



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 118-2003) July 11, 2003

Derby Cycle Corp. - 10% Sen. Notes due May 15, 2008

The above company has announced that it has made a principal payment (\$69.14) on July 11, 2003, to holders of record on July 10, 2003. The distribution will quoted "ex" on July 14, 2003.

Since the notes have been dealt in flat, members are advised that effective July 14, 2003, trades executed in the notes should be on a "**reduced principal basis**" of \$766.14 in lieu of \$1,000 principal amount and "ex" \$69.14 per \$1,000 note. 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.

Tara Petta
Associate Director