

USVI to Receive \$1.6 Million as \$7.4 Billion Purdue/Sackler Opioid Settlement Takes Effect

Most funds will be distributed in the first three years, with the Sacklers paying more than \$1.5 billion now and additional payments through 2029, while Purdue pays about \$900 million and transfers operations to Kinoa Pharma.

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The U.S. Virgin Islands is expected to receive nearly \$1.6 million from a \$7.4 billion settlement with Purdue Pharma and its owners, the Sackler family, as the agreement becomes legally effective after years of investigations, litigation and bankruptcy proceedings tied to the opioid crisis.

Attorney General Gordon C. Rhea announced that the settlement has taken effect, capping nearly a decade of work by attorneys general across the country pursuing Purdue and the Sacklers over their role in fueling the opioid crisis. The multistate investigation of Purdue began in 2016, and the U.S. Virgin Islands sued Purdue in September 2020.

The settlement provides funding to communities across the country, as well as individual victims and other groups that filed claims in Purdue's bankruptcy proceedings. The U.S. Virgin Islands is expected to receive \$1,586,934.33.

"While no settlement can undo the devastating impact the opioid crisis has had on families and communities across the Virgin Islands and across the nation, this agreement represents an important step toward accountability and recovery," said Gordon C. Rhea. "The funds received through this settlement will support critical efforts focused on opioid prevention, treatment, and recovery services, while also helping ensure that those responsible for fueling this public health crisis are held accountable."

Purdue filed for bankruptcy in September 2019 amid massive litigation against the company. Attorneys general took a lead role in the bankruptcy proceedings, including negotiating a new settlement that secured additional money from the Sacklers after the U.S. Supreme Court in June 2024 invalidated provisions in a prior settlement.

Fifty-five attorneys general representing all eligible U.S. states and territories previously signed onto the settlement. The agreement resolves litigation against Purdue and the Sacklers over the production and aggressive marketing of opioids in the United States, conduct officials say helped fuel the largest drug crisis in the country's history.

The settlement permanently bars the Sacklers from selling opioids in the United States and delivers funding for addiction treatment, prevention and recovery to communities nationwide over the next 15 years.

Most settlement funds will be distributed in the first three years. According to the Department of Justice, the Sacklers are paying more than \$1.5 billion immediately, followed by approximately \$500 million in May 2027, another \$500 million in May 2028, and \$400 million in May 2029. Purdue is also paying approximately \$900 million immediately.

With the settlement, the U.S. Virgin Islands has now secured a total of \$1,586,934.33 in opioid settlement funds.

The agreement also transfers Purdue's manufacturing operations to Knoa Pharma LLC, effective immediately. Knoa will be overseen by a board of directors with no connection to Purdue. The settlement prevents Knoa from marketing opioids and provides for an independent monitor to ensure the company provides the medicines in the safest possible manner while limiting the risk of diversion.

The settlement also requires Purdue and the Sacklers to make public more than 30 million documents related to their opioid business.

Attorney General Rhea was joined in reaching the settlement by attorneys general from Alabama, Alaska, American Samoa, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York,

North Carolina, North Dakota, the Northern Mariana Islands, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

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