



# Plan of Reorganization of Purdue Pharma L.P. Receives Bankruptcy Court Approval

Sep 1, 2021 | News

- *Overwhelmingly supported Plan will deliver billions in value to communities across the country to fund programs specifically for abatement of the opioid crisis.*
- *Plan crafted and shaped by multiple fiduciaries for the victims, governments, and creditors determined to be fair and equitable.*
- *Purdue's assets will be transferred to a new post-emergence company dedicated to the public good. Purdue will cease to exist.*
- *Plan provides for unprecedented transparency regarding both past conduct and future operations of the new company.*

STAMFORD, Conn. – September 1, 2021 – The United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) today approved the Purdue Pharma L.P. chapter 11 plan of reorganization (the “Plan”). The Plan received overwhelming support from more than 95% of voting creditors, including every voting class of creditors and bi-partisan state attorneys general from 43 states and territories.

“Confirmation is proof positive that representatives of disparate stakeholders can work together under difficult circumstances and produce an outcome that is truly in the public interest,” said Steve Miller, who joined Purdue Pharma L.P. in mid-2018 as chairman of its Board of Directors. “Instead of years of value-destructive litigation, including between and among creditors, this Plan ensures that billions of dollars will be devoted to helping people and communities who have been hurt by the opioid crisis.”



expert witnesses testified, and after reviewing more than 4,000 pages of sworn declarations and expert testimony from many parties.

Today's decision confirming Purdue's Plan comes after a multi-year, arduous, inclusive process in which governments, creditors, and representatives of individual victims came together to forge a solution that received the support of more than 95% of Purdue's creditors. This process included more than a year of mediation among multiple groups of governmental and private creditors as well as opposite the shareholders. "We deeply appreciate all of the parties who poured their hearts and souls into this process, and we admire the individuals who came forward to share their stories," Mr. Miller continued. "We are committed to expeditiously handing over Purdue's assets to the new post-emergence company with a public-minded mission and the capability to develop medicines that can help with the opioid crisis."

As soon as the plan becomes effective, billions of dollars in value will begin to flow into a National Opioid Abatement Trust ("NOAT") established with a mission to fund opioid crisis abatement efforts in satisfaction of the claims brought by states and localities, as well as to opioid abatement trusts established for the benefit of other creditors such as Native American Tribes (the "Tribe Trust"), hospitals, third-party payors, and children with a history of Neonatal Abstinence Syndrome and their guardians. An additional \$700 to \$750 million will be provided to trusts that will make distributions to qualified personal injury claimants.

Purdue will cease to exist, and substantially all of its operating assets will be transferred to a newly formed company with a public-minded mission of addressing the opioid crisis. The new company will be owned primarily by NOAT, with the Tribe Trust holding a minority interest. The new post-emergence company will also develop and distribute millions of doses of opioid addiction treatment and overdose reversal medicines.

The Sackler families will have no involvement in the new company, and are paying \$4.325 billion (in addition to \$225 million already paid to the United States



## Purpose, Governance & Oversight

The new company will operate in a responsible and sustainable manner, taking into account long-term public health interests related to the opioid crisis. The new company will continue serving patients and consumers who rely on Purdue's existing medicines and products, pursuing its pipeline, and introducing new medicines.

The new company will be governed by new independent board members selected by the stakeholders. It will be held to the highest standards of conduct, required to comply with a detailed injunction continuing to restrict the promotion of opioid products, and will be subject to operating covenants to ensure that all of its products, including all opioid products, are provided in a safe manner that reduces the risk of diversion. A corporate monitor will continue to ensure that the new company complies with the court-ordered injunction, and will report regularly on compliance.

## Providing Unprecedented Transparency

The company committed at the outset of the bankruptcy proceeding to create a document repository making publicly available core documents related to its historical sales and marketing practices. Tens of millions of documents will ultimately be placed in the public repository.

