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SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 Form 19b-4

File No. SR - -
 Amendment No.

Proposed Rule Change by **The Depository Trust Company**
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input checked="" type="checkbox"/>	Section 19(b)(3)(A) <input type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		
Extension of Time Period for Commission Action <input type="checkbox"/>		Date Expires <input type="text"/>			

Exhibit 2 Sent As Paper Document Exhibit 13 Sent As Paper Document

Description

Provide a brief description of the proposed rule change (limit 250 characters).

The Depository Trust Company proposes to eliminate the option of obtaining a physical certificate upon Withdrawal by Transfer instructions and instead provide a Direct Registration System statement for security issues that are eligible and participating in the Direct Registration System.

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name Last Name
 Title
 E-mail
 Telephone Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date
 By (Name) (Title)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.



SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change.

(a) The Depository Trust Company (“DTC”) proposes to eliminate the option to obtain a physical certificate from DTC for issues that are Direct Registration System (“DRS”) eligible and participating. Instead, in response to a Withdrawal-by-Transfer (“WT”) instruction, DTC will provide a DRS statement that can be presented to the appropriate DRS agent for conversion to a physical certificate.

(b) Not applicable

(c) Not applicable

2. Procedures of the Self-Regulatory Organization.

The proposed change was approved by the Operations and Planning Committee of the Board on July 8, 2008.

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

(a) Over the last four decades, securities ownership has evolved from a physical certificate to an electronic medium in which a statement of holdings is an accepted standard by investors. DRS was implemented, in support of this industry initiative, in 1996 paralleling the evolution of other investment instruments including: mutual funds; U.S. Treasury and Agency Securities, municipal bonds; and options and futures, among others. DRS permits an investor to hold a security as the registered owner of the security in electronic form on the books of the issuer rather than (1) indirectly through a financial intermediary that holds the security in street name or in an account with a depository or (2) in the form of a certificate. An investor has the right at any time to transfer its DRS position from the issuer to a financial intermediary through the facilities of DTC in order to sell or pledge the security. Additionally, an investor has the right at any time to request a certificate.¹

The primary exception to the dematerialization trend has been equity securities. In 2003, the Securities Industry and Financial Markets Association (“SIFMA”, then the Securities Industry Association) took the lead in lobbying state legislatures, particularly Delaware, to permit issuers the option to eliminate the requirement for physical certificates as the only form of direct securities ownership. Through industry support, significant success was achieved, with all states now allowing for equity ownership in book-entry form.² In 2006, the U.S. Securities and Exchange Commission (“SEC”)

¹ DRS is more fully described in Securities Exchange Act Release No. 34-37931 (November 7, 1996) 61 FR 58600 (November 15, 1996) (File No. SR-DTC-96-15).

² Puerto Rico is now the only jurisdiction requiring equity securities to be certificated.

approved a series of uniform rule changes from the various exchanges mandating all exchange-listed securities to be DRS eligible.³

Today, there are over 7,500 issues eligible for DRS, of which over 375 issues no longer offer investors the option of receiving a physical securities certificate. It is estimated that investors hold approximately forty million⁴ book-entry accounts on the books and records of the issuer or its transfer agent. This migration of investor equity holdings to book-entry ownership has been enabled by educational campaigns, investor behavioral changes, and technical advances. Evidence has been most dramatic in DTC's WT volumes, which have decreased from 27,000 daily transactions in 1980, to approximately 1,200 daily transactions so far in 2008. DRS eligible issues now account for eighty-eight percent (88%) of all WTs submitted.

DTC participants are committed to dematerializing physical certificates. In May, 2008, due primarily to DTC Participants' voluntary change in practice, approximately forty-one percent (41%) of all WTs were processed as a DRS statement, rather than a physical certificate. This trend away from certificate issuance is expected to continue throughout 2008.

As part of DTC's response to an SEC concept release on straight-through processing of securities transactions⁵, DTC committed to a program of steadily increasing its fees for WTs and other withdrawals to create strong disincentives for the use of physical certificates. As a result of this disincentive program, today a typical WT instruction which requests a physical certificate on a DRS issue costs approximately \$125 per transaction contrasted to a WT instruction in which a DRS statement is provided which costs about \$6.

SIFMA has estimated that the annual recurring industry cost to handle physical certificates is over \$250 million. The financial burdens associated with physical certificates include, among other things, costs associated with safekeeping, transfer, shipping, messengers, and insurance costs. Physical certificates also pose inherent risks. According to a 2008 SIFMA survey, on average in the last five years, approximately 1.2 million certificates were reported lost, destroyed or stolen annually, costing approximately \$65 million a year in replacement costs.

On July 8, 2008, the Operations and Planning Committee of DTCC's Board of Directors confirmed its commitment to further reduce the industry's dependency on physical certificates by approving DTC's elimination of physical certificate withdrawals for issues that are DRS eligible and participating. This reaffirms DTC's stated goals of

³ For the American Stock Exchange LLC ("Amex"), New York Stock Exchange LLC, ("NYSE") and The NASDAQ Stock Market LLC ("NASDAQ") rule filings see Securities Exchange Act Release Nos. 54290 (August 8, 2006) 71 FR 47262 (File No. SR-Amex-2006-40), 54289 (August 8, 2006) 71 FR 47278 (File No. SR-NYSE-2006-29), and 54288 (August 8, 2006) 71 FR 47276 (File No. Sr-NASDAQ-2006-008). These filings became fully effective in the first quarter of 2008.

⁴ Based on a SIFMA webinar held on June 24, 2008.

⁵ For more information on the SEC concept release, see Securities Exchange Act Release No. 49405 (March 11, 2004), 69 FR 12922 (March 18, 2004), (File No. S7-13-04).

reducing industry costs and risk, while improving the processing associated with securities processing.

Accordingly, beginning January 1, 2009, DTC is proposing to provide a DRS statement in lieu of a physical certificate for all DRS eligible and participating⁶ issues that request a Withdrawal-by-Transfer. For such DRS eligible and participating issues, DTC will no longer permit participants to request issuance of a certificate on the Withdrawal-by-Transfer instruction. An investor or its custodian will still be able to request a certificate by taking the investor's statement directly to the DRS agent for conversion to a certificate or by using the DTC Deposit and Withdrawal at Custodian ("DWAC") process. DWAC is a method of electronically transferring shares between DTC's broker participants and the transfer agent as custodian.⁷

Furthermore, DTC is proposing to eliminate the option to obtain a physical certificate in response to a WT instruction for DRS eligible and non-participating securities on or after July 1, 2009 ("elimination date"). For the small number of issues that have not converted to DRS eligible and participating by the elimination date, WT instructions requesting a physical certificate will be processed through DTC's DWAC or Rush WT processes.

Additionally, with this filing DTC is proposing to eliminate its Direct Mail by the Depository ("DMD") service for all issues. If approved, in the fourth quarter of 2009, DTC will no longer mail certificates to investors or their third parties and as such will eliminate DMD. Participants will still be able to use the Direct Mail by Agent service, in which Agents currently provide DRS statements or upon request physical certificates to investors or their third parties. Physical certificates can also be obtained through DTC's Central Delivery processes in which DTC mails the physical certificates in bulk to the participant or allows the participant to pick up the certificate.

(b) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and the rules and regulations thereunder, because it modifies a DTC service in order to reduce the inherent risks associated with physical certificates and as such facilitate the prompt and accurate clearance and settlement of securities.

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

DTC does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

⁶ Issues that actively participate in the DRS program by allowing investors to hold their assets in DRS book-entry form on the books of the issuer.

⁷ For more information about the DWAC service, see Securities Exchange Act Release No. 30283 (January 23, 1992) 56 FR 59307 (November 18, 1991) (SR-DTC-91-16) (order granting approval of the DWAC service).

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others.

Written comments relating to the proposed rule change have not been solicited or received.

6. Extension of Time Period for Commission Action.

DTC does not consent to an extension of the time period specified in Section 19(b)(2) of the Act for Commission action.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D).

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Not applicable.

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

The proposed rule change is not based on the rules of another self-regulatory organization or the Commission.

9. Exhibits

- Exhibit 1 - Notice of proposed rule change for publication in the Federal Register.
- Exhibit 2 - n/a
- Exhibit 3 - n/a
- Exhibit 4 - n/a
- Exhibit 5 - n/a

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-DTC-2008-08)

SELF-REGULATORY ORGANIZATIONS

Proposed Rule Change by The Depository Trust Company ("DTC") to eliminate the option to obtain a physical certificate from DTC for issues that are Direct Registration System ("DRS") eligible and participating.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, DTC filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by DTC. 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

As discussed below, this rule change proposes to eliminate physical certificates and instead provide a DRS statement for issues that are DRS eligible and participating.

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

In its filing with the Commission, DTC 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. DTC 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.

(i) Over the last four decades, securities ownership has evolved from a physical certificate to an electronic medium in which a statement of holdings is an accepted standard by investors. DRS was implemented, in support of this industry initiative, in 1996 paralleling the evolution of other investment instruments including: mutual funds; U.S. Treasury and Agency Securities, municipal bonds; and options and futures, among others. DRS permits an investor to hold a security as the registered owner

of the security in electronic form on the books of the issuer rather than (1) indirectly through a financial intermediary that holds the security in street name or in an account with a depository or (2) in the form of a certificate. An investor has the right at any time to transfer its DRS position from the issuer to a financial intermediary through the facilities of DTC in order to sell or pledge the security. Additionally, an investor has the right at any time to request a certificate.¹

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which Agents currently provide DRS statements or upon request physical certificates to investors or their third parties. Physical certificates can also be obtained through DTC's Central Delivery processes in which DTC mails the physical certificates in bulk to the participant or allows the participant to pick up the certificate.

(ii) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and the rules and regulations thereunder, applicable to DTC in that the proposed rule change will promote the prompt and accurate clearance and settlement of securities transactions because it modifies a DTC service in order to reduce the inherent risks associated with physical certificates.

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

DTC does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others.

Written comments relating to the proposed rule change have not yet been solicited or received. DTC will notify the Commission of any written comments received by DTC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

- Electronic comments may be submitted by using the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>), or by sending an e-mail to rule-comment@sec.gov. Please include File No. SR-DTC-2008-08 on the subject line.

- Paper comments should be sent in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington D.C. 20549-1090.

All submissions should refer to File Number SR-DTC-2008-08. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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, 100 F Street, NE, Washington D.C. 20549-9303. Copies of such filing also will be available for inspection and copying at DTC's principal office and on DTC's Web site at www.dtc.org. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to the file number above and should be submitted within _____ days after the date of publication.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Nancy M. Morris