

Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE CODE ADVISORY (UPC # 45-2010) August 4, 2010,
Finlay Enterprises, Inc. (FNLYQ)

Notice has been received that the above Company's Joint Plan of Reorganization (Plan) filed under Chapter XI of the Federal Bankruptcy Code, became effective on August 2, 2010. On the Effective Date, all Equity Interests issued by Finlay Enterprises shall be cancelled and one new share of Finlay Enterprises' common stock shall be issued to the Plan Administrator who will hold such share for the benefit of the holders of such former Equity Interests consistent with their former economic entitlements. All Equity Interests of the other Debtors shall be cancelled when such Debtors are dissolved or merged out of existence in accordance with Sections 5.4, 5.8, and 5.10 hereof. Each holder of an Equity Interest shall neither receive nor retain any property or interest in property on account of such Equity Interest; *provided, however*, that in the event all Allowed Claims have been satisfied in accordance with the Bankruptcy Code and the Plan, holders of Equity Interests may receive a *pro rata* distribution of any remaining assets of the Debtors. The rights of an equity holder under this section shall be nontransferable. On or promptly after the Effective Date, Finlay Enterprises shall file with the Securities and Exchange Commission a Form 15 for the purpose of terminating the registration of any of its publicly traded securities. All common stock in Finlay Enterprises outstanding after the Effective Date shall be cancelled on the date Finlay Enterprises is dissolved in accordance with Sections 5.4, 5.8, and 5.10 hereof.

Members are reminded of their obligations under NASD Conduct Rule 2310 if they continue to engage in transactions in the above security after the effective date.

Members are further advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had been deemed worthless, shall be evidenced by either a) the OLD security; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to Uniform Practice Code Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations, 866.776.0800.