effects at the patient level? Are patients being switched from high-dose OxyContin to some other product, or are higher doses of other opioids being prescribed in preference to high doses of OxyContin?

Action: David Rosen/David Haddox – report by January 31, 2014

1.5 Butrans – Concern was expressed over the low prescription growth rate. Can we explore promotion pertaining to specific populations (e.g. the elderly) for whom the product seems to be particularly important, and/or should we increase or re-allocate S&P resources? Also, if Butrans sales are expected to peak at $350MM, what percentage of that business will be from Med D Coverage and what percentage will be from Commercial Coverage (Judy Lewent referred to this as the "patient map")? What evidence-based studies do we have to build coverage in Med D Plans?

Action: Gary Lewandowski/Tim Richards/Kerri Pierez – report on specific populations and Med D Plan coverage enhancement by December 20th. S&P resource allocation is a budget-related



 

and the responsibility of JHS, RJG and Gary Lewandowski.

1.6 With respect to the entire analgesic line, what is the positioning for each of the products and how are we planning on simultaneously promoting all four (Butrans, OxyContin, Targiniq ER and HydroContin). In association with this question, it was suggested that it may be helpful to understand the prescribing "rationale" for current opioid analgesics (i.e. which analgesic products are prescribed for specific clinical indications – and why?).

Action: John Stewart/Russ Gasdia/Gary Stiles – by December 20th

2.0 Marketing and Sales Presentations

2.1 The Board asked for reports of analyses/market research on the projected impact of the following on the overall opioid analgesic market and our analgesic products – both existing and soon to be launched.

i. The change in scheduling for acetaminophen/hydrocodone combination products
ii. The Affordable Care Act?

Action: Tim Richards/Todd Killian/David Rosen – report by December 13th

2.2 What is our thinking as to the extent that payers will support premium pricing of AD formulations over their non-AD counterparts, currently and in the future?

Action: Tim Richards/Todd Killian/Rami Ben-Joseph – report by December 13th

2.3 In regard to the E2E Project, the following comments/questions were raised:

i. In terms of incentives, the salesforce (and indeed the entire organization) should be driven to be of high value to patients and physicians (and the healthcare system), and not simply to increase prescriptions for Purdue products.
ii. At the level of the individual physician, it is important to minimize disruption of existing, successful relationships between the physicians and sales representatives.
iii. Returning to abuse-deterrent products, it was noted that the epidemiological data is very interesting/compelling – and there is likely a way to have this more broadly understood via actions such as grand rounds, medical education events and the medical/therapeutic groups within payer organizations.

Actions: Russ Gasdia/Tim Richards/Paul Coplan/Lisa Miller – no specific report, execution as part of the E2E implementation and already established plans for 2014

2.4 Managed Care Review

i. With respect to Butrans, Targiniq ER and HydroContin, what do we have (and are preparing to have) in terms of data – so that the MCO's will want to list these products on their formularies?

Actions: Tim Richards/Todd Killian/Rami Ben-Joseph – report by December 20th

ii. For Targiniq ER, what are we likely to be able to communicate about the naloxone component – and what knowledge do we have with respect to physician's thoughts on naloxone in the formulation? For which audiences will we be able to supply the results of the clinical studies performed in the EU or Canada?

Action: Russ Gasdia/Bill Mallin/Gary Stiles – a sub-component of the E2E project. Report date TBD.

3.0 R&D Presentation

3.1 While we have much solid epidemiology data on the impact of AD OxyContin, it does not seem to matter much to patients, prescribers, and Managed Care. What compelling economic (or other) arguments can be used to help reverse the apparent ongoing preference for lower cost, non-AD opioids?

Action: Gary Stiles/Rami Ben-Joseph/Todd Killian – combine with report on item 2.4 i

3.2 Please send the topline results from the HYD Phase 3 Clinical Trial as soon as available.

Action: Gary Stiles – when available – likely the week of December 2nd

3.3 How can electronic health records be used to help with tracking (and reducing) abuse of prescription opioids.

Action: Paul Coplan/David Haddox – Follow-up via RADEX/R&D OPS

3.4 With HYD tablets all being the same size, MDAS expressed concern over the colors chosen for each strength and the lack of consistent color differentiation across our opioid product lines. We should determine if this is truly problematic in the marketplace.

Action: Todd Baumgartner – Report by January 31, 2014

3.5 Should we develop an AD IR hydrocodone formulation?

Action: John Stewart/Business Development Committee – decision as part of long-term budgeting process



 

3.6 Should we re-examine the OIC/OIBD focus (of promotion) for Targiniq ER, so as not have the product positioned too narrowly?

Action: John Stewart/Gary Stiles/Russ Gasdia – as part of the response to item 1.6

3.7 Cecil Pickett commented that we should ensure that adequate pharmacovigilance resources are retained in any cost-reduction efforts.

Action: John Stewart - ongoing

4.0 Business Development

4.1 

4.2 Mortimer Sackler asked about Eaglet and their AD technology, to which John Stewart replied that we are well aware of their activities – and visited them several years back. For a variety of reasons, Purdue decided to pursue AD technologies other than Eaglet's.

Action: John Stewart to confirm with Rich Mannion Purdue's dealings with Eaglet

5.0 Corporate Affairs and Communications

5.1 It was recommended that the department's objective statement be broadened/revised in a way to include reference to patients, physician and the overall healthcare/wellness status of the population.

Action: Raul Damas – already complete

5.2 In regards to the CDC data on abuse of prescription opioids, it was noted that "old" data continues to be presented/referenced – and that the company should do what it can to have the CDC report more recent data – and simultaneously correct the errors in the reporting of the older data (e.g. reporting hydromorphone abuse under the category of ER opioids – at a time when no ER hydromorphone product was on the market). At the same time, the company's communications efforts should seek to clarify inaccuracies or misconceptions in the existing CDC (or other) abuse related data.

Action: Raul Damas/David Haddox/Paul Coplan – Report and action plan by January 31, 2014

5.3 Recognizing that abuse of prescription opioids is a serious problem, and that AD formulations are only part of the solution, Ralph Snyderman suggested that the External Affairs and Managed Care Groups consider partnering with states and MCO's respectively on programs that help identify at-risk patients and/or prescribers – perhaps via a pilot program with one or two states/MCOs.

Action: Raul Damas/Alan Must/Tim Richards/Rami Ben-Joseph – part of ongoing AE, MSL, PSL and State Government Relations activities.

6.0 Legal Department

6.1 There was substantial discussion of the approval of Zohydro, and the implication for the future of HydroContin – and indeed the entire extended-release hydrocodone market. Jim Dolan, Ed Mahony, John Stewart and Phil Strassburger were asked to develop models/strategies for Purdue to participate in the marketing and/or future development of Zohydro – and to discuss same with The Board's Business Development Committee

Action: As noted above

**Post Meeting Note:** the group met with the Board's Business Development Committee (and several other Board Members), and there was agreement that there does not appear to be a deal structure that would be acceptable to both Purdue and Zogenix. As such, it was decided that the recommendation to The Board would be to not pursue any deal with Zogenix. This was subsequently accepted by The Board.

# Exhibit 13

PURDUE

**Health Policy Memorandum**

**Date:** 9 July 2009

**From:** J. David Haddox, DDS, MD

**To:** John H Stewart

**CC:** Board of Directors

**Re:** **Massachusetts General Hospital (MGH) Purdue Pharma Pain Program**

---

This memo was prepared at the request of Dr. Raymond, who asked me to review the situation as it developed with the MGH and to provide a basis for dealing with the remainder of this grant commitment.

**Background:**

An Agreement between Purdue Pharma L.P. (PPLP), MGH and Harvard Medical School (HMS) became effective on 24 September 2003. The Agreement had several provisions, which are summarized in Appendix 1. In brief, the situation is that a Purdue Pharma Fund for Pain Education and Research was established and Purdue has made payments totaling $1.5 million of the total funding commitment of $3.0 million - with funding being suspended in 2003 due to the company's financial situation. Now that the financial situation has improved, the question arises as to whether or not we should restart the funding – presumably at the level of $500,000 for each of 2009, 2010 and 2011 – which would complete our obligation.

**Meetings and Personnel Update:**

Although the funding by Purdue has not been restarted, several of the contract-defined interactions between the Program and PPLP have occurred, including visits by the then-Chair of the Department of Anesthesia and Critical Care (DACC), Dr. Warren Zapol, and the then-Director of the MGH Purdue Pharma Pain Program (hereinafter, "the Program"), Dr. Jane Ballantyne to Purdue, and a few visits by Purdue staff to MGH. In addition, I have personally met with various physicians involved in the Program and attended some of the required committee meetings.

The leadership of the DACC and the Program has changed since the Agreement was executed. The new DACC Chair, who I have yet to meet, is Jeanine Wiener-Kronish, MD, who is board-certified in Internal Medicine, Pulmonary Medicine, Critical Care Medicine and Anesthesiology. Her clinical interests include Critical Care Medicine and preoperative assessment. Her research interests include Pseudomonas aeruginosa pulmonary infections (a significant complication following lung surgery) and the molecular identification of bacteria.

The new Director of the Program is James P. Rathmell, MD, Chief, Division of Pain Medicine and Associate Professor, HMS. I have known Jim for well over a decade. He is very active in the anesthesiology-pain community, including being an examiner for the American Board of Anesthesiology, a member of the Anesthesiology Residency Review Committee of the Accreditation Council on Graduate Medical Education, an Associate Editor of *Anesthesiology* (the premier publication in the field, and the

official organ of the American Society of Anesthesiologists) and the Associate Editor-in-Chief of *Regional Anesthesiology and Pain* Medicine (the official organ of the American Society of Regional Anesthesia). I have met with Jim in his capacity as the new Director of the Program and he is eager to have John Stewart and me meet with him and Dr. Wiener-Kronish - to update us on the Program's progress and potential future activities. Dr. Rathmell also raised with me the issue of Purdue's resumption of payments toward the fund/project.

**Progress of the Program:**

Specific accomplishments of the Program to date include:

The official designation of the MGH Purdue Pharma Pain Program, including a plaque displayed in the MGH Center for Pain Medicine.

MGH publishes a series colloquially referred to as "the Handbooks." These are quite popular with medical students and residents - and provide an in-depth, outlined-based approach to a particular discipline, such as Psychiatry or Surgery. The following is an exact quote of the Acknowledgement page of the third edition of the Massachusetts General Hospital Handbook of Pain Management (© 2006):

> "We are greatly indebted to Purdue Pharma for their generous and unrestricted grant toward establishing the MGH Purdue Pharma Pain Program. Purdue's support strengthens our academic mission and is a mark of their recognition that discovery and knowledge form the foundations of good clinical care. Purdue has been committed to promoting appropriate pain management for more than two decades, working closely with MGH and a number of other organizations to increase awareness of the problem of persistent pain and its cost to individuals and to society."

As of the last written report, dated 22 May 2005, the MGH Purdue Pain Program had offered approximately 200 lectures to various MGH groups, including palliative care, internal medicine, neurology, neurosurgery, psychiatry and pharmacy, as well as anesthesia. Other medical institutions, such as the Tufts University Schools of Medicine and Dentistry, and the Boston Pain Forum (an informal collaborative of persons in the Boston health care community with interests in pain care and research), have often attended these lectures.