- The repository will initially hold about 13.7 million documents, primarily including the documents that have already been produced in various legal proceedings and that relate to the development and promotion of opioids.
- The company also agreed to provide millions of additional documents not previously produced in any litigation or investigation, as well as hundreds of thousands of privileged documents from the years when Purdue developed and promoted opioids.
- The repository will be significantly larger than the entire tobacco industry repository – which covered decades, multiple companies, and included no



effectuation of its core mission, the short-term and long-term value being created by the company, and the public benefits being achieved consistent with its mission. In addition, each abatement trust will publish annual reports on the disbursement and use of abatement funds. Compliance with directing funds for authorized abatement purposes will be tracked within these reports.

### **Advancing Public Health**

Utilizing its scientific and technical expertise, the new company will oversee the ongoing development and eventual distribution of three opioid addiction treatment and overdose reversal medicines that can potentially save and improve lives\*.

- 1. Buprenorphine naloxone tablets**– The new company will provide/distribute millions of doses of a generic version of buprenorphine and naloxone sublingual tablets CIII, a treatment for opioid dependence. The FDA approved a generic version of buprenorphine and naloxone tablets, in 2020. (For full prescribing information, click [here](#); for the medication guide and warnings, click [here](#).)
- 2. Over-the-counter (OTC) naloxone nasal spray**– The company will continue to support the development of a low-cost, OTC naloxone intranasal spray through a collaboration with Harm Reduction Therapeutics that will be sold over-the-counter without a prescription, and for a fraction of the cost of existing naloxone nasal spray therapy, making it easier for more people to afford, access, and use.
- 3. Injectable nalmefene**– The company will continue to advance the development of injectable nalmefene, an opioid antagonist designed to reverse opioid overdose, in three dosage forms: vial, prefilled syringe, and autoinjector. The FDA previously granted Competitive Generic Therapy designation for the vial and prefilled syringe, and Fast Track designation for the autoinjector. Nalmefene may be another treatment option to help address the growing and continuing crisis of opioid overdose deaths, including those due to fentanyl and other synthetic opioids.

### **A Plan with Unprecedented Support**



Unsecured Creditors, (2) the Ad Hoc Committee of Governmental and Other Contingent Litigation Claimants, (3) the Multi-State Governmental Entities Group, (4) the Native American Tribes Group, (5) the Ad Hoc Group of Individual Victims, (6) the Ad Hoc Group of Hospitals, (7) the Third-Party Payor Group, (8) the Ratepayer Mediation Participants, and (9) the NAS Committee representing caregivers and children affected by NAS who filed claims against Purdue.

“There has been extensive collaboration among a wide range of stakeholders over the past two years, and we are grateful for the tireless work and good-faith efforts of so many who have brought us to this point,” said Mr. Miller. “While there is historically broad support for the plan, we also know that there have been deeply held views on the other side. We are hopeful that this is the moment where all parties will join the overwhelming majority so that the billions of dollars can begin to flow on day one.”

*\*This information discusses investigational uses of agents in development and is not intended to convey conclusions about efficacy or safety. There is no guarantee that the medications listed in this release will successfully complete development or gain FDA approval.*

###

### About Purdue Pharma L.P.

**Purdue Pharma** and its subsidiaries develop, manufacture and market medications and consumer health products to meet the evolving needs of healthcare professionals, patients, consumers and caregivers.

Purdue’s plan of reorganization will deliver billions in value to communities across the country to fund programs specifically for abatement of the opioid crisis. The bankruptcy settlement will also deliver funds to private abatement trusts for the benefit of personal injury claimants.



sustainable manner taking into account long-term public health interests relating to the opioid crisis. The company will continue serving patients and consumers who rely on its medicines and products, pursuing its pipeline, and introducing medicines that will help save and improve lives.

**Media Contact:**

Michele Sharp

(203) 588-7584

## Recent Posts

GCAR and Purdue Pharma L.P. Announce Initiation of Tinostamustine in GBM AGILE Trial

Tinostamustine Shows Early Signals of Activity in Phase 1 Glioblastoma Trial

Bankruptcy Court to Confirm Purdue Pharma's Plan of Reorganization

FDA Grants Orphan Drug Designation for Tinostamustine in Malignant Glioma

Purdue Pharma L.P. Plan of Reorganization Receives Overwhelming Creditor Support

## Archives

April 2026

November 2025

October 2025

September 2025

June 2025

March 2025

October 2024