

March 31, 2004

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

Re: **File No. SR-NASD-2004-049 – Series 86/87 Examination and Development Fees**

Dear Ms. England:

The National Association of Securities Dealers, Inc. (“NASD”) hereby consents to delaying until April 2, 2004 the implementation date of Section 4(f) of the recent amendments to Schedule A of the NASD By-Laws in the above-referenced rule filing. Section 4(f) of Schedule A authorizes NASD to assess and collect a pass-through development fee, which is to be paid to the New York Stock Exchange (“NYSE”). The delay is based upon our understanding that the NYSE will file a proposed rule change with the Commission for immediate effectiveness on April 2, 2004 to establish and authorize collection of the development fee.

Very truly yours,

Marc Menchel
Executive Vice President
and General Counsel