There has also been an effort to create an active educational collaboration between the Program and Beth Israel Harvard Review Course in Pain Medicine (in which I have lectured on several occasions), to increase the visibility of the Program.

The Program has been studying ways of predicting risk in patients receiving opioid analgesics, has been tracking outcomes of non-cancer patients receiving opioid analgesics, and has conducted a survey of physician attitudes towards opioid prescribing (the results of which I do not have). The Program also has put out a newsletter (*Pain Management Frontline*) that is typically devoted to a pain topic and includes brief summaries of articles of interest, as well as notices of upcoming meetings. In each of these newsletters, PPLP's support is acknowledged, per the Agreement.

Perhaps the most significant achievement of the Program to date is the award of a multi-year NIH grant to fund translational research on the effects of opioid analgesics correlating basic science research with clinical use, based on pilot studies made possible by the monies from PPLP.

**Observations**:

MGH has been very understanding of our commercial situation, but is interested in our reactivating the schedule.

The Boston media created a frustrating series of stories when they learned of the grant, insinuating that Purdue was going to be controlling the educational content offered by the Program, which, of course, is neither allowed nor is it in any way Purdue's intent. The New England Journal of Medicine joined the fray, suggesting that it might not publish any research that came out of the program, implying that Purdue's funding created too great a conflict of interest for the research conclusions to be unbiased.

At the time of the press assault on our funding of this project, the individuals at MGH and Harvard who had responsibility for the Program were essentially silent in defending the agreement and in pointing out both its propriety and the enormous public health interest it supported. Those individuals (who disappointed us at that time) are no longer involved with the Center, and I believe their successors see the project's great value, are committed to it, and will continue its progress in the manner we contemplated at the outset.

There has been a great deal of legislative activity/debate in Massachusetts around the issues of whether or not OxyContin® (oxycodone HCl controlled-release) Tablets should remain available to persons in the Commonwealth. Some legislators have suggested that the product should be classified as a banned substance under the Commonwealth's controlled substances regulation – in the same class as heroin and LSD – by introducing a total of five bills to this end. Alan Must and I testified at the *Massachusetts OxyContin and Other Drug Abuse* Commission (that became known in the media as the OxyContin Commission) several years ago. In the most recent legislative session a newly-formed *OxyContin and Heroin Commission* has been active; evidence that the legislative focus on Purdue and OxyContin continues (see Appendix 2). I believe that these activities are relevant, since our actions regarding the continued support of this project may have an impact on those in the legislature. I fear that a termination of support might fuel the efforts of those already hostile to us, or reduce the willingness of those who have supported our positions to continue to do so.

**Recommendations for Consideration:**

Dr. Rathmell has indicated a willingness to meet with representatives of PPLP to discuss the way forward. I think it would be worthwhile for you and I to make a trip to Boston to meet with Dr. Rathmell and Dr. Wiener-Kronish, along with Dr. Jianren Mao, the lead basic researcher in the Program, to chart the future of this grant. I think there is the potential for excellent, relevant science to derive from our funding of the Program. However, I believe that we should only meet with MGH representatives if we are prepared to restart the funding to the Pain Program - unless our visit raises issues of concern.

I welcome the opportunity to hear your thoughts.

## Appendix 1

### Summary of the Agreement between PPLP, MGH and HMS

The Agreement established the Harvard Medical School Purdue Pharma Fund for Pain Education and Research (hereinafter, "the Fund").

The Fund was to be created from $3,000,000 cash from PPLP, payable according to the following schedule:

$1,000,000 paid on 18 January 2002, acknowledged in the schedule as part of the $3,000,000 commitment.

$500,000 within 15 days of execution of the Agreement, paid on 1 October 2003.

$500,000 due in December 2003; still outstanding

$500,000 due in December 2004; still outstanding

$500,000 due in December 2005; still outstanding

The purpose of the Fund is to support pain-related projects through the Program, which is currently housed in the MGH Department of Anesthesia and Critical Care (DACC). Specifically, the Fund is to be used for recruitment and salaries, equipment and capital needs, and on-going educational or research programs or projects within the Program. An amount of the Fund, not to exceed 15% ($450,000), can be used as defray overhead expenses.

The details of any specific educational program are overseen by an Educational Program Committee (EPC), comprising the DACC Chair, three (3) members of the HMS faculty selected by the DACC Chair in consultation with the Dean of the Faculty of Medicine HMS (hereinafter, "the Dean"), and one person appointed by PPLP. Historically, I have been the PPLP appointee.

The EPC makes recommendations for funding educational programs to an Oversight Board (hereinafter, "the Board"), of no more than five (5) members, which is responsible for overall administration of the Fund. This Board is constituted as follows: The Chair is the DACC Chair; one member shall be the President of MGH or his/her designee; with the remainder being HMS faculty chosen by the DACC Chair in consultation with the Dean. Members of the Program, the MGH Pain Center and, with the exception of the Chair, the EPC are not eligible to sit on the Board. In making decisions, the Board shall consult with a person designated by PPLP, provided that such consultation is purely advisory and all final decisions shall be made by the Board. Historically, I have also been that PPLP designee. The Board was envisioned to meet quarterly and to provide PPLP with a comprehensive annual update that provides a detailed outline of how monies from the Fund were expended.

It also established, in perpetuity, the MGH Purdue Pharma Pain Program (hereinafter, "the Program"). The Program's obligations under the Agreement include:

The Director of the Program shall be appointed by the DACC Chair.

The area to be utilized by the program is to be marked with a plaque, to remain in perpetuity, that bears the name of the Program.

Any publications, programs or public events resulting from the Program shall publicly and conspicuously identify its relationship to the Fund or the Program.

Other provisions of the tri-lateral Agreement included:

Neither party may publicly disclose the terms of the Agreement or contributions thereto without consent of the other.

If, in the judgment of HMS or MGH, it becomes impossible or impractical to expend the Fund in the manner envisioned in the Agreement, the principal and any interest can be used for similar purposes, as determined by the Dean with the advice of MGH Trustees.

The Agreement supersedes any other letters, Agreements, etc. between PPLP and HMS or MGH.

The Agreement cannot be modified, except with the written, signed Agreement of party that is bound by the modification.

## Appendix 2

## Recent Media Accounts of the OxyContin and Heroin Commission

***OxyContin and Heroin Commission Officials tackle drug problem***

By David Pepose
Posted: 06/01/2009 01:01:15 AM EDT on:
http://www.thetranscript.com/ci_12492202

*North Adams Transcript (New England Newspapers)*

PITTSFIELD -- Officials will analyze a statewide drug problem at Berkshire Community College on Friday, as the Massachusetts OxyContin and Heroin Commission will be holding their third hearing.

"It is an enormous problem in the Commonwealth, and one that often doesn't receive the attention that it should," said State Sen. Benjamin B. Downing, D-Pittsfield. "This is not so much a public safety issue, but rather a public health issue, and we need to address that in that way."

According to Downing, there were more than 3,300 opioid-related overdoses in Massachusetts between 2002 and 2007. The National Drug Intelligence Center stated in May that overdoses cost medical insurers an estimated $72.5 billion per year.

"The key is bringing light to the issue that is out there, an issue that is statewide," Downing said. "It's about access to a drug that is taken without supervision that can not only become addictive, but kill individuals."

"I would say that the abuse of prescription medications is the fastest growing form of substance abuse that we're seeing," Berkshire County District Attorney David Capeless said.

"Despite the fact that we in the commission are focusing on drugs which are extremely dangerous, there is a perception that because of their initial use as medication that they are considered 'safe,' " he added. "In fact, they are still as dangerous as heroin or cocaine."

Dr. Alex Sabo, chairman and program director of the Department of Psychiatry and Behavioral Sciences at Berkshire Medical Center, agreed. "The No. 1 initiate drug is prescription pain relievers -- this is past even marijuana," he said.

To fight this war at home, the Berkshire County District Attorney's Office, as well as law enforcement officials and Berkshire Health Systems, has put together what Sabo calls the Community Pain Management Initative.(sic)

"We've put together nonaddictive options for pain treatment," he said, including the Brien Center's bupenorphine (sic) clinic, an alternative to methadone that helps addicts wean themselves from opioids without getting an addictive euphoric high.

Among the systems being prescribed is an electronic prescription system, "to make sure that people don't 'doctor shop,' don't go to four different doctors, four different pharmacies."

Sabo hopes that this hearing will both bring in additional funds for fighting opioid abuse, as well as showcase the more innovative methods Berkshire County has employed.

"The drugs have a very narrow margin of safety -- that's what its (sic) so important," Sabo said. "It's going to cost money, but we think solving this problem will reduce the overall price to society dramatically."

***Heroin, OxyContin commission in city Friday***

By Will Richmond
Posted May 14, 2009 @ 09:19 PM on:
http://www.heraldnews.com/archive/x1518881096/Heroin-OxyContin-commission-in-city-Friday

*The Herald News*

Fall River — A legislative commission analyzing the state's growing rate of heroin and OxyContin addiction will be in the city today.

Sen. Joan Menard's office announced the Massachusetts OxyContin and Heroin Commission will hold the third in a series of hearings at the University of Massachusetts Dartmouth's Advanced Technology and Manufacturing Center at 11 a.m.

The Massachusetts OxyContin and Heroin Commission was created during the 2007-2008 legislative session and will hold regular public hearings across the commonwealth through August. The group is chaired by state Sen. Steven A. Tolman, D-Boston.

Public attendance and participation is vital, according to Menard's office, as the commission needs to hear the public stories and experiences to develop relevant policy recommendations. The commission will release a final report of its findings in the fall.

"Substance abuse is a vital public health concern in the commonwealth," Menard said. "The work of this commission will focus on the various elements of prevention, treatment and intervention. I am pleased that the commission is visiting the SouthCoast so that our region may also have an opportunity to participate in these important policy discussions."

Tolman said the Fall River hearing will provide an opportunity to a wide range of commenters from experts in the field to the general public.

# Exhibit 14

**To:** Haddox, Dr. J. David[/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=HADDOXJ]; Walsh, Kathy[/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=WALSHK]; Kwarcinski, Dr. Monica[/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=KWARCINM]; Kelly, Charles[/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=E86DA982]
**Cc:** Arredondo, Beatriz[/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=ARREDONB]
**From:** Miller, Lisa Dr.
**Sent:** Mon 10/5/2009 8:09:59 PM
**Subject:** Re: 2010 Health Policy Budget

Thank you. I'll look forward to the meeting.

Lisa
Lisa C. Miller, Pharm.D.
Executive Director, Healthcare Education & Liaison Programs
Purdue Pharma. L.P.
(203) 588-7635 work
(203) 273-9032 mobile

---

**From**: Haddox, Dr. J. David
**To**: Miller, Lisa Dr.; Walsh, Kathy; Kwarcinski, Dr. Monica; Kelly, Charles
**Cc**: Arredondo, Beatriz
**Sent**: Mon Oct 05 20:40:05 2009
**Subject**: FW: 2010 Health Policy Budget

Colleagues,

Here is the message on our budget.

I would like to meet on Wednesday to discuss. Meeting planner has been sent.

