



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC #10-17) 3/2/2017
Stone Energy Corporation

Notice has been received that the above Debtors' Second Amended Joint Prepackaged Plan of Reorganization became effective on 2/28/2017. Pursuant to the Plan, On the Effective Date, Holders of Prepetition Notes Claims shall receive their respective Pro Rata share of (i) the Prepetition Notes Cash, (ii) the New Secured Notes and (iii) the number of shares of New Common Stock constituting ninety-five percent (95%) of the shares of New Common Stock to be issued and outstanding pursuant to the Plan on the Effective Date, prior to dilution for the Management Equity Incentive Program and the New Warrants; provided, that in the event the Bankruptcy Court enters an order prior to the Effective Date appointing any official committee of equity security holders pursuant to 11 U.S.C. § 1102, the New Common Stock distributed pursuant to this Article III.C.3.(c) shall be increased to ninety-six percent (96%) of the shares of New Common Stock. Summary details of these distributions as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.¹

Security Description	CUSIP	Rate of Cash per \$1,000 Principal Amount	Rate of New Notes per \$1,000 Principal Amount	Rate of New Common Stock per \$1,000 Principal Amount
7.5% Senior Notes due 2022	861642AM8	93.995719	211.490367	17.859188
1.75% Convertible Senior Notes due 2017	861642AN6	90.511060	203.649887	17.197100

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.

¹ See e.g., *In re Stone Energy Corporation, et al.*, No. 16-36390 (MI) (Second Amended Joint Prepackaged Plan of Reorganization of Stone Energy Corporation and its Debtor Affiliates).