

FAQs for Vendors Serving Non-U.S. Entities

Chapter 11 Filing

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

First, it is important that you recognize that this filing applies only to RDA's U.S. businesses. The filing specifically does NOT include any of RDA's businesses outside of the U.S. RDA took this action in the U.S. to preserve and enhance the value of the company and de-leverage our balance sheet. Our debt load and interest expenses were simply too high.

It is important to understand that this is a pre-arranged, primarily financial event that we will manage in an orderly manner. Given that RDA has agreements in principle with more than 80 percent of our secured lenders on the terms of the exit from Chapter 11, we will be able to expeditiously emerge with a healthier balance sheet that will allow us to operate efficiently and aggressively in our markets as we will have ample cash for growth and investment opportunities. As a result, RDA will be able to realign our capital structure to maintain our competitiveness in these challenging economic times and better position RDA for long-term success.

2. 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.

3. 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.

Importantly, RDA will be pushing forward with all of our transformation initiatives throughout the restructuring process, working toward our goal of making measurable progress by January 2010 and, of course, beyond. We will continue executing on our internal plan, emphasizing growth, culture change and ongoing cost savings. On a day-to-day basis, it is going to be business as usual.

4. Will RDA's international businesses begin to pay more promptly for the goods and services we provide?

RDA expects to continue business as usual and will continue to manage their payment processes as they have in the past.

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

We believe the actions we are taking today will benefit vendors over the longer term. To that end, our restructuring plan and subsequent filing will allow us to substantially lower our debt load from \$1.6 billion to \$550 million. This will enable RDA to emerge as a stronger company, and our vendors will have an excellent business partner in RDA.

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.

Vendor information will be posted to a dedicated Web site, www.RDArestructuring.com. We also have set up restructuring hotlines to respond to vendor questions as quickly as possible, 800-243-0965 (toll-free in the U.S.) or +1 414-209-3400 (outside of the U.S.).

7. What is Chapter 11?

Chapter 11 refers to the chapter in the U.S. Bankruptcy Code that is a legal mechanism for a court-supervised reorganization or restructuring of a company's obligations. The Chapter 11 process has several tools that allow companies to address their financial challenges in an orderly and systematic manner, while continuing day-to-day operations "in the ordinary course" – or business as usual.

It is important to remember that a Chapter 11 filing is NOT a closing or liquidation. Chapter 11 is a powerful and proven tool for companies like ours to help achieve a healthy future. Given that RDA's Chapter 11 filing is pre-arranged, having agreements in principle with more than 80 percent of our

secured lenders on the terms of the exit from Chapter 11, we will be able to expeditiously and significantly reduce our debt burden and better position RDA for long-term success.

8. What happens during Chapter 11?

A major benefit of a pre-arranged Chapter 11 filing is that it permits – and in fact encourages – daily operations to continue. RDA will continue to operate our business effectively while in Chapter 11 protection, with minimum disruption.

- Company facilities will stay open.
- Product development will continue and products will continue to be shipped.
- Customer relationships will remain intact and we will continue to honor customer obligations.
- Goods and services purchased after the filing date will be paid on normal terms as a result of our debtor-in-possession (DIP) financing.

9. 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. We will continue executing our internal plan, emphasizing growth, culture change and ongoing cost savings. 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.

10. Will vendors have the same contact at RDA?

All vendors' direct contacts will remain the same. Additionally, you may call or email the vendor hotline at 800-243-0965 (toll-free in the U.S.) or +1 414-209-3400 (outside of the U.S.). Additional information also will be available at www.RDArestructuring.com.

11. 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 +1 414-209-3400 (outside of the U.S.). Additional information also will be available at www.RDARestructuring.com.

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