



Attn: Manager P&S Dept./Traders/Cashier/Manager Reorganization/Manager Dividends
UNIFORM PRACTICE ADVISORY (UPC # 060-2001) July 16, 2001

Petsec Energy, Inc. - 9 1/2% Series B Senior Sub. Notes due 6/15/2007 (PRGY.GA)

Pursuant to their liquidation, the above company announced that they made a second principal payment of \$33.43 on July 13, 2001 to holders of record on July 7, 2001.

Members are advised that, effective July 17, 2001, trades executed in the notes should be on a ***“further reduced principal basis”*** of \$316.18 in lieu of \$1,000 principal amount and “ex” the pay-down of \$33.43 per \$1,000 note. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Members are further advised that deliveries in the above notes on or **after July 7, 2001** should have been evidenced by ***due-bills***. Since the distribution has been made, all due-bills should be **redeemed on July 18, 2001**.

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