Dave

***J. David Haddox, DDS, MD***
***VP, Health Policy***
***Purdue Pharma L.P.***
***One Stamford Forum***
***201 Tresser Boulevard***
***Stamford, CT 06901-3431***
***V: 203.588.7667***
***F: 203.588.6242***
***Ms. Beatriz Arredondo,***
***Administrative Associate***
***V: 203.588.8017***

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**From:** Stewart, John H. (US)
**Sent:** Monday, October 05, 2009 7:28 PM
**To:** Haddox, Dr. J. David
**Subject:** FW: 2010 Health Policy Budget

David

The proposed staff and expenditure increases from your group were rather significant, for both the pre and post Intermezzo scenarios. The pre Intermezzo expenditure and headcount increases were 25% ($3,760,000) and 15% (5 positions) respectively. Adding the proposed Intermezzo considerations these became increases of 43% ($6,360,000) and 34% (11 positions).

Although I appreciate that we are entering a new therapeutic area with Intermezzo, and that our Medical Education and Medical Liaison expenditures were once at levels higher than those of today – the magnitude of these proposed increases is too great given our projected sales increases and expenditure increases in other areas.

As such, on a pre-Intermezzo basis, the addition of two additional positions is approved – one Medical Education position and one Medical Services position. I realize that the Medical Services position is in anticipation of Intermezzo approval, but it still can't be filled prior to the position being approved via the Budget process. However, in anticipation of the position being approved as part of the budget, recruiting could begin now - it is just that an offer can't be made before the budget is approved.

As part of the workload/investment to be associated with Intermezzo, I can see the addition of either one additional medical liaison position or an additional medical services position, but not both. This will have to be decided by you and Lisa. Additional Intermezzo-related workload in the Library will need to be covered out of consulting services - as is noted in the Information manager request.

With respect to the requested increases in cash expenditures, please find a way to reduce the pre-Intermezzo direct project spend on Med Education from $6,580,000 to $5,750,000 - and reduce the Intermezzo incremental spend in Med Education from $2,000.000 to $1,000,000.

Given that BuTrans has just been filed, let's not include any items specific to it in this Budget. The remaining items in the proposed budget can go forward, but the $500K for MGH can't be committed or spent until agreed to be high priority/valuable vs other opportunities - and at least agreed by the Board.

Give me a call if you want to discuss further, but I don't think that we should move very far from what is outlined here – if at all.

As we look to next year, I think it would be worthwhile to undertake an analysis of how to assess/increase the operational efficiency of the various units that make-up your group. Not to suggest that I have any specific concern, just as part of our overall focus on ensuring best practices.

John

# Exhibit 15

**To:** Damas, Raul[Raul.Damas@pharma.com]
**From:** Must, Alan
**Sent:** Mon 11/11/2013 10:22:49 AM
**Subject:** Re: Google Alert - oxycontin

Thank goodness for google alerts
He is a former law enforcement officer and not aware of medical necessity
Melissa is aware

Sent from my iPhone

On Nov 11, 2013, at 10:14 AM, "Damas, Raul" <Raul.Damas@pharma.com> wrote:

> I told Dr. Richard we'd review the bills and share our strategy. He said it's not urgent, but I'd like to provide him with some sense of our typical approach.
>
> It looks like the sponsored bill language isn't yet available, which isn't surprising, as this seems mostly a messaging opportunity for the elected official. That said, it's clear we'd oppose these arbitrary restrictions on access and increased burdens on patient compliance.
>
> Can we provide Dr. Richard with a sense of the probability of passage?
>
> ---
>
> **From:** Sackler, Dr Richard
> **Sent:** Monday, November 11, 2013 5:28 AM
> **To:** Damas, Raul
> **Subject:** FW: Google Alert - oxycontin
>
> fyi
>
> ---
>
> **From:** Google Alerts <googlealerts-noreply@google.com>
> **Date:** Saturday, November 9, 2013 11:00 AM
> **To:** "Richard S. Sackler" <DrRichard.Sackler@pharma.com>
> **Subject:** Google Alert - oxycontin
>
> **News** **1** new result for**oxycontin**
>
> How many prescription pain killers are enough? Silvia files bill Fall River Herald News
> **...** than 15 days for Schedule II controlled substances like Vicodin, Percocet and **Oxycontin**," said Silvia, who attended the Fall River Drug Summit last Saturday.
> See all stories on this topic »
>
> ---
>
> Delete this alert.
> Create another alert.

# Exhibit 16

**To:** Timney, Mark[Mark.Timney@pharma.com]; MNP Consulting Limited - Board of Directors[MNPConsultingLimited-BoardofDirectors@pharma.com]; Baker, Stuart[sbaker@chadbourne.com]
**Cc:** Must, Alan[Alan.Must@pharma.com]; Haddox, Dr. J. David[Dr.J.David.Haddox@pharma.com]; Erensen, Jennifer[Jennifer.Erensen@pharma.com]; Petro, Melissia[Melissia.Petro@pharma.com]; Damas, Raul[Raul.Damas@pharma.com]
**From:** Sackler, Dr Richard
**Sent:** Wed 5/14/2014 3:54:25 PM
**Subject:** Re: ADF in MA.

Good news.

---

**From:** <Timney>, Mark <Mark.Timney@pharma.com>
**Date:** Wednesday, May 14, 2014 at 3:39 PM
**To:** MNP Consulting Limited - Board of Directors <MNPConsultingLimited-BoardofDirectors@pharma.com>, Chadbourne SDB <sbaker@chadbourne.com>
**Cc:** "Must, Alan" <Alan.Must@pharma.com>, "Haddox, Dr. J. David" <Dr.J.David.Haddox@pharma.com>, "Erensen, Jennifer" <Jennifer.Erensen@pharma.com>, "Petro, Melissia" <Melissia.Petro@pharma.com>, Raul Damas <Raul.Damas@pharma.com>
**Subject:** ADF in MA.

Dear all,

I wanted to alert you to a positive development in Massachusetts, a state from which we've seen significant anti-opioid activity in recent months. Yesterday, the Massachusetts Senate passed legislation that included a provision developed by Purdue, prohibiting a non-abuse-deterrent formulation from being dispensed if an abuse-deterrent formulation is available. The Massachusetts House has already passed similar legislation and, while procedural hurdles remain, we consider this an important step toward broader government support for abuse-deterrent formulations.

I applaud the Health Policy and State Government Affairs teams for proactively crafting this model legislation and advocating it through the state legislative process, respectively. This initiative, so closely aligned with our commercial strategy and being replicated in several other states, helps ensure that patients continue to have access to our medicines and that broader public health goals are served.

Below I've linked to a new story about the legislation, highlighting mention of our policy provision.

I look forward to keeping you updated on our progress.

Mark

***Drug treatment bill has Senate's green light***

Worcester Telegram & Gazette (MA)

5/14/2014

http://www.telegram.com/article/20140514/NEWS/305149925/1116

The Senate on Tuesday unanimously adopted a bill to require insurers to cover drug and alcohol treatment without prior approval for admissions, a move expected to greatly increase access to treatment and that state Sen. Stephen M. Brewer predicted "will make a quantum leap forward" in treating opiate addiction.

The legislation also would require pharmacists to substitute drugs with abuse-deterrent coatings for highly abused drugs without abuse-deterrent qualities, unless a physician specifies otherwise...

# Exhibit 17

**PURDUE PHARMA INC.**

**Minutes of a Meeting of the Board of Directors**

**April 18, 2008**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), was held on April 18, 2008 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $50 million to PLP Associates Holdings L.P.; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolution.

There being no further business to come before the Meeting, the same was upon motion adjourned.

Stuart D. Baker
Secretary

NY2 - 495271.01

**PURDUE PHARMA INC.**

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**Minutes of a Meeting**
**of the Board of Directors**

---

**June 27, 2008**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), as the general partner of Purdue Pharma Products L.P., a Delaware limited partnership ("PPPLP"), as the general partner of Purdue Pharmaceuticals L.P., a Delaware limited partnership ("Purdue Pharmaceuticals") and as the general partner of Purdue Transdermal Technologies L.P., a Delaware limited liability partnership ("PTTLP"), was held on June 27, 2008 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

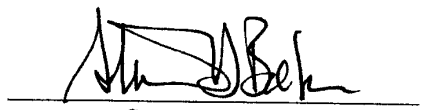
RESOLVED, that John H. Stewart be and he hereby is appointed President and elected Chief Executive Officer of the Corporation, the Partnership, PPPLP, Purdue Pharmaceuticals, and PTTLP (subject to compensation and scheduling discussions to be concluded by Peter F. Boer) to serve until his successor is elected and qualified; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to execute John Stewart's reorganization plan for the Partnership which was supported unanimously by the Board of Directors and which was requested by the Board of Directors to be expedited including, but not limited to, starting a directed search for a head of Research & Development; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $250 million to PLP Associates Holdings L.P.; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of itself, the Partnership, Purdue Pharmaceuticals, PPPLP, and PTTLP all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

There being no further business to come before the Meeting, the same was upon motion adjourned.



Stuart D. Baker
Secretary

NY2 - 511347.01

**PURDUE PHARMA INC.**

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**Minutes of a Meeting**
**of the Board of Directors**

---

**September 25, 2008**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), was held on September 25, 2008 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $200 million: $495,000 to the Corporation, $199,012,182 to PLP Associates Holdings L.P. and $492,818 to PLP Associates Holdings Inc.; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of itself and the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolution.

There being no further business to come before the Meeting, the same was upon motion adjourned.

Stuart D. Baker
Secretary

NY2 - 511459.01

**PURDUE PHARMA INC.**

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**Minutes of a Meeting**
**of the Board of Directors**

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**November 6, 2008**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), was held on November 6, 2008 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $200 million (plus such incremental amount as necessary to ensure that each of Beacon Company and Rosebay Medical Company L.P. receive a net amount of $100 million); and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $75 million to cover the purchase of Infinity stock by Beacon Company and Rosebay Medical Company L.P. (plus such incremental amounts to ensure that each of Beacon Company and Rosebay Medical Company L.P. receive the net amount of $37.5 million), subject to the Infinity transaction proceeding; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $50 million after January 1, 2009 to cover the funding of the Infinity Letter of Credit by Beacon Company and Rosebay Medical Company L.P. (plus such incremental amount to ensure that each of Beacon Company and Rosebay Medical Company L.P. receive the net amount of $25 million), subject to the Infinity transaction proceeding; and further

RESOLVED, that the Corporation update the list of non-U.S. persons covered under the Executive Accidental Death and Dismemberment insurance policy (a policy for the benefit of members of the Board of Directors of the Corporation and officers of the Partnership and others designated by the Board of Directors) (the "Executive AD&D") by adding those persons listed on Schedule A attached hereto as additional insureds under the Executive AD&D insurance to those persons previously designated by the Board of Directors to be included under the Executive AD&D insurance as listed in Schedule B attached hereto; and further

RESOLVED, that the Corporation automatically add and/or remove, as the case may be, from the Executive AD&D insured list any new General Manager, (or equivalent executive) as changes occur at a cost of approximately $825 per year per additional person (or in the aggregate, $18,150) (the current annual premium for this insurance is $106,000; therefore, with these additions the annual premium would be approximately $124,150); and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to implement its 2009 budget in the form attached hereto as Schedule 1 and Schedule 2, subject to any revisions that arise from a detailed review of the R&D budget and the rebate payment structure; and further

RESOLVED, that the Corporation be and it hereby is authorized and directed to contribute $250,000 to The Mortimer D. Sackler Foundation, Inc., a New York charitable foundation and $250,000 to The Raymond and Beverly Sackler Fund for the Arts and Sciences, a Delaware charitable foundation; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of itself and the Partnership and the all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

There being no further business to come before the Meeting, the same was upon motion adjourned.

