

October 8, 2003

FEDERAL EXPRESS

Jerry W. Carpenter, Esquire
Assistant Director, Securities Processing
Division of Market Regulation
Securities and Exchange Commission
450 fifth Street, NW
Washington, DC 20549

**RE: SR-SCCP-2003-04
Amendment No. 1**

Dear Mr. Carpenter:

Please consider this as a letter amendment to the above referenced rule filing in response to conversation with Lori Bucci, Esquire, of your staff. In this regard, the Stock Clearing Corporation of Philadelphia ("SCCP") wishes to amend the middle sentence of the third paragraph of page six of sixteen of the above referenced filing as follows:

In the event that Margin Members effect trades in securities not eligible for custodial services in DTC's book-entry system, SCCP will ~~continue to~~ utilize the Envelope Settlement Direct Clearing Service to settle these transactions.

Please be advised that I have conferred with Everton McLennon, Vice President of Operations of SCCP regarding this matter. Mr. McLennon has researched this matter and advises that the Direct Clearing Services at NSCC has been changed to the Enterprise Services Center. All physical not eligible DTC securities are processed through the Envelope Settlement Service ("ESS") that controls participant to participant physical delivery of securities.

Thank you for your attention to this matter. Should you have any questions please contact me directly at (215) 496-5214.

Very truly yours,

Murray L. Ross
Vice President and Secretary

MLR/tr

cc: Lori R. Bucci, Esquire
Everton McLennon, Vice President of SCCP Operations