

# For Your Information

## **NASD Regulation Delays Implementation Date Of Phase III Of OATS From October 31, 2000 To December 15, 2000**

On August 30, 2000, NASD Regulation, Inc. (NASD Regulation<sup>SM</sup>) filed with the Securities and Exchange Commission (SEC) for immediate effectiveness a rule proposal that extends the implementation date of Phase III of the Order Audit Trail System (OATS<sup>SM</sup>) to December 15, 2000. As provided under NASD Rule 6957, Phase III applies the recording and reporting requirements under the OATS Rules to all manual orders.

Since the implementation of OATS, NASD Regulation has been closely reviewing OATS activities with the goal of identifying ways in which to improve OATS by enhancing its effectiveness as a regulatory tool, while reducing the burdens it imposes. In this regard, on April 13, 2000, NASD Regulation filed a

proposed rule change with the SEC which, if approved, would affect certain requirements that will become effective as part of Phase III under current OATS Rules (see the rule filing online at: [www.nasdr.com/filings/rf00\\_23.htm](http://www.nasdr.com/filings/rf00_23.htm)).

## **Questions/Further Information**

To obtain more information regarding OATS, please refer to the OATS Web Page on the NASD Regulation Web Site ([www.nasdr.com/3310.htm](http://www.nasdr.com/3310.htm)). General questions concerning OATS may be directed to the OATS Help Desk at (800) 321-NASD. Questions concerning the proposed rule change may be directed to Stephanie M. Dumont, Assistant General Counsel, Office of General Counsel, NASD Regulation, at (202) 728-8176.

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