

OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 13

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

File No.* SR - 2014 - * 03

Amendment No. (req. for Amendments *)

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

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant
 to the Securities Exchange Act of 1934

Section 806(e)(1) *

☐

Section 806(e)(2) *

☐

Section 3C(b)(2) *

☐

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document



Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposed rule change by DTC to update its existing Procedures set forth in the Settlement Service Guide and the Reorganization Service Guide as they relate to processing mandatory corporate actions.

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 action.

First Name * Aimee Last Name * Bandler
 Title * Counsel
 E-mail * abandler@dtcc.com
 Telephone * (212) 855-3148 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.

(Title *)

Date 03/26/2014

By Lois J. Radisch

(Name *)

Managing Director and Deputy General Counsel

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.

Persona Not Validated - 1358276726871,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF 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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice 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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Exhibit Sent As Paper Document

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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 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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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 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

Add Remove View

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

Add Remove View

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”) is filing the proposed rule change in order to update its existing Procedures set forth in the Settlement Service Guide and the Reorganization Service Guide (together, the “Guides”) as they relate to processing mandatory corporate actions. The changes to the Guides are attached hereto as Exhibit 5.

(b) Not applicable

(c) Not applicable

2. Procedures of the Self-Regulatory Organization.

DTC’s Board of Directors has not taken, and is not required to take, action on the proposed rule change.

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

(a) DTC processes mandatory corporate actions through its Reorganization, Dividends, Proxy (“RDP”) system. Currently, when processing a mandatory corporate action in which new securities are exchanged for existing securities held at DTC, one day prior to processing allocation of the new securities to Participant Accounts, the RDP system will automatically identify the positions of the existing securities in the Participant’s Account (including the Segregated Account) to allocate the new securities in accordance with the Participant’s holdings of the existing securities on the day preceding the effective date of the corporate action, referred to as “position capture.” However, in certain instances, between the time of position capture and the time of the allocation, a Participant may have adjusted its position between its segregated position and free position,¹ or may have delivered out the securities from its accounts.

To eliminate discrepancies due to these changes between the time of position capture and allocation, DTC is updating its systems to add a second position capture immediately prior to allocation (referred to as “real-time position capture”). This real-time position capture will recognize any adjustments a Participant made between the time of position capture and the time of allocation. This change will mitigate risk associated with mandatory corporate actions processing by self-correcting allocations for changes made between position capture and real-time position capture. The change will also improve efficiency by reducing the number of post-allocation adjustments.

DTC expects to implement these changes by the end of the first quarter of 2014. DTC will announce the implementation date by Important Notice.

¹ The Sub-Accounting Service allows Participants to protect securities on deposit at DTC by moving them from their free position to their segregated position. The securities remain segregated and unavailable for any transactions until the Participant authorizes DTC to release them and return them to their free position.

(b) By adding real time position capture immediately prior to allocation, the proposed rule change streamlines processes associated with corporate action events and mitigates risk associated with such processing; it allows for more prompt and accurate crediting of corporate action securities to the Accounts of Participants. Therefore, DTC believes the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to DTC, in particular Section 17A(b)(3)(F)² of the Act, which requires that DTC's Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.

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. As stated above, the proposed change adds a real-time position capture to facilitate accurate corporate actions processing which will benefit all Participants equally and should have no effect on competition within or without DTC.

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) The proposed rule change is to take effect pursuant to paragraph A of Section 19(b)(3)³ and subparagraph (f)(4) of Securities Exchange Act Rule 19b-4.⁴

By adding real time position capture immediately prior to allocation, the proposed rule change streamlines processes associated with corporate action events and mitigates risk associated with such processing. Therefore, DTC believes the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to DTC, in particular Section 17A(b)(3)(F)⁵ of the Act which requires that DTC's Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.

² 15 U.S.C. 78q-1(b)(3)(F).

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ 15 U.S.C. 78q-1(b)(3)(F).

(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 1A - 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 – Textual Changes to the DTC Procedures.

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-DTC-2014-03)

SELF-REGULATORY ORGANIZATIONS

Proposed Rule Change by The Depository Trust Company (“DTC”) to update existing Procedures as they relate to processing mandatory corporate actions.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on (insert date the filing was submitted) The Depository Trust Company (“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. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii)³ of the Act and Rule 19b-4(f)(4)⁴ thereunder; the proposed rule change was effective upon filing with 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

As discussed below, this rule change will mitigate risk associated with mandatory corporate actions processing by eliminating inaccurate allocations caused by Participants’ adjusting their

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(4).

positions after the position capture. The change will also bring operational efficiencies to DTC by reducing the number of post allocation adjustments.

