



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 033-2005) March 21, 2005

Color Tile, Inc. – 10¾% Senior Notes due December 15, 2001

Notice has been received that the above company has made an additional payment of principal (\$4.630804) on March 18, 2005 to holders of record on March 17, 2005 with due bills redeemable on March 24, 2005.

Since the notes have been dealt in flat, members are advised that effective March 22, 2005, trades executed in the notes should be on a "**further reduced principal basis**" in lieu of \$1,000 principal amount and "ex" the pay-down of \$4.630804 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