

202-728-6959

Jean I Feeney
Assistant General Counsel

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Katherine A. England
Assistant Director
Division of Market Regulation
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549
Mail Stop 2-2/Room 2097

Re: File No. SR-NASD-98-07, Amendment No. 1

Dear Ms. England:

As discussed with SEC staff, the NASD wishes to amend Item 7 of the above filing as follows: "The NASD proposes to make the proposed rule change operative on March [1] 16, 1998."

If you have any questions, please call me at (202) 728-6959; e-mail feeneyj@nasd.com.

Very truly yours,

Jean I. Feeney

cc: Heather Seidel