October 15, 2003

Katherine A. England
Assistant Director
Division of Market Regulation
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-1001

Re: **SR-NASD-2003 – 139**, Amendment No. 1 - Technical Amendment to NASD Rule 2710

Dear Ms. England:

Pursuant to Rule 19b-4, enclosed please find Amendment No. 1 to the above-numbered rule filing. Amendment No. 1 should replace in its entirety the original filing that was submitted to the Securities and Exchange Commission ("SEC") on September 11, 2003. Exhibit 1 to this rule filing is a completed Notice of Proposed Rule Change for publication in the Federal Register. We are also enclosing a 3-1/2" disk containing the rule filing on Microsoft Word 7.0 to facilitate production of the Federal Register release.

If you have any questions, please contact Stephanie Dumont, Associate Vice President, Office of General Counsel, Regulatory Policy and Oversight, NASD, at (202) 728-8176; e-mail stephanie.dumont@nasd.com. The fax number of the Office of General Counsel is (202) 728-8264.

Very truly yours,

Barbara Z. Sweeney
Senior Vice President
and Corporate Secretary

Enclosures

cc: Terri Evans
Ann Leddy

File No. SR-NASD-2003-139
Amendment No. 1
Consists of 12 Pages
October 15, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

Form 19b-4

Proposed Rule Change

by

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), the National Association of Securities Dealers, Inc. ("NASD"), is filing with the Securities and Exchange Commission ("SEC" or "Commission") a proposed rule change to amend NASD Rule 2710 to delete certain unnecessary rule language that was mistakenly proposed in amendments to Rule 2710 for which the Commission recently published notice of immediate effectiveness. Below is the text of the proposed rule change. Proposed deletion is in brackets.

* * * * *

2710. Corporate Financing Rule - Underwriting Terms and Arrangements

(a) No Change.

(b) Filing Requirements

(1) through **(5)** No Change.

(6) Information Required to be Filed

(A) Any person filing documents that are required to be filed under paragraph (b)(4) above shall provide the following information with respect to the offering through NASD's electronic filing system:

(i) through (vi) No Change.

(vii) any other information required to be filed under this Rule[by NASD's electronic filing system].

(B) No Change.

(7) through **(11)** No Change.

(c) through **(d)** No Change.

* * * * *

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

(a) The proposed rule change was approved by the Board of Directors of NASD Regulation, Inc. at its meeting on November 20, 2002, which authorized the filing of the rule change with the SEC. Counsel for The Nasdaq Stock Market and NASD Dispute Resolution have been provided an opportunity to consult with respect to the proposed rule change, pursuant to the Plan of Allocation and Delegation of Functions by NASD to its Subsidiaries. The NASD Board of Governors had an opportunity to review the proposed rule change at its meeting on November 21, 2002. No other action by NASD is necessary for the filing of the proposed rule change. Section 1(a)(ii) of Article VII of the NASD By-Laws permits the NASD Board of Governors to adopt amendments to NASD Rules without recourse to the membership for approval.

(b) Questions regarding this rule filing may be directed to Stephanie Dumont, Associate Vice President, Office of General Counsel, Regulatory Policy and Oversight, NASD, at (202) 728-8176.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

On July 23, 2003, the Commission published notice of immediate effectiveness of amendments to NASD Rules 2710 and 6540, both of which address the submission of

requests for Underwriting Activity Reports ("UARs").[1] This rule filing, however, inadvertently did not include the more current language for Rule 2710(b)(6)(A)(vii) because the rule text had not been properly updated to reflect a rule change previously approved by the Commission.[2] Under the more current rule language, the change to that provision proposed in SR-NASD-2003-75 was unnecessary, and therefore, the purpose of this proposed rule change is to delete the unnecessary rule language for Rule 2710(b)(6)(A)(vii) that was mistakenly proposed in SR-NASD-2003-75.

(b) Statutory Basis

NASD believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, which requires, among other things, that NASD's rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general to protect investors and the public interest. NASD believes that deleting the language in Rule 2710(b)(6)(A)(vii) that was mistakenly proposed in SR-NASD-2003-75 is consistent with the protection of investors and the public interest.

4. Self-Regulatory Organization's Statement on Burden on Competition

NASD believes that the proposed rule change would not result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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1 Exchange Act Release No. 48215 (July 23, 2003), 68 Fed. Reg. 44826 (July 30, 2003) (File No. SR-NASD-2003-75).

2 See Exchange Act Release No. 45709 (Apr. 9, 2002), 67 Fed. Reg. 18282 (Apr. 15, 2002) (File No. SR-NASD-2001-46).

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The proposed rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act and paragraph (f)(6) of Rule 19b-4 thereunder, in that the proposed rule change does not significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and does not become operative for 30 days (or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest) after the date of this filing. In accordance with Rule 19b-4(f)(6)(iii), NASD submitted written notice of its intent to file the proposed rule change (which included a brief description of the proposed rule change), along with the draft text of the proposed rule change, at least five business days prior to the date of filing. The proposed rule change only makes a technical change to correct an error in Rule 2710(b)(6)(A)(vii). In addition, NASD requests that the Commission waive the 30-day operative delay set forth in Rule 19b-4(f)(6)(iii).[3]

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

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[3] 17 CFR 240.19b-4(f)(6)(iii).

