



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 120-2004) November 8, 2004

PSINet, Inc. – 10% Senior Notes due February 15, 2005

PSINet, Inc. – 10.5% Senior Notes due December 1, 2006

PSINet, Inc. – 11% Senior Notes due August 1, 2009

PSINet, Inc. – 11.5% Senior Notes due November 1, 2008

Pursuant to the Plan of Reorganization, the above company made a third payment of principal on October 29, 2004 to holders of record on October 25, 2004. The distribution will quoted "ex" on November 9, 2004 with due-bills redeemable on November 12, 2004.

Since the notes have been dealt in flat, members are advised that effective November 9, 2004, trades executed in the notes should be on a **"further reduced principal basis"** in lieu of \$1,000 p.a., and "ex" the amount listed below. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Note	Oct. 29, 2004 Payment
10%	\$ 15.3968
10.5%	\$ 15.7459
11%	\$ 15.5090
11.5%	\$ 15.9723

Members are further advised that future distributions are expected. 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 Integrity Department, 203.375.9609.

Tara Petta
Associate Director