

OMB APPROVAL

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. SR - 2007 - 051
Amendment No.

Proposed Rule Change by National Association of Securities Dealers
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial ☒	Amendment ☐	Withdrawal ☐	Section 19(b)(2) ☐	Section 19(b)(3)(A) ☒	Section 19(b)(3)(B) ☐
Pilot ☐			Rule		
Extension of Time Period for Commission Action ☐			☐ 19b-4(f)(1) ☐ 19b-4(f)(4) ☒ 19b-4(f)(2) ☐ 19b-4(f)(5) ☐ 19b-4(f)(3) ☐ 19b-4(f)(6)		
Date Expires 					

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document

**Description**

Provide a brief description of the proposed rule change (limit 250 characters).

Proposed Rule Change to Amend NASD Rule 7002B to Establish Fees for the Transfer of Transaction Fees Through the NASD/Nasdaq Trade Reporting Facility

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name Lisa Last Name Horrigan
Title Associate General Counsel
E-mail lisa.horrigan@nasd.com
Telephone (202) 728-8190 Fax (202) 728-8264

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 07/20/2007

By Stephanie Dumont

(Name)

Vice President and Associate General Counsel

(Title)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Stephanie Dumont,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

Add

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

☐

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

☐

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ 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 7002B to establish a fee for reports that are submitted to the NASD/Nasdaq Trade Reporting Facility (the “NASD/Nasdaq TRF”) to process transaction fees charged by one member to another member pursuant to Rule 6130(h). In addition, NASD is proposing technical, non-substantive amendments to the NASD Rule 7000 Series to change all references to the “Trade Reporting Facility” to the “NASD/Nasdaq Trade Reporting Facility.”

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

* * * * *

7000B. CHARGES FOR NASD/NASDAQ TRADE REPORTING FACILITY SERVICES

7001B. Securities Transaction Credit

NASD members that trade securities listed on the NYSE (“Tape A”), Amex (“Tape B”), or Nasdaq (“Tape C”) in over-the-counter transactions reported to the NASD/Nasdaq Trade Reporting Facility may receive from the NASD/Nasdaq Trade Reporting Facility transaction credits based on the transactions attributed to them. A transaction is attributed to a member if the member is identified as the executing party in a trade report submitted to the NASD/Nasdaq Trade Reporting Facility that the

¹ 15 U.S.C. 78s(b)(1).

NASD/Nasdaq Trade Reporting Facility submits to the Consolidated Tape Association or the Nasdaq Securities Information Processor. An NASD member may earn credits from any of three pools maintained by the NASD/Nasdaq Trade Reporting Facility. The Tape A, Tape B, and Tape C pools represent 50% of the revenue paid by the Consolidated Tape Association or the Nasdaq Securities Information Processor with respect to the NASD/Nasdaq Trade Reporting Facility for each of Tape A, Tape B, and Tape C transactions after deducting the amount, if any, that the NASD/Nasdaq Trade Reporting Facility pays to the Consolidated Tape Association or the Nasdaq Securities Information Processor for capacity usage. An NASD member may earn credits from the pools according to the pro rata share of revenue attributable to over-the-counter transactions reported to the NASD/Nasdaq Trade Reporting Facility by the member in each of Tape A, Tape B, and Tape C for each calendar quarter. Credits will be paid on a quarterly basis.

7002B. NASD/Nasdaq Trade Reporting Facility Reporting Fees

The following charges shall be paid by participants for use of the NASD/Nasdaq Trade Reporting Facility. In the case of trades where the same market participant is on both sides of a trade report, applicable fees assessed on a “per side” basis will be assessed once, rather than twice.

Transaction Related Charges:	
Reporting of transactions in Nasdaq-listed securities not subject to comparison through the <u>NASD/Nasdaq</u> Trade Reporting Facility	No charge
Reporting of transactions in stocks reported to the Consolidated Tape Association not subject to comparison through the	

<u>NASD/Nasdaq Trade Reporting Facility</u> (“CTA Covered Transactions”)	
Average daily volume of media transaction reports for CTA Covered Transactions during the month that are submitted or introduced by such participant to the <u>NASD/Nasdaq Trade Reporting Facility</u> , in which the participant is identified as the reporting party:	Fee per side for reports of CTA Covered Transactions to which such participant is a party:
0 to 5,000	\$0.029
More than 5,000	\$0.029 for a number of reports equal to 5,000 times the number of trading days in the month \$0.00 for all remaining reports
Reporting of all other transactions not subject to comparison through the <u>NASD/Nasdaq Trade Reporting Facility</u>	\$0.029/side
<u>Clearing report to transfer a transaction fee charged by one member to another member pursuant to Rule 6130(h)</u>	<u>\$0.03/side</u>
Comparison	\$0.0144/side per 100 shares (minimum 400 shares; maximum 7,500 shares)
Late Report—T+N	\$0.288/side
Query	\$0.50/query
Corrective Transaction Charge	\$0.25/Cancel, Error, Inhibit, Kill, or ‘No’ portion of No/Was transaction, paid by reporting side; \$0.25/Break, Decline transaction, paid by each party

