



The Nasdaq Stock Market, Inc.
80 Merritt Boulevard
Trumbull, CT 06611
203 385 4500

Attn: Manager P&S Dept./Traders/Cashier/Manager Reorganization/Manager Dividends
UNIFORM PRACTICE ADVISORY (UPC # 034-99) July 2, 1999

Hertz Technology Group, Inc. - Warrants (HERZW)

On April 19, 1999 Hertz Technology Group, Inc. (Hertz) announced its intention to pay a 100% stock dividend on its common stock on May 18, 1999 to holders of record on April 29, 1999. The Nasdaq Stock Market, Inc. (Nasdaq) reported that the dividend would also be paid on the outstanding warrants of Hertz. Accordingly, an ex-date of May 19, 1999 was established for both the common stock (HERZ) and the warrants (HERZW) of Hertz. The ex-date was disseminated and subsequently entered into Nasdaq's operating system. Therefore, on May 19, 1999 the common stock and warrants were quoted and transactions were executed on an post-split basis.

The 100% stock dividend was, in fact, applicable only to the common stock and no additional warrants were issued. Only the terms of the warrants were adjusted to reflect the dividend on the common stock.

Members are advised that since the 100% stock dividend was implemented on May 19, 1999, thereby changing the trading basis of the warrants, trades executed from May 19, 1999 to July 2, 1999 on a post-split basis should be adjusted to reflect the pre-split terms as follows:

The quantity of the trade shall be cut in half and the execution price should be doubled.

For example: A trade for 100 warrants at \$1.50 per share for a total contract price of \$150 should be adjusted to 50 warrants at \$3. The total contract price will remain the same.

Members are further advised that *effective July 6, 1999*, the unit of trading for the warrants of Hertz Technology Group, Inc. (HERZW) should be 100 warrants to purchase 200 shares in accordance with NASD Rule 11840 (d) of the Uniform Practice Code. Quotations in HERZW should be on the basis of 1 warrant to purchase 2 shares of common stock at \$8.25 per share.

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

Dorothy L. Kennedy
Director