



Attn: Manager P&S Dept./Traders/Cashier/Manager Reorg/Manager Dividends
UNIFORM PRACTICE ADVISORY (UPC # 184-2002) December 11, 2002

Pentacon, Inc. – 12¼% Senior Subordinated Notes due April 1, 2009

Pursuant to the Plan of Reorganization, the above company will make an initial payment of principal (\$449.4028) and interest (\$36.1272) on December 16, 2002 to holders of record on September 20, 2002. The distribution will be quoted "ex" on December 17, 2002 with due-bills redeemable on December 19, 2002.

Since the notes have been dealt in flat, members are advised that effective December 17, 2002, trades executed in the notes should be on a **"reduced principal basis"** of \$550.5972 in lieu of \$1,000 principal amount and "ex" the pay-down of \$485.53 (\$449.4028 principal and \$36.1272 interest) 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.

Dorothy L. Kennedy
Director