



Attn: Trading and Market Making / Legal and Compliance / Operations / Systems
UNIFORM PRACTICE ADVISORY (UPC # 068-2003) April 17, 2003

National Steel Corporation – 8 3/8 % First Mortgage Notes due August 1, 2006

Pursuant to an order granted by the U.S. Bankruptcy Court, the above company has made a payment of principal (\$14.486875) on April 16, 2003 to holders of record on April 17, 2003. The distribution will quoted “ex” on April 21, 2003 and due-bills redeemable on April 23, 2003.

Since the notes have been dealt in flat, members are advised that effective April 21, 2003, trades executed in the notes should be on a **“reduced principal basis”** of \$957.268141 in lieu of \$1,000 principal amount and “ex” the pay-down of \$14.486875 per \$1,000 note. 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.

National Steel Corporation – 9 7/8 % First Mortgage Notes due May 1, 2009

Pursuant to an order granted by the U.S. Bankruptcy Court, the above company has made a payment of principal (\$15.099092) on April 16, 2003 to holders of record on April 17, 2003. The distribution will quoted “ex” on April 21, 2003 and due-bills redeemable on April 23, 2003.

Since the notes have been dealt in flat, members are advised that effective April 21, 2002, trades executed in the notes should be on a **“reduced principal basis”** of \$955.46229 in lieu of \$1,000 principal amount and “ex” the pay-down of \$15.099092 per \$1,000 note. 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.

Dorothy L. Kennedy
Director