Stuart D. Baker
Secretary

NY2 - 511601.01

**PURDUE PHARMA INC.**

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**Minutes of a Meeting of the Board of Directors**

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**June 26, 2009**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), and the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), was held on June 26, 2009 (the "Meeting"). A quorum of the Board of Directors was present, and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute (i) $162 million to PLP Associates Holdings L.P., a Delaware limited partnership, (ii) $402,052 to the Corporation, and (iii) $402,052 to PLP Associates Holdings Inc., a New York corporation; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolution.

There being no further business, on motion duly made, seconded and unanimously carried, the Meeting was adjourned.

Stuart D. Baker
Secretary

NY2 - 536860.01

**PURDUE PHARMA INC.**

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**Minutes of a Meeting of the Board of Directors**

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**September 23, 2009**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), and the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), was held on September 23, 2009 (the "Meeting"). A quorum of the Board of Directors was present, and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $173 million to PLP Associates Holdings L.P., a Delaware limited partnership along with appropriate cash payments (totaling $858,703) to the Corporation and PLP Associates Holdings Inc., a New York corporation, to reflect their respective interest in the Partnership; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolution.

There being no further business, on motion duly made, seconded and unanimously carried, the Meeting was adjourned.

Stuart D. Baker
Secretary

NY2 - 536886.01

**PURDUE PHARMA INC.**

**Minutes of a Meeting**
**of the Board of Directors**

**February 4, 2010**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), was held February 4, 2010 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the 2010 budget for the Partnership be and the same hereby is approved in the form attached hereto as Schedule 1; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute (i) $588,616 to the Corporation, (ii) $586,021 to PLP Associates Holdings Inc., a New York corporation and (iii) $236,650,000 to PLP Associates Holdings L.P., a Delaware limited partnership; and further

[redacted]

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, documents, instruments and other papers, and to do or cause to be done on behalf of itself and the Partnership all such acts, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

NY2 - 543443.01

**PURDUE PHARMA INC.**

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**Minutes of a Meeting**
**of the Board of Directors**

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**April 1, 2010**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership") and of Coventry Technologies L.P. ("Coventry"), was held April 1, 2010 (the "Meeting"). A quorum of the Board of Directors was present and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute (i) $350,707 to the Corporation, (ii) $349,161 to PLP Associates Holdings Inc., a New York corporation and (iii) $141,000,000 to PLP Associates Holdings L.P., a Delaware limited partnership; and further

RESOLVED, that Coventry, upon receipt of an aggregate $6.5 million from Beacon Company and Rosebay Medical Company, be and it hereby is authorized and directed to contribute the $6.5 million to Rhodes Pharmaceuticals L.P. for the development of Purdue Pharma (Canada)'s Biphentin® product for the U.S. market; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to enter into a sub-lease arrangement among UBS and Louis Dreyfus Highbridge Energy LLC ("Louis Dreyfus") (as tenant) with respect to Louis Dreyfus sub-letting the second and third floors of One Stamford Forum based upon the following key terms:

**PURDUE PHARMA INC.**

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**Minutes of a Meeting of the Board of Directors**

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**September 10, 2010**

A telephonic meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership") and Purdue Holdings L.P., a Delaware limited partnership ("PHLP"), was held on September 10, 2010 (the "Meeting"). A quorum of the Board of Directors was present, and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to submit for listing to the FDA United States Patent No. 7,776,314, entitled "Abuse-Proofed Dosage System," (obtained by Grünenthal on August 17, 2010 in the Orange Book) on or before September 15, 2010, based upon a determination that this patent could reasonably be asserted against reformulated OxyContin® if the Partnership did not hold the license from Grünenthal covering this patent; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $241,191,265 to PHLP on or before September 15, 2010; and further

RESOLVED, that PHLP be and it hereby is authorized and directed to distribute $241,191,265, of which, (i) $596,948 be distributed to the Corporation, (ii) $594,317 be distributed to PLP Associates Holdings Inc., a New York corporation, (iii) $240,000,000 be distributed to PLP Associates Holdings L.P., a Delaware limited partnership; and further

**PURDUE PHARMA INC.**

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**Minutes of a Meeting of the Board of Directors**

---

**December 2, 2010**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), as the general partner of Purdue Pharma L.P., a Delaware limited partnership (the "Partnership"), Purdue Pharma Products L.P., a Delaware limited partnership ("PPPLP") and Purdue Holdings L.P., a Delaware limited partnership ("PHLP"), was held on December 2, 2010 (the "Meeting"). A quorum of the Board of Directors was present, and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that PPPLP be and it hereby is authorized and directed to increase the price for all Ryzolt™ Tablet Strengths by 9.9% as of January 14, 2011; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to increase the price for all OxyContin® Tablet Strengths by 7.5% as of March 1, 2011; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to increase the price for all MS Contin® Tablet Strengths by 8.0% as of March 1, 2011; and further

RESOLVED, that the Partnership be and it hereby is authorized and directed to immediately distribute $160,794,177 and $100,496,360 on or before December 31, 2010 for an aggregate distribution of $261,290,537 as follows:

$160,000,000

1. The Partnership will distribute $160,794,177 to PHLP;

2. PHLP will then distribute $160,794,177 as follows:

| Company | Amount |
|---|---|
| The Corporation | $ 397,966 |
| PLP Associates Holdings Inc. | 396,211 |
| PLP Associates Holdings L.P. | $ 160,000,000 |
| TOTAL | $ 160,794,177 |

3. PLP Associates Holdings L.P. will thereafter distribute $160,000,000 to BR Holdings Associates L.P.; and

4. BR Holdings Associates L.P. will then distribute $160,000,000 as follows:

| Company | Amount |
|---|---|
| Beacon Company | $ 80,000,000 |
| Rosebay Medical Company L.P. | 80,000,000 |
| TOTAL | $ 160,000,000 |

$100,000,000

1. PPLP will distribute $100,496,360 to PHLP;

2. PHLP will then distribute $100,496,360 as follows:

| Company | Amount |
|---|---|
| Purdue Pharma Inc. | $ 248,728 |
| PLP Associates Holdings Inc. | 247,632 |
| PLP Associates Holdings L.P. | $ 100,000,000 |
| TOTAL | $ 100,496,360 |

3. PLP Associates Holdings L.P. will thereafter distribute $100,000,000 to BR Holdings Associates L.P.; and

4. BR Holdings Associates L.P. will then distribute $100,000,000 as follows:

| Company | Amount |
|---|---|
| Beacon Company | $ 50,000,000 |
| Rosebay Medical Company L.P. | 50,000,000 |
| TOTAL | $ 100,000,000 |

; and further

**PURDUE PHARMA INC.**

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**Minutes of a Meeting of the Board of Directors**

---

**April 6, 2011**

A telephonic meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), and as the general partner of (i) Purdue Pharma L.P., a Delaware limited partnership (the "Partnership") and (ii) Purdue Holdings L.P., a Delaware limited partnership ("PHLP"), was held on April 6, 2011 (the "Meeting"). A quorum of the Board of Directors was present, and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $190,641,596 for the quarter ending March 31, 2011 as follows:

$190,641,596

1. The Partnership will distribute $190,641,596 to PHLP;
2. PHLP will then distribute $190,641,596 as follows:

| Company | Amount |
|---|---|
| The Corporation | $ 471,838 |
| PLP Associates Holdings Inc. | 469,758 |
| PLP Associates Holdings L.P. | $ 189,700,000 |
| TOTAL | $ 190,641,596 |

3. PLP Associates Holdings L.P. will thereafter distribute $189,700,000 to BR Holdings Associates L.P.; and
4. BR Holdings Associates L.P. will then distribute $189,700,000 as follows:

| Company | Amount |
|---|---|
| Beacon Company | $ 94,850,000 |
| Rosebay Medical Company L.P. | 94,850,000 |
| TOTAL | $ 189,700,000 |

; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered on behalf of itself, the Partnership and PHLP all such agreements, documents, instruments and other papers, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

There being no further business to come before the Meeting, the same was, upon motion, adjourned.

Stuart D. Baker
Secretary

CPAM: 4090858.1

**PURDUE PHARMA INC.**

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**Minutes of a Meeting of the Board of Directors**

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**June 24, 2011**

A meeting of the Board of Directors of Purdue Pharma Inc., a New York corporation (the "Corporation"), and as the general partner of (i) Purdue Pharma L.P., a Delaware limited partnership (the "Partnership") and (ii) Purdue Holdings L.P., a Delaware limited partnership ("PHLP"), was held on June 24, 2011 (the "Meeting"). A quorum of the Board of Directors was present, and at the request of those Directors present, Stuart D. Baker acted as Secretary of the Meeting.

After discussion, and on motion duly made and seconded, it was unanimously decided as follows:

RESOLVED, that the Partnership be and it hereby is authorized and directed to distribute $200,992,721 for the quarter ending June 30, 2011 as follows:

$200,992,721

1. The Partnership will distribute $200,992,721 to PHLP;
2. PHLP will then distribute $200,992,721 as follows:

| Company | Amount |
|---|---|
| The Corporation | $ 497,457 |
| PLP Associates Holdings Inc. | 495,264 |
| PLP Associates Holdings L.P. | $ 200,000,000 |
| TOTAL | $ 200,992,721 |

3. PLP Associates Holdings L.P. will thereafter distribute $200,000,000 to BR Holdings Associates L.P.; and

4. BR Holdings Associates L.P. will then distribute $200,000,000 as follows:

| Company | Amount |
|---|---|
| Beacon Company | $ 100,000,000 |
| Rosebay Medical Company L.P. | 100,000,000 |
| TOTAL | $ 200,000,000 |

; and further

RESOLVED, that the proper officers of the Corporation be and each of them hereby is authorized and directed to make, execute and deliver, or cause to be made, executed and delivered on behalf of itself, the Partnership and PHLP all such agreements, documents, instruments and other papers, as they may deem necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

There being no further business to come before the Meeting, the same was, upon motion, adjourned.

Stuart D. Baker
Secretary

CPAM: 4091093.1

# Exhibit 18

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

| | | |
|---|---|---|
| IN RE: NATIONAL PRESCRIPTION OPIATE LITIGATION | ) | MDL No. 2804 |
| _____ | ) | Case No. 1:17-MD-2804 |
| THIS DOCUMENT RELATES TO ALL CASES | ) | Hon. Dan A. Polster |

MONDAY, APRIL 1, 2019

HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

- - -

Videotaped deposition of Kathe A. Sackler, M.D., held at the offices of DEBEVOISE & PLIMPTON LLP, 919 Third Avenue, New York, New York, commencing at 11:02 a.m., on the above date, before Carrie A. Campbell, Registered Diplomate Reporter, Certified and Realtime Reporter.

- - -

GOLKOW LITIGATION SERVICES
877.370.3377 ph | 917.591.5672 fax
deps@golkow.com

that was produced as a collection, or is this a collection you've created to create a deposition exhibit?

