



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC #03-17) 1/6/2017

Energy XXI Ltd. (EXXIQ, EXIXQ, EEXXQ)

Notice has been received that the above Debtors' Second Amended Joint Chapter 11 Plan of Reorganization filed of the Federal Bankruptcy Code, became effective on 12/30/2016. Pursuant to the Plan, On the Effective Date, or as soon thereafter as reasonably practicable, all EXXI Interests will be extinguished in accordance with the Description of the Transaction Steps and the holders of EXXI Interests shall not receive or retain any distribution, property, or other value on account of their EXXI Interests.

In addition, pursuant to the Plan, except to the extent that a holder of an Allowed Second Lien Notes Claim, Allowed EGC Unsecured Notes Claim, Allowed EPL Unsecured Notes Claim and Allowed EXXI 3.0% Senior Convertible Notes Claim agrees to less favorable treatment with the consent of the Majority Plan Support Parties, on the Effective Date, or as soon thereafter as reasonably practicable in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for the Allowed Notes Claims, each such holder shall receive its Pro Rata share of the following: Each holder of an Allowed Second Lien Notes Claim shall receive 84% of the New Equity under the Plan, subject to dilution by the Management Incentive Plan and the New Warrant Package. Each holder of an Allowed EGC Unsecured Notes Claim shall receive 12% of the New Equity under the Plan, subject to dilution by the Management Incentive Plan and the New Warrant Package, and the EGC New Warrant Package. Each holder of an Allowed EPL Unsecured Notes Claim shall receive 4% of the New Equity under the Plan, subject to dilution by the Management Incentive Plan and the New Warrant Package, and the EPL New Warrant Package. Each holder of an Allowed EXXI 3.0% Senior Convertible Notes Claim shall receive such holder's Pro Rata share of \$2,000,000. Summary details of the distribution as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.¹

Description	CUSIP	Rate of Stock Per \$1,000 PA	Rate of Warrants Per \$1,000 PA
Senior Secured 2 nd Lien Notes 144A, March 2020	29276KAV3	19.239820	
9.25% Senior Notes, December 2017	29276KAP6	5.446374	1.738202
7.75% Senior Notes, June 2019	29276KAQ4	5.416593	1.728702
7.50% Senior Notes, December 2021	29276KAS0	5.412196	1.727296
6.875% Senior Notes, March 2024	29276KAU5	5.491948	1.752752
8.25% Senior Notes, February 2018	29270UAN5	6.217160	3.968401
3% Senior Convertible Notes, December 2018	29274UAB7	5.509369	

¹ See e.g., *In re Energy XXI, Ltd, et al.*, No. 16-31928 (Second Amended Joint Chapter 11 Plan of Reorganization).

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.

Members are advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had been deemed worthless, shall be evidenced by either a) the OLD security; 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 Uniform Practice Code Rule 11530.

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