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.

1. Purpose

DTC processes mandatory corporate actions through its Reorganization, Dividends, Proxy (“RDP”) system. Currently, when processing a mandatory corporate action in which new securities are exchanged for existing securities held at DTC, one day prior to processing allocation of the new securities to Participant Accounts, the RDP system will automatically identify the positions of the existing securities in the Participant’s Account (including the Segregated Account) to allocate the new securities in accordance with the Participant’s holdings of the existing securities on the day preceding the effective date of the corporate action, referred to as “position capture.” However, in certain instances, between its segregated position and free position, a Participant may have adjusted its position between its segregated position and free

position,⁵ or may have delivered out the securities from its accounts.

To eliminate discrepancies due to these changes between the time of position capture and allocation, DTC is updating its systems to add a second position capture immediately prior to allocation (referred to as “real-time position capture”). This real time position capture will recognize any adjustments a Participant made between the time of position capture and the time of allocation. This change will mitigate risk associated with mandatory corporate actions processing by self-correcting allocations for changes made between position capture and real-time position capture. The change will also improve efficiency by reducing the number of post allocation adjustments.

Implementation Timeframe

DTC expects to implement these changes by end of the first quarter of 2014. DTC will announce the implementation date by Important Notice.

2. Statutory Basis

By adding real time position capture immediately prior to allocation, the proposed rule change streamlines processes associated with corporate action events and mitigates risk associated with such processing; it allows for more prompt and accurate crediting of corporate action securities to the Accounts of Participants. Therefore, DTC believes the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder

⁵ The Sub-Accounting Service allows Participants to protect securities on deposit at DTC by moving them from their free position to their segregated position. The securities remain segregated and unavailable for any transactions until the Participant authorizes DTC to release them and return them to their free position.

applicable to DTC, in particular Section 17A(b)(3)(F)⁶ of the Act which requires that DTC's Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.

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. As stated above, the proposed change adds a real-time position capture to facilitate accurate corporate actions processing which will benefit all Participants' equally and should have no effect on competition within or without DTC.

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

The forgoing rule change became effective on (date filed with Commission) pursuant to Section 19(b)(3)(A)⁷ of the Act and paragraph (f)(4)⁸ of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission may temporarily suspend such rule change 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

⁶ 15 U.S.C. 78q-1(b)(3)(F).

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(4).

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-2014-03 on the subject line.
- Paper comments should be sent in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington D.C. 20549-1090.

All submissions should refer to File Number SR-DTC-2014-03. 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 Website (<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.dtcc.com. 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 Trading and Markets, pursuant to delegated authority.

Elizabeth M. Murphy
Secretary

Exhibit 5
DTC Rule Filing 2014-03

Underlined, boldface Text indicates additional language

~~Struck-through, boldface text~~ indicates deleted language

DTC Settlement Service Guide

The Sub-Accounting Service allows you to protect securities on deposit at DTC by moving them from your general free account to your segregated account. The securities remain segregated and unavailable for any transactions until you authorize DTC to release them and return them to your general free account.

On payment day, DTC will automatically allocate cash merger and mandatory puts payments as well as municipal and corporate redemption payments for securities segregated on DTC's books. In addition, DTC will allocate property and rights such as interest payments, dividend distributions and voting rights for segregated securities. Segregation transactions are subject to your collateral monitor control, and do not recycle for positions or insufficient collateral.

These allocations were previously based on a position capture done the prior night. Now, DTC will perform a real time position capture immediately prior to the allocation to account for any adjustments participants made prior to allocation. You should release on or before payment date certain segregated positions for securities being reorganized. If you fail to release these positions, they will be automatically decremented to avoid driving your general free accounts into short (negative) positions when proceeds are allocated. You can avoid this automatic decrease of your segregated positions by releasing the segregated securities on or before the payment date.

DTC Reorganization Service Guide

~~Pledged and Segregated Securities~~

For pledged securities, you will not receive payments (cash or securities) resulting from a reorganization until those securities are released.

Segregated Securities

For segregated securities, **you** will receive payment and your segregated position will be decremented. If your position is split between your free account and Segregated position, both will be decremented with the exception of partial redemptions, in which case your free position will be decremented first and any remaining portion will come from your segregated position. ~~**You should arrange for the release of any pledges prior to an anticipated payment.**~~ **Additionally to account for any position movements between the Segregated and Free accounts on allocation date, DTC will execute an additional real time position capture immediately prior to allocation to recognize any adjustments you may have made prior to allocation.**