



Attn: Manager P&S Dept./Traders/Cashier/Manager Reorg/Manager Dividends
UNIFORM PRACTICE ADVISORY (UPC # 158-2002) November 6, 2002

EXDS, Inc. (f/k/a Exodus Communications, Inc.) – 10.75% Sr. Nts due Dec 15, 2009

Pursuant to the Plan of Reorganization, the above company made a second payment of principal (\$15.857753) on November 4, 2002 to holders of record on June 5, 2002. The distribution will quoted "ex" on November 6, 2002 and due-bills redeemable on November 8, 2002.

Since the notes have been dealt in flat, members are advised that effective November 6, 2002, trades executed in the notes should be on a "**reduced principal basis**" of \$874.154624 in lieu of \$1,000 principal amount and "ex" the pay-down of \$15.857753 per \$1,000 note. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Members are further advised that any future distributions will be paid to holders of record of June 5, 2002. Deliveries after the record date should be accompanied by due-bills representing any future payments. Please note that any future distributions will be calculated on a reduced principal basis.

EXDS, Inc. (f/k/a Exodus Communications, Inc.) – 11.25% Sr. Nts due July 1, 2008

Pursuant to the Plan of Reorganization, the above company made a second payment of principal (\$15.8022) on November 4, 2002 to holders of record on June 5, 2002. The distribution will quoted "ex" on November 6, 2002 and due-bills redeemable on November 8, 2002.

Since the notes have been dealt in flat, members are advised that effective November 6, 2002, trades executed in the notes should be on a "**reduced principal basis**" of \$874.595486 in lieu of \$1,000 principal amount and "ex" the pay-down of \$15.8022 per \$1,000 note. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Members are further advised that any future distributions will be paid to holders of record of June 5, 2002. Deliveries after the record date should be accompanied by due-bills representing any future payments. Please note that any future distributions will be calculated on a reduced principal basis.

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 Data Integrity Department, (203) 375-9609.

Dorothy L. Kennedy
Director