7003B. Aggregation of Activity of Affiliated Members

(a) For purposes of applying any provision of the Rule 7000B Series that reflects a charge assessed, or credit provided, by the NASD/Nasdaq Trade Reporting Facility, a member may request that the NASD/Nasdaq Trade Reporting Facility aggregate its activity with the activity of its affiliates. A member requesting aggregation of affiliate

activity shall be required to certify to NASD the affiliate status of entities whose activity it seeks to aggregate prior to receiving approval for aggregation, and shall be required to inform NASD immediately of any event that causes an entity to cease to be an affiliate. In addition, NASD reserves the right to request information to verify the affiliate status of an entity.

(b) For purposes of applying any provision of the Rule 7000B Series that reflects a charge assessed, or credit provided, by the NASD/Nasdaq Trade Reporting Facility, references to an entity (including references to a “member,” a “participant,” or a “Trade Reporting Facility Participant”) shall be deemed to include the entity and its affiliates that have been approved for aggregation.

(c) No Change.

7004B. Late Fees

(a) All charges imposed by the NASD/Nasdaq Trade Reporting Facility that are past due 45 days or more will be subject to a late fee computed by taking the summation of one and one-half percent (1 ½%) of the amount past due for the first month plus one and one-half percent (1 ½%) of the amount past due for any month thereafter, compounded by late fees assessed for previous months.

(b) No Change.

* * * * *

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved and authorized for filing with the SEC by the Executive Committee of the Board of Governors of NASD (the “Board”) by

Unanimous Written Consent on January 11, 2007 pursuant to a delegation of authority to a committee of the NASD/Nasdaq TRF Board to calibrate fees for transactions reported to the NASD/Nasdaq TRF. No other action by the NASD is necessary for the filing of the 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.

NASD has filed the proposed rule change for immediate effectiveness. The operative date of the proposed rule change will be August 1, 2007.

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

(a) Purpose

NASD recently filed a proposed rule change for immediate effectiveness to allow NASD members to use the NASD/Nasdaq TRF to process transaction fees charged by one member to another member on trades in NMS stocks, as defined in Rule 600(b)(47) of Regulation NMS under the Act, effected otherwise than on an exchange.² NASD Rule 6130(h) provides that members may agree in advance to such transfers through the submission of a clearing report. Such report, inclusive of the transaction fee, will be submitted to the National Securities Clearing Corporation for processing. To facilitate the transfer of the transaction fee, the report submitted to the NASD/Nasdaq TRF shall provide, in addition to all other information required to be submitted by any other rule, a total per share or contract price amount, inclusive of the transaction fee. Rule 6130(h) relates solely to transaction fees charged by one NASD member to another NASD

² See Securities Exchange Act Release No. 56007 (July 3, 2007), 72 FR 37807 (July 11, 2007) (notice of filing and immediate effectiveness of SR-NASD-2007-046). SR-NASD-2007-046 became operative on July 9, 2007.

member. Members cannot use the NASD/Nasdaq TRF to facilitate the transfer of fees for transactions with a customer (i.e., clients that are not brokers or dealers) or a non-member.

NASD is proposing to establish the fee to be charged by the NASD/Nasdaq TRF for the use of this service.³ Pursuant to NASD Rule 7002B, the fee will be \$0.03 per side for each clearing report submitted to the NASD/Nasdaq TRF to transfer a transaction fee. This fee is in addition to any other fee applicable to the transaction.

In addition, NASD is proposing technical, non-substantive amendments to the NASD Rule 7000 Series to change all references to the “Trade Reporting Facility” to the “NASD/Nasdaq Trade Reporting Facility.” These changes are consistent with the Rule 7000C Series (relating to the NASD/NSX Trade Reporting Facility), 7000D Series (relating to the NASD/BSE Trade Reporting Facility) and 7000E Series (relating to the NASD/NYSE Trade Reporting Facility).

As noted in Item 2 of this filing, NASD has filed the proposed rule change for immediate effectiveness. The operative date of the proposed rule change will be August 1, 2007.

(b) Statutory Basis

NASD believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,⁴ in general, and with Section 15A(b)(5) of the Act,⁵ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges

³ NASD did not propose any fees for this service as part of SR-NASD-2007-046.

⁴ 15 U.S.C. 78o-3.

⁵ 15 U.S.C. 78o-3(b)(5).

among members and issuers and other persons using any facility or system which the NASD operates or controls. NASD believes that the fees are reasonably allocated among members based on their usage of the functionality to transfer explicit fees, and are generally consistent with other fees charged by the NASD/Nasdaq TRF for value added services.

