

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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March 11, 2021

Mr. Roberto Finzi
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019

Dear Mr. Finzi:

The Committee is seeking information that to date has been withheld by your client, Mr. David Sackler, regarding the Sackler family's fortune—which was largely built by sales of the prescription opioid OxyContin through his family's company, Purdue Pharma L.P.

Transparency on this matter is essential to ensuring justice and accountability for the nearly half million lives lost to America's opioid epidemic.¹ However, the Sackler family has not been forthcoming about its assets, and has reportedly moved assets—including to offshore accounts—to limit the family's potential liability in opioid-related litigation. According to the 2020 settlement agreement with the Department of Justice: "Beginning in 2007, the Named Sacklers discussed a strategy to remove assets from Purdue, making the assets more difficult for future plaintiffs or creditors to reach."² In addition, after issuing subpoenas to dozens of financial institutions and investment advisors with ties to Sackler family members for information regarding the family's holdings, New York Attorney General Letitia James warned that "the Sacklers continue to lowball victims and skirt a responsible settlement."³

On December 17, 2020, Mr. Sackler testified before the Committee at a hearing to examine the role of the family and Purdue Pharma in fueling the opioid epidemic. At the hearing, I asked Mr. Sackler about his family's withdrawal of more than \$10 billion from Purdue Pharma, and specifically asked how much of the Sackler family's wealth is in foreign bank

¹ Centers for Disease Control and Prevention, *Understanding the Epidemic* (online at www.cdc.gov/drugoverdose/epidemic/index.html) (accessed Feb. 18, 2021); Centers for Disease Control and Prevention, *Trends and Geographic Patterns in Drug and Synthetic Opioid Overdoses—United States, 2013-2019* (Feb. 12, 2021) (online at www.cdc.gov/mmwr/volumes/70/wr/pdfs/mm7006a4-H.pdf).

² Department of Justice, *Sackler Settlement Agreement* (Oct. 21, 2020) (online at www.justice.gov/opa/press-release/file/1329736/download) (Addendum A, paragraph 158).

³ *New York Uncovers \$1 Billion in Sackler Family Wire Transfers*, New York Times (Sept. 13, 2019) (online at <https://nytimes.com/2019/09/13/health/sacklers-purdue-opioids.html>).

accounts and shell companies. Mr. Sackler declined to answer my question, testifying: “That’s really a question for the lawyers.”⁴

Following the hearing, I wrote to Kathe and David Sackler on January 11, 2021, requesting a full accounting—including the values—of assets held by each Sackler family member.⁵ On February 1, 2021, you provided a response on behalf of Mr. Sackler that answered only one subpart of the questions asked.⁶ While you provided a description of the categories of trusts, assets, and liabilities and the total net assets combined for members of Mr. Sackler’s side of the family, you did not produce information about why each format was selected, where each asset is held, and the value of each of these assets for each Sackler family member.⁷

You also provided the Committee with a public report filed in the Purdue bankruptcy in December 2019.⁸ This report details distributions from Purdue Pharma to or for the benefit of Sackler family members, but it is not sufficient to address the Committee’s questions regarding the value of each type of asset currently held by each Sackler family member.

Accordingly, the Committee is reiterating its request for an accounting of assets by each Side B Former Director, including: where the assets are held; why the format was selected; the value of each of the assets owned by category; and approximate liabilities, also by category. Please produce this information by March 25, 2021.

As you have previously provided the Committee with documents that were prepared for the bankruptcy proceeding, the Committee would accept in response to this request all of the materials the Sackler family has provided in response to Amended and Restated Stipulation #17(a) from Docket #431 in the Purdue Pharma L.P. bankruptcy proceedings, and in response to Stipulation #17(a) from Docket #291 in the Purdue Pharma L.P. bankruptcy proceedings.⁹

⁴ Committee on Oversight and Reform, *Hearing on The Role of Purdue Pharma and the Sackler Family in the Opioid Epidemic*, 116th Cong. (Dec. 17, 2020).

⁵ Letter from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, to Mr. David Sackler (Jan. 11, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2021-01-11.CBM%20to%20David%20Sackler%20re%20QFRs.pdf>).

⁶ Letter from Mr. Roberto Finzi, Counsel for Mr. David Sackler, to Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform (Feb. 1, 2021) (online at <https://docs.house.gov/meetings/GO/GO00/20201217/111120/HHRG-116-GO00-20201217-SD009.pdf>).

⁷ Information was provided for David and Richard Sackler, as well as for the estates of Beverly Sackler and Jonathan Sackler, who are part of the Raymond Sackler side of the Sackler family. This part of the family is collectively known as the Side B Former Directors. Mr. Sackler was asked to provide: (a) an accounting of the assets held by each named Sackler, including where the assets are held; in what format they are held (trust, corporation, partnership, etc.); why the format was selected (i.e., tax, other reason, etc.); and a general understanding of the type of such assets; and (b) the value of each of the assets identified in (a), including the approximate aggregate value of the assets owned by category (e.g., cash, securities, real estate, private and other investments, etc.) and approximate liabilities, also by category.

⁸ Docket #654, “Statement/Notice of Filing of Report of the Special Committee filed by Eli J. Vonnegut on behalf of Purdue Pharma L.P.,” Exhibit A (Dec. 16, 2019) (online at <https://restructuring.primeclerk.com/purduepharma/Home-DocketInfo>).

⁹ Docket #291, “Statement/Notice of Filing of Case Stipulation among the Debtors, the Official Committee of Unsecured Creditors and Certain Related Parties” (Oct. 11, 2019) (online at

Mr. Roberto Finzi

Page 3

The Committee on Oversight and Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. Thank you for your prompt attention to this matter. Please contact Committee staff at (202) 225-5051 with any questions.

Sincerely,



Carolyn B. Maloney
Chairwoman

cc: The Honorable James Comer, Ranking Member

<https://restructuring.primeclerk.com/purduepharma/Home-DocketInfo>); Docket #431, “Notice of Presentment of Amended and Restated Case Stipulation Among the Debtors, the Official Committee of Unsecured Creditors and Certain Related Parties” (Nov. 5, 2019) (online at <https://restructuring.primeclerk.com/purduepharma/Home-DocketInfo>).