

Philip Shaikun
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Via Fax and First Class Mail

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

Re: **File No. SR-NASD-99-04**
Proposed Rule and Amendment No. 1 Relating to
Microcap Initiative -- Recommendation Rule

Dear Ms. England:

NASD Regulation, Inc. hereby extends the time for Securities and Exchange Commission action on the above-referenced rule filing to July 15, 2002.

Very truly yours,

Philip Shaikun
Assistant General Counsel