9. Exhibits

1. Completed notice of proposed rule change for publication in the Federal Register.

Pursuant to the requirements of the Securities Exchange Act of 1934, NASD has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

NASD, INC.

BY: _____
Barbara Z. Sweeney, Senior Vice President
and Corporate Secretary

Date: October 15, 2003

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NASD-2003-139, Amendment No. 1)

Self-Regulatory Organization's; Notice of Filing and Immediate Effectiveness of Amendment No. 1 to Proposed Rule Change by National Association of Securities Dealers, Inc. Relating to Technical Amendments to Rule 2710

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on _____, the National Association of Securities Dealers, Inc. ("NASD"), filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASD. On _____, NASD filed Amendment No. 1 to the proposed rule change.[3] NASD has designated the proposed rule change as "non-controversial" under Rule 19b-4(f)(6) of the Act,[4] which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

I. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

NASD is proposing to amend NASD Rule 2710 to delete certain unnecessary rule language that was mistakenly proposed in amendments to Rule 2710 for which the

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 This 19b-4 filing represents Amendment No. 1 to File No. SR-NASD-2003-139.

4 17 CFR 240.19b-4(f)(6).

Commission recently published notice of immediate effectiveness. Below is the text of the proposed rule change. Proposed deletion is in brackets.

* * * * *

2710. Corporate Financing Rule - Underwriting Terms and Arrangements

(a) No Change.

(b) Filing Requirements

(1) through **(5)** No Change.

(6) Information Required to be Filed

(A) Any person filing documents that are required to be filed under paragraph (b)(4) above shall provide the following information with respect to the offering through NASD's electronic filing system:

(i) through (vi) No Change.

(vii) any other information required to be filed under this Rule[by NASD's electronic filing system].

(B) No Change.

(7) through **(11)** No Change.

(c) through **(d)** No Change.

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II. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE PURPOSE OF, AND STATUTORY BASIS FOR, THE PROPOSED RULE CHANGE

In its filing with the Commission, NASD included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NASD has prepared summaries, set

forth in Sections (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(1) Purpose

On July 23, 2003, the Commission published notice of immediate effectiveness of amendments to NASD Rules 2710 and 6540, both of which address the submission of requests for Underwriting Activity Reports ("UARs"). This rule filing, however, inadvertently did not include the more current language for Rule 2710(b)(6)(A)(vii) because the rule text had not been properly updated to reflect a rule change previously approved by the Commission. Under the more current rule language, the change to that provision proposed in SR-NASD-2003-75 was unnecessary, and therefore, the purpose of this proposed rule change is to delete the unnecessary rule language for Rule 2710(b)(6)(A)(vii) that was mistakenly proposed in SR-NASD-2003-75.

(2) Statutory Basis

NASD believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, which requires, among other things, that NASD's rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general to protect investors and the public interest. NASD believes that deleting the language in Rule 2710(b)(6)(A)(vii) that was mistakenly proposed in SR-NASD-2003-75 is consistent with the protection of investors and the public interest.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NASD believes that the proposed rule change would not result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

III. DATE OF EFFECTIVENESS OF THE PROPOSED RULE CHANGE AND TIMING FOR COMMISSION ACTION

NASD has filed the proposed rule change as a "non-controversial" rule change pursuant to Section 19(b)(3)(A) of the Act and paragraph (f)(6) of Rule 19b-4 thereunder.[5] Because the proposed rule change: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days after the date of this filing; and NASD provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date[6], the proposed rule change has become effective pursuant to Section 19(b)(3)(A)[7] of the Act and Rule 19b-4(f)(6) thereunder.[8]

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5 17 CFR 240.19b-4(f)(6).

6 Rule 19b-4(f)(6)(iii) under the Act requires the self-regulatory organization to provide the Commission written notice of its intent to file the proposed rule change at least five business days before doing so (or shorter time as designated by the Commission). The Commission finds that NASD satisfied the five-day pre-filing requirement by filing a written notice of its intent to file the proposed rule change (which included a brief description of the proposed rule change), along with the draft text of the proposed rule change, at least five business days prior to the date of filing.

7 15 U.S.C. 78s(b)(3)(A).

8 17 CFR 240.19b-4(f)(6).

NASD has requested that the Commission waive the 30-day pre-operative waiting period, which would make the proposed rule operative immediately. The Commission believes that it is consistent with the protection of investors and the public interest to waive the 30-day pre-operative period in this case because the proposed rule change is highly technical in nature. For these reasons, the Commission waives the 30-day pre-operative period and designates that the proposal become operative immediately.

At any time within 60 days of this filing, the Commission may summarily abrogate this proposal if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. SOLICITATION OF COMMENTS

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposal is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by [insert date 21 days from the date of publication].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Margaret H. McFarland
Deputy Secretary