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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): December 11, 2020

**PDL BioPharma, Inc.**

(Exact name of Company as specified in its charter)

000-19756

(Commission File Number)

Delaware

(State or Other Jurisdiction of Incorporation)

94-3023969

(I.R.S. Employer Identification No.)

**932 Southwood Boulevard  
Incline Village, Nevada 89451**

(Address of principal executive offices, with zip code)

**(775) 832-8500**

(Company's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	PDLI	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 1.01 Entry into a Material Definitive Agreement.**

PDL BioPharma, Inc. (the “Company”) entered into a Capital Provision Agreement (the “Agreement”) with Epps Investments LLC (“Epps”) as of December 11, 2020. Under the terms of the Agreement, the parties agreed that Epps would pay an aggregate amount equal to \$51,391,184 to the Company no later than December 31, 2020, in exchange for 100% of the awards, damages, recoveries, judgments or other property or value awarded to or received by the Company on or after the date of the Agreement pursuant to or as a result of (i) the previously disclosed Settlement and Mutual Release Agreement (the “Settlement Agreement”), dated as of August 11, 2020, by and among the Company, Samuel J. Wohlstadter, Nadine H. Wohlstadter, Hyperion Catalysis International, Wellstat Vaccines, LLC, Wellstat ImmunoTherapeutics, LLC, Wellstat BioCatalysis, LLC, Wellstat AVT Investment, LLC, Wellstat Biologics Corporation, Wellstat Management Company, LLC, Wellstat Ophthalmics Corporation, Wellstat Therapeutics Corporation, Wellstat Therapeutics EU Limited, Duck Farm, Inc., Hebron Valley Farms, Inc., HVF, Inc., Hyperion Catalysis EU Limited, NHW, LLC, and SJW Properties, Inc., together with their respective successors and assigns, and Defined Diagnostics, LLC (f/k/a Wellstat Diagnostics, LLC) (“Diagnostics”) that resolved previously reported litigation relating to loans made to Diagnostics by PDL, and (ii) the underlying claims resolved by such Settlement Agreement. The Company has agreed to reimburse Epps for certain expenses related to the Agreement. Pursuant to the Agreement, the Company will also grant to Epps a security interest in the Company’s interest in certain collateral, as further described in the Agreement, including the Settlement Agreement and the underlying claims resolved by the Settlement Agreement, as security for the prompt payment of the Company’s obligations under the Agreement.

Further, under the terms of the Settlement Agreement, if the Scheduled Final Payment (as defined in the Settlement Agreement) is not made to the Company by 11:59 AM EST on July 26, 2021, the Company has agreed to assign its rights and obligations under the Settlement Agreement, and the underlying claims settled thereby, to Epps.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release, dated December 14, 2020</a>

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PDL BIOPHARMA, INC.  
(Company)

By: /s/ Dominique Monnet  
Dominique Monnet  
President and Chief Executive Officer

Dated: December 14, 2020

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## Exhibit Index

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release, dated December 14, 2020</a>

**Contact:**

Jody Cain  
LHA Investor Relations  
310-691-7100  
jcain@lhai.com

**PDL BioPharma Enters into \$51.4 Million Capital Provision Agreement with Epps Investments LLC Regarding PDL's Previously Announced Settlement Agreement with Wellstat**

**RENO, Nev. (December 14, 2020)** - PDL BioPharma, Inc. ("PDL" or the "Company") (Nasdaq: PDLI) announces it has entered into a Capital Provision Agreement (the "Agreement") with Epps Investments LLC ("Epps"). Under the terms of the Agreement, Epps will pay PDL \$51,391,184 no later than December 31, 2020, in exchange for 100% of the payments or other property or value received by PDL on or after the date of the Agreement pursuant to the settlement agreement (the "Settlement Agreement") with related entities of Defined Diagnostics, LLC (f/k/a Wellstat Diagnostics, LLC) ("Wellstat Diagnostics") announced August 12, 2020, and the underlying claims resolved by the Settlement Agreement. The Settlement Agreement resolved previously reported litigation relating to loans made to Wellstat Diagnostics by PDL. PDL has agreed to reimburse Epps for certain of its expenses related to the Agreement.

Pursuant to the Agreement, PDL will also grant to Epps a security interest in PDL's interest in certain collateral, including the Settlement Agreement and the underlying claims resolved by the Settlement Agreement, as security for the payment of the Company's obligations under the Agreement. Additionally, if the required payments under the Settlement Agreement are not made to PDL in accordance with the terms of the Settlement Agreement by July 26, 2021, PDL has agreed to assign its rights and obligations under the Settlement Agreement, and the underlying claims resolved by the Settlement Agreement, to Epps.

"We are very pleased to have reached this agreement with Epps, as it brings this matter to a close under definitive and attractive terms to our stockholders as we enter the dissolution process," commented Dominique Monnet, PDL's President and CEO. "The proceeds from this transaction matches the value of the Wellstat notes on PDL's balance sheet, and will be incremental to the initial \$7.5 million payment received from the Wellstat parties at the time the Settlement Agreement was signed."

**About PDL BioPharma, Inc.**

Throughout its history, PDL's mission has been to improve the lives of patients by aiding in the successful development of innovative therapeutics and healthcare technologies. PDL BioPharma was founded in 1986 as Protein Design Labs, Inc. when it pioneered the humanization of monoclonal antibodies, enabling the discovery of a new generation of targeted treatments that have had a profound impact on patients living with different cancers as well as a variety of other debilitating diseases. In 2006, the Company changed its name to PDL BioPharma, Inc.

As of December 2019, PDL ceased making additional strategic transactions and investments and is pursuing a formal process to unlock the value of its portfolio by monetizing its assets and ultimately distributing net proceeds to stockholders in the form of cash or equity.

For more information please visit <https://www.pdl.com/>.

NOTE: PDL, PDL BioPharma, the PDL logo and associated logos and the PDL BioPharma logo are trademarks or registered trademarks of, and are proprietary to, PDL BioPharma, Inc., which reserves all rights therein.

### **Forward-looking Statements**

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including as it relates to the Company’s Capital Provision Agreement with Epps Investment LLC. Each of these forward-looking statements involves risks and uncertainties. Actual results may differ materially from those, express or implied, in these forward-looking statements. Important factors that could impair the value of the Company’s assets and business, including the implementation or success of the Company’s monetization strategy/plan of complete liquidation, are disclosed in the risk factors contained in the Company’s Annual Report on Form 10-K filed with the SEC on March 11, 2020 and Quarterly Reports on Form 10-Q filed with the SEC on May 11, 2020, August 10, 2020 and November 13, 2020. All forward-looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward-looking statement except as required by law.