



**Attn: Trading and Market Making/Legal and Compliance/Operations/Systems**  
**UNIFORM PRACTICE ADVISORY (UPC # 063-2004) May 24, 2004**

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**Phar-Mor, Inc. – 11.72% Senior Notes due September 11, 2002**

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Pursuant to the Plan of Liquidation, the above company announced that they made a third payment of principal (\$59.544912) on May 19, 2004 to holders of record on March 11, 2003.

Since the notes should have been dealt in flat, members are advised that effective May 25, 2004 trades executed in the notes should be on a ***“reduced principal basis”*** of \$791.497044 in lieu of \$1,000 principal amount and “ex” \$59.544912 principal per \$1,000 note. Due-bills representing this distribution should be redeemed on May 27, 2004. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

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