

April 3, 2003

Mr. Jonathan G. Katz
Secretary
U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609

Re: File No. SR-DTC-2003-02; Requests for Withdrawal of Certificates by Issuers

Dear Mr. Katz:

Prudential Securities Incorporated welcomes the opportunity to provide comments on the Depository Trust Company's (DTC) proposal to clarify their policy to not honor requests for withdrawal of certificates made by the issuer of securities. DTC will, of course, honor all such requests from participant firms.

Honoring such requests from issuers would clearly be inconsistent with section 17A of the Act which provides rules and regulations to promote the prompt and accurate clearance and settlement of securities transactions. The further addition of physical securities to the system, after years of moving in the opposite direction, would be counter productive to the industry supported stated goal of certificate mobilization; and at the same time, add unnecessary costs and risks to the settlement process.

Our industry fully supports and is currently engaged in a multi-faceted approach to the development of a straight through processing (STP) model which will ultimately lead to a shortened settlement cycle. This process will ultimately reduce risk for the securities industry as well as individual investors. The industry has also wholeheartedly supported programs such as the Direct Registration System (DRS) which has greatly reduced the number of physical certificates in circulation. Initiatives such as these will help to ensure that the industry will be insulated from the inevitable increase in securities transaction volume.

In our view, issuers should not be in a position to determine that shares must be held in physical form. This policy would clearly be at odds with one of the recommendations from the Group of Thirty; namely, to eliminate paper certificates.

In view of the above, Prudential Securities Incorporated strongly supports the proposal as put forth by DTC.

Respectfully,

Frank M. Ciavarella
Cashiers Division