

the Rights), the surrender for transfer of any certificates for Common Shares outstanding as of the Record Date, even without such notation or a copy of the Summary of Rights being attached thereto, will also constitute the transfer of the Rights associated with the Common Shares represented by such certificate. As soon as practicable following the Distribution Date, separate certificates evidencing the Rights (the "Right Certificates") will be mailed to holders of record of the Common Shares as of the close of business on the Distribution Date and such separate Right Certificates alone will evidence the Rights.

-2-

The Rights are not exercisable until the Distribution Date. The Rights will expire on September 28, 2008 (the "Final Expiration Date"), unless the Final Expiration Date is extended or unless the Rights are earlier redeemed or exchanged by the Company, in each case, as described below.

As soon as practicable following the Distribution Date, separate certificates evidencing the Rights (the "Right Certificates") will be mailed to holders of record of the Common Shares as of the close of business on the Distribution Date and such separate Right Certificates alone will evidence the Rights. All Common Shares issued prior to the Distribution Date will be issued with the Rights. Common Shares issued after the Distribution Date will be issued with the Rights if such shares are issued pursuant to the exercise of stock options or under an employee benefit plan, or upon conversion of securities issued after adoption of the Rights Agreement. Except as otherwise determined by the Board of Directors, no other Common Shares issued after the Distribution Date will be issued with Rights.

The Purchase Price payable, and the number of Common Shares or other securities or property issuable, upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (i) in the event of a stock dividend or a subdivision, combination or reclassification of, the Common Shares, (ii) upon the grant to holders of Common Shares of certain rights or warrants to subscribe for or purchase Common Shares or securities convertible into Common Shares with a conversion price, less than the then-current market price of the Common Shares or (iii) upon the distribution to holders of the Common Shares of evidences of indebtedness or assets (excluding regular periodic cash dividends paid out of earnings or retained earnings) or of subscription rights or warrants (other than those referred to above).

In the event that any person or group of affiliated or associated persons becomes an Acquiring Person, each holder of a Right, other than Rights beneficially owned by the Acquiring Person (which will thereafter be void), will thereafter have the right to receive, upon exercise, Common Shares having a market value of two times the exercise price of the Right. However, Rights are not exercisable following the occurrence of the events set forth above until they are no longer redeemable by the Company as set forth below.

In the event that at any time following the Stock Acquisition Date, (i) the Company is acquired in a merger or other business combination transaction, or (ii) 50% or more of the Company's consolidated assets or earning power are sold or transferred, each holder of a Right will thereafter have the right to receive, upon the exercise thereof at the then current exercise price of the Right, that number of shares of common stock of the acquiring company which at the time of such transaction will have a market value of two times the exercise price of the Right.

-3-

At any time after any person or group becomes an Acquiring Person and prior to the acquisition by such person or group of 50% or more of the outstanding Common Shares, the Board of Directors of the Company may exchange the Rights (other than Rights owned by such person or group, which will have become void), in whole or in part, at an exchange ratio of one Common Share per Right (subject to adjustment).

With certain exceptions, no adjustment in the Purchase Price will be required until cumulative adjustments require an adjustment of at least 1% in such Purchase Price. No fractional Common Shares will be issued (and in lieu thereof, an adjustment in cash will be made based on the market price of the Common Shares on the last trading day prior to the date of exercise).

At any time until 10 days following the acquisition by a person or group of affiliated or associated persons of beneficial ownership of 15% or more of the outstanding Common Shares, the Board of Directors of the Company may redeem the Rights in whole, but not in part, at a price of \$.01 per Right (the "Redemption Price"). Immediately upon any redemption of the Rights, the Rights will terminate and the only right the holders of Rights will have is to receive the Redemption Price.

The terms of the Rights may be amended by the Board of Directors of the Company prior to the Distribution Date. After the Distribution Date, the provisions of the Rights Agreement may be amended by the Board of

Directors of the Company only to cure an ambiguity, defect or inconsistency, to make changes which do not adversely affect the interests of the holders of Rights (excluding the interests of any Acquiring Person), or to shorten or lengthen any time period under the Rights Agreement; provided, however, that no amendment to adjust the time period governing redemption shall be made at such time as the Rights are not redeemable.

Until a Right is exercised, the holder thereof, as such, will have no rights as a shareholder of the Company, including, without limitation, the right to vote or to receive dividends.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person or group that attempts to acquire the Company on terms not approved by the Company's Board of Directors, except pursuant to an offer conditioned on a substantial number of Rights being acquired. The existence of the Rights may deter certain acquirors from making takeover proposals or tender offers. However, the Rights are not intended to prevent a takeover, but rather are designed to enhance the ability of the Board of Directors to negotiate with an acquiror on behalf of all of the shareholders. The Rights should not interfere with any merger or other business combination approved by the Board of Directors since the Rights may be redeemed by the Company at the Redemption Price prior to the time that a person or group has acquired beneficial ownership of 15% or more of the Common Stock.