MR. HANLY: I created this.

MS. MONAGHAN: Okay.

(Purdue-Sackler Exhibit 28 marked for identification.)

QUESTIONS BY MR. HANLY:

Q. I pulled these documents together, Dr. Sackler, but they come from different sets of minutes because they reflect different meetings.

So if we look at the first page of the exhibit, you see Purdue Pharma, Inc., minutes of a meeting of the board of directors, April 18, 2008.

Do you see that?

A. Yes.

Q. Okay. And further down it indicates that there were two resolutions. The first is -- states, "Resolve that the partnership" --

And the partnership is Purdue Pharma, LP, right?

A. I don't know, because you have

PLP Associate Holdings LP in here also.

Q. Okay.

A. And that may -- and that's a different partnership. So I'm not sure which partnership they're speaking about.

Q. Okay. It states that the "partnership be and it hereby is authorized and directed to distribute $50 million to PLP Associates Holdings LP," correct?

A. That's -- I don't see where they identify the -- oh, here. Purdue Pharma LP.

Q. Yeah, Purdue Pharma LP is actually defined as the partnership.

A. Okay.

Q. Okay?

A. Yep.

Q. So this is the board of Purdue Pharma, Inc., the general partner of Purdue Pharma LP resolving that LP is to distribute from the revenues of LP $50 million to this entity called PLP Associates Holdings, right?

A. Yeah, I think that's what it says.

Q. Okay. And PLP Associates

Holdings, in turn, is owned by the Mortimer Sackler trusts and the Raymond Sackler trusts in the amount of 50 percent to each, right?

MS. MONAGHAN: Object to the form.

THE WITNESS: I don't recognize the name PLP Associates Holdings LP, actually. I'm not sure what that is.

QUESTIONS BY MR. HANLY:

Q. Well, you didn't dissent from this decision, did you?

MS. MONAGHAN: Objection.

QUESTIONS BY MR. HANLY:

Q. As a board --

A. No, this was in 2008. I'm sure I knew what I was deciding in 2008. I just don't recall.

Q. Okay.

A. I'm trying to figure out what that is. I'm not -- I can't recall right now what that is.

Q. Well, what it says is that 50 million is going to go from LP --

A. Yeah, I got that part.

Q. Okay. Next document is a

meeting later in the year 2008, September 25. Again, Purdue Pharma, Inc., minutes of meeting of the board of directors.

The first resolution is that the partnership -- has the same definition, Purdue Pharma LP -- be and hereby is authorized and directed to distribute to 200 million: 495,000 to the corporation, and $199,012,182 to PLP Associates Holdings LP, and 492,818 to PLP Associates Holdings, Inc.

Did I read that correctly?

A. Yes.

Q. Okay. And you don't recollect dissenting from this decision, do you?

MS. MONAGHAN: Objection.

THE WITNESS: I don't remember agreeing either. I just don't remember back in 2008 this particular -- you know, these particular decisions. It's -- you know, I wouldn't remember that.

QUESTIONS BY MR. HANLY:

Q. All right.

A. The board makes a lot of decisions.

Q. Right.
A. And it's been many years.
Q. Right.
A. And normally I would ask the secretariat to -- or look to a record to see what happened at a particular meeting.
Q. All right. And if I asked you what percentage, if any, of the $199,012,182 flowed to you or for your benefit, would you be able to give me that number?
MS. MONAGHAN: Object to the form.
THE WITNESS: No.
QUESTIONS BY MR. HANLY:
Q. You don't know?
A. I don't even know -- this was the amount that's going to PLP Associates Holdings LP, right, the number you quoted, 199 --
Q. Yes, that's right.
A. I'm not even sure what entity that is, so I don't even know where that's going.
Q. Well, you don't think it went outside the --

A. No.
Q. -- realm of the Sackler --
A. I certainly would hope not.
Q. -- interests?
Okay. Fair enough.
A. I would hope not.
Q. Let's go to the next --
A. I mean, I assume these are legitimate documents, and it looks like Stuart's signature.
Q. Stuart Baker's signature, right?
A. Yeah.
Q. Okay. The next, which is the third item in the exhibit, is actually chronologically not in order, but it's also in the year 2008. June 27, 2008, Purdue Pharma, Inc.
Second page at the top, there's a resolution that the partnership be and it hereby is authorized and directed to distribute 250 million to PLP Associates Holdings LP.
Do you see that?
A. Am I on the right page?

Q. I don't think you are.
A. I think I'm on the wrong page.
Q. I --
MS. MONAGHAN: Nope.
THE WITNESS: I'm on the wrong page.
MS. MONAGHAN: Yeah. Flip this way one further. I think that's what counsel was reading to you.
THE WITNESS: Okay.
And that's the only distribution in this meeting, I guess? $250 million to PLP Associates Holdings.
QUESTIONS BY MR. HANLY:
Q. Do you recollect this distribution?
Do you recollect voting for this distribution?
A. I don't recall voting for this.
Q. All right.
A. But I guess -- this one is June. April. September.
Q. Okay.
A. Why is June after September in

the order that you assembled them? Because you have --

Q. It was a mistake, Doctor.

A. Oh, okay. Should I fix it?

Q. No. Why don't you just leave it the way --

MS. MONAGHAN: No, just leave it the way it is.

THE WITNESS: Okay. Sorry. It confused me because I was trying to chronologically -- just trying to remember.

QUESTIONS BY MR. HANLY:

Q. Let's go to the next -- what should be the next page.

Do you have June 26, 2009?

A. I have March 5, 2009 next.

MS. MONAGHAN: Yeah, that's how it is in my packet as well.

QUESTIONS BY MR. HANLY:

Q. Oh, you're right. I'm sorry.

Okay. Do you have March 5, 2009?

A. Yes.

Q. Okay. And there -- apparently

there was a resolution to have Purdue Pharma LP distribute $200 million to PLP Associates Holdings LP, correct?

A. Yes. I see that.

Q. And other smaller numbers to the corporation and to PLP Associates Holdings.

A. Uh-huh.

Q. Right?

A. Uh-huh.

Q. Any recollection of voting in favor of this resolution?

A. I'm not going to be able to remember individual votes --

Q. Okay.

A. -- so far away.

Q. Let's go to -- is the next page that you have June 26th?

A. Yes.

Q. Does that reflect a resolution to distribute 162 million to PLP Associates Holdings LP?

A. Yes.

Q. Okay. And next is -- do you have September 23, 2009?

A. Correct.
Q. And on that date, does it appear there was a resolution to distribute 173 million to PLP Associates Holdings LP?
A. Yes.
Q. Okay. And next, do you have February 4, 2010?
A. Are these -- are these the years of the largest distributions that you found?
Q. I can't answer your questions, Doctor.
A. Oh, okay.
Q. So just bear with me, and let's get through the rest of these pages.
A. All right.
Q. Do you have February 4?
A. I have February 4.
Q. 2010?
A. Yep.
Q. And does that reflect, among other distributions, 236,650,000 to PLP Associates Holdings LP?
A. I don't see that. Oh, wait a minute. There it is. They switched the

order on us.

Q. Yes.

A. Okay. I see it. Okay.

Q. Okay?

A. Yep.

Q. Next, do you have April 1, 2010?

A. Yes.

Q. Okay. And again, they put the larger number at the end of the first resolution.

Do you see a distribution authorized to PLP Associates Holdings LP of 141 million?

A. Uh-huh, yes.

Q. Okay. And next do you have September 10, 2010?

A. September 10? Yes.

Q. Okay. And on that date, do you see a -- excuse me, a resolution down at the bottom of the first page to distribute 240 million to PLP Associates Holdings LP?

A. Yes. It's -- they don't have any detail in this, because typically we would have -- see tax distributions or nontax

distributions, but here it looks like it's all going to the other...

Q. In -- withdrawn.

Do you have next December 2, 2010?

A. Yes.

Q. And here do we see at the bottom of the first page, resolve that the partnership be and hereby is -- and it hereby is authorized and directed to immediately distribute 160,794,177 and 100,496,360, for an aggregate of 261,290,537. And then it breaks down below that, 160 million and change to PHLP, which is Purdue Holdings, LP?

MS. MONAGHAN: Object to the form.

QUESTIONS BY MR. HANLY:

Q. Do you recognize --

A. PHLP will then distribute 160,794,177 as follows.

Q. Exactly.

A. So they're not a recipient; they're a distributor, right? They're distributing?

Q. So if you turn to the next

page, do you see effectively that PLP Associates Holdings at the top is apparently to receive 160 million, and then further down a distribution of 100 million is to go to PLP Associates Holdings LP?

Do you see that? About two-thirds of the way down.

A. No, I don't see that. Well, you jumping over the others? We shouldn't look at the others?

Q. Well, I'm asking you about the distributions to PLP Associates Holdings LP.

A. PLP Associates Holdings LP.

Okay.

Q. Okay. So let's look at the top of the second page.

Do you see at the top it indicates PLP Associates Holdings LP to receive a distribution of 160 million?

A. Which page am I on?

Q. On the second page.

A. This one?

Q. Yes.

At the very top, do you see the 160 million?

A. Yes.

Q. Okay. And then it indicates that -- just below that Item 3, Associates Holdings is going to distribute 160 million to BR Holdings Associates LP.

Do you see that?

A. Yes.

Q. Do you know what BR Holdings Associates LP is?

A. No.

Q. Okay. Okay. Doctor, let's go to the next set of minutes.

Do you have April 6, 2011?

A. Yes.

Q. Do you see on the first page it indicates a resolution the partnership is hereby authorized, et cetera, to distribute 190,641,596 as follows. And if you drop down on the last item under Item Number 2, PLP Associates Holdings LP is to get of that sum 189,700,000.

Do you see that?

A. Uh-huh.

Q. Yes?

A. Yes. Sorry.

Q. And let's go to June 24, 2011.
And do you see a resolution to distribute --
A. 200.
Q. -- 200 million to PLP Associates Holdings LP?
A. Uh-huh. Uh-huh.
Q. Yes?
A. Yes.
Q. And let's go to the very last item that I have here, September the 1st, 2011. Do you see a resolution to distribute to PLP Associates Holdings 140,800,000?
A. Yes, I do see it.
Q. And as you sit here today, you can't tell us who owns PLP Associates Holdings LP?
MS. MONAGHAN: Objection. Asked and answered.
THE WITNESS: I'm not sure who owns it.
QUESTIONS BY MR. HANLY:
Q. Do you believe PLP Associates Holdings LP is owned beneficially by the Sackler family?

MS. MONAGHAN: Objection.
THE WITNESS: I think it's probably owned by trusts.
QUESTIONS BY MR. HANLY:
Q. The Mortimer and Raymond Sackler trusts?
MS. MONAGHAN: Objection.
THE WITNESS: There's no such trust. I mean, I don't know the names of the trusts, but my guess is it's owned by trusts. I mean, I would think it's owned by trusts.
QUESTIONS BY MR. HANLY:
Q. Okay. Do you understand that the Mortimer Sackler trusts own 50 percent indirectly of the Purdue Pharma entities?
MS. MONAGHAN: Objection.
THE WITNESS: I think it's a little more complicated than that, but...
QUESTIONS BY MR. HANLY:
Q. Let me ask this question.
A. Yeah.
Q. Do you -- as you sit here today, do you know where these distributions

ended up?

