December 20, 1999

Katherine A. England
Assistant Director
Division of Market Regulation
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-1001
Mail Stop 10-1

Re: **File No. SR-NASD-99-60, Amendment No. 1**
Proposed Rule 2790, Trading in Hot Equity Offerings

Dear Ms. England:

Pursuant to Rule 19b-4, NASD Regulation, Inc. hereby makes the following clerical amendments to its initial rule filing.

- On pages 3 and 32, the word "not" was omitted from paragraph (a)(2). Paragraph (a)(2) should read:

> <u>(2) "Beneficial interest" means any ownership or other direct financial interest. The receipt of a management or performance based fee for operating a collective investment account shall **not** be considered a beneficial interest in the account.</u>

- On pages 8 and 37-38, the references to paragraphs "(a)(9)(B)," "(a)(9)(C)-(D)," and "(a)(9)(E)" should be amended to refer to paragraphs **"(a)(11)(B)," "(a)(11)(C)-(D),"** and **"(a)(11)(E),"** respectively.

- On pages 25 and 54, the discussion of limited business broker/dealers is incorrectly captioned. The heading for that section should read "<u>**Limited Business Broker/Dealers**</u>."

- On pages 27 and 56, the discussion of beneficial interest cites to an NASD Notice to Members. The correct cite of the Notice to Members is "**Notice to Members 95-7**."

If you have any questions, please contact the undersigned at (202) 728-8104.

Very truly yours,

Gary L. Goldsholle
Assistant General Counsel