



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC #61-16) 12/16/2016
Key Energy Services, Inc. (KEGXQ)

Notice has been received that the above Company's Joint Prepackaged Plan of Reorganization pursuant to Chapter 11 of the bankruptcy code, became effective on 12/15/2016. Pursuant to the Plan, on the Effective Date, all Existing Key Common Stock shall be discharged, cancelled, released and extinguished and shall be of no further force or effect, whether surrendered for cancellation or otherwise. For each share of Existing Key Common Stock, Holders shall receive 0.005105 shares of new common stock, 0.005751 new 4-year warrants, and 0.005751 new 5-year warrants. This is contingent on Holders not making an election for alternative treatment and Holders having enough Existing Key Common Stock to convert into at least one whole share of common stock. See the plan for additional details.¹

The Senior Notes shall be cancelled on the Effective Date and each Holder of an Allowed Senior Notes Claim shall receive, on the Effective Date or as soon thereafter as is reasonably practicable, on account and in full satisfaction of its Allowed Senior Notes Claim, and subject to the rounding conventions set forth in Section VI.E.2 below, such Holder's pro rata share of 7.5 million shares of Reorganized Key Common Stock (rounded up or down to the nearest whole share).

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.

¹ See e.g., In re Key Energy Services, Inc., et al., No. 16- 12306 (JOINT PREPACKAGED PLAN OF REORGANIZATION OF KEY ENERGY SERVICES, INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE)