



March 11, 2003

Margaret H. McFarland, Deputy Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609

Re: Release No. 34-47365; File No. SR-DTC-2003-02

Dear Ms. McFarland,

National Investor Services Corp. ("NISC"), a broker dealer and participant of Depository Trust Company ("DTC") is pleased to provide the Securities and Exchange Commission with comments on DTC's proposal to clarify rules concerning requests for withdrawal of certificates by issuers.

Over the past thirty years, the securities industry has developed many advances in streamlining the settlement process with the creation of a central depository being essential to these advancements. The book-entry system of certificates has allowed for many improvements in the processing, settlement and custodianship of security transactions.

NISC supports DTC's proposed rule change, in which "DTC will only honor requests for withdrawal of certificates submitted by its participants and not by the issuer of the securities."

Allowing issuers to unilaterally withdraw their certificates from DTC, would undermine the ability of brokers to effectively complete transactions in a timely manner. In addition, forced withdrawals would prevent shareholders from participating in services provided by their broker such as, margin, automated dividend payments/reinvestments, prompt processing of corporate actions (i.e., name changes, mergers, tenders, etc), asset management, proxy services, etc.

Firms holding certificates in their name would incur additional transferring and custody costs. Ultimately these costs would be borne by the shareholder through increased fees and commissions.

We strongly urge the Commission to enact this rule change.

Very truly yours,

Michael L. Moran  
First Vice President  
Chief Compliance Officer  
(212) 428-8665