

August 6, 2003

VIA MESSENGER

Mr. Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Room 6184, Mail Stop 6-9
Washington, D.C. 20549

Re: File No. SR-NASD-2003-109- Amendment No. 1 to Proposed Rule Change to Section 4 of Schedule A to the NASD By-Laws

Dear Mr. Katz:

Please substitute the following for the paragraph entitled "I. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE" in Exhibit 1:

NASD is proposing to amend Section (4)(b) of Schedule A of NASD's By-Laws to: (1) increase the \$10.00 charge for each set of fingerprints submitted by a member to NASD for processing to \$13.00; (2) establish a \$13.00 charge to be paid to NASD for posting to the CRD system each set of fingerprint results and identifying information that have been processed through another self-regulatory organization ("SRO") and submitted by a member to NASD; and (3) substitute the term "fingerprints" for "fingerprint cards."

If you have any questions, please contact me at (202) 728-8844, e-mail Shirley.Weiss@nasd.com. The fax number of the Office of General Counsel is (202) 728-8264.

Very truly yours,

Shirley H. Weiss
Associate General Counsel

cc: Elizabeth C. Badawy
Christopher B. Stone