



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 061-2004) May 14, 2004

Steakhouse Partners, Inc. – Common Stock (OTC:SIZLQ)

Notice has been received that the above Company's Plan of Reorganization (Plan) filed under Chapter XI of the Federal Bankruptcy Code, became effective on December 31, 2003. Pursuant to the Plan, holders of the above-referenced securities will not receive any distributions of property on account of their interests.

As part of the Plan, the Company issued NEW shares of common stock to certain creditors on March 24, 2004. The NEW shares were issued under the same CUSIP Number as the OLD shares. On April 28, 2004, the Company became current in its filings with the SEC. Effective April 30, 2004, the OLD symbol (SIZLQ) was deleted and reporting to ACT ceased on such date. The NEW symbol "STKP" was added effective April 30, 2004.

Consequently, for a two-day period (April 28 and 29, 2004) prior to the deletion of the OLD symbol, transactions for OLD securities and NEW securities may have occurred under the same CUSIP Number and symbol. Uniform Practice Advisory # 053-2004, issued on May 4, 2004, was solely intended to determine settlement obligations in the OLD securities; it was not intended to invalidate any transactions in the NEW securities. NASD does not have jurisdiction to cancel transactions relating to the OLD or NEW securities.

To the extent transactions were in the OLD securities during this period, deliveries in settlement of contracts in the OLD securities, which have been deemed worthless by the Federal Bankruptcy Court, should be evidenced by either (a) the OLD security; or (b) a Letter of Indemnity which shall grant the purchaser any rights and privileges that might accrue to the holders of the physical securities. All transactions in the OLD securities that are still pending settlement should be settled in this manner.

To the extent transactions were in the NEW securities during this period, deliveries in settlement of contracts in the NEW securities should be evidenced by the NEW security.

This Uniform Practice Advisory does not address whether any particular transaction was in the OLD or NEW security. Parties to the transaction are responsible for resolving this issue.

In posting items on the Daily List, NASD and NASDAQ generally act as a conduit to convey information from the issuer (transfer agent) to the broker-dealer community. Failure by an issuer or transfer agent to provide timely and accurate information to us may result in delayed information being disseminated to the marketplace.

Questions regarding this notice should be directed to: Market Integrity Department, 203.375.9609.

Tara Petta
Associate Director