

FAQs for Vendors Serving U.S. Entities

Chapter 11 Filing

1. How is the Chapter 11 announcement different from the restructuring announcement the company made on August 17?

On August 17, 2009, we announced that we reached an agreement in principle with the majority of our senior financial lenders on the terms of a restructuring plan that will significantly reduce our debt and better position our company for long-term success.

As anticipated in this plan, (on August 24, 2009) RDA's U.S. businesses filed voluntary, pre-arranged petitions for reorganization under Chapter 11 of the United States Bankruptcy Code to provide the necessary legal framework for reorganization.

This restructuring plan is supported by more than 80 percent of our senior secured lenders (mostly banks) who committed to \$150 million in debtor-in-possession (DIP) financing for our use during the time of restructuring. Within two days of our filing, the court gave us access to \$100 million of that amount. Subsequently, Moody's Investors Service issued a Ba1 rating to our DIP financing, an increase of nine steps from our previous company rating from Moody's.

The company expects to continue "business as usual" in its locations worldwide.

2. Why does RDA have to file for Chapter 11 protection?

RDA took this action to preserve and enhance the value of the company and de-leverage our balance sheet. Our debt load and interest expenses are simply too high.

3. How does this filing affect RDA?

This filing allows RDA to continue operating as normal while we significantly lower the debt on our balance sheet in an orderly and systematic manner. Chapter 11 is a proven tool in the U.S. court system to help companies reorganize. It is used regularly with great success to keep global companies like ours viable and in business as they streamline their finances. It is the next logical step in an ongoing process to improve our business.

4. Is RDA going out of business?

Absolutely not. This is NOT a closing or liquidation. Chapter 11 is a powerful and proven tool for companies like ours to help achieve a healthy future. It is a process through which we can significantly reduce our debt burden and better position RDA for long-term success.

5. Which entities filed?

The Chapter 11 filing is limited to RDA's U.S. operations, which are the borrowers or guarantors on the U.S. debt. Importantly, the Chapter 11 filing does NOT include non-U.S. entities, which are expected to continue business operations as normal.

6. How long will RDA be in Chapter 11?

We expect the process to proceed expeditiously as we already have agreements in principle with more than 80 percent of our secured lenders on the terms of the exit from Chapter 11. However, we cannot speculate on precisely when we will emerge. As part of our commitment to work collectively with stakeholders to maximize value for all, we will provide timely updates throughout the reorganization process.

7. What do you expect RDA to look like after it emerges from Chapter 11?

It is important to note that both during the restructuring process and after we emerge we will continue to push forward with all of our transformation initiatives in keeping with our goal to make measurable progress by January 2010 and, of course, beyond. What that means is that, on a day-to-day basis, it is going to be business as usual.

Restructuring our balance sheet gives us a fresh financial start. We expect to emerge from this reorganization period expeditiously, well-capitalized and with significantly less debt, leaving us with ample cash for growth and investment opportunities.

De-leveraging the company at this time is the right action to better align with a changed economy, weaker consumer spending and rising unemployment. As the economy recovers, we will be in an even better position to succeed with less debt on our balance sheet.

8. What happens next?

Suppliers and vendors who provide goods and services to the company on or after August 24, 2009, will continue to be paid in the ordinary course.

In addition, during the Chapter 11 process, we will continue to work with our creditors and other constituents to finalize a Plan of Reorganization, which will reflect the agreement in principle already in place with our primary stakeholders.

9. How will the Chapter 11 filing affect the company's relationship with vendors?

We believe the filing will benefit our vendors over the longer term. RDA will emerge as a stronger company, and our vendors will retain an excellent business partner. We will be communicating with our vendors as appropriate during this process.

The Chapter 11 process offers several tools intended to protect the interests of our key vendors to ensure they remain valued business partners both during and after the Chapter 11 process.

- Specifically, the Bankruptcy Code encourages suppliers to continue to do business with a Chapter 11 debtor by granting priority status to payments for goods and services provided after the filing date. As stated, this means that RDA will pay suppliers for all goods and services delivered on or after August 24, 2009.
- A significant percentage of our key supplier relationships are governed by contractual relationships, and those key contracts will be assumed as part of the reorganization process, with any pre-bankruptcy amounts owing paid in full at the time of assumption.
- RDA also expects to receive approval from the court to pay certain pre-bankruptcy claims of certain vendors meeting very specific criteria.

