



**Attn: Trading and Market Making/Legal and Compliance/Operations/Systems**  
**UNIFORM PRACTICE ADVISORY (UPC #30-20) 08/26/2020**  
**Sanchez Energy Corp. (SNECQ, SNZYQ, SCAZQ)**

Notice has been received that the above Company's Second Amended Plan of Reorganization became effective on 6/30/2020. Pursuant to the plan, On the Effective Date, each Existing SN Preferred Interest shall be cancelled, released and extinguished and shall be of no further force and effect. No Holder of any Existing SN Preferred Interest shall be entitled to any recovery or distribution under the Plan on account of such Interest. Also, each Existing SN Common Interest shall be cancelled, released and extinguished and shall be of no further force and effect. No Holder of any Existing SN Common Interest shall be entitled to any recovery or distribution under the Plan on account of such Interest.

Furthermore, In full and final satisfaction of each Allowed Secured Notes Claim [CUSIP: 79970YAE5 & U7967PAE7] (other than DIP Fee Claims), each Holder of an Allowed Secured Notes Claim (other than DIP Fee Claims) shall receive its Pro Rata share of the Post-Effective Date Equity Distribution, if any, allocated to the Secured Notes Claims based upon the outcome of the Lien-Related Litigation, which allocation shall be consistent with, as applicable, the priorities set forth in sections 1129(b) and 726 of the Bankruptcy Code.

Additionally, In full and final satisfaction of each Allowed General Unsecured Claim [CUSIP:79970YAD7, 79970YAB1, U7967PAD9, U7967PAC1, U7967PAB3, U7967PAA5] each Holder of an Allowed General Unsecured Claim shall receive its Pro Rata share of the Post-Effective Date Equity Distribution, if any, allocated to the General Unsecured Claims based upon the outcome of the Lien-Related Litigation, which allocation shall be consistent with, as applicable, the priorities set forth in sections 1129(b) and 726 of the Bankruptcy Code. See the Company's First Amended Plan of Liquidation for further details.<sup>1</sup>

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

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<sup>1</sup> See *e.g., In re: Sanchez Energy Corporation, et al., Debtors. Chapter 11 Case No. 19-34508 (MI) (Jointly Administered) Second Amended Joint Chapter 11 Plan of Reorganization of Sanchez Energy Corporation and Its Debtor Affiliates*

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.