-4-

For additional information regarding the Shareholder Rights Plan, reference is made to the Form of Letter to Shareholders to be mailed with copies of Summary of Rights to Purchase Common Shares and the Rights Agreement, dated as of September 15, 1998 between the Company and American Stock Transfer & Trust Company, as Rights Agent, each of which are attached as exhibits to the Company's Form 8-A and are incorporated herein by reference. The foregoing description of the Rights is qualified in its entirety by reference to such exhibits.

2. AMENDMENT OF BY-LAWS

On September 8, 1998, the Company's Board of Directors also approved an amendment to the Company's By-laws to, among other things, increase the percentage of outstanding shares needed for shareholders to request a special meeting, change the notification provisions relating to special meetings of the Board of Directors and delete a provision stating that By-law amendments shall not become effective for a period of twelve months following the adoption thereof. The amendments to the By-laws will become effective on September 8, 1999. The By-law amendments are included as Exhibit 99.3 hereto and the foregoing description is qualified in its entirety by reference to such exhibit.

- Item 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.
- (c) EXHIBITS.
- 99.1 Rights Agreement, dated as of September 15, 1998, between The Quigley Corporation and American Stock Transfer & Trust Company (Incorporated by reference to the Company's Registration Statement of Form 8-A filed with the Securities and Exchange Commission on September 18, 1998).
- 99.2 Form of Letter to Shareholders to be mailed with copies of Summary of Rights to Purchase Common Shares (Incorporated by reference to the Company's Registration Statement of Form 8-A filed with the Securities and Exchange Commission on September 18, 1998).
- 99.3 By-law Amendments of The Quigley Corporation dated September 8, 1998.

-5-

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 18, 1998

THE QUIGLEY CORPORATION

By: /S/ GEORGE J. LONGO

Name: George J. Longo

Title: Vice President and
Chief Financial Officer

AMENDMENT TO BY-LAWS

OF

THE QUIGLEY CORPORATION

(EFFECTIVE AS OF SEPTEMBER 8, 1999)

The By-Laws of The Quigley Corporation (the "Corporation"), are amended as follows, as of September 8, 1999, said amendments having been approved by a majority of the directors at a special meeting held on September 8, 1998:

Section 2 of Article II of the Corporation's By-laws is amended and restated to read in its entirety as follows:

"Special Meetings of the shareholders may be held at any time and for any purpose and may be called by the chief executive officer, the board of directors or by a shareholder or shareholders holding 25% or more of the voting power of all shares entitled to vote at the meeting. A shareholder or shareholders holding the requisite percentage of the voting power of all shares entitled to vote may demand a special meeting of the shareholders by written notice of demand given to the president of the corporation and containing the purposes of such meeting. Unless requested by shareholders entitled to cast a majority of all votes entitled to be cast at the meeting, a special meeting need not be called to consider any matter which is substantially the same as a matter voted on at any meeting of shareholders during the proceeding twelve months. The business transacted at a special meeting shall be limited to the purposes as stated in the notice of the meeting."

Section 4 of Article III of the Corporation's By-laws is amended and restated to read in its entirety as follows:

"Meetings of the board of directors may be called by the president by giving at least twenty-four hours notice, or by any other two directors by giving at least five days' notice, of the date, time and place thereof to each director at his last known address by mail, telephone, telegram, facsimile or in person. If the day or date, time and place of a meeting of the board of directors has been announced at

a previous meeting of the board, no notice is required. Notice of an adjourned meeting of the board of directors need not be given other than by announcement at the meeting at which adjournment is taken.

Notice of any meeting of the board of directors may be waived by any director either before, at or after such meeting orally or in a writing signed by such director. A director, by his or her attendance at any meeting of the board of directors, shall be deemed to have waived notice of such meeting, except where the director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate thereafter in the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting."

Section 1 of Article VIII of the Corporation's By-laws is amended and restated to read in its entirety as follows:

"The fiscal year of the corporation shall be determined by the board of directors."

Section 2 of Article XII of the Corporation's By-laws is deleted in its entirety.

The amendments contained herein shall become effective on September 8, 1999. Except as herein amended, the terms and provisions of the By-Laws of the Corporation will remain unmodified and in full force and effect.

THE QUIGLEY CORPORATION

By: _____
Eric Kaytes
Secretary