



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC #28-19) 08/14/2019
Egalet Corporation (Debt)

Notice has been received that the above Company's First Amended Joint Plan of Reorganization, as Modified became effective on 1/31/2019. Pursuant to the Plan, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of and in exchange for such Claim, each holder of an Allowed First Lien Secured Notes Claim shall receive its Pro Rata share of (i) \$50 million in aggregate principal amount of the Series A-1 Notes, (ii) the First Lien Note Equity Distribution, (iii) \$20 million in cash, less the aggregate amount of Adequate Protection Payments actually received by holders of First Lien Secured Notes Claims pursuant to the Cash Collateral Orders, and (iv) cash in an amount equal to the fees and expenses of the First Lien Secured Notes Trustee, to the extent not otherwise paid on or prior to the Effective Date, which will not be paid directly to any holder, but instead will be paid directly to the First Lien Secured Notes Trustee on account of any such fees and expenses; provided, however, that if the Debtors elect to consummate the Rights Offering, the shares of New Egalet Common Stock otherwise allocable to the First Lien Note Equity Distribution shall be distributed pursuant to the Rights Offering, and the holders of First Lien Secured Notes Claims shall receive \$10 million in cash instead of the First Lien Note Equity Distribution.

In addition, on the Effective Date, or as soon thereafter as reasonably practicable, except to the extent that a holder of an Allowed Convertible Notes Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for such Claim, each holder of an Allowed Convertible Notes Claim shall receive its Pro Rata share of (i) a number of shares of New Egalet Common Stock representing, in the aggregate, 31.62% of the New Egalet Common Stock as of the Effective Date, or New Warrants in lieu of all or any portion of such shares solely to the extent set forth in Article VII.C. hereof, and (ii) if the Debtors elect to consummate the Rights Offering and such holder is an Eligible Holder, the Subscription Rights.

Summary details of the distribution(s) as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.¹

¹ See e.g., *In re Egalet Corporation, et al.*, No. 18-12439 (BLS) (Jointly Administered). Debtors' First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code.

Issue Description	CUSIP	Distribution of Series A-1 Notes per \$1000 PA	Distribution of NEW Common Stock per \$1000 PA
6.50% Restricted Note Due 12/31/2024	28226BAF1	N/A	92.887634
13% Senior Secured Note 144A Due 03/20/2020	28226BAC8	625.00	34.722533
5.50% Senior Convertible Note Due 04/01/2020	28226BAB0	N/A	93.845861
5.50% Senior Convertible Note 144A Due 04/01/2020	28226BAA2	N/A	93.845861

Members are reminded of their obligations under FINRA Rule 2111 if they continue to engage in transactions in the above security after the effective date.

Pursuant to FINRA Rule 11530, members are advised that, among other things, in contracts for securities where a public announcement or publication of general circulation discloses that the securities have been deemed worthless, deliveries shall consist a) the worthless securities or; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to FINRA Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations- 1-866-776-0800.