



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 056-10) October 14, 2010
ILX Resorts Incorporated. (ILXRQ) (IXRCP)

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 September 01, 2010. Pursuant to the Plan, The Allowed Interests of Holders of ILX Stock shall receive distributions from the Stock Pool in exchange for delivery of their share certificates, which shall be cancelled upon the Disbursing Agent's direction to the transfer agent and payment of the transfer agent's fees therefor. Any Stock Pool distributions will be made on a pro rata basis to the holders of ILX Stock such that for every dollar distributed, preferred shareholders shall receive two-thirds of such distributions and common shareholders shall receive one-third of such distributions, provided however preferred shareholders shall receive a maximum distribution of \$2.00 per share, and the balance of any money available for distribution shall be distributed pro rata to common shareholders. Other than distributions from the Stock Pool, there is no excess or value to pay any distribution to Class 5 Interests. The Interests in ILX are not being cancelled on the Effective Date, notwithstanding that Class 5 Interests will be cancelled at a later date in connection with distributions by the Disbursing Agent, as provided herein, however, the corporate shell shall remain in existence after the effective date for such time as is necessary for it to be dissolved according to state law and as necessary for its wind-up activities and for securities filings to be made to end its public reporting obligations. This Class is impaired under the Plan.

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- 1-866-776-

0800.