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

NASD does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.⁶

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)(ii) of the Act⁷ and paragraph (f)(2) of Rule 19b-4 thereunder,⁸ in that the proposed rule change is establishing or changing a due, fee, or other charge applicable only to a member, which renders the proposed rule change effective immediately upon filing.

⁶ 15 U.S.C. 78a.

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

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

Not applicable.

9. Exhibits

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

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-NASD-2007-051)

Self-Regulatory Organizations: National Association of Securities Dealers, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend NASD Rule 7002B to Establish Fees for the Transfer of Transaction Fees Through the NASD/Nasdaq Trade Reporting Facility

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 (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASD. NASD has designated this proposal as “establishing or changing a due, fee, or other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposed rule change effective immediately upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of the Substance of the Proposed Rule Change

NASD is proposing to amend NASD Rule 7002B to establish a fee for reports that are submitted to the NASD/Nasdaq Trade Reporting Facility (the “NASD/Nasdaq TRF”)

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 C.F.R. 240.19b-4(f)(2).

to process transaction fees charged by one member to another member pursuant to Rule 6130(h). In addition, NASD is proposing technical, non-substantive amendments to the NASD Rule 7000 Series to change all references to the “Trade Reporting Facility” to the “NASD/Nasdaq Trade Reporting Facility.”

Below is the text of the proposed rule change. Proposed new language is in italics; proposed deletions are in brackets.

* * * * *

7000B. CHARGES FOR NASD/NASDAQ TRADE REPORTING FACILITY SERVICES

7001B. Securities Transaction Credit

NASD members that trade securities listed on the NYSE (“Tape A”), Amex (“Tape B”), or Nasdaq (“Tape C”) in over-the-counter transactions reported to the NASD/Nasdaq Trade Reporting Facility may receive from the NASD/Nasdaq Trade Reporting Facility transaction credits based on the transactions attributed to them. A transaction is attributed to a member if the member is identified as the executing party in a trade report submitted to the NASD/Nasdaq Trade Reporting Facility that the NASD/Nasdaq Trade Reporting Facility submits to the Consolidated Tape Association or the Nasdaq Securities Information Processor. An NASD member may earn credits from any of three pools maintained by the NASD/Nasdaq Trade Reporting Facility. The Tape A, Tape B, and Tape C pools represent 50% of the revenue paid by the Consolidated Tape Association or the Nasdaq Securities Information Processor with respect to the NASD/Nasdaq Trade Reporting Facility for each of Tape A, Tape B, and Tape C transactions after deducting the amount, if any, that the NASD/Nasdaq Trade Reporting

Facility pays to the Consolidated Tape Association or the Nasdaq Securities Information Processor for capacity usage. An NASD member may earn credits from the pools according to the pro rata share of revenue attributable to over-the-counter transactions reported to the NASD/Nasdaq Trade Reporting Facility by the member in each of Tape A, Tape B, and Tape C for each calendar quarter. Credits will be paid on a quarterly basis.

7002B. NASD/Nasdaq Trade Reporting Facility Reporting Fees

The following charges shall be paid by participants for use of the NASD/Nasdaq Trade Reporting Facility. In the case of trades where the same market participant is on both sides of a trade report, applicable fees assessed on a “per side” basis will be assessed once, rather than twice.

Transaction Related Charges:	
Reporting of transactions in Nasdaq-listed securities not subject to comparison through the <u>NASD/Nasdaq</u> Trade Reporting Facility	No charge
Reporting of transactions in stocks reported to the Consolidated Tape Association not subject to comparison through the <u>NASD/Nasdaq</u> Trade Reporting Facility (“CTA Covered Transactions”)	
Average daily volume of media transaction reports for CTA Covered Transactions during the month that are submitted or introduced by such participant to the <u>NASD/Nasdaq</u> Trade Reporting Facility, in which the participant is identified as the reporting party:	Fee per side for reports of CTA Covered Transactions to which such participant is a party:
0 to 5,000	\$0.029
More than 5,000	\$0.029 for a number of reports equal to 5,000 times the number of trading days in

	the month \$0.00 for all remaining reports
Reporting of all other transactions not subject to comparison through the <u>NASD/Nasdaq Trade Reporting Facility</u>	\$0.029/side
<u>Clearing report to transfer a transaction fee charged by one member to another member pursuant to Rule 6130(h)</u>	<u>\$0.03/side</u>
Comparison	\$0.0144/side per 100 shares (minimum 400 shares; maximum 7,500 shares)
Late Report—T+N	\$0.288/side
Query	\$0.50/query
Corrective Transaction Charge	\$0.25/Cancel, Error, Inhibit, Kill, or ‘No’ portion of No/Was transaction, paid by reporting side; \$0.25/Break, Decline transaction, paid by each party

