

October 8, 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-98-76**
Change of Effective date for SR-NASD-98-29-Amendments Relating to
Standards for Individual Correspondence

Dear Ms. England:

Pursuant to Rule 19b-4, enclosed herewith is the above-numbered rule filing. Also enclosed is a 3-1/2" disk containing the rule filing in Microsoft Word 7.0 to facilitate production of the Federal Register.

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,

Alden S. Adkins
Senior Vice President and
General Counsel

Attachment

File No. SR-NASD-98-76
Consists of 8 Pages

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C.

Form 19b-4

Proposed Rule Change

by

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Pursuant to Rule 19b-4 under the
Securities Exchange Act of 1934

1. Text of Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 ("Act"), NASD Regulation, Inc. ("NASD Regulation") is herewith filing a proposed rule change to change the effective date of SR-NASD 98-29, which amended Rule 2210 of the Conduct Rules of the National Association of Securities Dealers, Inc. ("NASD" or "Association") to require that written or electronic communications prepared for a single customer be subject to the general standards and those specific standards of Rule 2210 that prohibit misleading statements.

2. Procedures of the Self-Regulatory Organization

The amendments to Rule 2210 approved by the Securities and Exchange Commission (SEC) in SR-NASD-98-29 were approved by the Board of Directors of NASD Regulation at its meeting on March 19, 1998, and the Board of Governors of the NASD determined not to review the amendments at its meeting on March 19, 1998, which authorized the filing of the rule change to Rule 2210 with the SEC. Determining the effective date of a proposed rule change does not require Board approval. Therefore, no further action by the Association is necessary for the filing of this proposed rule change.

Questions regarding this rule filing may be directed to Robert J. Smith, NASD Regulation, Office of General Counsel, at (202) 728-8176.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) SR-NASD-98-29 and amendments Nos. 1 and 2 thereto, were approved by the SEC on August 26th, 1998. In SR-NASD-98-29, the NASD requested that the amendments be made effective within 45 days of Commission approval. Because the NASD believes that

members may require more time to adjust their procedures to comply with the amendments, the staff determined to change the effective date of the amendments for NASD members. This proposed rule change clarifies that the NASD will make the amendments effective on November 16, 1998. This effective date will be announced in a NASD Notice to Members published in October, 1998.

(b) NASD Regulation believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, which require among other things, that the Association adopt and amend its rules to promote just and equitable principles of fair trade, and generally provide for the protection of investors and the public interest.

4. Self-Regulatory Organization's Statement on Burden on Competition

NASD Regulation does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

5. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The proposed rule change to extend the effective date of SR-NASD-98-29 is effective upon filing pursuant to section 19(b)(3)(A)(i) of the Act and Section (e) of Rule 19b-4 promulgated thereunder, in that it constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule.

6. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

7. Exhibits

1. Completed notice of proposed rule change for publication in the Federal Register.

Pursuant to the requirements of the Securities Exchange Act of 1934, NASD Regulation has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

NASD REGULATION, INC.

BY: _____
Alden S. Adkins,
Senior Vice President and General Counsel

Date: October 8, 1998

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-NASD-98-76)

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by National Association of Securities Dealers, Inc. Relating to Standards for Individual Correspondence

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on , the NASD Regulation, Inc. ("NASD Regulation") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASD Regulation. NASD Regulation has designated the proposed rule change, pursuant to paragraph (e)(1) of Rule 19b-4 under the Act, as constituting a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule, which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

NASD Regulation is proposing to change the effective date for its members of SR-NASD 98-29, which amended Rule 2210 of the Conduct Rules of the National Association of Securities Dealers, Inc. ("NASD" or "Association") to require that written or electronic communications prepared for a single customer be subject to the general standards and those specific standards of Rule 2210 that prohibit misleading statements.

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II. SELF-REGULATORY ORGANIZATION'S STATEMENT OF THE PURPOSE OF, AND STATUTORY BASIS FOR, THE PROPOSED RULE CHANGE

In its filing with the Commission, NASD Regulation included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NASD Regulation has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement Of The Purpose Of, And Statutory Basis For, The Proposed Rule Change

SR-NASD-98-29 and amendments Nos. 1 and 2 thereto, were approved by the SEC on August 26th, 1998. In SR-NASD-98-29, the NASD requested that the amendments be made effective within 45 days of Commission approval. Because the NASD believes that members may require more time to adjust their procedures to comply with the amendments, the staff determined to change the effective date of the amendments for NASD members. This proposed rule change clarifies that the NASD will make the amendments effective on November 16, 1998. This effective date will be announced in a NASD Notice to Members published in October, 1998.

NASD Regulation believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act, which require among other things, that the Association adopt and amend its rules to promote just and equitable principles of fair trade, and generally provide for the protection of investors and the public interest.

(B) Self Regulatory Organization's Statement On Burden On Competition

NASD Regulation does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as

amended.

(C) Self-Regulatory Organization's Statement On Comments On The Proposed Rule Change Received From Members, Participants, Or Others

Written comments were neither solicited nor received.

III. DATE OF EFFECTIVENESS OF THE PROPOSED RULE CHANGE AND TIMING FOR COMMISSION ACTION

The foregoing proposed rule change has become effective upon filing pursuant to Section 19(b)(3)(A)(I) of the Act and rule 19b-4(e)(1) promulgated thereunder because the proposal constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule.

At any time within 60 days of this filing, the Commission may summarily abrogate this proposal if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. SOLICITATION OF COMMENTS

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by [insert date 21

days from the date of publication].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Jonathan G. Katz
Secretary