Did they stay with this entity called Holdings, or were they retransmitted, redistributed, to other entities?

MS. MONAGHAN: Objection.

THE WITNESS: Well, if you read this paper you put in front of me, it says -- doesn't it say anything about where they went next? If they went somewhere?

QUESTIONS BY MR. HANLY:

Q. Well, do you know whether any of these sums distributed between 2008 and 2011 made their way into any bank account over which you had control?

MS. MONAGHAN: Objection.

THE WITNESS: I hope so. I think so.

QUESTIONS BY MR. HANLY:

Q. If I represent to you that the total of those distributions that we've been reviewing is approximately $2.5 billion, could you tell me what percentage of the 2.5 billion you ultimately received or had access to?

# Exhibit 19

Message

**From:** Sackler, David A. [/O=PURDUE/OU=PURDUE US/CN=RECIPIENTS/CN=DAVIDSACKLER]
**Sent:** 11/12/2014 6:09:49 PM
**To:** Sackler, Jonathan [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=EDCD012C2FCA40ECA986A3580BECA1AE]
**CC:** Sackler, Dr Richard [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=3AFB14348C50493E95A6A5977146F48E]
**Subject:** Re: Here is what it would look like going to the B Board Members DO YOU AGREE THAT WE SHOULD SEND THIS TO OUR OUTSIDE B DIRECTORS FOR THEIR RECOMMENDATION?

I don't object to offering. I worry that they'll tack the building onto their demands of 200-250mm out of the business. We will get lectured on balance again. Also if they view their investment balance as off, the building isn't likely going to solve that as its value isn't Pharma related.

But why not try? I don't think it can hurt that much. It'll also allow us to test the balance thing versus a maddening desire for cash. If they approve of trading dollars of distribution for dollars of building sale the whole balance thing doesn't hold.

Sent from my iPhone

On Nov 12, 2014, at 6:03 PM, Sackler, Jonathan <Jonathan.Sackler@pharma.com> wrote:

It's a kind of distribution… the lease sets up the value. I don't recall our exact debt level, probably about 100, but if Purdue enters into a master lease at 45/ft, I'd guess that would leave around 30 after expenses, over a 6 caprate = 500/ft x 500k ft = $250 mill – debt = $150 mill.


Jon Sackler

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tel (203) 588-7200
fax (203) 588-6500
jsackler@pharma.com
Assistant: Alicia Laing | tel (203) 588-7202 | alicia.laing@pharma.com


---

**From:** David Sackler [mailto:DS@srllc.com]
**Sent:** Wednesday, November 12, 2014 6:00 PM
**To:** Sackler, Jonathan
**Cc:** Sackler, Dr Richard
**Subject:** Re: Here is what it would look like going to the B Board Members DO YOU AGREE THAT WE SHOULD SEND THIS TO OUR OUTSIDE B DIRECTORS FOR THEIR RECOMMENDATION?

I'd be fine with selling one Stamford forum. I don't think it will resonate that well. It's kind of a sideline and requires a very long term lease. I doubt it's enough of a nugget to dissuade their attempts to pillage cash, but why not throw it in? It can't hurt.

Sent from my iPhone

On Nov 12, 2014, at 5:52 PM, Sackler, Jonathan <Jonathan.Sackler@pharma.com> wrote:

I agree. 8 will be viewed as gouging. 6 is very defensible – but we'll hear complaints that a bank would lend for less. Our reply: we believe that leaving the money in the company will increase the likelihood of an acquisition that will be designed to deliver double-digit returns to the shareholders. We would rather leave all the money in the treasury and 6 is below our personal threshold for investing, but we're trying to accommodate our partners. It's a fantastic offer – take it and shut up.

Question: should we offer to sell One Stamford Forum and distribute the funds?

**Jon Sackler**

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---

**From:** David Sackler [mailto:DS@srllc.com]
**Sent:** Wednesday, November 12, 2014 5:06 PM
**To:** Sackler, Jonathan
**Cc:** Sackler, Dr Richard
**Subject:** Re: Here is what it would look like going to the B Board Members DO YOU AGREE THAT WE SHOULD SEND THIS TO OUR OUTSIDE B DIRECTORS FOR THEIR RECOMMENDATION?

Dad,

I agree with Jon here on both. I can't see a bank lending on this. 8% is going to make it even less likely to be accepted. I'd rather just say no distributions than 8%.

Sent from my iPhone

On Nov 12, 2014, at 4:49 PM, Sackler, Jonathan <Jonathan.Sackler@pharma.com> wrote:

Rich, I'm also concerned about the 8%. I think it's too high and will be poorly received. And I don't understand the idea of using these notes for collateral. I don't think it's practical. Even a bank that knows us would hesitate to lend on an instrument where they can't go after the source of funds. Maybe as part of a personal loan, but even that seems tenuous.

I would go back to 6% and not suggest that the debentures are good collateral for a 3rd party loan – because I don't think they are.

8% per annum. Recipients who prefer cash can either borrow the cash value using the debentures as collateral

Jon Sackler

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---

**From:** Sackler, Dr Richard
**Sent:** Wednesday, November 12, 2014 12:21 PM
**To:** Sackler, Jonathan
**Cc:** Sackler, David A.
**Subject:** Re: Here is what it would look like going to the B Board Members DO YOU AGREE THAT WE SHOULD SEND THIS TO OUR OUTSIDE B DIRECTORS FOR THEIR RECOMMENDATION?

Jon,
OK with you?

---

**From:** David Sackler <ds@srllc.com>
**Date:** Wednesday, November 12, 2014 at 11:35
**To:** "Sackler, Dr Richard - Admin" <Drrichard.sackler@pharma.com>
**Cc:** "Sackler, Jonathan" <Jonathan.Sackler@pharma.com>
**Subject:** Re: Here is what it would look like going to the B Board Members DO YOU AGREE THAT WE SHOULD SEND THIS TO OUR OUTSIDE B DIRECTORS FOR THEIR RECOMMENDATION?

I see no problems sending to our outside directors. I welcome their comments.

Sent from my iPhone

> On Nov 12, 2014, at 9:57 AM, Sackler, Dr Richard <DrRichard.Sackler@pharma.com> wrote:
> DRAFT NOTE TO BOARD
> As we discussed at the recent board meeting, we are overseeing a very good business. Two of our three regions (Europe and EM) are growing their top lines. The US, Canada and Europe (particularly our well established northern European markets) are quite profitable, and the growth in the EM is exceptional and ahead of forecast. Compared to our industry peers, the group is somewhat more profitable, spends less on R&D and more on S&P, and has been issuing dividends to shareholders very aggressively.
> Our major problem has been our failure to diversify the US product line and ameliorate the squeeze on OxyContin tablets. This has caused the group to decline on both the top and bottom line. The board concluded almost three years ago that the US management team was failing to either identify new opportunities or manage our existing products effectively, and the board elected to replace our CEO with the expectation that many members of the management team would also have to be replaced. The explicit goals were twofold: better management of our commercial operations; and a determined push to reestablish growth in the US through acquisitions.
> Nine months ago, when we were interviewing Mark Timney (and he was interviewing us) prior to him accepting the job, we assured him that the board and owners are committed to rebuilding

the US business through the acquisition of products and/or companies with products, assuming that those acquisitions meet a reasonable risk/reward hurdle. Furthermore, we asked him to undertake a downsizing for the purpose of raising a cash hoard that could be used for acquisitions. This instruction to cut expenses as a means of supporting future growth was also given to John Stewart in the last year of his administration. Both CEOs responded with significant cuts involving several rounds of layoffs.

Mark Timney has sought to protect and strengthen the morale of the organization and retain and attract high-performing people by repeating the promise that the cutbacks are in the service of future growth through acquisitions. He has echoed the assurances of the board across the organization, and those assurances were essential to his ability to hire some outstanding talent.

We believe that it is in the owners' interest to remain committed to the strategy that the board embraced and reaffirmed less than a year ago. OxyContin tablets net sales have fallen dramatically over the past few years, yet we remain dependent on OxyContin for most of our US sales. We believe that to grow the value of our pharmaceutical holdings we have to rely on acquisitions to diversify the business, reverse the sales decline, and resume growth.

Furthermore, it is in our interest as owners to demonstrate to the entire worldwide organization (and people who might have an interest in a combination with us be it a license of a product or a merger of equals, etc.) that we are truly committed to the growth by acquisition strategy. We probably have the best management team that we've ever assembled. Individually, they have career options, and they will pursue those options if they believe that the owners have lost interest or commitment to the growth of the business, or if short-term thinking, pessimism, or extreme risk aversion have come to dominate our deliberations. As owners, our self-interest rests on our ability to attract, retain and motivate exceptional talent. Beyond giving verbal assurances, our people are examining our conduct during and between board meetings to decide if Purdue/Mundipharma is, or is not, the right place to invest their time and commit their careers.

At this time, there is no clarity around our future acquisitions. We don't know when they will occur, what they will cost, the timing of the cashflow they will contribute, or their collateral value to a lender. We don't know the amount of lead time we will have to arrange financing, the amount of the financing that will be necessary, or the time it will take to acquire it. We don't know the exact profile of our own company when the time comes for lenders to examine us. And we don't know what the financing markets will look like when the time comes to do a deal.

The one thing that we know with some certainty is that if we fail to make an acquisition, Purdue will remain a slow-to-no-growth business, our best executives will begin to lose interest, and the value will remain seriously impaired.

It is obvious to everyone, including our managers, that having a substantial amount of cash on hand would significantly increase our flexibility and the likelihood of completing deals. However, in the years when the business was producing massive amounts of cash, the shareholders departed from the practice of our industry peers and took the money out of the bussiness. Now, unfortunately, the decline in the US sales of OxyContin has reduced our income and free cashflow materially. As a result of all of the above, we currently estimate that at yearend we will have approximately $300 million of cash available for acquisitions. Given the scale of our business and the size of the acquisitions needed to "move the needle" for us, our cash position and balance sheet is not nearly as strong as we would like. Nevertheless, we will do the best we can with it.

Given all of the above, and cognizant of the fact that we have already distributed $105 million this year (well in excess of industry peer group norms) we conclude that it is in the best interest of the business and its owners for the companies to retain what cash remains for the purpose of executing successfully on our stated strategy.

We continue to believe that the distribution of a 3 years, non-voting and interest bearing (quarterly) debentures in the amount of $130 million forms the basis of a useful accommodation to both the beneficiaries who need or desire cash now, and the beneficiaries who prefer to give the companies the added benefit of more acquisition firepower. While we're flexible on the details, we imagine that the notes would have a 3-year term and bear interest at the rate of 8% per annum. Recipients who prefer cash can either borrow the cash value using the debentures as collateral or sell some or all of their notes to any other recipients, or if there are insufficient buyers, to the company within 30 days of issue. We are open to discussing term and the amount of issue within reasonable ranges and other specifics of the debentures that are fair and reasonable.

The Raymond family intends to take the notes and thereby leave the cash value of its share of the distribution in the companies' treasury and available for acquisitions, and is prepared to acquire some amount of additional interests if they are not taken up by members of the Mortimer family. The important thing is to retain as much cash as possible in the companies at this time, while creating an opportunity for shareholders for whom the cash is important to receive cash. Issuing debentures to the family is something we have done successfully in the past

The companies have provided the family for over 60 years. While there is no certainty in life or in business, the Raymond family is optimistic about the prospects for the overall business and the soundness of the strategy adopted by the board. That strategy will take time to bear fruit, but we believe that patience and persistence will be rewarded.

