

Alden S. Adkins
Sr. Vice President and
General Counsel

July 14, 1998

By Hand

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: **File No. SR-NASD-98-48, Amendment No. 1**
Proposed Rule Change to Amend the Method of
Selecting Arbitrators in Customer Disputes

Dear Ms. England:

Pursuant to Rule 19b-4, the National Association of Securities Dealers, Inc. ("NASD") and NASD Regulation, Inc. ("NASD Regulation") (collectively, the "Association") file this letter as Amendment No.1 to SR-NASD-98-48. The Association amends SR-NASD-98-48 by deleting footnote 26 (in both the rule filing and Exhibit 1 to the rule filing), and also renumbering all the footnotes following footnote 26, with old footnote 27 renumbered as footnote 26, and so on, through the end of the rule filing and Exhibit 1 to the rule filing.

If you have any questions, please contact Sharon Zackula, Assistant General Counsel, Office of General Counsel, NASD Regulation, Inc., at (202) 728-8985. The fax number of the Office of General Counsel is (202) 728-8264.

Very truly yours,

Alden S. Adkins
Senior Vice President and
General Counsel