7003B. Aggregation of Activity of Affiliated Members

(a) For purposes of applying any provision of the Rule 7000B Series that reflects a charge assessed, or credit provided, by the NASD/Nasdaq Trade Reporting Facility, a member may request that the NASD/Nasdaq Trade Reporting Facility aggregate its activity with the activity of its affiliates. A member requesting aggregation of affiliate activity shall be required to certify to NASD the affiliate status of entities whose activity it seeks to aggregate prior to receiving approval for aggregation, and shall be required to inform NASD immediately of any event that causes an entity to cease to be an affiliate. In addition, NASD reserves the right to request information to verify the affiliate status of an entity.

(b) For purposes of applying any provision of the Rule 7000B Series that reflects a charge assessed, or credit provided, by the NASD/Nasdaq Trade Reporting Facility,

references to an entity (including references to a “member,” a “participant,” or a “Trade Reporting Facility Participant”) shall be deemed to include the entity and its affiliates that have been approved for aggregation.

(c) No Change.

7004B. Late Fees

(a) All charges imposed by the NASD/Nasdaq Trade Reporting Facility that are past due 45 days or more will be subject to a late fee computed by taking the summation of one and one-half percent (1 ½%) of the amount past due for the first month plus one and one-half percent (1 ½%) of the amount past due for any month thereafter, compounded by late fees assessed for previous months.

(b) No Change.

* * * * *

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 and discussed any comments it received on 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

NASD recently filed a proposed rule change for immediate effectiveness to allow NASD members to use the NASD/Nasdaq TRF to process transaction fees charged by

one member to another member on trades in NMS stocks, as defined in Rule 600(b)(47) of Regulation NMS under the Act, effected otherwise than on an exchange.⁵ NASD Rule 6130(h) provides that members may agree in advance to such transfers through the submission of a clearing report. Such report, inclusive of the transaction fee, will be submitted to the National Securities Clearing Corporation for processing. To facilitate the transfer of the transaction fee, the report submitted to the NASD/Nasdaq TRF shall provide, in addition to all other information required to be submitted by any other rule, a total per share or contract price amount, inclusive of the transaction fee. Rule 6130(h) relates solely to transaction fees charged by one NASD member to another NASD member. Members cannot use the NASD/Nasdaq TRF to facilitate the transfer of fees for transactions with a customer (i.e., clients that are not brokers or dealers) or a non-member.

NASD is proposing to establish the fee to be charged by the NASD/Nasdaq TRF for the use of this service.⁶ Pursuant to NASD Rule 7002B, the fee will be \$0.03 per side for each clearing report submitted to the NASD/Nasdaq TRF to transfer a transaction fee. This fee is in addition to any other fee applicable to the transaction.

In addition, NASD is proposing technical, non-substantive amendments to the NASD Rule 7000 Series to change all references to the “Trade Reporting Facility” to the “NASD/Nasdaq Trade Reporting Facility.” These changes are consistent with the Rule 7000C Series (relating to the NASD/NSX Trade Reporting Facility), 7000D Series

⁵ See Securities Exchange Act Release No. 56007 (July 3, 2007), 72 FR 37807 (July 11, 2007) (notice of filing and immediate effectiveness of SR-NASD-2007-046). SR-NASD-2007-046 became operative on July 9, 2007.

⁶ NASD did not propose any fees for this service as part of SR-NASD-2007-046.

(relating to the NASD/BSE Trade Reporting Facility) and 7000E Series (relating to the NASD/NYSE Trade Reporting Facility).

NASD has filed the proposed rule change for immediate effectiveness. The operative date of the proposed rule change will be August 1, 2007.

2. Statutory Basis

NASD believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,⁷ in general, and with Section 15A(b)(5) of the Act,⁸ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which the NASD operates or controls. NASD believes that the fees are reasonably allocated among members based on their usage of the functionality to transfer explicit fees, and are generally consistent with other fees charged by the NASD/Nasdaq TRF for value added services.

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

NASD does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.⁹

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.

⁷ 15 U.S.C. 78o-3.

⁸ 15 U.S.C. 78o-3(b)(5).

⁹ 15 U.S.C. 78a.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change is effective upon filing pursuant to Section 19(b)(3)(A)(ii) of the Act¹⁰ and Rule 19b-4(f)(2) thereunder,¹¹ in that the proposed rule change is establishing or changing a due, fee, or other charge applicable only to a member, which renders the proposed rule change effective immediately upon filing.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended, is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NASD-2007-051 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NASD-2007-051. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

¹¹ 17 C.F.R. 240.19b-4(f)(2).

Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of the NASD.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NASD-2007-051 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹²

Nancy M. Morris

Secretary

¹² 17 CFR 200.30-3(a)(12).