Signed by all the "B" directors.

# Exhibit 20

Message

**From**: Sackler, Dr Richard [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=3AFB14348C50493E95A6A5977146F48E]
**Sent**: 7/30/2001 10:12:32 AM
**To**: Jay Wettlaufer [jay@surety.com]
**Subject**: RE: How are you doing?

Don't make the bet. When we talk, I'll tell you something that will totally revise your belief that addicts don't want to be addicted. It is factually untrue. They get themselves addicted over and over again.

Richard S. Sackler, M.D.
President, Purdue Pharma L.P.
Laptop 2000 machine #7777-1
One Stamford Forum
Stamford, CT 06901
Telephone 203 588 7777 new number
Internet rss@pharma.com
Intranet http://library.pharma.com/directory/
Located in Connecticut

-----Original Message-----
From: Jay Wettlaufer [mailto:jay@surety.com]
Sent: Thursday, August 30, 2001 9:46 AM
To: Sackler, Dr Richard
Subject: RE: How are you doing?

Richard,

My argument does not surround a simple genetic predisposition to addiction. I think that plays a very small part in this equation. There are however, a whole host of genetic reasons someone would be more likely to become addicted when COMBINED with the "right" circumstances. People are born smart or stupid, lazy or hard working, etc. Many are mentally troubled and spend their lives untreated. When they are given the chance to escape from life, they are often not equipped to understand its something that can get out of control. Once it does, they are in helpless in its grip.

Poor people in the inner city and in the backwoods of Kentucky almost never have the luxury of thinking about their "duty to society." They are surviving day to day. They do have a duty to their families, but often its the failure of those families that puts them in a position not to care about themselves enough to avoid drugs.

We differ mightily on this subject. I'm surprised. I don't "like" drug abusers, but their "full criminal intent" is driven not by greed or hatred, but by a powerful addiction. I'd bet any sum of money the vast majority of abusers don't want to be addicts.

Jay

PS - Sorry about the mischaracterization of your use of the word "nefarious."

-----Original Message-----
From: Sackler, Dr Richard [mailto:333@pharma.com]
Sent: Monday, July 30, 2001 6:45 AM
To: Jay Wettlaufer
Subject: RE: How are you doing?

Jay, I understand what you are saying. But we don't agree. I didn't say that they were nefarious; that adjective was applied to the media. The abusers are misbehaving in a way that they know is a serious crime. They are doing it in complete disregard of their duties to society, their family and themselves.

The notion that this is genetically programmed is nonsense. Are there

genetic predispositions? Perhaps, although this is not shown yet. But whatever their disposition, the fact is that many other people have the same tendencies and are not drug abusers. They are criminals.

Richard S. Sackler, M.D.
President, Purdue Pharma L.P.
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Stamford, CT 06901
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Internet rss@pharma.com
Intranet http://library.pharma.com/directory/
Located in Connecticut

-----Original Message-----
From: Jay Wettlaufer [mailto:jay@surety.com]
Sent: Wednesday, August 29, 2001 11:34 PM
To: Sackler, Dr Richard
Subject: RE: How are you doing?

Richard,

I do not believe most drug abusers are nefarious criminals, and I'm sure when you aren't so pissed, you don't either. They have genetic burdens and lives that are far more difficult to cope with than ours. They deserve pity, but that does not mean I have any respect for them. (Lots of people have overcome more difficult burdens in life.) As for the people who supply the drugs (including patients who would sell their Oxy and live with pain just for money) I blame them much more. You are correct to assume some (maybe even the majority) of drug abusers are not "good people," but I think you know in your heart most are not criminals in the classic sense.

The bottom line: You are doing NOTHING WRONG. That's what counts. This should be a debate for people of reason. Unfortunately, most politicians, lawyers and journalists don't usually belong in that group.

Don't let these guys drag you to their level. You ARE better than that. I believe in you and know you will not stop feeling compassion to cope with this shit.

Deep breaths Richard. You will get through this with your humanity intact. In the final hour, its all you have anyway.

Your friend,

Jay

-----Original Message-----
From: Sackler, Dr Richard [mailto:333@pharma.com]
Sent: Sunday, July 29, 2001 11:07 PM
To: Jay Wettlaufer
Subject: RE: How are you doing?

I'd like to try and argument on you. I believe that the media has nefariously cast the criminal drug abuser as a victim instead of victimizer. These are criminals, and they engage in it with full, criminal intent. Why should they be entitled to our sympathies?

Richard S. Sackler, M.D.
President, Purdue Pharma L.P.
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Stamford, CT 06901
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Internet rss@pharma.com
Intranet http://library.pharma.com/directory/
Located in Connecticut

-----Original Message-----
From: Jay Wettlaufer [mailto:jay@surety.com]

Sent: Wednesday, August 29, 2001 11:38 AM
To: Sackler, Dr Richard
Subject: RE: How are you doing?

I've got to admit, I thought it would die down sooner, but it will run its course sooner or later. Hopefully sooner. They'll all need a fresh target at some point.

Relax today if you can. Give your kids and dog a hug, it always helps me :)

Jay

-----Original Message-----
From: Sackler, Dr Richard [mailto:333@pharma.com]
Sent: Sunday, July 29, 2001 12:24 AM
To: Jay Wettlaufer
Subject: RE: How are you doing?

Thanks for the support. This vilification is shit.

Richard S. Sackler, M.D.
President, Purdue Pharma L.P.
Laptop 2000 machine #7777-1
One Stamford Forum
Stamford, CT 06901
Telephone 203 588 7777 new number
Internet rss@pharma.com
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Located in Connecticut

-----Original Message-----
From: Jay Wettlaufer [mailto:jay@surety.com]
Sent: Friday, July 27, 2001 11:33 AM
To: Richard Sackler, M.D.
Subject: How are you doing?

Richard,

I've seen the latest (FDA-inspired) Oxy stories, and was wondering how you are holding up. I hope you aren't taking this too personally (although I probably would if I were you...) and that you are taking care of yourself.

We are doing well here in spite of the lack-o-resources. We still need to hire a web development person and that's holding up the schedule, but the rest is really coming along. We are totally revamping the sign up process for ESP to make it much more seamless and friendly. I think you'll like it a lot better than the one you used. We have done more user studies and are learning a great deal.

Hang in there Richard. I'm here if you want to call and vent. :) Just remember you are a great person with good intentions. No reporter or lawyer can take that away from you.

Cheers,

Jay

# Exhibit 21

Message

**From:** Baker, Stuart D. [/O=PURDUE/OU=PURDUE US/CN=CHADBOURNE AND PARKE/CN=CHADSTUART.D.BAKER]
**Sent:** 9/18/2010 3:15:21 PM
**To:** Sackler, Jonathan [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=EDCD012C2FCA40ECA986A3580BECA1AE]; Sackler, Dr Richard [/O=PURDUE/OU=EXTERNAL (FYDIBOHF25SPDLT)/CN=RECIPIENTS/CN=3AFB14348C50493E95A6A5977146F48E]; sdb [/OU=VIRTUAL/CN=SDB]
**CC:** jds [/OU=VIRTUAL/CN=JDS]
**Subject:** Re: Ralph Snyderman

Thanks

**********
Please consider the environment before printing this email.

---

**From:** Sackler, Jonathan <Jonathan.Sackler@pharma.com>
**To:** Sackler, Dr Richard <DrRichard.Sackler@pharma.com>; sdb <sdb@pharma.com>
**Cc:** jds <jds@pharma.com>
**Sent:** Sat Sep 18 15:13:10 2010
**Subject:** RE: Ralph Snyderman

Rich, it opens on my computer. Here it is:

**General Description**

Purdue Pharma L.P. in the United States ("PPLP"), Napp Pharmaceutical Group Limited in the United Kingdom ("Napp"), Mundipharma Vertriebsgesellschaft mbH & Co. KG in Germany ("Mundipharma Germany") and MNP Consulting Limited ("MNP Consulting Limited") are part of a worldwide privately owned large network of independent associated multinational pharmaceutical companies (each an "Associated Company", and collectively the "Independent Associated Companies") with sales and marketing presence in over 100 countries around the globe, generating revenues in excess of $2.0 billion. The Independent Associated Companies engage in the research, development, patenting, manufacture, distribution and licensing of proprietary pharmaceuticals.

Each of the Independent Associated Companies is governed independently by its own Board of Directors or equivalent governing authority. For example, in the United States, the governing authority is the general partner of PPLP -- Purdue Pharma Inc., a New York corporation ("PPI"). Similarly, in the United Kingdom the governing authority is the Board of Directors of Napp Pharmaceutical Holdings Limited, and in Germany the governing authority consists in part of the Geschäftsführers of Mundipharma Verwaltungsgesellschaft mbH, the general partner of Mundipharma Germany ("MVmbH"). With respect to the other Independent Associated Companies, the Board of Directors of MNP Consulting Limited renders recommendations to the governing authorities of the respective Independent Associated Companies other than PPLP, Napp or Mundipharma Germany, and those respective Independent Associated Companies may follow such recommendations on a case by case basis. For the most part, the Directors of the other Independent Associated Companies are Stuart D. Baker and Christopher B. Mitchell.

The governing authorities (e.g., the Board of Directors) of each of PPI, Napp, MVmbH and MNP Consulting Limited are classified into Class A Directors and Class B Directors (or in the case of MVmbH, Class A and Class B Geschäftsführers -- also in the case of Napp there are Class C Directors). The Class A Directors are elected by the Class A Shareholders of the respective company (and likewise the Class B Directors are elected by the Class B Shareholders of the respective company -- in the case of the Class C Directors of Napp, the Class C Directors are elected jointly by the Class A and Class B Shareholders of Napp). Any decision of the

respective governing authorities requires the affirmative vote of the Class A Directors and the affirmative vote of the Class B Directors (and in the case of Napp, the affirmative vote of the Class C Directors). The Class A Directors are Theresa E. Sackler, Ilene Sackler Lefcourt, Kathe A. Sackler, M.D., Samantha Sackler Hunt and Mortimer D.A. Sackler, Judy Lewent and Cecil Pickett. The Class B Directors are Raymond R. Sackler, M.D., Beverly Sackler, Richard S. Sackler, M.D., Jonathan D. Sackler and F. Peter Boer. Mr. Boer, Ms. Lewent and Mr. Pickett are non-Family members of the Board of Directors.

The Class B Shareholders are seeking to appoint two additional outside Class B Directors to each of PPI, Napp and MNP and two outside Class A Geschäftsführers to MVmbH. The time commitment in general consists of twelve regular meetings of the Board of Directors each year (these are held monthly), eighteen days attending Budget Meetings of the Independent Associated Companies (these consist of a week of meetings, generally at the end of June of each year called the Mid-Year Meetings, half a week of meetings at the beginning of November for the U.S. budget and a week of meetings generally held the second week of November in London referred to as the Year-End Meetings), twenty-six half days for weekly telephonic update calls (i.e., this consists of an update telephonic conference call held generally every Thursday and 10:00 a.m. EST -- so assume approximately 13 days), eight days of meetings with the Class B Shareholders and eight days preparing for such Class B Shareholder meetings -- for a total of 59 working days. Of the two outside Class B Directors being sought, one person's commitment will be only essentially for the 59 days per year, whereas the second person's commitment will in addition require him or her to spend an additional 30 working days with the Independent Associated Companies (e.g., meetings with the other Class A Directors, Class B Directors and executives).

