



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

UNIFORM PRACTICE ADVISORY (UPC # 094-2002) July 1, 2002

Exodus Communications, Inc. – 10.75% Senior Notes due December 15, 2009 (FIPS:EXDS.GC)

Pursuant to the Plan of Reorganization, the above company will make a payment of principal (\$109.987623) on July 1, 2002 to holders of record on June 5, 2002. The distribution will be quoted “ex” on July 2, 2002 and due-bills redeemable on July 5, 2002.

Since the notes have been dealt in flat, members are advised that effective July 1, 2002, trades executed in the notes should be on a **“reduced principal basis”** of \$890.012377 in lieu of \$1,000 principal amount and “ex” the pay-down of \$109.987623 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.

Exodus Communications, Inc. – 11.25% Senior Notes due July 1, 2008 (FIPS:EXDS.GB)

Pursuant to the Plan of Reorganization, the above company will make a payment of principal (\$109.602314) on July 1, 2002 to holders of record on June 5, 2002. The distribution will be quoted “ex” on July 2, 2002 and due-bills redeemable on July 5, 2002.

Since the notes have been dealt in flat, members are advised that effective July 1, 2002, trades executed in the notes should be on a **“reduced principal basis”** of \$890.397686 in lieu of \$1,000 principal amount and “ex” the pay-down of \$109.602314 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