



Attn: Manager P&S Dept./Traders/Cashier/Manager Reorganization/Manager Dividends

UNIFORM PRACTICE ADVISORY (UPC # 101-2002) July 10, 2002

EXDS, Inc. – 4¾% Convertible Subordinated Notes due July 15, 2008

Pursuant to the Plan of Reorganization, the above company will make a payment of principal (\$5.0100192235) and interest (\$0.045794762) on July 3, 2002 to holders of record on June 5, 2002. The distribution will quoted “ex” on July 10, 2002 with due-bills redeemable on July 12, 2002.

Since the notes have been dealt in flat, members are advised that effective July 10, 2002, trades executed in the notes should be on a **“reduced principal basis”** of \$994.9899807765 in lieu of \$1,000 principal amount and “ex” the pay-down of \$5.055813985 per \$1,000 note. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Members are further advised that any future distributions will be paid to holders of record of June 5, 2002. Deliveries after the record date should be accompanied by due-bills representing any future payments. Please note that any future distributions will be calculated on a reduced principal basis.

Members should take immediate steps to adjust their records and bookkeeping systems to reflect the reduction in principal.

EXDS, Inc. – 5% Convertible Subordinated Notes due March 15, 2006

Pursuant to the Plan of Reorganization, the above company will make a payment of principal (\$4.767030042) and interest (\$0.008487042) on July 3, 2002 to holders of record on June 5, 2002. The distribution will quoted “ex” on July 10, 2002 with due-bills redeemable on July 12, 2002.

Since the notes have been dealt in flat, members are advised that effective July 10, 2002, trades executed in the notes should be on a **“reduced principal basis”** of \$995.241457 in lieu of \$1,000 principal amount and “ex” the pay-down of \$4.767030042 per \$1,000 note. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Members are further advised that any future distributions will be paid to holders of record of June 5, 2002. Deliveries after the record date should be accompanied by due-bills representing any future payments. Please note that any future distributions will be calculated on a reduced principal basis.

Members should take immediate steps to adjust their records and bookkeeping systems to reflect the reduction in principal.

Questions regarding this notice should be directed to: Market Data Integrity Department, (203) 375-9609.

Dorothy L. Kennedy
Director