**Additional General Information**

As noted above, the Independent Associated Companies engage in the research, development, patenting, manufacture, distribution and licensing of proprietary pharmaceuticals. The Independent Associated Companies' principal product category is analgesics and principal product is oxycodone -- an opioid analgesic. Oxycodone is marketed under the trade name OxyContin® and also known as OxyGesic® in Germany. The product portfolio and pipeline of the Independent Associated Companies have broadened considerably in recent years, including other products used for oncology, respiratory, gastrointestinal, antiseptic (e.g., Betadine®) and cardiovascular treatments. Targin®, an oral prolonged-release oxycodone and naloxone combination with reduced side effects, including less constipation, was introduced in Europe in 2006. Purdue US recently received FDA approval for Butrans™ (buprenorphine) Transdermal System in the United States. The Butrans™ Transdermal System is an analgesic patch that delivers continuous release of medication for seven days. The Buprenorphine Transdermal System (also known as Norspan®) has already been introduced in Europe and Canada.

Certain of the Independent Associated Companies were among the first in the pharmaceutical industry to develop controlled-release ("CR") technology and successfully apply it to many useful medicines. Their worldwide licensing, manufacture and distribution operations spanned over 80 countries and includes successful third-party collaborations and licensing in the Middle East (including Israel), Africa and India. Manufacturing facilities are located in the United States, Canada, the United Kingdom, Germany, China, India and Cyprus. The Independent Associated Companies employ over 500 scientists who work in research and development.

Jon Sackler

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**From:** Sackler, Dr Richard
**Sent:** Friday, September 17, 2010 9:42 PM
**To:** sdb
**Cc:** jds
**Subject:** FW: Ralph Snyderman

The file seems corrupted to me. Can you resend it??

Richard Sackler, M.D.
+1 203 588 7777 Office
+1 203 550 4550 iPhone
+1 203 869 2565 Home
r@pharma.com

---

**From:** Baker, Stuart D. [mailto:SBaker@chadbourne.com]
**Sent:** Thursday, September 16, 2010 6:52 PM
**To:** Sackler, Dr Richard
**Subject:** Ralph Snyderman

Richard,

Here is the working document I used for part of my discussions with Ralph Snyderman. See the time commitments referred to on page 2. The 71 days needs to be corrected because we now only have Bi-Weekly Board calls.

Stuart

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This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please notify me by replying to this message and permanently delete the original and any copy of this e-mail and any printout thereof.

For additional information about Chadbourne & Parke LLP and Chadbourne & Parke, a multinational partnership, including a list of attorneys, please see our website at http://www.chadbourne.com

# Exhibit 22

WIGGIN
WIGGIN AND DANA

Wiggin and Dana LLP
Two Stamford Plaza
281 Tresser Boulevard
Stamford, Connecticut
06901-3284
www.wiggin.com

Robert S. Hoff
203.363.7626
203.363.7676 fax
rhoff@wiggin.com

VIA EMAIL TO COUNSEL
VIA OVERNIGHT DELIVERY TO RICOH

January 7, 2019

RICOH USA, INC.
Attn: Evidence Intake
3100 South Gessner Road
Suite 520
Houston, TX 77063

**Re: In re National Prescription Opiate Litigation, MDL No. 2804 and the "Track One" cases: The County of Summit, Ohio. v. Purdue Pharma L.P., Case No. 18-OP-45090 (N.D. Ohio); The County of Cuyahoga v. Purdue Pharma L.P., Case No. 17-OP-45004 (N.D. Ohio); and City of Cleveland v. AmerisourceBergen Drug Corp., Case No. 18-OP-45132 (N.D. Ohio)**

Dear Counsel,

On behalf of Defendants Purdue Pharma L.P., Purdue Pharma Inc. and The Purdue Frederick Company Inc. (together, "Purdue"), we are producing via secure hard drive the following sets of responsive documents:

- Documents Bates-numbered PPLP004427441 through PPLP004435315, which were collected from members of Purdue's compliance department. This set of documents includes, but is not limited to, correspondence with the U.S. Department of Health and Human Services Office of Inspector General concerning Purdue's Corporate Integrity Agreement.

- Documents Bates-numbered PPLP004435316 through PPLP004435616, which are additional responsive documents from Purdue's order monitoring committee.

- Documents from multiple custodians, Bates-numbered PPLPC042000000001 through PPLPC042000035712 and PPLPC043000000001 through PPLPC043000000092. Dr. Richard Sackler is the primary custodian in this custodial production.

Purdue's production is without waiver of any objection, including those in Purdue's discovery responses concerning the scope of discovery. In addition, this letter and the enclosed materials

are not intended to, and do not, waive any applicable privilege. Purdue's production of any material subject to any applicable privilege is inadvertent. If we learn that any information produced is subject to a claim of privilege, we reserve the right to notify you of the basis for the claim of privilege and to recover such information.

Please do not hesitate to contact me if you have any questions about this production.

Sincerely,

*/s/ Robert S. Hoff*

Robert S. Hoff

Enclosure

cc: (Via email)
David I. Ackerman
Paul Farrell
Paul J. Hanly
Joe Rice
Troy Rafferty
Steve Skikos
Pete Weinberger
Donald A. Ecklund
mdl2804discovery@motleyrice.com
Mark S. Cheffo

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*rhoff@wiggin.com*

VIA EMAIL TO COUNSEL
VIA OVERNIGHT DELIVERY TO RICOH

February 13, 2019

RICOH USA, INC.
Attn: Evidence Intake
3100 South Gessner Road
Suite 520
Houston, TX 77063

**Re: In re National Prescription Opiate Litigation, MDL No. 2804 and the "Track One" cases: The County of Summit, Ohio. v. Purdue Pharma L.P., Case No. 18-OP-45090 (N.D. Ohio); The County of Cuyahoga v. Purdue Pharma L.P., Case No. 17-OP-45004 (N.D. Ohio); and City of Cleveland v. AmerisourceBergen Drug Corp., Case No. 18-OP-45132 (N.D. Ohio)**

Dear Counsel,

On behalf of Defendants Purdue Pharma L.P., Purdue Pharma Inc. and The Purdue Frederick Company Inc. (together, "Purdue"), we are producing via secure hard drive the following sets of documents:

- Documents Bates-stamped PPLPC059000000001 through PPLPC059000000628, which consist of additional custodial documents of Dr. Richard Sackler.

- Attachments to document PPLPC054000009834 that we are producing after re-reviewing that family of documents following Mr. Ackerman's email dated February 8.

Purdue's production is without waiver of any objection, including those in Purdue's discovery responses concerning the scope of discovery. In addition, this letter and the enclosed materials are not intended to, and do not, waive any applicable privilege. Purdue's production of any material subject to any applicable privilege is inadvertent. If we learn that any information produced is subject to a claim of privilege, we reserve the right to notify you of the basis for the claim of privilege and to recover such information.

Please do not hesitate to contact me if you have any questions about this production.

Sincerely,

*/s/ Robert S. Hoff*

Robert S. Hoff

Enclosure

cc: (Via email)
David I. Ackerman
Paul Farrell
Paul J. Hanly
Joe Rice
Troy Rafferty
Steve Skikos
Pete Weinberger
Donald A. Ecklund
mdl2804discovery@motleyrice.com
Mark S. Cheffo

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Robert S. Hoff
203.363.7626
203.363.7676 fax
rhoff@wiggin.com

VIA EMAIL TO COUNSEL
VIA OVERNIGHT DELIVERY TO RICOH

March 1, 2019

RICOH USA, INC.
Attn: Evidence Intake
3100 South Gessner Road
Suite 520
Houston, TX 77063

**Re: In re National Prescription Opiate Litigation, MDL No. 2804 and the "Track One" cases: The County of Summit, Ohio. v. Purdue Pharma L.P., Case No. 18-OP-45090 (N.D. Ohio); The County of Cuyahoga v. Purdue Pharma L.P., Case No. 17-OP-45004 (N.D. Ohio); and City of Cleveland v. AmerisourceBergen Drug Corp., Case No. 18-OP-45132 (N.D. Ohio)**

Dear Counsel,

On behalf of Defendants Purdue Pharma L.P., Purdue Pharma Inc., and The Purdue Frederick Company Inc. (together, "Purdue"), we are producing via secure hard drive a set of documents after meeting and conferring with counsel about certain documents previously withheld as privileged. The production also consists of custodial documents from Dr. Kathe Sackler, which are Bates-numbered PPLPC061000000001 through PPLPC061000144162.

Purdue's production is without waiver of any objection, including those in Purdue's discovery responses concerning the scope of discovery. In addition, this letter and the enclosed materials are not intended to, and do not, waive any applicable privilege. Purdue's production of any material subject to any applicable privilege is inadvertent. If we learn that any information produced is subject to a claim of privilege, we reserve the right to notify you of the basis for the claim of privilege and to recover such information.

Please do not hesitate to contact me if you have any questions about this production.

Sincerely,

*/s/ Robert S. Hoff*

Robert S. Hoff

Enclosure

cc: (Via email)
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Robert S. Hoff
203.363.7626
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rhoff@wiggin.com

VIA EMAIL TO COUNSEL
VIA FTP DELIVERY TO RICOH

March 26, 2019

RICOH USA, INC.
Attn: Evidence Intake
3100 South Gessner Road
Suite 520
Houston, TX 77063

**Re: In re National Prescription Opiate Litigation, MDL No. 2804 and the "Track One" cases: The County of Summit, Ohio. v. Purdue Pharma L.P., Case No. 18-OP-45090 (N.D. Ohio); The County of Cuyahoga v. Purdue Pharma L.P., Case No. 17-OP-45004 (N.D. Ohio); and City of Cleveland v. AmerisourceBergen Drug Corp., Case No. 18-OP-45132 (N.D. Ohio)**

Dear Counsel,

On behalf of Defendants Purdue Pharma L.P., Purdue Pharma Inc., and The Purdue Frederick Company Inc. (together, "Purdue"), we are producing via FTP the following categories of documents:

- Additional custodial files from Dr. Kathe Sackler, Bates numbered PPLPC063000000001 through PPLPC063000023714.

- Documents being produced after meet and confers on privilege, Bates numbered PPLPC064000000001 through PPLPC064000000064.

- Documents from the personnel file of Gertrude Kass, Bates-numbered PPLP004509383 through PPLP004509405.

Purdue's production is without waiver of any objection, including those in Purdue's discovery responses concerning the scope of discovery. In addition, this letter and the enclosed materials are not intended to, and do not, waive any applicable privilege. Purdue's production of any material subject to any applicable privilege is inadvertent. If we learn that any information produced is subject to a claim of privilege, we reserve the right to notify you of the basis for the claim of privilege and to recover such information.

Please do not hesitate to contact me if you have any questions about this production.

Sincerely,

*/s/ Robert S. Hoff*

Robert S. Hoff

Enclosure

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