

May 13, 1998

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

Re: **SR-NASD-98-35, Amendment No. 1**  
**Proposed Rule Relating to Books and Records**

Dear Ms. England:

Pursuant to Rule 19b-4, enclosed herewith is amendment 1 to the above-numbered rule filing. The amendment deletes the following sentence on page 5 of the proposed rule change:

“The NASD will make the proposed rule amendments effective within 45 days of Commission approval.”

If you have any questions, please contact Robert J. Smith, Office of the General Counsel, NASD Regulation, Inc., at (202) 728-8176. The fax number of the Office of General Counsel is (202) 728-8894.

Very truly yours,

John Ramsay  
Vice President  
Deputy General Counsel  
NASD Regulation, Inc.