Please be assured that RDA is working diligently to pursue the best possible outcome for the company and our vendors and suppliers, and is working toward a mutually beneficial business relationship going forward.

Internationally, our operations are conducting business as usual and are NOT filing for court-supervised protection. As a result, we do not expect that vendors in these regions will see any changes in their normal practices with their local entities.

10. When will suppliers and vendors serving U.S. entities be paid for goods already delivered to RDA?

The Bankruptcy Code precludes payment for goods and services received before the filing date except for claims that fall within certain narrowly prescribed categories under relief requested by RDA and agreed to by the court. Payment of most pre-petition indebtedness will be settled as part of the Plan of Reorganization, which can be implemented once accepted by a sufficient number of our creditors and approved by the court. Again, we are optimistic that the entire process will be expedited in light of the pre-arranged nature of the plan.

Please rest assured that we will pay you in full for all goods and services provided after the filing of our Chapter 11 petition on August 24th. Payments for these “post-petition” goods and services are given priority status in the reorganization proceedings, providing extra protection to you. We are, in fact, required by the court process to pay you for goods and services obtained after our Chapter 11 filing, and, as noted above, we have the financing in place to enable us to meet that obligation.

11. Can U.S. vendors apply payments made after the filing to pre-petition invoices?

No. Under federal bankruptcy law, U.S. vendors must maintain a distinction between receivables for goods released to RDA before the Chapter 11 filing and receivables for goods released after the filing.

12. What should vendors serving U.S. entities do if they have unpaid invoices dated before the Chapter 11 date (i.e., pre-petition invoices)?

At the moment, you do not need to do anything except to stop collection activities. Early in the bankruptcy case, RDA will file a schedule of all known creditors and the amount RDA believes each creditor is owed. If you appear on the schedule and agree with the scheduled claim amount, you do not need to do anything and your claim will be paid in accordance with the treatment provided for in the Plan of Reorganization.

If you do not appear on the schedule or if you disagree with the scheduled amount of your claim, then you must submit what is called a “proof of claim.” You will receive a proof of claim form and instructions about the claims process in the coming weeks, and the court will set a deadline for all claims to be filed. This deadline is known as the “Bar Date.” You will receive notice of this deadline

once it is set. If RDA determines that your claim is valid, you will be eligible to receive payment in accordance with the treatment provided for in the Plan of

Reorganization. No plan has been filed or approved at this time so we cannot say how creditors will be treated.

13. How can vendors file a proof of claim? Is there any way vendors can expedite this process?

A proof of claim form and instructions about the claims process will be mailed to all vendors serving U.S. entities. To expedite the process, these materials as well as the Claims Agent website are also linked from RDA's restructuring Web site, www.RDARestructuring.com.

14. Are vendors serving U.S. entities allowed to reclaim their goods?

While we understand your frustration, it is against the law to take back goods from a company that has filed for Chapter 11 protection without court approval.

15. Will vendors be paid for goods and services provided after the filing?

Suppliers and vendors who provide goods and services to the company on or after August 24, 2009, will continue to be paid in the ordinary course.

16. Given the uncertainty of the situation, can U.S. vendors renegotiate terms with RDA? Will RDA be renegotiating any contracts?

It will be business as usual at RDA, and our ability to purchase from suppliers on favorable terms and at competitive prices is critical to our future success. We hope our suppliers will see the long-term gain to be realized and continue to work with us through this process.

17. Why should companies continue to do business with RDA?

We believe the actions we are taking today will benefit vendors over the longer term. We fully expect that RDA will emerge as a stronger company, and our vendors will have an excellent business partner in RDA.

18. Will U.S. vendors have the same contact at RDA?

Vendors' direct contacts will remain the same. Additionally, you may call the vendor hotline at 800-243-0965 (toll-free in the U.S.) or 414-209-3400. Additional information also will be available at www.RDARestructuring.com.

19. Where should vendors direct their questions?

We encourage you to contact your regular RDA representative or to call our vendor hotline at 800-243-0965 (toll-free in the U.S.) or 414-209-3400. Additional information also will be available at www.RDARestructuring.com.

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