



Attn: Trading and Market Making / Legal and Compliance / Operations / Systems
UNIFORM PRACTICE ADVISORY (UPC # 002-2003) January 3, 2003

Acme Metals, Inc. – 12 ½ % Senior Secured Notes due August 1, 2002

Pursuant to the Plan of Reorganization, the above company made a sixth payment of principal (\$147.264425) on January 6, 2003 to holders of record on December 20, 2002. The distribution will be quoted “ex” on January 6, 2002, with due bills redeemable on January 9, 2003.

Members are advised that effective January 7, 2003, trades executed in the notes should be on an **“additional reduced principal basis”** of \$788.60417955 (in lieu of \$935.86860455) and “ex” the principal pay-down of \$147.264425 per original \$1,000 p.a. 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.

Acme Metals, Inc. – 13 ½ % Senior Secured Discount Notes due August 1, 2004

Pursuant to the Plan of Reorganization, the above company made a second payment of principal (\$147.496861) on January 6, 2003 to holders of record on December 20, 2002. The distribution will be quoted “ex” on January 7, 2002, with due-bills redeemable on January 9, 2003.

Members are advised that effective January 7, 2003, trades executed in the notes should be on an **“additional reduced principal basis”** of \$833.169839 in lieu of \$1,000 principal amount and “ex” the principal pay-down of \$147.496861 per original \$1,000 p.a. 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