

NATIONAL HOLDINGS CORP  
Form 424B3  
February 09, 2007

Prospectus Supplement No. 3 to  
Prospectus dated November 6, 2006  
Registration No. 333-133732  
Filed pursuant to Rule 424(b)(3)

**NATIONAL HOLDINGS CORPORATION**

**Supplement No. 3 to Prospectus Dated November 6, 2006**

This Prospectus Supplement supplements our Prospectus dated November 6, 2006, as supplemented by Prospectus Supplement No.1 dated December 20, 2006 and Prospectus Supplement No. 2 dated January 4, 2007, relating to the offer and sale from time to time of up to 8,796,518 shares of our common stock for the accounts of the selling stockholders named in the Prospectus. This Supplement amends and supplements certain information contained in the Prospectus. We encourage you to read this Supplement carefully with the Prospectus.

**Proxy Statement**

On January 23, 2007, we filed our definitive Proxy Statement in connection with our annual meeting of stockholders. The Securities and Exchange Commission allows us to “incorporate” into the Prospectus the information we periodically file with the Securities and Exchange Commission. This means that we can disclose important information to you by referring you to those documents. We hereby incorporate by reference into this Supplement and the Prospectus the definitive Proxy Statement for our annual meeting of stockholders to be held March 13, 2007.

**Quarterly Report on Form 10-Q**

On February 9, 2007, we filed our Quarterly Report on Form 10-Q for the quarter ended December 31, 2006. We hereby incorporate by reference into this Supplement and the Prospectus the Quarterly Report on Form 10-Q for the quarter ended December 31, 2006.

Upon written or oral request, we will provide free of charge a copy of the Proxy Statement and/or the Quarterly Report incorporated by reference to each person, including any beneficial owner of our common stock, to whom a copy of the Prospectus is delivered. To request copies of these documents, you should write or telephone us at the following address and telephone number:

National Holdings Corporation  
875 North Michigan Avenue, Suite 1560  
Chicago, IL 60611  
Telephone: (312) 751-8833

In addition, you may access the documents incorporated by reference through the SEC’s website at [www.sec.gov](http://www.sec.gov).

National Holdings Corporation, a Delaware corporation organized in 1996, is a financial services organization operating through its wholly owned subsidiaries, National Securities Corporation, a Washington corporation organized in 1947 (“National Securities”), National Insurance Corporation, a Washington corporation organized in 2006 (“National Insurance”) and National Holdings Mortgage Corporation, a Washington corporation organized in 2006 (“National Mortgage”). National Securities conducts a national securities brokerage business through 41 branch offices located throughout the country, and its main offices in Seattle, Washington and New York, New York and one office

outside the country. National Securities' business includes securities brokerage for individual and institutional clients, market-making trading activities, asset management and corporate finance services. National Insurance will provide fixed insurance products to its clients, including life insurance, disability insurance, long term care insurance and fixed annuities. National Mortgage will operate a mortgage broker business. Both National Insurance and National Mortgage are in the process of completing the requisite state registrations, and have not yet commenced active business operations. On March 15, 2006, the Company changed its name from "Olympic Cascade Financial Corporation" to "National Holdings Corporation."

Our common stock is listed on the OTCBB under the symbol "NHLD.OB." On February 8, 2007, the closing price of our common stock as quoted on the OTCBB was \$1.40 per share.

**Investing in our common stock involves a high degree of risk. You should consider carefully the risk factors listed in the Prospectus and this Supplement before making a decision to purchase our stock.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this Prospectus Supplement is February 9, 2007

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